2026 INTERIM REPORT

Anhui Conch Cement Company Limited

(A Share: 600585   H Share: 00914)

1. The Board, the Directors, and the senior management members of the Company warrant that the information in this report, for which they jointly and severally accept legal liability, is truthful, accurate and complete, and does not contain any misrepresentation, misleading statement or material omission.

2. All Directors of the Company attended the fourth meeting of the tenth session of the Board.

3. This interim report is unaudited.

4. Mr. Yang Jun, the officer-in-charge of the Company, Mr. Yu Shui, the officer-in-charge of the accounting function, and Mr. Wang Manbo, the officer-in-charge of the accounting department, have declared that they warrant the financial statements contained herein are truthful, accurate and complete.

5. Interim profit appropriation proposal for 2026 as considered by the fourth meeting of the tenth session of the Board of the Company: a cash dividend of RMB0.13 per share (tax inclusive) will be distributed. No capitalization of common reserve fund was made.

6. Declaration of risks with respect to the forward-looking statements: the forward-looking statements concerning the future operation and development plan as disclosed in this report do not constitute any substantive commitment to investors. Investors are advised to be cautious of the investment risks.

7. During the Reporting Period, there was no appropriation of the Company's funds for non-operating purpose by the controlling shareholders of the Company and its related parties.

8. During the Reporting Period, no external guarantee was provided in violation of the established decision-making procedures.

9. There does not exist the situation that more than half of the Directors being unable to warrant the truthfulness, accuracy and completeness of the content of this report.

10. Unless otherwise stated, all financial data in this report are prepared in accordance with the PRC Accounting Standards, and all monetary amounts herein are denominated in RMB.

Contents

Documents for Inspection

(1) Copies of financial reports bearing the signatures and seals of the officer-in-charge of the Company, the officer-in-charge of the accounting function and the officer-in-charge of the accounting department.

(2) Originals of all the corporate documents and the announcements of the Company which were disclosed during the Reporting Period.

(3) A copy of the 2026 interim report of the Company published on the website of the Stock Exchange.

1. Definitions

The following terms and expressions contained in this report shall, unless the context otherwise requires, have the meanings assigned to them as follows:

the Company/Conch Cement	:	Anhui Conch Cement Company Limited
the Group	:	the Company and its subsidiaries
Board	:	the board of directors of the Company
Director(s)	:	the director(s) of the Company
Audit Committee	:	the audit committee of the Board
Conch Holdings	:	Anhui Conch Holdings Company Limited
Conch Tech Innovation Material	:	Anhui Conch Technology Innovation Material Co., Ltd. (formerly known as Anhui Conch Investment Company Limited)
Conch Material Technology	:	Anhui Conch Material Technology Co., Ltd. (formerly known as Anhui Conch New Materials Technology Company Limited), a company listed on the Stock Exchange (stock code: 02560)
Conch Material Technology Group	:	Conch Material Technology and its subsidiaries
Conch Design Institute	:	Anhui Conch Construction Materials Design Institute Co., Ltd.
Conch New Material	:	Conch (Anhui) Energy Saving and Environment Protection New Material Co., Ltd. (formerly known as Wuhu Conch Profiles and Science Co., Ltd.), a company listed on the SZSE (stock code: 000619)
Conch Accelerants Manufacturing	:	Anhui Conch Accelerants Manufacturing Engineering Technology Company Limited
Conch Capital	:	Anhui Conch Capital Management Company Limited
Conch Venture Enterprise	:	Wuhu Conch Venture Enterprise Limited
Conch Venture	:	China Conch Venture Holdings Limited, a company listed on the Stock Exchange (stock code: 00586)
Guangying Mining	:	Qingyuan Guangying Mining Industry Co., Ltd.

1. Definitions

Haihui Company	:	Anhui Haihui Supply Chain Technology Co., Ltd.
Conch Environment Protection	:	China Conch Environment Protection Holdings Limited, a company listed on the Stock Exchange (stock code: 00587)
Quanjiao Conch	:	Quanjiao Conch Cement Co., Ltd.
Xingye Conch	:	Xingye Kuiyang Conch Cement Co., Ltd.
Yili Conch	:	Yili Conch Cement Co., Ltd.
Hongda Blasting	:	Hongda Blasting Engineering Group Co., Ltd.
Huaxin Building Materials	:	Huaxin Building Materials Group Co., Ltd. (formerly known as Huaxin Cement Co., Ltd.), a company listed on both the SSE (stock code: 600801) and the Stock Exchange (stock code: 06655)
Shangfeng Materials	:	Gansu Shangfeng Materials Co., Ltd. (formerly known as Gansu Shangfeng Cement Co., Ltd.), a company listed on the SZSE (stock code: 000672)
Tianshan Material	:	Tianshan Material Co., Ltd. (formerly known as Xinjiang Tianshan Cement Co., Ltd.), a company listed on the SZSE (stock code 000877)
Wanwei Group	:	Anhui Wanwei Group Co., Ltd.
Wanwei Updated High-Tech	:	Anhui Wanwei Updated High-Tech Material Industry Co., Ltd., a company listed on the SSE (stock code: 600063)
Mengwei Technology	:	Inner Mongolia Mengwei Technology Co., Ltd.
WCC	:	West China Cement Limited, a company listed on the Stock Exchange (stock code: 02233)
Wuhu Industrial Investment	:	Wuhu Industrial Investment Fund Company Limited
associate	:	has the meaning ascribed to it under the HKSE Listing Rules
connected person	:	has the meaning ascribed to it under the HKSE Listing Rules

