



CHINA MERCHANTS CHINA DIRECT INVESTMENTS LIMITED

招商局中國基金有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 133)



Interim Report

For the six months ended 30 June 2026

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. ZHOU Xing* (*Chairman*)
 Ms. YAO Wang*
 Mr. WANG Xiaoding#
 Ms. KAN Ka Yee, Elizabeth#
 Mr. KE Shifeng*
 Mr. ZOU Chuan *
 Mr. TSANG Wah Kwong**
 Dr. LI Fang**
 Dr. GONG Shaolin**
 Mr. Michael Charles VITERI**
 Mr. ZHU Qi**

Executive Directors

* *Non-executive Directors*

** *Independent Non-executive Directors*

INVESTMENT COMMITTEE

Mr. ZHOU Xing
 Ms. YAO Wang
 Mr. WANG Xiaoding
 Ms. KAN Ka Yee, Elizabeth

AUDIT COMMITTEE

Mr. TSANG Wah Kwong
 Dr. LI Fang
 Mr. ZHU Qi

NOMINATION COMMITTEE

Mr. ZHOU Xing
 Mr. TSANG Wah Kwong
 Dr. LI Fang

REMUNERATION COMMITTEE

Mr. ZHU Qi
 Mr. ZHOU Xing
 Dr. GONG Shaolin

COMPANY SECRETARY

Mr. LEUNG Chong Shun

AUDITOR

KPMG

Registered Public Interest Entity Auditor
 8th Floor, Prince's Building,
 10 Chater Road,
 Central,
 Hong Kong

LEGAL ADVISERS

Herbert Smith Freehills
 Victor Chu & Co
 Woo Kwan Lee & Lo

PRINCIPAL BANKERS

Industrial and Commercial Bank of China
 (Asia) Limited
 China Merchants Bank Co., Ltd.

SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited

Shops 1712-1716,
 17th Floor, Hopewell Centre,
 183 Queen's Road East,
 Wan Chai,
 Hong Kong

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

1609, Three Pacific Place,
 1 Queen's Road East,
 Hong Kong

Stock Code: 00133.HK
 Website: www.cmcdi.com.hk

RESULTS

The Board of Directors of China Merchants China Direct Investments Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2026 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Six months ended 30 June	
		2026	2025
		(unaudited)	(unaudited)
	NOTES	US\$	US\$
Net (loss) gain on financial assets at fair value through profit or loss	4	(112,063,748)	188,753,524
Investment income	5	10,247,021	1,693,182
Other net gains		2,796,062	1,486,274
Administrative expenses		(1,573,547)	(1,094,013)
(Loss) profit before taxation	7	(100,594,212)	190,838,967
Taxation	8	40,821,618	(50,386,281)
(Loss) profit for the period		(59,772,594)	140,452,686
Other comprehensive income for the period			
Item that will not be reclassified subsequently to profit or loss			
Exchange difference arising on translation to presentation currency		20,508,040	1,979,615
Total comprehensive income for the period		(39,264,554)	142,432,301
(Loss) profit for the period attributable to owners of the Company		(59,772,594)	140,452,686
Total comprehensive income for the period attributable to owners of the Company		(39,264,554)	142,432,301
Basic (loss) earnings per share	9	(0.392)	0.922

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 June 2026 (unaudited) US\$	31 December 2025 (audited) US\$
	NOTES		
Non-current asset			
Financial assets at fair value through profit or loss	3	784,785,803	964,198,129
Current assets			
Financial assets at fair value through profit or loss	3	80,085,559	49,688,941
Other receivables and prepayments	10	41,191,686	1,582,153
Cash and cash equivalents		64,111,479	30,194,316
		185,388,724	81,465,410
Current liabilities			
Other payables	11	22,303,263	22,553,003
Dividend payable	12	38,083,253	—
Taxation payable		718,494	718,310
		61,105,010	23,271,313
Net current assets		124,283,714	58,194,097
Total assets less current liabilities		909,069,517	1,022,392,226
Non-current liabilities			
Financial liabilities designated at fair value through profit or loss	16	1,866,924	2,240,924
Deferred taxation	13	149,896,188	185,497,090
		151,763,112	187,738,014
Net assets		757,306,405	834,654,212
Capital and reserves			
Share capital	14	139,348,785	139,348,785
Reserves		84,926,105	64,418,065
Retained profits		533,031,515	630,887,362
Equity attributable to owners of the Company		757,306,405	834,654,212
Net asset value per share	15	4.971	5.479

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital US\$	Translation reserve US\$	General reserve US\$	Retained profits US\$	Equity attributable to owners of the Company US\$
Balance at 1 January 2026 (audited)	<u>139,348,785</u>	<u>49,493,983</u>	<u>14,924,082</u>	<u>630,887,362</u>	<u>834,654,212</u>
Loss for the period	—	—	—	(59,772,594)	(59,772,594)
Exchange difference arising on translation to presentation currency	<u>—</u>	<u>20,508,040</u>	<u>—</u>	<u>—</u>	<u>20,508,040</u>
Total comprehensive income for the period	—	20,508,040	—	(59,772,594)	(39,264,554)
2025 final and special dividends declared	<u>—</u>	<u>—</u>	<u>—</u>	<u>(38,083,253)</u>	<u>(38,083,253)</u>
Balance at 30 June 2026 (unaudited)	<u>139,348,785</u>	<u>70,002,023</u>	<u>14,924,082</u>	<u>533,031,515</u>	<u>757,306,405</u>
Balance at 1 January 2025 (audited)	<u>139,348,785</u>	<u>33,875,578</u>	<u>14,923,405</u>	<u>459,230,137</u>	<u>647,377,905</u>
Profit for the period	—	—	—	140,452,686	140,452,686
Exchange difference arising on translation to presentation currency	<u>—</u>	<u>1,979,615</u>	<u>—</u>	<u>—</u>	<u>1,979,615</u>
Total comprehensive income for the period	—	1,979,615	—	140,452,686	142,432,301
2024 final dividend declared	<u>—</u>	<u>—</u>	<u>—</u>	<u>(6,093,321)</u>	<u>(6,093,321)</u>
Balance at 30 June 2025 (unaudited)	<u>139,348,785</u>	<u>35,855,193</u>	<u>14,923,405</u>	<u>593,589,502</u>	<u>783,716,885</u>

The general reserve represents the general reserve fund, which is 10% of its net profit set aside by each of the subsidiaries incorporated in The People's Republic of China ("PRC") until the balance reaches 50% of its registered capital, in accordance with relevant laws and regulations of the PRC and is not available for distribution.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	US\$	US\$
OPERATING ACTIVITIES		
(Loss) profit before taxation	(100,594,212)	190,838,967
Adjustments for:		
Interest income	(508,396)	(266,516)
Dividend income from equity investments	(9,738,625)	(1,426,666)
Net loss (gain) on financial assets at fair value through profit or loss	112,063,748	(188,753,524)
Operating cash flows before movements in working capital	1,222,515	392,261
Proceeds from disposal of financial assets at fair value through profit or loss	23,292,581	5,904,923
Purchases of financial assets at fair value through profit or loss	—	(4,185,969)
(Increase)/decrease in other receivables and prepayments	(1,170,739)	8,989
Decrease in other payables	(249,740)	(838,391)
Decrease in financial liabilities designated at fair value through profit or loss	(98,217)	(195,308)
Cash generated from operations	22,996,400	1,086,505
Interest received	471,060	244,483
Dividends received	9,738,625	1,426,666
Income taxes paid	(373)	(7,121,515)
NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	33,205,712	(4,363,861)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	33,205,712	(4,363,861)
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY	30,194,316	30,946,711
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	711,451	26,365
CASH AND CASH EQUIVALENTS AS AT 30 JUNE	64,111,479	26,609,215

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The financial information relating to the year ended 31 December 2025 that is included in these condensed consolidated financial statements as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements is stated below.

The Company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The accounting policy information and methods of computation 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 consolidated financial statements for the year ended 31 December 2025.

In the current interim period, the Group has applied the following amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on 1 January 2026 and relevant for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 9 and HKFRS 7	Amendments to the classification and measurement of financial instruments
Amendments to HKFRS	Annual improvements to HKFRS Accounting Standards – Volume 11

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Amendments to HKAS 9 and HKFRS 7 Amendments to the classification and measurement of financial instruments

The amendments cover three main aspects:

- The amendments clarify when a financial asset or a financial liability is recognised and derecognised. They also introduce an optional exception that permits an entity to derecognise a financial liability before the settlement date when the financial liability is settled in cash using an electronic payment system, provided that specific criteria are met.
- For the assessment of whether a financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, the amendments clarify the assessment of interest and introduce an additional test for the financial assets with contingent features, for example environmental, social or governance ("ESG")-linked features. The amendments also clarify the difference between financial assets with non-recourse features and contractually linked instruments which may then change the applicable assessments.
- The amendments introduce new disclosures for disposals of investments in equity instruments designated at fair value through other comprehensive income, and for financial instruments not measured at fair value through profit or loss which contain contractual terms that could change the amount of contractual cash flows based on the occurrence or non-occurrence of a contingent event that does not relate directly to changes in basic lending risks and costs.

Upon adoption of the amendments, the Group has elected to apply the exception for the derecognition of certain trade payables settled in cash using qualifying electronic payment systems. Under the exception, these trade payables are derecognised when the Group initiates a payment instruction through a qualifying electronic payment system and, as a result, no longer has the practical ability to withdraw, stop, or cancel the payment instruction and to access the cash to be used for settlement, and the settlement risk associated with the payment system is insignificant. The Group has applied this election consistently to all settlements made through the same qualifying electronic payment system.

The Group has applied the amendments retrospectively. As permitted by the transition requirements, the Group has not restated prior periods. The application of the exception does not have a material impact on the Group's consolidated financial statements for the periods presented.

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

3. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Financial risk factors

The Group's activities expose it to a variety of financial risks. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The unaudited condensed consolidated financial statements do not include all financial risk management information and disclosures required for the annual consolidated financial statements, and should be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2025.

There has been no change in the risk management policies during the current interim period.

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

Most of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

3. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

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

	30 June 2026 (unaudited) US\$	31 December 2025 (audited) US\$	Fair value hierarchy	Valuation techniques	Significant unobservable input(s)	30 June 2026 (unaudited) Range	31 December 2025 (audited) Range	Relationship of unobservable inputs to fair value	30 June 2026 (unaudited) Increase(+) / decrease (-) in fair value of assets if 10% increase/ decrease of the unobservable inputs (Note 2) US\$	31 December 2025 (audited) Increase(+) / decrease (-) in fair value of assets if 10% increase/ decrease of the unobservable inputs (Note 2) US\$
Financial assets										
Financial assets at fair value through profit or loss ("FVTPL")										
Listed equity securities (Note 1)	491,591,889	444,877,624	Level 1	Quoted bid prices in active market	N/A	N/A	N/A	N/A	N/A	N/A
Listed equity securities within look-up period (Note 1)	—	186,990,244	Level 2	Quoted bid prices in active market and adjusted for lack of marketability	- Discount rate for lack of marketability	N/A	4.4%	The higher the discount rate, the lower the fair value	N/A	-958,000 / +958,000
Equity securities (including equity securities traded on the National Equities Exchange and Quotations ("New Third Board") and unlisted equity securities), unlisted preferred equity and participating preferred unit (Note 1)	255,420,292	305,030,693	Level 3	Market comparable companies	- Earnings multiples - Revenue multiples - Book value multiples - R&D expense multiples - AUM multiples - Discount rate for lack of marketability and specific risk	13.7x 2.0x - 53.0x 1.2x - 5.4x 18.7x 0.004x	20.7x 2.1x - 29.2x 0.9x - 6.2x 20.2x 0.01x 46.5%	The higher the multiples, the higher the fair value The higher the discount rate, the lower the fair value	+9,643,000 / -9,643,000 -10,313,000 / +10,313,000	+18,635,000 / -18,635,000 -3,296,000 / +3,296,000
Unlisted equity (Note 1)	38,516,911	39,524,528	Level 3	Net asset value	- Net asset value of the underlying investments	N/A	N/A	The higher the net asset value, the higher the fair value	+3,852,000 / -3,852,000	+3,952,000 / -3,952,000
Unlisted equity securities and unlisted preferred equity (Note 1)	79,342,270	37,463,981	Level 3	Recent transaction price with discount/ premium	- Discount/premium for events/charges after transaction price	0%	0%	The higher the discount/ premium, the lower/higher the fair value	+7,934,000 / -7,934,000	+3,746,000 / -3,746,000
Closing balance	864,871,362	1,013,867,070								

3. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

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

Note 1: Financial assets at FVTPL represent those investments measured at fair value with subsequent fair value gains or losses to be recognised in profit or loss.

Note 2: Amount represents increase(+)/decrease(-) in fair value of the financial assets if the unobservable inputs were 10% increase/decrease while all the other variables were held constant.

Note 3: The analysis of financial liabilities is set out in note 16.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values at both period or year end.

Reconciliation of Level 3 fair value measurements of financial assets:

	Financial assets at FVTPL US\$
Balance at 1 January 2026 (audited)	382,019,202
Gains recognised in profit or loss	9,633,838
Exchange difference arising on translation to presentation currency	8,244,063
Disposals	(26,617,630)
Balance at 30 June 2026 (unaudited)	373,279,473
Balance at 1 January 2025 (audited)	352,859,832
Gains recognised in profit or loss	133,770,497
Exchange difference arising on translation to presentation currency	869,965
Purchases	4,185,969
Disposals	(394,782)
Transfer from Level 3 to Level 2	(131,181,382)
Balance at 30 June 2025 (unaudited)	360,110,099

3. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

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

Reconciliation of Level 3 fair value measurements of financial assets: (continued)

Of the total gains for the period included in profit or loss, gain of US\$9,633,838 (six months ended 30 June 2025: US\$133,770,497) relates to financial assets at FVTPL categorised in Level 3 held at the end of the reporting period. Fair value gains or losses on financial assets at FVTPL are included in "Net (loss) gain on financial assets at fair value through profit or loss". Transfers between levels of the fair value measurement hierarchy are recognised as of the date of the event or change in circumstances that caused the transfer.

Reconciliation of Level 3 fair value measurements of financial liabilities:

	Financial liabilities designated at FVTPL US\$
Balance at 1 January 2026 (audited)	668,561
Change in fair value	190,888
Balance at 30 June 2026 (unaudited)	859,449
Balance at 1 January 2025 (audited)	702,320
Redemptions	(15,859)
Change in fair value	117,304
Transfer from Level 3 to Level 2	(221,412)
Balance at 30 June 2025 (unaudited)	582,353

3. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

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

Fair value measurements and valuation processes

A guideline on the fair value measurements has been applied to the regular assessment of fair value of an asset. Fair value of listed investments, except those listed on the New Third Board, is determined based on the quoted market bid prices available on the relevant stock exchanges. Fair value of listed investments within lock-up period is assessed based on the quoted market bid prices available on the relevant stock exchanges and adjusted for lack of marketability. Fair value of certain unlisted investments is arrived at by reference to their recent transaction prices. For unlisted investments and investments listed on the New Third Board with no recent transactions noted, their fair values are arrived at on the basis of valuations carried out by an independent valuer on a half-yearly basis. Determination of fair value is based on the best information available in the circumstances and includes appropriate risk adjustments for lack of marketability. Factors considered in determining the fair value of these investments include multiples of comparable companies listed on stock exchanges and discount rates based on market information. The valuation report prepared by the independent valuer is reported to and reviewed by the management on a half-yearly basis.

4. NET (LOSS) GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The following is an analysis of net (loss) gain on investments of the Group for the six months ended 30 June 2026. The amounts of realised (loss) gain represent the difference between the fair value at the beginning of the period or purchase date in the period and the disposal date of financial instruments while the amounts of unrealised (loss) gain represent the change of fair value during the period of financial instruments held by the Group as at the period end:

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	US\$	US\$
Net (loss) gain on financial assets at FVTPL		
Listed investments		
Realised	(161,236)	1,070,678
Unrealised	(133,771,445)	150,049,516
Unlisted investments		
Realised	12,059,612	6,170
Unrealised	9,809,321	37,627,160
Total	<u>(112,063,748)</u>	<u>188,753,524</u>

5. INVESTMENT INCOME

Investment income represents the income received and receivable on investments during the period as follows:

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	US\$	US\$
Interest income on bank deposits	508,396	266,516
Dividend income on financial assets at FVTPL	9,738,625	1,426,666
Total	10,247,021	1,693,182

6. SEGMENTAL INFORMATION

The Group's reportable segments, based on information reported to the chief operating decision maker for the purposes of resources allocation and performance assessment, are as follows:

- (a) Financial services: investees engaged in financial services activities;
- (b) Culture, media and consumption: investees engaged in culture, media and consumption activities; and
- (c) Information technology: investees engaged in information technology activities.

The Group also invested in manufacturing, energy and resources and medical activities (2025: manufacturing, energy and resources and medical activities), and none of these segments met the quantitative thresholds for the reportable segments in both current and prior periods. Accordingly, these were grouped in "Others" during the current period.

Information regarding the above segments is reported below.

6. SEGMENTAL INFORMATION (CONTINUED)

The following is an analysis of the Group's reportable and operating segments for the period under review.

For the six months ended 30 June 2026

	Reportable segments				Others US\$	Total US\$
	Financial services US\$	Culture, media and consumption US\$	Information technology US\$	Total reportable segments US\$		
Net (loss) gain on financial assets at FVTPL	(59,223,729)	(11,504,268)	(37,441,258)	(108,169,255)	(3,894,493)	(112,063,748)
Dividend income on financial assets at FVTPL	8,109,063	1,629,562	—	9,738,625	—	9,738,625
Other gains	—	1,707,640	—	1,707,640	—	1,707,640
Segment loss	<u>(51,114,666)</u>	<u>(8,167,066)</u>	<u>(37,441,258)</u>	<u>(96,722,990)</u>	<u>(3,894,493)</u>	<u>(100,617,483)</u>
Unallocated:						
– Administrative expenses						(1,573,547)
– Interest income on bank deposits						508,396
– Other gains						<u>1,088,422</u>
Loss before taxation						<u>(100,594,212)</u>

6. SEGMENTAL INFORMATION (CONTINUED)

For the six months ended 30 June 2025

	Reportable segments				Others US\$	Total US\$
	Financial services US\$	Culture, media and consumption US\$	Information technology US\$	Total reportable segments US\$		
Net gain (loss) on financial assets at FVTPL	78,694,748	(2,126,400)	112,003,648	188,571,996	181,528	188,753,524
Dividend income on financial assets at FVTPL	—	1,426,666	—	1,426,666	—	1,426,666
Other gains	—	1,587,021	—	1,587,021	—	1,587,021
Segment profit	<u>78,694,748</u>	<u>887,287</u>	<u>112,003,648</u>	<u>191,585,683</u>	<u>181,528</u>	191,767,211
Unallocated:						
– Administrative expenses						(1,094,013)
– Interest income on bank deposits						266,516
– Other losses						(100,747)
Profit before taxation						<u>190,838,967</u>

Segment (loss) profit represents the net (loss) gain on financial assets at FVTPL, the corresponding dividend income and other gains earned by each segment without allocation of central administrative expenses (including fees to China Merchants China Investment Management Limited (the “**Investment Manager**”)), interest income on bank deposits and certain other gains (losses). This is the measure reported to the chief operating decision maker for the purposes of resources allocation and performance assessment. No separate segment revenue (i.e. investment income) is disclosed as it had been presented in the computation of segment (loss) profit.

6. SEGMENTAL INFORMATION (CONTINUED)

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

	30 June 2026 (unaudited) US\$	31 December 2025 (audited) US\$
Segment assets		
Financial services	463,589,433	546,423,904
Culture, media and consumption	29,714,572	41,150,658
Information technology	358,291,081	409,359,403
Total assets for reportable segments	851,595,086	996,933,965
Others	13,276,276	16,953,105
Unallocated	105,303,165	31,776,469
Consolidated assets	970,174,527	1,045,663,539
Segment liabilities		
Financial services	75,218	52,549
Culture, media and consumption	13,387	13,542
Information technology	1,723,057	2,093,380
Total liabilities for reportable segments	1,811,662	2,159,471
Others	55,262	81,453
Unallocated	211,001,198	208,768,403
Consolidated liabilities	212,868,122	211,009,327

For the purposes of monitoring segment performance and allocating resources between segments, all assets are allocated to reportable segments other than assets of non-reportable segments, certain other receivables and prepayments, cash and cash equivalents; and all liabilities are allocated to reportable segments other than liabilities of non-reportable segments, certain other payables, dividend payable, current and deferred tax liabilities.

During the period, the Group was principally involved in investing in companies with significant business involvement in the PRC, and hence no geographical information in relation to the investing activities is presented.

7. (LOSS) PROFIT BEFORE TAXATION

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	US\$	US\$
(Loss) profit before taxation has been arrived at after charging (crediting):		
Investment Manager's management fee (note 17 (a))	899,519	637,680
Investment Manager's performance fee (note 17 (b))	127,567	—
Net foreign exchange (gain) loss	(1,088,422)	100,747

8. TAXATION

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	US\$	US\$
The tax credit (charge) for the period comprises:		
Current tax:		
PRC Enterprise Income Tax	1,115	(286,653)
Deferred taxation (note 13)		
Current period	40,820,503	(50,099,628)
Total	40,821,618	(50,386,281)

No provision for taxation in Hong Kong has been made as the Company and its subsidiaries do not have assessable profits for both periods. PRC Enterprise Income Tax in the PRC is calculated at the rates prevailing in the relevant regions.

Under the Law of the PRC on Enterprise Income Tax, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has been provided for in the condensed consolidated financial statements in respect of temporary differences attributable to retained profits of the PRC subsidiaries.

9. BASIC (LOSS) EARNINGS PER SHARE

The calculation of the basic (loss) earnings per share is based on the following data:

	Six months ended 30 June	
	2026	2025
	(unaudited)	<i>(unaudited)</i>
(Loss) profit for the purpose of basic (loss) earnings per share (US\$)	<u>(59,772,594)</u>	<u>140,452,686</u>
Number of ordinary shares for the purpose of basic (loss) earnings per share	<u>152,333,013</u>	<u>152,333,013</u>
Basic (loss) earnings per share (US\$)	<u>(0.392)</u>	<u>0.922</u>

No diluted (loss) earnings per share for both periods were presented as there were no potential ordinary shares outstanding at the both period ends.

10. OTHER RECEIVABLES AND PREPAYMENTS

	30 June	31 December
	2026	2025
	(unaudited)	<i>(audited)</i>
	US\$	<i>US\$</i>
Consideration receivable on disposal of investment	39,856,119	—
Interest receivable	87,907	50,571
Other receivables and prepayments	<u>1,247,660</u>	<u>1,531,582</u>
Total	<u>41,191,686</u>	<u>1,582,153</u>

11. OTHER PAYABLES

	30 June 2026 (unaudited) US\$	31 December 2025 (audited) US\$
Management fee payable	2,833,766	2,833,766
Performance fee payable	127,567	—
Other payables	19,341,930	19,719,237
Total	22,303,263	22,553,003

12. DIVIDEND PAYABLE

The Directors have resolved to declare an interim dividend of US\$0.05 per share (six months ended 30 June 2025: US\$0.04 per share) and a special interim dividend of US\$0.07 per share (six months ended 30 June 2025: US\$0.04 per share), totaling US\$0.12 per share (six months ended 30 June 2025: US\$0.08 per share), for the six months ended 30 June 2026. The interim and special interim dividends will be paid in cash on 6 November 2026 to shareholders whose names appear on the register of members of the Company on 24 September 2026. Total dividends for the six months ended 30 June 2026 amount to US\$18,279,962 (six months ended 30 June 2025: US\$12,186,641). The interim and special interim dividends have not been recognised as a liability at the end of the reporting period.

A dividend payment of US\$38,083,253 (2024: US\$6,093,321), being a final dividend of US\$0.05 per share (2024: US\$0.04 per share) and a special dividend of US\$0.20 per share (2024: Nil), totaling US\$0.25 per share (2024: US\$0.04 per share), for the year ended 31 December 2025 was approved by the shareholders on 28 May 2026 and was subsequently paid by the Company in cash on 24 July 2026.