1. Definitions

Reporting Period	:	the period from 1 January 2026 to 30 June 2026
PRC Accounting Standards	:	China Accounting Standards for Business Enterprises
Company Law	:	the Company Law of the People's Republic of China
Articles	:	the articles of association of the Company
A Shares	:	ordinary shares in the capital of the Company listed on the SSE, with a nominal value of RMB1.00 per share, which are subscribed for and traded in RMB
H Shares	:	foreign shares in the capital of the Company listed on the Stock Exchange, with a nominal value of RMB1.00 per share, which are subscribed for and traded in Hong Kong dollars
Stock Exchange	:	The Stock Exchange of Hong Kong Limited
HKSE Listing Rules	:	the Rules Governing the Listing of Securities on the Stock Exchange
SFO	:	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Model Code	:	Model Code for Securities Transactions by Directors of Listed Issuers under Appendix C3 to the HKSE Listing Rules
SSE	:	Shanghai Stock Exchange
SSE Listing Rules	:	the Rules Governing the Listing of Stocks on the SSE
SZSE	:	Shenzhen Stock Exchange
Hong Kong	:	the Hong Kong Special Administrative Region of the PRC
PRC	:	the People's Republic of China
clinker	:	semi-finished products made in the manufacturing process of cement
RMB	:	Renminbi, the lawful currency of the PRC

(1)	**Official Chinese name of the Company**	:	安徽海螺水泥股份有限公司
	Abbreviation in Chinese	:	海螺水泥
	Official English name of the Company	:	ANHUI CONCH CEMENT COMPANY LIMITED
	Abbreviation in English	:	ACC
(2)	**Legal Representative of the Company**	:	Yang Jun
(3)	**Secretary to the Board (Joint Company Secretary)**	:	Yu Shui
	Phone number	:	0086 553 8398976
	Fax number	:	0086 553 8398931
	Joint Company Secretary (Hong Kong)	:	Leo P. Y. Chiu
	Phone number	:	00852 2111 3220
	Fax number	:	00852 2111 3299
	Securities Affairs Representative	:	Liu Yanping
	Phone number	:	0086 553 8398911
	Fax number	:	0086 553 8398931
	E-mail	:	dms@chinaconch.com

(4)	**Registered address of the Company**	:	39 Wenhua Road, Wuhu City, Anhui Province, the PRC
	Office address of the Company	:	39 Wenhua Road, Wuhu City, Anhui Province, the PRC
	Postal code	:	241000
	Email address of the Company	:	dms@chinaconch.com
	Website of the Company	:	http://www.conch.cn
	Contact address in Hong Kong	:	40/F, Jardine House, 1 Connaught Place, Central, Hong Kong
(5)	**Media for disclosure of this report**	:	Shanghai Securities Journal, Securities Times
	Websites of the stock exchanges for disclosure of this report	:	SSE: http://www.sse.com.cn Stock Exchange: http://www.hkexnews.hk
	Locations where this report is available for inspection	:	SSE, Secretariat to the Board of the Company
(6)	**Exchanges on which the Company's shares are listed**		
	H Shares	:	Stock Exchange
	Stock code	:	00914
	Stock short name	:	Conch Cement
	A Shares	:	SSE
	Stock code	:	600585
	Stock short name	:	Conch Cement

(7)	**International auditors**	:	Ernst & Young Registered Public Interest Entity Auditor in accordance with the Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong) 27/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
	PRC auditors	:	Ernst & Young Hua Ming LLP Room 01-12, 17/F, Ernst & Young Tower, Oriental Plaza, No.1 East Chang'an Avenue, Dongcheng District, Beijing, the PRC
(8)	**H Shares share registrar and transfer office**	:	Computershare Hong Kong Investors Service Limited Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

(9) Accounting data prepared in accordance with the PRC Accounting Standards

Table 1:

Items	As at 30 June 2026 (RMB'000) (Unaudited)	As at 31 December 2025 (RMB'000) After adjustment	Before adjustment	Increase or decrease as at the end of the Reporting Period as compared to that at the end of the previous year (%)
Total assets	**252,464,266**	256,494,726	256,000,730	-1.57
Net assets attributable to equity shareholders of the Company	**191,232,721**	192,703,439	192,427,628	-0.76

Note: During the Reporting Period, the Company is required to restate financial statements for previous years according to the relevant requirements under the PRC Accounting Standards and the International Financial Reporting Standards ("IFRSs") respectively since the acquisition of Anhui Conch Green Energy Power Sales Co., Ltd. (hereinafter referred to as "Conch Power Sales") and Conch Design Institute was a business combination under common control (the same for below).