13. DEFERRED TAXATION

The following is the deferred tax liability recognised by the Group and movements thereon during the current and prior periods:

	Unrealised capital gains for investments (Note) US\$	Undistributed earnings of PRC subsidiaries US\$	Total US\$
Balance at 1 January 2025 (audited)	107,339,855	17,109,778	124,449,633
Charged to profit or loss for the period	43,494,256	6,605,372	50,099,628
Exchange differences	431,452	51,567	483,019
Balance at 30 June 2025 (unaudited)	151,265,563	23,766,717	175,032,280
Charged to profit or loss for the period	6,417,264	889,175	7,306,439
Exchange differences	2,821,434	336,937	3,158,371
Balance at 31 December 2025 (audited)	160,504,261	24,992,829	185,497,090
Credited to profit or loss for the period	(36,440,707)	(4,379,796)	(40,820,503)
Exchange differences	4,457,822	761,779	5,219,601
Balance at 30 June 2026 (unaudited)	128,521,376	21,374,812	149,896,188

Note: Deferred taxation has been provided for in the condensed consolidated financial statements in respect of the unrealised capital gains for investments based on the tax rate of capital gain tax in the PRC or local income tax rate in Hong Kong or the PRC, whichever is applicable.

At the end of the reporting period, the Group has unused tax losses of US\$28.59 million (31 December 2025: US\$32.28 million) available for offsetting against future profits. Included in unrecognised tax losses are losses of US\$1.37 million (31 December 2025: US\$1.99 million) that will expire in 2028, losses of US\$0.32 million (31 December 2025: US\$0.32 million) that will expire in 2029 and no loss (31 December 2025: US\$2.61 million) that will expire in 2030. Other losses may be carried forward indefinitely.

No deferred tax asset has been recognised in relation to tax losses due to the unpredictability of future relevant taxable profit against which the tax losses can be utilised and deductible temporary difference is nil (31 December 2025: Nil).

14. SHARE CAPITAL OF THE COMPANY

	Number of shares	US\$
Issued and fully paid:		
At 31 December 2025, 1 January and 30 June 2026		
– Ordinary shares with no par value	152,333,013	139,348,785

15. NET ASSET VALUE PER SHARE

The calculation of the net asset value per share is based on the following data:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Net asset value (US\$)	757,306,405	834,654,212
Number of ordinary shares in issue	152,333,013	152,333,013
Net asset value per share (US\$)	4.971	5.479

16. FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

The financial liabilities designated at FVTPL as at 30 June 2026 were related to the sub-participation agreements (the “**Sub-participation Agreements**”) entered into between the Company and the participants in respect of certain of the Group’s investments which are classified as financial assets at FVTPL categorised in Level 1 or Level 3. The classification and fair value of the Sub-participation Agreements are associated directly with these underlying investments and their valuation details are set out in note 3. As at 30 June 2026 and 31 December 2025, the financial liabilities designated at FVTPL are classified as non-current liabilities and presented in the condensed consolidated statement of financial position.

Details of the Sub-participation Agreements are disclosed in the section of Investment Manager’s Discussion and Analysis and under the heading of Sub-participation Scheme.

17. RELATED PARTY TRANSACTIONS

The Company appointed the Investment Manager for managing both listed and unlisted investments. Certain Directors of the Company were also Directors and/or shareholders of the Investment Manager.

During the six months ended 30 June 2026, the Group has incurred the following related party transactions:

- (a) Management fee of US\$899,519 (six months ended 30 June 2025: US\$637,680) was paid or accrued to the Investment Manager. The fee was a fixed amount as agreed under the new investment management agreement for the period from 1 January 2026 to 30 June 2026 dated 22 December 2025 and has been amortised over the agreed management period (Note).
- (b) A performance fee of US\$127,567 (six months ended 30 June 2025: Nil) has been provided for the period ended 30 June 2026 and is payable to the Investment Manager. The fee was determined based on the new investment management agreement dated 22 December 2025 (Note).
- (c) The amount due to the Investment Manager included in other payables in the condensed consolidated statement of financial position as at 30 June 2026 was US\$2,988,957 (31 December 2025: US\$2,896,050). The amount due to the Investment Manager is unsecured, interest free and is repayable on demand.
- (d) Securities brokerage commission fee and portfolio fee, totaling US\$2,760 (six months ended 30 June 2025: US\$5,565), were paid to a subsidiary of a substantial shareholder of the Company who has significant influence over the Company.
- (e) Pursuant to the Sub-participation Agreements, as at 30 June 2026, the financial liability of the Group with Mr. WANG Xiaoding, a Director of both the Company and the Investment Manager, was US\$312,986 (31 December 2025: US\$384,663). The financial liability of the Group with Mr. ZHOU Xing, a Director of the Company, was US\$19,075 (31 December 2025: US\$16,071). Moreover, the financial liabilities of the Group with Mr. YANG Baiqian and Mr. KANG Dong, who are Directors of the Investment Manager, were US\$37,346 and US\$15,397, respectively (31 December 2025: US\$24,627 and US\$9,544, respectively).

Note: These related party transactions also constituted continuing connected transactions and have been disclosed in accordance with Chapter 14A of the Listing Rules.

18. COMPENSATION TO KEY MANAGEMENT PERSONNEL

Other than management fees paid or accrued to the Investment Manager, there was no compensation to key management personnel for both interim periods.

19. EVENTS AFTER REPORTING PERIOD

- (a) Subsequent to the reporting period, the Group has disposed of 1,080,466 shares in Arashi Vision Inc. for net proceeds of US\$22.10 million.
- (b) Details of other significant event occurring after the reporting period are presented under "EVENTS AFTER THE REPORTING PERIOD" in the Investment Manager's Discussion and Analysis section of the Interim Report.

REVIEW REPORT TO THE BOARD OF DIRECTORS OF CHINA MERCHANTS CHINA DIRECT INVESTMENTS LIMITED

(Incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 2 to 22 which comprises the condensed consolidated statement of financial position of China Merchants China Direct Investments Limited (the “Company”) and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim financial reporting* as issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial report in accordance with Hong Kong Accounting Standard 34.

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

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2026 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 *Interim financial reporting*.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

27 August 2026

INVESTMENT MANAGER'S DISCUSSION AND ANALYSIS

OVERALL PERFORMANCE

China Merchants China Direct Investments Limited and its subsidiaries (the "**Fund**") recorded a loss attributable to equity shareholders of US\$59.77 million for the six months ended 30 June 2026, compared to a profit attributable to equity shareholders of US\$140.45 million for the same period last year. The reversal was mainly due to a decline in the overall value of the financial assets at fair value through profit or loss (the "**Financial Assets**"). As of 30 June 2026, the net assets of the Fund (net of the final dividend and special dividend of US\$38.08 million for 2025, paid in July 2026) were US\$757.31 million (31 December 2025: US\$834.65 million), with a net asset value per share of US\$4.971 (31 December 2025: US\$5.479).

The net loss on the Financial Assets for the period was US\$112.06 million, compared to a net gain of US\$188.75 million for the same period last year. Looking deeper, the listed investments recorded a net loss of US\$133.93 million, while the unlisted investments recorded a net gain of US\$21.87 million.

Total investment income for the period increased by 506.51% to US\$10.25 million (six months ended 30 June 2025: US\$1.69 million) as compared to the same period last year, due mainly to an increase in dividend income from investments.

ACQUISITIONS AND EXITS OF INVESTMENTS

In the first half of 2026, the Fund continued to seek out and rigorously evaluate investment opportunities, though no new investment agreements were signed.

On 8 January 2026, the Fund signed an agreement to transfer its 4.98% equity interest in JIC Leasing Co., Ltd. ("**JIC Leasing**") to an independent third party, completing the transfer of equity interest in May 2026 for a consideration of RMB271.85 million (equivalent to US\$38.68 million). The Fund's pre-tax internal rate of return from this investment was approximately 1.20%.

LIQUIDITY, FINANCIAL RESOURCES, GEARING AND COMMITMENTS

The Fund's cash and cash equivalents increased by 112.36%, from US\$30.19 million at the end of last year to US\$64.11 million (representing 6.61% of the Fund's total assets) as of 30 June 2026, due mainly to the proceeds from the partial disposals of A shares of Arashi Vision Inc. and American Depositary Shares of Pony AI Inc. by the Fund during the period.

As of 30 June 2026, the Fund had no outstanding bank loans (31 December 2025: Nil).

As of 30 June 2026, the Fund had no commitments (31 December 2025: Nil).

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

Most of the Fund's investments are located in China where the official currency is the Renminbi ("**RMB**"). The conversion rate of RMB against the US dollar recorded an increase of 2.96% in the first half of 2026, which had a favourable impact on the Fund since it holds a considerable amount of assets denominated in RMB. The Fund currently does not have any foreign currency hedging policy. However, the Fund continues to monitor foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

EMPLOYEES

As of 30 June 2026, other than a qualified accountant whose remuneration package was determined and borne by China Merchants China Investment Management Limited (the "**Investment Manager**"), the Fund had no employees. The Investment Manager handled the portfolio and day-to-day administration of the Fund.

EVENTS AFTER THE REPORTING PERIOD

For event relating to the operation of the Fund after the reporting period, please refer to IMPORTANT EVENTS AFTER THE END OF THE FINANCIAL PERIOD.

For event relating to the investment project of the Fund after the reporting period, please refer to the note 19 to the condensed consolidated financial statements.

THE PORTFOLIO

As of 30 June 2026, the Fund's total investments amounted to US\$864.87 million. The sector distribution of investments was US\$463.59 million in financial services (representing 47.79% of the Fund's total assets), US\$29.71 million in culture, media and consumption (3.06%), US\$358.29 million in information technology (36.92%), and US\$13.28 million in other ventures (including manufacturing, energy and resources, and medical, etc.) (1.37%). In addition, cash and cash equivalents were US\$64.11 million, representing 6.61% of the Fund's total assets as of 30 June 2026.

REVIEW OF INVESTMENTS

The following table shows the major investment projects held by the Fund as at 30 June 2026:

Name of projects	Location of headquarters	Main business	Listed (Stock Exchange)/ unlisted	Carrying value <i>US\$ million</i>	Percentage of total assets %	Percentage of net assets %
Financial Services:						
*1. China Merchants Bank Co., Ltd.	Shenzhen, Guangdong	Banking	Shanghai Stock Exchange	288	29.61	37.93
*2. China Credit Trust Co., Ltd.	Beijing	Trust management	Unlisted	175	18.06	23.13
3. China Media (Tianjin) Investment Management Co., Ltd.	Tianjin	Fund management	Unlisted	1	0.12	0.15
Sub-total:				464	47.79	61.21
Culture, Media & Consumption:						
4. China Media Creative Industry Private Equity (Shanghai) Centre (Limited Partnership)	Shanghai	Media investment	Unlisted	2	0.23	0.30
*5. NBA China, L.P.	Beijing	Sports marketing	Unlisted	28	2.83	3.63
Sub-total:				30	3.06	3.93

Name of projects	Location of headquarters	Main business	Listed (Stock Exchange)/unlisted	Carrying value US\$ million	Percentage of total assets %	Percentage of net assets %
Information Technology:						
6. Xi'an Jinpower Electrical Co., Ltd.	Xi'an, Shaanxi	Power grid monitoring system	Unlisted	1	0.07	0.09
*7. Anhui Iflytek Information Technology LLP	Hefei, Anhui	Information technology investment	Unlisted	20	2.01	2.58
*8. iFLYTEK Co., Ltd.	Hefei, Anhui	Intelligent speech technology	Shenzhen Stock Exchange	40	4.20	5.38
9. Ningbo Meishan Free Trade Port Area Jiangmen Venture Capital LLP	Beijing	Information technology investment	Unlisted	5	0.55	0.70
10. Pony AI Inc.	Guangzhou, Guangdong	Autonomous driving	NASDAQ	4	0.36	0.47
*11. Arashi Vision Inc.	Shenzhen, Guangdong	360-degree video products	Shanghai Stock Exchange	114	11.75	15.05
*12. Xunfei Healthcare Technology Co., Ltd.	Hefei, Anhui	Artificial intelligence medical	Hong Kong Stock Exchange	46	4.75	6.09
*13. China UnionPay Co., Ltd.	Shanghai	Financial payment	Unlisted	23	2.41	3.09
14. CASREVIEW III-RMB L.P.	Beijing	Technology & medical investment	Unlisted	9	0.96	1.23
*15. Flexiv Ltd.	Shanghai	Adaptive robots	Unlisted	15	1.59	2.03
16. Beijing Huashun Xin'an Technology Co., Ltd.	Beijing	Cyber security	Unlisted	2	0.17	0.22
17. Xinyi Information Technology (Shanghai) Co., Ltd.	Shanghai	System on a chip for Internet of Things	Unlisted	8	0.79	1.01
18. Rizhao Azuri Technologies Co., Ltd.	Rizhao, Shandong	Direct modulated lasers	Unlisted	4	0.44	0.57
19. Beijing Hanwei Innovation Technology Co., Ltd.	Beijing	Ultra-wideband chip	Unlisted	5	0.51	0.65
*20. Moonshot AI Ltd.	Beijing	Large multimodal model	Unlisted	55	5.66	7.25
21. Hue Inc.	Shanghai	MicroLED technology	Unlisted	7	0.70	0.90
Sub-total:				358	36.92	47.31
Others:						
(i) Manufacturing:						
22. Hwagain Group Co., Ltd.	Nanning, Guangxi	Printing paper & tissue paper	Unlisted	1	0.13	0.17
(ii) Energy & Resources:						
23. Wuhan Rixin Technology Co., Ltd.	Wuhan, Hubei	Solar energy	New Third Board ^{Note}	1	0.09	0.11
(iii) Medical:						
24. Nanning Huiyou Xingyao Equity Investment Fund L.P.	Nanning, Guangxi	Biopharmaceutical investment	Unlisted	1	0.10	0.13
25. Immvira Bioscience Inc.	Shenzhen, Guangdong	Biotech research & development	Unlisted	8	0.82	1.05
26. Neuracle Technology (Shanghai) Co., Ltd.	Shanghai	Brain-computer interface technology	Unlisted	2	0.23	0.29
Sub-total:				13	1.37	1.75
Total:				865	89.14	114.20

* Ten largest investments of the Fund as of 30 June 2026

Note: New Third Board means National Equities Exchange and Quotations

China Merchants Bank Co., Ltd. (“CMB”) is China’s first joint-stock commercial bank, with its headquarters in Shenzhen, Guangdong and with its shares listed on the Shanghai Stock Exchange since 2002 and on the Hong Kong Stock Exchange since 2006. As of 30 June 2026, the Fund held 55.20 million A shares of CMB, accounting for 0.219% of the total issued share capital of CMB, with a corresponding investment cost of RMB154.61 million (equivalent to US\$19.79 million). In January 2026, the Fund received an interim cash dividend of RMB55.91 million from CMB for 2025.

On 29 April 2026, CMB announced that its unaudited net profit for the first quarter of 2026 was RMB37.8 billion, up 1.52% year-over-year.

In April 2026, Asian Private Banker held the “China Wealth Awards” ceremony in Shanghai, where CMB won three awards in the “China Best Private Bank” category, namely “Joint-Stock Bank”, “Investment Research & Advisory” and “Digital Innovation”.

In July 2026, “The Banker” of the UK announced the list of the “Top 1,000 World Banks 2026” in which CMB ranked 9th, two positions above last year, and was the only joint-stock bank among the top 10. In the comprehensive performance assessment for Chinese banks, CMB ranked first by virtue of its outstanding profitability.

In the first half of 2026, the Fund did not dispose of any A shares of CMB.

China Credit Trust Co., Ltd. (“CCT”) was established in 1995, with its headquarters in Beijing. The principal activities of CCT are trust management, fund management, investments and loan financing. It is the first trust company with a full range of licenses for international business in the Chinese trust industry. As of 30 June 2026, the Fund held a 6.94% equity interest in CCT, with a total investment cost of US\$50.49 million.

For the first half of 2026, CCT recorded an unaudited net profit of RMB681 million, up 42.80% year-over-year. During the period, the company recorded a significant increase in interest income and other operating income, while investment income and gains on changes in fair value saw a decrease, compared to the same period last year. In addition, the loss due to credit impairment for the period decreased significantly, compared to the same period last year.

In the first half of 2026, CCT anchored itself to the overarching requirement of “building a first-class institution,” actively seized development opportunities, adhered to strategic objectives as its guiding principle, and embarked on a high-quality new journey under the 15th Five-Year Plan; solidly advanced the resolution of existing risks; focused on fulfilling its functional role and thoroughly implemented the financial sector’s “Five Major Articles”; persisted in reform and breakthrough efforts to strengthen the momentum and vitality of high-quality development; and firmly upheld the bottom line of risk prevention and control while reinforcing risk and compliance management, thereby creating a favorable environment for the Company’s business operations and development.

In June 2026, CCT received two honors at the 6th “Golden Reputation Awards” organized by Puyi Standard: the China Credit Trust Chery Car Owner Care Service Trust was awarded the “Outstanding Asset Service Trust Award,” and the 2025 China Credit Trust Jiuzhoutong No. 1 Service Trust was awarded the “Outstanding Innovative Trust Product Award.”

China Media (Tianjin) Investment Management Co., Ltd. (“China Media Management”) was established in Tianjin, with registered capital of RMB60 million. The Fund invested RMB4.62 million (equivalent to US\$0.68 million) in April 2010 and held a 7.70% equity interest in China Media Management. As the general partner and investment manager of China Media Investment (see the section on China Media Investment below), China Media Management is responsible for defining and executing the investment strategy for China Media Investment, as well as for managing their operations.

During the investment period, China Media Management helped China Media Investment to invest in an aggregate of seven projects, and also completed the disposal of five projects, namely OCJ (東方購物), Shanghai Jade East Propagation Co., Ltd., Renren Inc., IMAX China Holding, Inc. and Beijing Weiying Technology Co., Ltd. Presently, China Media Management is still actively assisting with exit arrangements for the remaining two projects, namely Star China and Shanghai Oriental DreamWorks Co., Ltd. (“**Oriental DreamWorks**”).

China Media Creative Industry Private Equity (Shanghai) Centre (Limited Partnership) (“China Media Investment”) was established in Shanghai, and is the first fund in the culture and media sector approved for registration by the National Development and Reform Commission. Its total capitalisation is RMB2 billion. China Media Investment has an investment horizon of 10 years (Note: With the consent of all limited partners, the investment horizon has been extended three times for a total of six years in order to meet the exit requirements of the projects held). The scope of investment for China Media Investment includes major projects in broadcasting and media publishing, animation and creative media. China Media Management, in which the Fund has an interest, is the general partner and investment manager of China Media Investment. In April 2010, the Fund agreed to make a capital investment of RMB200 million by installment in China Media Investment, representing 10% of the total capitalisation of China Media Investment. Since June 2010, the Fund had made successive capital injections into China Media Investment for an aggregate amount of RMB158.66 million (equivalent to US\$24.76 million), representing 79.33% of the total investment of RMB200 million committed by the Fund. China Media Investment is currently in the late stages of its investment exit period, and the Fund has received confirmation that no further capital contribution shall be required. In addition, through the end of June 2026, the Fund actually received a total cash distributions of RMB239 million from China Media Investment, representing approximately 151% of the cumulative actual amount invested by the Fund.

Through the end of June 2026, China Media Investment completed a full exit from five projects, while continuing to hold two projects, namely Star China (the listing vehicle of which, namely Star CM Holdings Limited, was listed on the Hong Kong Stock Exchange in December 2022) and Oriental DreamWorks.

NBA China, L.P. (“NBA China”) is a limited liability partnership incorporated in the Cayman Islands in 2007. NBA China conducts all of the NBA’s businesses in the Greater China Region, including television broadcasting rights, advertising, sponsorships, events, digital media, and merchandising, among other new businesses. The original investment by the Fund in 2008 was US\$23 million, representing a 1% partnership interest in NBA China. The Fund subsequently received returns of capital from NBA China for a cumulative amount of US\$23 million in 2017, representing a full recovery of the capital invested in NBA China by the Fund. As of 30 June 2026, the Fund held a 1% partnership interest in NBA China. The Fund received a cash distribution from NBA China of US\$3.34 million in the first quarter of 2026.

The 2026 NBA China Games, presented by Taobao 88VIP, will feature a matchup between two Texas franchises, the Dallas Mavericks and the Houston Rockets. Scheduled for 9 October and 11 October 2026 in Macau, the two preseason games mark the second consecutive year the NBA has hosted the series in the region, attracting significant market attention and media coverage.

In terms of talent development, the NBA continues to prioritize young basketball players in Chinese mainland. Following his national team duties in the FIBA World Cup qualifiers, young Chinese center Yang Hansen rejoined the Portland Trail Blazers in the United States to gain valuable experience in the NBA Summer League.

Qinghai Provincial Qinghai Lake Tourism Group Co., Ltd. (“Qinghai Lake Tourism”) was established in Xining, Qinghai in 2008. It is a tourism operator with a focus on Qinghai Lake, a national 5A-class scenic spot, and is principally engaged in product development, business operations and provision of services related to tourism in Qinghai Lake and the surrounding regions. The Fund agreed to advance cash of RMB200 million in total to Qinghai Lake Tourism for a period of 3 years, with the right to convert the loan into an equity interest in Qinghai Lake Tourism during the term of the loan, subject to the fulfillment of certain precedent conditions. In August and September 2017, the Fund disbursed RMB50 million (equivalent to US\$7.50 million) and RMB150 million (equivalent to US\$22.93 million), respectively, amounting to RMB200 million (equivalent to US\$30.43 million) in aggregate. Pursuant to a supplemental agreement to the convertible loan agreement entered into between the Fund and Qinghai Lake Tourism dated 9 May 2019, the Fund had received aggregate loan repayments of RMB200 million from Qinghai Lake Tourism before the end of 2020, representing a full recovery of the loan made by the Fund.

As of the end of June 2026, the carrying value of the Fund’s debt in Qinghai Lake Tourism was nil. The Fund will continue to retain the right to pursue interest payments from Qinghai Lake Tourism.

Xi'an Jinpower Electrical Co., Ltd. ("Jinpower Electrical") was established in Xi'an, Shaanxi in 2001 and is a high technology enterprise principally engaged in the research and development, and production, of intelligent online monitoring systems for transmission lines and substation equipment for the power grid. The Fund invested RMB20 million (equivalent to US\$3.03 million) in January 2011 and held 2.89 million shares in Jinpower Electrical as of 30 June 2026, accounting for 4.825% of the issued share capital of Jinpower Electrical.

In the first half of 2026, Jinpower Electrical's operations came to a standstill. As of the end of June 2026, the company had no operating revenue, and the Fund is currently facilitating a share buyback plan by its actual controller.

Anhui Iflytek Information Technology LLP ("Iflytek IT") is a new limited partnership of a non-fund nature, with a license period of 5 years. It was formerly Anhui Iflytek Venture Capital LLP ("**Iflytek Venture Capital**"), established in Hefei, Anhui in December 2015, with an investment horizon of 7 to 9 years and with a fund size of RMB602 million. As the business license of Iflytek Venture Capital expired on 29 January 2025, Iflytek Venture Capital was subsequently restructured as Iflytek IT. Its major investment targets are industries related to the Internet and applications of artificial intelligence (AI) in China, primarily to areas including education, healthcare, tourism, motor vehicles, Internet of Things (IoT), smart hardware, information security, e-commerce, interactive entertainment, smart toys, robotics and Internet advertising. Presently, the general partner and investment manager of Iflytek IT is Hefei Iflytek Ruijin Enterprise Management LLP, which is responsible for defining and executing the investment strategy for Iflytek IT, as well as for managing their operations. The Fund has committed to subscribe to an aggregate amount of RMB90 million by installment, for a 14.95% interest in Iflytek Venture Capital. Since December 2016, the Fund had made successive capital contributions to Iflytek Venture Capital for an aggregate amount of RMB90 million (equivalent to US\$13.28 million), representing 100% of the subscription amount committed by the Fund. In addition, through the end of June 2026, the Fund received cash distributions from Iflytek IT in a cumulative amount of RMB71.47 million.

Through the end of June 2026, Iflytek IT made investments in twenty-seven projects. Currently, Iflytek IT has entered into the investment exit period. Of these projects, eleven projects have been fully exited and two projects (including below mentioned Xunfei Healthcare) have been partially exited.

iFLYTEK Co., Ltd. (“iFLYTEK”) was established in 1999 and is headquartered in Hefei, Anhui. It was listed on the SME Board of the Shenzhen Stock Exchange in May 2008. It is a national key software enterprise dedicated to the research of intelligent speech, language technologies, and AI technologies; the development of software and chip products; the provision of speech information services; and the integration of e-government systems. During the period of November to December 2016, the Fund acquired 4.54 million A shares of iFLYTEK at an average price of RMB19.09 (adjusted) per share on the secondary stock market with an aggregate invested amount of RMB130 million (equivalent to US\$18.83 million). As of 30 June 2026, the Fund held a total of 6.81 million A shares of iFLYTEK, as a result of the receipt of 2.27 million new shares via a capitalisation issue from iFLYTEK in 2018, accounting for 0.284% of the issued share capital of iFLYTEK.

iFLYTEK announced on 21 August 2026 that its unaudited net loss for the first half of 2026 amounted to RMB203 million, compared to a net loss of RMB239 million for the same period last year. The main reason for the change in results is that the company, following the principle of strengthening the C-end, deepening the B-end and selectively focusing on the G-end, proactively advanced its business strategy concentration and scaled back traditional project-based businesses. While overall G-end revenue declined slightly, the business structure continued to be optimized. Although iFLYTEK AI learning machines were affected in the first half by factors including rising chip/storage prices and periodic product shortages, the overall market share of iFLYTEK AI learning machines continued to rise. R&D investment in the first half exceeded RMB3 billion. At the same time, the company increased strategic spending in the first half of 2026 on the launch and promotion of new products such as intelligent marking machines, imaging cloud and AI glasses, as well as overseas business expansion. These investments are expected to gradually convert into subsequent revenue and profit contributions.

Ningbo Meishan Free Trade Port Area Jiangmen Venture Capital LLP (the “Jiangmen Ventures Fund”) was established in Ningbo, Zhejiang in September 2016, with an investment horizon of 5 to 7 years (Note: With the consent of all limited partners, the investment horizon has been extended twice for a total of two years in order to meet the exit requirements of the projects held) and with a paid-in capital amounting to RMB262 million. It reached its expiry date on 31 December 2025 and has entered the liquidation process. Its major investment targets are chiefly early-stage business ventures related to machine intelligence, Internet of Things (IoT), natural user interface, and enterprise computing. The general partner and investment manager of the Jiangmen Ventures Fund is Jiangmen Capital Management (Beijing) Co., Ltd., which is responsible for defining and executing the investment strategy for the Jiangmen Ventures Fund, as well as for managing their operations. The Fund completed a capital contribution of RMB30 million (equivalent to US\$4.74 million) in January 2018, representing 11.45% of the paid-in capital of the Jiangmen Ventures Fund as of 30 June 2026. In addition, through the end of June 2026, the Fund received cash distributions from the Jiangmen Ventures Fund in a cumulative amount of RMB13.97 million.

Through the end of June 2026, the Jiangmen Ventures Fund made investments in nineteen projects for a total of RMB233 million. Currently, the Jiangmen Ventures Fund has entered into the investment exit period. Of these projects, five projects have been fully exited and three projects have been partially exited. In addition, four projects completed a new round of equity financing during the first half of 2026.

Pony AI Inc. (“Pony AI”) was established in the Cayman Islands in November 2016, with its headquarters in Guangzhou, Guangdong. It is a research and development company in China that focuses on technology solutions for autonomous driving, and now has become a global leader in achieving large-scale commercialisation of autonomous mobility. Pony AI listed successively on the Nasdaq in November 2024 and on the Hong Kong Stock Exchange in November 2025, with the former conducted by way of issuing American Depositary Shares. In July 2018 and in April 2019, the Fund invested a total of US\$8.61 million and then held a 0.889% equity interest in Pony AI. Pony AI completed several rounds of equity financing in January 2021, March 2022 and October 2023, respectively. The Fund’s equity interest in Pony AI was diluted from 0.889% to 0.649%, accordingly. In September 2024, in order to balance the interests of investors in disparate rounds of equity financing, Pony AI passed a resolution at the extraordinary general meeting to adjust the shareholding percentage of certain investors, thereby expediting the initial public offering (IPO) process. As a result, the Fund’s equity interest in Pony AI was further diluted from 0.649% to 0.609%. Upon the listing of Pony AI in November 2024, the Fund held 2,274,605 ordinary shares of Pony AI, accounting for 0.560% of the issued share capital of Pony AI. In January 2026, the Fund completed the sale of 1,083,943 shares of Pony AI American Depositary Shares, with net proceeds of US\$18.31 million. As of 30 June 2026, the Fund still held 508,280 American Depositary Shares of Pony AI.

On 18 August 2026, Pony AI announced that its unaudited net loss for the first half of 2026 was US\$110 million, compared to a net loss of US\$96.09 million for the same period last year.

In the first half of 2026, Pony AI’s unaudited revenue from Robotruck services reached US\$23.52 million, up 36% year-over-year, while Robotaxi services generated US\$20.64 million, up 534% year-over-year. Pony AI’s fleet size exceeded 1,975 vehicles, with the total commercial operation area across four Tier-1+ cities in China (Beijing, Guangzhou, Shenzhen, and Shanghai) expanded by over 300 square kilometers compared with the beginning of this year. Additionally, Pony AI has established a presence in South Korea, Luxembourg, Singapore, and Saudi Arabia. Notably, per-vehicle operating profit for Robotaxi turned positive in Shenzhen and Guangzhou. In Shenzhen, average daily orders per vehicle reached 23, with peak daily revenue per vehicle hitting RMB394 against combined daily depreciation and operating costs of RMB338 per vehicle, successfully validating the unit economic model.

Arashi Vision Inc. (“Arashi Vision”) was established in Shenzhen, Guangdong in July 2015 and is striving to become a global leader engaged in the research, development and manufacture of 360-degree video products. The Fund invested RMB20 million (equivalent to US\$2.83 million) and RMB10 million (equivalent to US\$1.44 million) in September and November 2019, respectively, bringing the Fund’s total investment in Arashi Vision to RMB30 million (equivalent to US\$4.27 million), for a 1.625% equity interest in the company. Upon the listing of Arashi Vision in June 2025, the Fund held 5,849,989 shares of Arashi Vision, accounting for 1.459% of the issued share capital of Arashi Vision. As of 30 June 2026, the Fund still held 5,607,609 shares of Arashi Vision. From July to August 2026, the Fund further completed the sale of 1,080,466 shares of Arashi Vision generating net proceeds of US\$22.10 million.

On 9 June, 2026, Arashi Vision globally launched the Luna Ultra, a Leica dual-lens handheld gimbal camera, directly competing with DJI’s Osmo Pocket. This marks the company’s official entry into the handheld gimbal segment—long dominated by DJI—and completes its product portfolio spanning panoramic cameras, action cameras, handheld gimbals, and aerial drones.

On 27 April 2026, Arashi Vision announced that its unaudited net profit for the first quarter of 2026 was RMB84.62 million, down 52.02% year-over-year. The temporary decline in gross margin was attributed to concentrated marketing expenses for the launch of the Luna Ultra gimbal camera, drone production ramp-up, R&D investments in proprietary chips, and rising memory chip prices.

Xunfei Healthcare Technology Co., Ltd. (“Xunfei Healthcare”) was established in the High-tech Development Zone, Hefei, Anhui in 2016 and is an AI-empowered healthcare solution provider, offering products and solutions that support a range of healthcare services, ranging from health risk warnings, early screening, auxiliary diagnosis and treatment as well as treatment effect evaluation to post-discharge management and chronic disease management. Xunfei Healthcare has independently developed AI technologies that underpin its products and solutions. The Fund invested RMB60 million (equivalent to US\$8.60 million) in February 2020 and RMB50 million (equivalent to US\$7.80 million) in November 2021, for an aggregate investment of RMB110 million (equivalent to US\$16.40 million) in Xunfei Healthcare. In December 2024, the Fund subscribed to the 338,150 H shares of Xunfei Healthcare through the global offering of Xunfei Healthcare at an offer price of HK\$82.80, in the amount of HK\$28 million (equivalent to US\$3.61 million). After the completion of the global offering and listing of Xunfei Healthcare, together with the existing investment, the Fund has cumulatively invested an equivalent amount of RMB136 million (equivalent to US\$20.01 million) in Xunfei Healthcare, and holds 4,238,150 H shares, accounting for 3.506% of the issued share capital of Xunfei Healthcare.

On 18 August 2026, Xunfei Healthcare announced that its unaudited net loss for the first half of 2026 was RMB59.30 million, compared to a net loss of RMB74.09 million for the same period last year.

In June 2026, Xunfei Healthcare officially launched its proprietary Xunfei Spark Medical Model V3.5. This upgrade focuses on core applications: clinical diagnosis and treatment, and resident health management. In key benchmarks—including medical knowledge Q&A, diagnostic and treatment recommendations, and medical document generation—the model’s comprehensive performance leads the Chinese market. It ranked first in overall industry strength in IDC’s China Medical Large Model Technology Assessment 2026 and topped the Shanghai Artificial Intelligence Laboratory’s MedBench intelligent agent evaluation with a score of 98.9.

China UnionPay Co., Ltd. (“China UnionPay”) was established in March 2002, with its headquarters in Shanghai. It is a leading enterprise in the financial payment industry and is responsible for the construction and operation of a nationwide unified inter-bank information exchange network for bank cards, the provision of professional services related to inter-bank information exchange for bank cards, the management and operation of the “UnionPay” brand name, and the formulation of business specifications and technical standards for inter-bank transactions for bank cards. The Fund invested RMB220 million (equivalent to US\$31.12 million) in June 2020 for a 0.17% equity interest in China UnionPay. In November 2023, the Fund signed an equity transaction contract with an independent third party, pursuant to which the Fund agreed to sell a 0.12% equity interest in China UnionPay to the independent third party, thereby realising investment gains from this partial disposal and obtaining funds of RMB275 million (equivalent to US\$38.7 million) for working capital. The equity transfer was completed in the first quarter of 2024. As of 30 June 2026, the Fund held a 0.05% equity interest in China UnionPay, with a corresponding investment cost of RMB66.00 million (equivalent to US\$9.33 million).

In February 2026, UnionPay International, a wholly-owned subsidiary of China UnionPay announced a cross-border QR code interoperability partnership with Fonepay, Nepal's largest QR code payment network. Users can now make scan-to-pay transactions at pilot Fonepay merchants using the UnionPay App and domestic digital wallets that support the UnionPay App Network Payment Platform. This marks a new phase for UnionPay's cross-border payment business.

In February 2026, UnionPay International announced the official launch of digital UnionPay card issuance services in Brazil, partnering with local fintech companies viaBravo! and Treeal. This represents the inaugural issuance of UnionPay cards in Brazil, marking a milestone transition for UnionPay in the market from cross-border acceptance to local card issuance. Consequently, the number of countries and regions supporting global UnionPay card issuance has expanded to 85.

In June 2026, China UnionPay, in collaboration with Ping An Bank and Tencent Cloud, launched the AI Smart Computing Card. Designed for individual consumers of AI computing power, this debit card integrates basic financial services with exclusive computing benefits, delivering an end-to-end user experience that seamlessly covers AI computing consumption, AI tool utilization, and daily banking.

CASREV FUND III-RMB L.P. ("CASREV Fund III") was established in Shenzhen, Guangdong in February 2020, with an investment horizon of 8 to 10 years and with a total fund subscription amount of RMB6 billion (presently, the paid-in capital amounts to RMB4.5 billion). The major investment targets of CASREV Fund III include enterprises related to smart manufacturing, smart products and services, big data and cloud computing, AI, Internet of Things (IoT), blockchain, biological engineering, chips and sensors, operating system, kernel modules, communication networks, materials and other emerging technologies. The general partner and investment manager of CASREV Fund III is CAS Investment Management Co., Ltd., which is responsible for defining and executing the investment strategy for CASREV Fund III, as well as for managing their operations. The Fund holds a beneficial interest in CASREV Fund III via CASRF Fund L.P. The Fund has committed to subscribe to an aggregate amount of RMB50 million by installment, representing 1.11% of the paid-in capital of CASREV Fund III. Since September 2020, the Fund had made successive capital contributions to CASREV Fund III for an aggregate amount of RMB50 million (equivalent to US\$7.50 million), representing 100% of the subscription amount committed by the Fund. In addition, through the end of June 2026, the Fund received cash distributions from CASREV Fund III in a cumulative amount of RMB20.29 million.

Through the end of June 2026, the investment committee of CASREV Fund III has approved a total of sixty-nine investment projects, for a total approved investment amount of RMB4.27 billion, of which RMB4.27 billion has been paid. At present, among the portfolio companies invested by CASREV Fund III, six have been listed on stock exchanges (of which three have already completed share reductions and full exits). In addition, three companies have respectively submitted listing applications to the United States, Hong Kong, and the STAR Market of the Shanghai Stock Exchange.

Flexiv Ltd. (“Flexiv”) was established in Silicon Valley, the United States, in June 2016 and is a technology company in China that focuses on the development and application of adaptive robots. It, based on Flexiv robotic systems, provides innovative turnkey solutions and services for its customers in a range of industries. The Fund invested US\$5 million in Flexiv in December 2020. Flexiv completed a new round of equity financing in October 2025, and the equity interest held by the Fund in Flexiv was diluted from 1.58% to 1.41%, accordingly. Subsequently, Flexiv completed two further rounds of financing in March and July 2026, respectively. As of 30 June 2026, the equity interest held by the Fund in Flexiv was diluted from 1.41% to 1.37% due to the March financing; and following the completion of the July financing, the equity interest was further diluted to 1.36%.

In March 2026, Flexiv launched four new products—Enlight (a full-sensing adaptive robot), Orion (a next-generation architecture control hub), AEGIS (a next-generation security system), and MICO (an integrated humanoid network platform)—further expanding the open ecosystem for adaptive robotics.

Beijing Huashun Xin'an Technology Co., Ltd. (“Huashun Xin'an”) was established in Beijing in 2018 and is a cyber security company with a search engine for cyberspace resources. It is focused on the fields of big data security and cyberspace resources for surveying and mapping, and is primarily engaged in the research and development of technologies and products in the field of cyber information security. The Fund completed capital contributions of RMB24 million (equivalent to US\$3.67 million) and RMB6 million (equivalent to US\$0.93 million) in April and July 2021, respectively, for an aggregate investment of RMB30 million (equivalent to US\$4.60 million). In April 2022, in a new round of equity financing carried out by Huashun Xin'an, the Fund increased its investment in Huashun Xin'an by RMB6.50 million (equivalent to US\$1.02 million), for an aggregate investment of RMB36.50 million (equivalent to US\$5.62 million), amounting to a 4.295% equity interest in Huashun Xin'an as of 30 June 2026.

In the first half of 2026, Huashun Xin'an actively advanced its strategic transformation. On the one hand, it focused on the R&D and promotion of core product value to withstand the pressure from the declining scale of the government and enterprise market; on the other hand, it empowered R&D through AI to drive the value transformation of FOFA big data intelligence, stabilized the scale of operating revenue, and moderately increased investment in the R&D of FOFA intelligence products, thereby laying the foundation for the strategic transformation of cybersecurity toward data intelligence.

Xinyi Information Technology Ltd. (“Xinyi”) was established in Zhang Jiang District, Shanghai in March 2017. It is a company that focuses on the research and development of SoC (system on a chip) for Internet of Things (IoT) for low-power wide-area network (LPWAN), and is committed to becoming a world-class manufacturer of Internet of Things intelligent terminal SoCs for the 5th generation mobile communications (5G), with applications mainly covering smart meters, smart security, smart transportation, smart cities, the sharing economy and other scenarios. In November 2025, Xinyi successfully completed its conversion into a joint-stock company and was renamed from Xinyi Information Technology Ltd. to Xinyi Information Technology (Shanghai) Co., Ltd. The Fund invested RMB35 million (equivalent to US\$5.42 million) in September 2021 and held a 1.28% equity interest in Xinyi as of 30 June 2026.

In the first half of 2026, Xinyi's NB-IoT and medium-speed IoT CAT-1 chip businesses continued to grow. The company further expanded its overseas footprint, achieving volume shipments to existing international module manufacturers, scaling its overseas developer community, and advancing direct commercial partnerships with foreign operators and major industry clients. Additionally, Xinyi is actively developing 5G NTN satellite communication chips compatible with NB-IoT standards alongside Global Navigation Satellite System (GNSS) navigation chips.

Rizhao Azuri Technologies Co., Ltd. ("Azuri") was established in Rizhao, Shandong in August 2016. It is a company that develops and manufactures laser diode chips, optical devices and optical module products for high-speed optical communications, mainly targeting the fiber to the home (FTTH), 5th generation mobile communications (5G), enterprise networking and data centre markets. The Fund invested RMB30 million (equivalent to US\$4.72 million) in December 2021 for a 2.50% equity interest in Azuri.

In the first half of 2026, Azuri's 10G-EPON modules and BOSA components sustained steady shipments to both domestic and North American markets, making meaningful headway in out-of-band management network applications for major overseas data centers. Furthermore, the company's PON Stick series modules are being rolled out successively, with end customers in the United States currently conducting adoption testing.

Beijing Hanwei Innovation Technology Co., Ltd. ("Hanwei") was established in Shanghai in June 2019. It is a fabless IC (Integrated Circuit) design company focusing on ultra-wideband (UWB) technology, and its high-precision positioning products developed primarily for consumer goods such as automobiles, smartphones and wearables. The Fund invested RMB50 million (equivalent to US\$7.02 million) in July 2023 for a 6.42% equity interest in Hanwei. Hanwei completed a new round of equity financing in February 2025, as this round of equity financing has triggered the anti-dilution protection clause as stipulated in the investment agreement, the Fund is then compensated with some shareholding and the equity interest held by the Fund in Hanwei has increased from 6.42% to 8.85%, accordingly.

In the first half of 2026, the ultra-wideband (UWB) market significantly outperformed the prior-year period, demonstrating robust growth across both industrial and consumer segments. Within the automotive sector, Hanwei is actively advancing strategic cooperation with an overseas Tier-1 supplier.

Moonshot AI Ltd. ("Moonshot AI") was established in the Cayman Islands in May 2023. It is a startup company that is focused on the research and development of general-purpose large multimodal models and end-customer applications. The Fund invested US\$10 million in December 2023 for a 1.29% equity interest in Moonshot AI. Moonshot AI completed multiple rounds of financing from 2024 to 2025, and the equity interest held by the Fund in Moonshot AI was diluted from 1.29% to 0.66%, accordingly. In the first half of 2026, the company completed several further rounds of financing, and the Fund's equity interest was further diluted from 0.66% to 0.41%.

Since January 2026, Moonshot AI has successively launched its K2.5 and K3 models. Notably, the K3 model established a new global benchmark for open-source large models with 2.8 trillion parameters, delivering state-of-the-art (SOTA) performance across agentic workflows, software coding, scientific research, 3D content creation, and general intelligence tasks.

Hue Inc. (“JBD”), formerly known as Jade Bird Display (Shanghai) Limited, was established in Shanghai in October 2015. It is a company engaging in the research, development and manufacture of micro light-emitting diodes (MicroLED), specialising in the development of MicroLED display technology. Its products are known currently for their industry-leading performance across key attributes such as high brightness, low power consumption, and compact size. In December 2025, JBD successfully completed its conversion into a joint-stock company and was renamed from Jade Bird Display (Shanghai) Limited to Hue Inc. The Fund invested RMB30 million (equivalent to US\$4.18 million) in May 2025 for a 0.449% equity interest in JBD. JBD completed two further rounds of financing in August and September 2025, as a result of which the Fund’s equity interest in JBD was diluted from 0.449% to 0.388%. Subsequently, JBD completed a new round of financing in April 2026, and as of 30 June 2026, the Fund’s equity interest in JBD was further diluted to 0.352%.

In March 2026, JBD officially launched “Griffin,” an automotive-grade MicroLED projection platform, marking its strategic entry into the automotive sector by leveraging core technical capabilities established in AR near-eye displays. The platform integrates hundreds of thousands of pixels within a 0.25-inch display area, achieving a luminous flux of up to 500 lumens while meeting stringent automotive reliability standards. Furthermore, the company has successfully transitioned its pixel pitch from the 4-micron level to the 2-micron level, with mass production currently underway.

Hwagain Group Co., Ltd. (“Hwagain”) was formed by the merger of two paper manufacturers located in Nanning, Guangxi in 1998. It is principally engaged in the research and development, production, and sale of high quality printing paper and tissue paper. The Fund invested RMB119.99 million (equivalent to US\$19.00 million) in January 2012 for a 7.10% equity interest in Hwagain.

In the first half of 2026, the overall operating conditions of Hwagain in pulp and paper production, paper product sales and forestry operations remained relatively stable. The Ganzhou factory resumed normal production and achieved a turnaround from loss to profit. In the first half of 2026, the company reported an unaudited net profit of RMB4.44 million, compared with a net loss of RMB10.9 million for the corresponding period of the previous year.

Wuhan Rixin Technology Co., Ltd. (“Wuhan Rixin”) was established in Wuhan, Hubei in 2001 and is a state-accredited high technology enterprise engaged in the design, production and installation of solar modules and Building Integrated Photovoltaic (BIPV) products, as well as in the operation, maintenance and management of solar powered electric systems. The stock of Wuhan Rixin was listed for trading on the New Third Board in February 2016. The Fund invested RMB15 million (equivalent to US\$2.20 million) in Wuhan Rixin in July 2009. As of 30 June 2026, the Fund held a total of 4.95 million shares in Wuhan Rixin, as a result of the receipt of 1.65 million new shares via a capitalisation issue from Wuhan Rixin in May 2019, accounting for 3.90% of the issued share capital of Wuhan Rixin.

On 28 April 2026, Wuhan Rixin announced that its audited net loss for 2025 amounted to RMB 42.45 million, compared with a loss of RMB 29.43 million for the previous year.

On 30 March 2026, the company published an announcement stating that, as its closing price remained below RMB 1 per share for 60 consecutive trading days, the National Equities Exchange and Quotations (NEEQ) would transfer it from the Innovation Layer to the Basic Layer with effect from 31 March 2026.

On 28 April 2026, Wuhan Rixin's sponsor, Changjiang Underwriting & Sponsorship, published a risk warning announcement involving matters such as the company's debt litigation, freezing of bank accounts, inclusion in the list of dishonest judgment debtors, and uncovered losses exceeding two-thirds of the total paid-in capital.

The Fund will closely monitor ongoing developments regarding the aforementioned events and their potential impact on portfolio performance, taking appropriate measures to safeguard the Fund's interests when necessary.

Nanning Huiyou Xingyao Equity Investment Fund L.P. ("Huiyou Xingyao Fund") was established in Nanning, Guangxi in September 2020, with an investment horizon of 5 to 7 years and with a total fund subscription amount of RMB113 million. Huiyou Xingyao Fund is a single-project equity investment fund, making equity investments solely in Wuhan YZY Biopharma Co., Ltd. ("**YZY Biopharma**"). YZY Biopharma is a pharmaceutical company with a bispecific antibody platform and related biopharmaceutical research and development capabilities. The fund manager of Huiyou Xingyao Fund is Tongde Qianyuan (Beijing) Investment Management Co., Ltd., which is responsible for providing consultation and advice on investment matters, as well as providing daily operations and investment management services. The Fund has committed to subscribe to an aggregate amount of RMB24 million by installment, representing 21.24% of the total fund subscription amount of Huiyou Xingyao Fund. The Fund made capital contributions to Huiyou Xingyao Fund in November 2020 and July 2021 for an aggregate amount of RMB24 million (equivalent to US\$3.66 million), representing 100% of the subscription amount committed by the Fund. In September 2025, all partners of Huiyou Xingyao Fund convened a partners' meeting and resolved to place Huiyou Xingyao Fund into liquidation proceedings.

In May 2026, the results of two clinical studies of YZY Biopharma's innovative drug M701, a "CD3/EpCAM bispecific antibody," were presented at the 2026 American Society of Clinical Oncology (ASCO) Annual Meeting. These comprised a Phase III registrational clinical study targeting malignant ascites (MA) and a Phase II clinical study targeting malignant pleural effusion (MPE) associated with non-small cell lung cancer (NSCLC).

Immvisa Bioscience Inc. ("Immvisa") was established in the Cayman Islands in May 2018 and is a biotech research and development company, principally engaged in clinical research and the development of vector technologies as potential cancer therapeutics. Leveraging intrinsic mechanisms of action and tumor microenvironment modifications, Immvisa is focused on developing a new generation of novel anti-cancer drug vectors, including replicating and non-replicating herpes simplex virus vectors, drug delivery exosomes and tumor vaccines. The Fund invested US\$8 million in October 2022 and eventually held a 1.65% equity interest in Immvisa.

In June 2025, Immvisa submitted an application proof of prospectus to the Hong Kong Stock Exchange. Per the prospectus, the company utilizes proprietary bioengineering technologies to discover, develop, manufacture, and commercialise novel oncolytic immunotherapies and engineered exosome therapies. According to the updated prospectus submitted in July 2026, Immvisa recorded net losses of RMB524 million, RMB519 million, and RMB137 million for fiscal years 2024 and 2025, and the five-month period ended 31 May 2026, respectively.

In February 2026, the clinical application of Immvisa's oncolytic product, MVR-T3011, was expanded for the first time to bladder cancer patients with no prior history of Bacillus Calmette-Guerin (BCG) therapy. Clinical findings from this trial were subsequently presented at the 2026 ASCO Genitourinary Cancers Symposium.

Neuracle Technology (Shanghai) Co., Ltd. (“Neuracle Technology”) was preceded by Neuracle Technology (Changzhou) Co., Ltd., which was founded in Changzhou City, Jiangsu Province, in November 2011. It is a high-tech enterprise in Chinese mainland that centers around its proprietary innovative brain-computer interface (BCI) technology and specializes in the research, development, production, sales, and technical services of BCI systems. Neuracle Technology is dedicated to providing professional, comprehensive solutions for innovative neuroscience research and clinical studies in the diagnosis, treatment, and rehabilitation of neurological disorders. In November 2025, the Fund invested RMB 15 million (equivalent to US\$2.12 million) in Neuracle Technology and held a 0.375% equity interest in Neuracle Technology.

Since the first implantation of the world’s first minimally invasive brain-computer interface system (NEO), independently developed by Neuracle Technology using epidural implantation and wireless transmission design, was completed at Xuanwu Hospital in October 2023, feasibility trials have been successively implemented at Tiantan Hospital, Huashan Hospital, and Jiangsu Provincial People’s Hospital and have achieved remarkable results. In August 2024, NEO officially entered the special review channel of innovative medical devices of the National Medical Products Administration, laying an institutional foundation for clinical registration trials. In December 2025, the NEO Wireless Minimally Invasive Implantable Brain-Computer Interface Multicenter GCP Registration Clinical Trial Summary Meeting was successfully held during the 2025 Brain-Computer Interface Conference hosted by the Brain-Computer Interface Industry Alliance.

In March 2026, following approval from the NMPA, Neuracle Technology completed the innovative product registration process for its Implantable Brain-Computer Interface Hand Motor Function Compensation System. This milestone represents the world’s first market launch of a brain-computer interface medical device, officially ushering the world’s first invasive brain-computer interface medical device into clinical application.

In June 2026, Neuracle Technology submitted its IPO application documents to the Shanghai Stock Exchange Science and Technology Innovation Board (STAR Market), with the application officially accepted.

PROSPECTS

In the first half of 2026, China’s economy operated within a reasonable range, supported by the rapid growth of new economic drivers. According to data released by the National Bureau of Statistics, China’s gross domestic product (GDP) reached RMB69 trillion in the first half of 2026, representing a year-over-year increase of 4.7% at constant prices. By sector, the value added of the primary industry reached RMB3 trillion, up 3.7% year-over-year; the secondary industry reached RMB25 trillion, up 3.9% year-over-year; and the tertiary industry reached RMB41 trillion, up 5.2% year-over-year. On a quarterly basis, GDP grew by 5.0% year-over-year in the first quarter and 4.3% in the second quarter. Additionally, the national Consumer Price Index (CPI) rose by 1.0% year-over-year in the first half of 2026.

Looking ahead to the second half of the year, the World Bank noted in its June 2026 Global Economic Prospects report that it had downgraded its 2026 global economic growth forecast to 2.5%, marking the slowest pace of global expansion since the pandemic. The report highlighted that risks remain tilted to the downside, including escalating conflicts, further commodity market disruptions, and heightened geopolitical tensions—while the broader adoption of artificial intelligence presents potential upside opportunities. Rising debt levels are driving up borrowing costs for emerging markets and developing economies, particularly among highly indebted nations, underscoring the urgent need to strengthen fiscal revenue mobilization and enhance debt management. In China, buoyed by the global AI upcycle and domestic supply-side policies in the first half of 2026, the supply side demonstrated robust performance, particularly in industrial production, investment, and exports tied to AI, new energy, and high-end manufacturing. Driven by global supply chain restructuring and expanding cross-border e-commerce, China's manufacturing exports exhibited strong resilience, with net exports contributing significantly to economic growth. On the other hand, household consumption remained subdued, and the recovery of the real estate sector continued to face headwinds. For the second half of the year, market consensus expects China's domestic demand growth to experience a gradual recovery, accompanied by accelerating external demand. This outlook is underpinned by assessments that China's manufacturing capacity adjustments are largely completed and household balance sheets are beginning to stabilize. Meanwhile, growth in AI-related capital expenditure is entering a phase of rapid expansion, generating incremental investment and aggregate demand. Further maturation of the global AI boom will also increasingly bolster the cost-performance and security advantages of China's supply chain. Regarding inflation, although shocks in the Middle East may temporarily elevate energy and global food prices this autumn, markets anticipate a steady recovery in core inflation, with the pace of service-sector price recovery generally tracking real estate cycle trends. On the fiscal policy front, major investment projects aligned with the centrally guided "15th Five-Year Plan," alongside capital expenditures in high-end manufacturing such as AI and new energy, are expected to serve as primary levers for stabilizing domestic demand. The outcomes of the China-US economic and trade consultations in May 2026 indicate scope for potential reductions in US tariffs on Chinese goods within the year; both sides agreed in principle to establish a framework through the Trade Council to discuss reciprocal tariff reductions on non-sensitive, mutually beneficial products valued at US\$30 billion or more per side, which are anticipated to qualify for Most-Favored-Nation (MFN) or preferential tariff rates. With potential meetings between the heads of state of China and the US later in the year, further progress on tariff reductions is anticipated. In summary, China's economic growth rate in 2026 is expected to reach the target of around 5.0%. 2026 marks the opening year of China's 15th Five-Year Plan, and China's economic growth is expected to remain generally stable with progress throughout 2026. It is expected that the operating results of the investment projects (mainly operating in China) held by the Fund may continue to improve.

In this environment, where challenges and opportunities co-exist, the Fund will continue to make every effort to identify new investment projects, and our investment focus will be on the financial industry with an emphasis on the digital finance, on emerging technology industries featuring AI, on great cultural industry with an emphasis on culture and tourism, and on great healthcare industry with an emphasis on medicine and healthcare, as we seek to optimise our mix of investments in order to create shareholder value.

SUB-PARTICIPATION SCHEME

In order to strengthen the investment management process, and to align the interests of management and staff with the interests of the Fund in entering new investment projects, the Investment Manager, with the consent of the Fund, has administered the sub-participation scheme (the "**Scheme**") since 2009.

Under the Scheme, the Fund has entered into sub-participation agreements (the "**Agreements**") with certain Directors of the Fund, certain Directors and employees of the Investment Manager, and persons nominated by shareholders of the Investment Manager (collectively the "**Participants**"), with respect to new investments made by the Fund beginning in 2009. Pursuant to the Agreements, the Participants will receive a portion of the return (in the form of dividends, interest, or other distributions or proceeds from realisation) from the Fund's investment in the project company that is proportional to the amount provided by the Participants to the Fund as a percentage of the total Fund's investment in the project company. If the Fund suffers a loss from its investment in the project company, the Participants will correspondingly share a loss in the amount they provided to the Fund on a pro rata basis.

Under the Scheme, it was originally determined that the aggregate amount provided by the Participants in each of the Fund's new investment projects should not exceed 2% of the Fund's investment in each project (the "**Ceiling of Relative Proportion**"). In order to further strengthen the investment management process, with the consent of the Fund and starting from 26 August 2011, the Ceiling of Relative Proportion for each of the Fund's new investment projects has been revised as follows: 1) for projects with an investment amount of RMB30 million or less, the Ceiling of Relative Proportion will be 5%; 2) for projects with an investment amount of more than RMB30 million and up to RMB100 million, the Ceiling of Relative Proportion will be RMB1.50 million or 2%, whichever is higher; and 3) for projects with an investment amount of more than RMB100 million, the Ceiling of Relative Proportion will be 2%.

Given that the investment management agreement, which commenced 1 January 2025, was of temporary nature, any new investment projects completed during this period were not applicable to the Scheme for the time being. The Fund is currently reviewing the subsequent arrangements for the Scheme.

As of 30 June 2026, details of aggregate amounts actually provided by the Participants and their relative proportion to the investment amounts actually paid by the Fund were as follows:

Name of projects	Original investment amount of the Fund US\$*	Original amounts actually paid by the Participants US\$*	Relative proportion
Wuhan Rixin	2,195,500	43,900	2.000%
China Media Management	676,100	4,500	0.666%
China Media Investment (1st installment capital contribution)	5,858,300	38,800	0.662%
Jinpower Electrical	3,033,500	60,300	1.988%
China Media Investment (2nd installment capital contribution)	953,500	6,100	0.638%
Hwagain	19,004,900	161,100	0.847%
China Media Investment (3rd installment capital contribution)	1,075,300	6,200	0.575%
China Media Investment (4th installment capital contribution)	4,566,600	26,300	0.577%
China Media Investment (5th installment capital contribution)	484,900	2,800	0.580%
China Media Investment (6th installment capital contribution)	5,555,100	32,200	0.579%
China Media Investment (7th installment capital contribution)	3,352,500	18,900	0.562%
China Media Investment (8th installment capital contribution)	2,055,100	11,500	0.559%
China Media Investment (9th installment capital contribution)	859,600	4,830	0.562%
iFLYTEK	18,827,500	33,500	0.178%
Iflytek Venture Capital (1st installment capital contribution)	5,193,900	9,270	0.178%
Iflytek Venture Capital (2nd installment capital contribution)	2,008,800	3,480	0.178%
Qinghai Lake Tourism (1st installment capital contribution)	7,502,800	9,590	0.128%
Qinghai Lake Tourism (2nd installment capital contribution)	22,927,700	28,800	0.126%
Iflytek Venture Capital (3rd installment capital contribution)	2,146,800	3,480	0.178%
The Jiangmen Ventures Fund	4,741,800	20,470	0.432%
Pony AI (1st round capital injection)	8,000,000	35,680	0.446%

Name of projects	Original investment amount of the Fund US\$*	Original amounts actually paid by the Participants US\$*	Relative proportion
Iflytek Venture Capital (4th installment capital contribution)	1,991,910	3,480	0.178%
Pony AI (2nd round capital injection)	607,270	10,200	1.680%
Arashi Vision	4,268,200	26,820	0.632%
Xunfei Healthcare (1st round capital injection)	8,600,700	48,790	0.567%
Iflytek Venture Capital (5th installment capital contribution)	646,170	1,160	0.178%
China UnionPay	31,116,080	51,610	0.166%
Iflytek Venture Capital (6th installment capital contribution)	1,286,760	2,320	0.178%
CASREV Fund III (1st installment capital contribution)	1,849,360	2,580	0.140%
CASREV Fund III (2nd installment capital contribution)	1,896,900	2,580	0.140%
Huiyou Xingyao Fund (1st installment capital contribution)	2,469,420	14,900	0.603%
Flexiv	5,000,000	95,450	1.909%
Huashun Xin'an (1st installment capital contribution for 1st round capital injection)	3,669,220	18,510	0.504%
Huashun Xin'an (2nd installment capital contribution for 1st round capital injection)	927,190	4,630	0.504%
Huiyou Xingyao Fund (2nd installment capital contribution)	1,187,000	7,030	0.603%
CASREV Fund III (3rd installment capital contribution)	1,931,490	2,580	0.140%
Xinyi	5,416,700	23,150	0.427%
Xunfei Healthcare (2nd round capital injection)	7,804,570	19,250	0.247%
Azuri	4,724,560	24,370	0.516%
Huashun Xin'an (2nd round capital injection)	1,020,090	11,470	1.125%
CASREV Fund III (4th installment capital contribution)	1,816,810	2,580	0.140%
Immvera	8,000,000	21,660	0.271%
Hanwei	7,016,070	30,780	0.439%
Moonshot AI	10,000,000	38,430	0.384%
Xunfei Healthcare (3rd round capital injection)	3,605,900	19,320	0.536%

* Calculated with prevalent exchange rates at the time of the amounts paid

In addition, as of 30 June 2026, details of the amounts actually paid by some of the Directors of the Fund as well as two Directors of the Investment Manager for the Scheme were as follows:

Name of projects	Mr. ZHOU Xing (Note 1) US\$	Mr. WANG Xiaoding (Note 2) US\$	Mr. YANG Baiqian (Note 3) US\$	Mr. KANG Dong (Note 4) US\$
Wuhan Rixin	4,390	3,510	N/A	N/A
China Media Management	300	1,160	N/A	N/A
China Media Investment (1st installment capital contribution)	2,510	10,040	N/A	N/A
Jinpower Electrical	6,030	6,030	N/A	N/A
China Media Investment (2nd installment capital contribution)	390	1,570	N/A	N/A
Hwagain	19,330	12,880	N/A	N/A
China Media Investment (3rd installment capital contribution)	430	1,710	N/A	N/A
China Media Investment (4th installment capital contribution)	1,820	7,260	N/A	N/A
China Media Investment (5th installment capital contribution)	190	780	N/A	N/A
China Media Investment (6th installment capital contribution)	2,220	8,880	N/A	N/A
China Media Investment (7th installment capital contribution)	1,300	5,200	N/A	N/A
China Media Investment (8th installment capital contribution)	790	3,170	N/A	N/A
China Media Investment (9th installment capital contribution)	330	1,330	N/A	N/A
iFLYTEK	N/A	12,890	N/A	N/A
Iflytek Venture Capital (1st installment capital contribution)	N/A	2,580	N/A	N/A
Iflytek Venture Capital (2nd installment capital contribution)	N/A	970	N/A	N/A
Qinghai Lake Tourism (1st installment capital contribution)	N/A	3,200	N/A	N/A
Qinghai Lake Tourism (2nd installment capital contribution)	N/A	9,600	N/A	N/A
Iflytek Venture Capital (3rd installment capital contribution)	N/A	970	N/A	N/A
The Jiangmen Ventures Fund	N/A	3,840	N/A	N/A
Pony AI (1st round capital injection)	N/A	6,370	N/A	N/A
Iflytek Venture Capital (4th installment capital contribution)	N/A	970	N/A	N/A
Pony AI (2nd round capital injection)	N/A	1,280	N/A	N/A
Arashi Vision	N/A	3,830	N/A	N/A
Xunfei Healthcare (1st round capital injection)	N/A	19,260	N/A	N/A
Iflytek Venture Capital (5th installment capital contribution)	N/A	320	N/A	N/A

Name of projects	Mr. ZHOU Xing (Note 1) US\$	Mr. WANG Xiaoding (Note 2) US\$	Mr. YANG Baiqian (Note 3) US\$	Mr. KANG Dong (Note 4) US\$
China UnionPay	N/A	12,900	N/A	N/A
Iflytek Venture Capital (6th installment capital contribution)	N/A	640	N/A	N/A
CASREV Fund III (1st installment capital contribution)	N/A	320	N/A	N/A
CASREV Fund III (2nd installment capital contribution)	N/A	320	N/A	N/A
Huiyou Xingyao Fund (1st installment capital contribution)	N/A	880	N/A	N/A
Flexiv	N/A	20,640	N/A	N/A
Huashun Xin'an (1st installment capital contribution for 1st round capital injection)	N/A	1,030	N/A	N/A
Huashun Xin'an (2nd installment capital contribution for 1st round capital injection)	N/A	260	N/A	N/A
Huiyou Xingyao Fund (2nd installment capital contribution)	N/A	410	N/A	N/A
CASREV Fund III (3rd installment capital contribution)	N/A	320	N/A	N/A
Xinyi	N/A	1,290	N/A	N/A
Xunfei Healthcare (2nd round capital injection)	N/A	1,280	3,850	1,280
Azuri	N/A	1,280	3,850	1,280
Huashun Xin'an (2nd round capital injection)	N/A	1,270	3,820	1,270
CASREV Fund III (4th installment capital contribution)	N/A	320	N/A	N/A
Immvira	N/A	1,270	3,820	1,270
Hanwei	N/A	1,280	1,280	1,280
Moonshot AI	N/A	1,280	2,560	1,280
Xunfei Healthcare (3rd round capital injection)	N/A	1,290	3,860	1,290

Note 1: The Chairman of the Fund

Note 2: Director of the Fund and Director & General Manager of the Investment Manager (resigned as Director & General Manager of the Investment Manager on 20 July 2026)

Note 3: Director and Chairman of the Investment Manager

Note 4: Director of the Investment Manager

Mr. WANG Xiaoding

The then -Director & General Manager

China Merchants China Investment Management Limited

Hong Kong, 27 August 2026

INTERIM AND SPECIAL INTERIM DIVIDENDS

The Directors have resolved to declare an interim dividend of US\$0.05 (or HK\$0.390) per share (six months ended 30 June 2025: US\$0.04 per share) and a special interim dividend of US\$0.07 (or HK\$0.546) per share (six months ended 30 June 2025: US\$0.04 per share), totaling US\$0.12 (or HK\$0.936) (six months ended 30 June 2025: US\$0.08 per share), for the six months ended 30 June 2026. The interim and special interim dividends will be paid in cash on 6 November 2026 to shareholders whose names appear on the register of members of the Company on 24 September 2026. Total dividends for the six months ended 30 June 2026 amount to US\$18,279,962 (six months ended 30 June 2025: US\$12,186,641). The interim and special interim dividends have not been recognised as a liability at the end of the reporting period. Shareholders who wish to receive the dividends in Hong Kong Dollars have to complete a Hong Kong Dollar dividend election form and return the same to the Company's Share Registrar on or before 23 October 2026. Shareholders who have submitted the dividend election form previously do not need to re-submit this form.

A dividend payment of US\$38,083,253 (2024: US\$6,093,321), being a final dividend of US\$0.05 per share (2024: a final dividend of US\$0.04 per share) and a special dividend of US\$0.20 per share (2024: Nil), totaling US\$0.25 per share (2024: US\$0.04 per share), for the year ended 31 December 2025 was approved by the shareholders on 28 May 2026 and was subsequently paid by the Company in cash on 24 July 2026.

BOOK CLOSURE

The register of members of the Company will be closed from 21 September 2026 to 24 September 2026, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend and special interim dividend, shareholders must ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on 18 September 2026.

PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY

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

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at 30 June 2026, the interests of the Directors and their associates in the shares of the Company as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO") or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

Name of Director	Number of ordinary shares interested	Capacity	Percentage of total issued shares
Mr. WANG Xiaoding	212,000	Beneficial owner	0.14%

Save as disclosed above, none of the Directors or chief executives, or their associates, had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the SFO) as recorded in the register required to be kept under Section 352 of the SFO as at 30 June 2026, and none of the Directors or chief executives, or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company or its associated corporations, or had exercised any such right during the six months ended 30 June 2026.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2026, the following persons, other than a Director or chief executives of the Company, had interests in the shares of the Company as recorded in the register of the Company required to be kept under Section 336 of the SFO:

Name of shareholder	Long/ short position	Capacity	Number of ordinary shares interested	Percentage of total issued shares
China Merchants Group Limited (Note 1)	Long position	Interest of controlled corporation	42,022,041	27.59%
China Merchants Steam Navigation Company Limited (Note 1)	Long position	Interest of controlled corporation	42,022,041	27.59%
China Merchants Financial Holdings Co., Ltd. (Note 1)	Long position	Interest of controlled corporation	42,022,041	27.59%
China Merchants Financial Holdings (Hong Kong) Company Limited (Note 1)	Long position	Interest of controlled corporation	42,022,041	27.59%
Good Image Limited	Long position	Beneficial owner	42,022,041	27.59%
Lazard Asset Management LLC	Long position	Investment manager	28,931,099	18.99%
TFI Asset Management (Cayman) Ltd. (Note 2)	Long position	Interest of controlled corporation	17,996,000	11.81%

Note 1: China Merchants Group Limited, China Merchants Steam Navigation Company Limited, China Merchants Financial Holdings Co., Ltd. and China Merchants Financial Holdings (Hong Kong) Company Limited are deemed to have corporate interests in the shares by virtue of its entire shareholding in the company whose name is set out immediately under it.

Note 2: According to the notice filed by TFI Asset Management (Cayman) Ltd. on 26 June 2026, TFI Special Opportunities Fund SPC ("**the Fund**"), a company controlled by TFI Asset Management (Cayman) Ltd., held the interests in the Company through the account of its segregated investment portfolio TFI Park SP ("**Investment Portfolio**"). 14,884,000 shares held by the Fund through its Investment Portfolio represented the same block of shares reported in the notice filed by TFI ASSET MANAGEMENT LIMITED on 25 July 2025.

Save as disclosed above, there was no person, other than a Director or chief executives of the Company, who had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

IMPORTANT EVENTS AFTER THE END OF THE FINANCIAL PERIOD

As disclosed in the announcement published by the Company on 25 June 2026, the investment management agreement entered into between the Company and the Investment Manager on 22 December 2025 in respect of the provision of investment management services for the period from 1 January 2026 to 30 June 2026 expired on 30 June 2026, and thereafter China Merchants China Investment Management Limited has no longer acted as the Investment Manager of the Company. In addition, the board of directors of the Company has appointed a senior management team of the Company comprising the Chief Investment Officer, the Administrative General Manager and the Chief Financial Officer, and has authorised it to take full responsibility for the day-to-day operations and management of the Company with effect from 1 July 2026.

CORPORATE GOVERNANCE

The condensed consolidated financial statements for the six months ended 30 June 2026 are unaudited, but have been reviewed by KPMG, 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, whose unmodified review report is included in this interim report. The interim report has been reviewed by the Company's Audit Committee.

The Company has complied with all applicable code provisions of Corporate Governance Code contained in Appendix C1 to the Listing Rules throughout the reporting period except as stated below.

The Stock Exchange of Hong Kong Limited has granted a waiver to the Company for establishment of remuneration committee on condition that the Executive Directors and senior management of the Company will not receive any Directors' fee or emolument from the Company. Thus, no remuneration committee has been established by the Company before 5 June 2026.

On 5 June 2026, the Board has resolved to establish a remuneration committee of the Company which is responsible for formulating and overseeing the Company's remuneration policies, determining the remuneration packages of the directors and senior management of the Company, and ensuring that such packages are aligned with the Company's corporate objectives, long-term performance and shareholder interests.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted codes of conduct regarding securities transactions by Directors set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 to the Listing Rules. On specific enquiries made, all Directors have confirmed that, in respect of the reporting period, they have complied with the required standard set out in the Model Code.

UPDATE ON DIRECTORS' BIOGRAPHICAL DETAILS

Mr. ZOU Chuan, Non-executive Director of the Company, was appointed as a Non-executive Director of Colour Life Service Group Co., Limited (stock code: 1778), a company listed on the Hong Kong Stock Exchange, on 18 June 2026, and he also was appointed as a Non-executive Director of CITIC Resources Holdings Limited (stock code: 1205), a company listed on the Hong Kong Stock Exchange, on 21 August 2026.

Mr. WANG Xiaoding, Executive Director of the Company, was appointed as the Chief Investment Officer of the Company on 25 June 2026 (with effect from 1 July 2026), and resigned as a Director and General Manager of the Investment Manager on 20 July 2026.

The Remuneration Committee of the Company was established on 5 June 2026 and comprised the following members: ZHU Qi (Chairman), Mr. ZHOU Xing and Dr. GONG Shaolin.

Save as disclosed above, there is no other information that required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

By Order of the Board
Mr. ZHOU Xing
Chairman

Hong Kong, 27 August 2026