Table 2:

Items	**Six months ended 30 June 2026 (RMB'000) (Unaudited)**	Six months ended 30 June 2025 (RMB'000) (Unaudited) After adjustment	Before adjustment	Increase or decrease for the Reporting Period over the corresponding period of the previous year (%)
Revenue	**36,926,872**	41,436,746	41,291,785	-10.88
Profit before taxation	**3,265,319**	5,903,295	5,836,359	-44.69
Net profit attributable to equity shareholders of the Company	**2,526,712**	4,414,320	4,367,868	-42.76
Net profit after extraordinary items attributable to equity shareholders of the Company	**1,902,123**	4,198,097	4,198,097	-54.69
Basic earnings per share (RMB/share)	**0.48**	0.84	0.83	-42.76
Diluted earnings per share (RMB/share)	**0.48**	0.84	0.83	-42.76
Basic earnings per share after extraordinary items (RMB/share)	**0.36**	0.80	0.80	-54.69
Weighted average return on net assets (%)	**1.31**	2.32	2.30	Decreased by 1.01 percentage points
Weighted average return on net assets after extraordinary items (%)	**0.98**	2.20	2.21	Decreased by 1.22 percentage points
Net cash flow generated from operating activities	**4,515,900**	8,337,281	8,286,544	-45.83

Table 3:

Extraordinary gains and losses items for the Reporting Period	**Amount** (RMB'000) (Unaudited)
(1) Gains/losses from disposal of non-current assets, including the written-off portion of the provision for impairment of assets	-9,590
(2) Government subsidy (excluding government subsidy closely associated with the enterprise's normal business, granted in accordance with the State's policy and based on certain standards, and with a continuing effect on the gains and losses of the enterprise) included in the current income statement	183,541
(3) Gains/losses on changes in the fair value of financial assets and financial liabilities held by non-financial enterprises and gains and losses on disposal of financial assets and financial liabilities, excluding effective hedging business associated with the Company's normal business	162,634
(4) Gains on entrusted investment or asset management	44,106
(5) Gains/losses from external entrusted loans	510
(6) Custody fee income obtained from entrusted operation	10,751
(7) Net gains and losses of subsidiaries formed through business combination under common control from the beginning of the period to the date of merger attributable to the current period	6,614
(8) The Group's share, on a pro rata basis, of investment income from associates and joint ventures that is attributable to changes in fair value of financial assets held by associates and joint ventures	363,485
(9) Other non-operating income and expenses other than the above items	-38,116
(10) Effect of extraordinary items on income tax	-99,231
(11) Effect of extraordinary items on minority interests (after tax)	-115
Total	**624,589**

(10) Financial summary prepared in accordance with the IFRSs

Items	Six months ended 30 June 2026 (RMB'000) (Unaudited)	Six months ended 30 June 2025 (RMB'000) (Unaudited)		Increase or decrease for the Reporting Period over the corresponding period of the previous year (%)
		After adjustment	Before adjustment	
Revenue	**36,926,872**	41,436,746	41,291,785	-10.88
Net profit attributable to equity shareholders of the Company	**2,719,786**	4,677,473	4,631,022	-41.85

Items	As at 30 June 2026 (RMB'000) (Unaudited)	As at 31 December 2025 (RMB'000)		Increase or decrease as at the end of the Reporting Period as compared to that at the end of the previous year (%)
		After adjustment	Before adjustment	
Total assets	**252,464,266**	256,494,726	256,000,730	-1.57
Total liabilities	**50,554,413**	52,518,230	52,312,787	-3.74

(11) Explanations for differences between consolidated financial statements prepared in accordance with the PRC Accounting Standards and IFRSs respectively

	Net profit attributable to equity shareholders of the Company		**Equity attributable to equity shareholders of the Company**	
	Six months ended 30 June 2026 (RMB'000) (Unaudited)	Six months ended 30 June 2025 (RMB'000) (Unaudited)	**As at 30 June 2026 (RMB'000) (Unaudited)**	As at 31 December 2025 (RMB'000)
As reported in the statutory financial statements prepared in accordance with the PRC Accounting Standards	**2,526,712**	4,414,320	**191,232,721**	192,703,439
– Items not subject to "China Accounting Standards for Business Enterprises No.16 – Government Subsidy" and recognized on a deferred basis in accordance with IFRSs	**4,868**	6,202	**-17,761**	-22,628
– Difference arising from the implementation of "China Accounting Standards for Business Enterprises Interpretation No. 3"	**188,206**	256,951	**–**	–
As reported in accordance with IFRSs	**2,719,786**	4,677,473	**191,214,960**	192,680,811

(1) OVERVIEW OF THE CEMENT INDUSTRY

In the first half of 2026, China's economy maintained overall stable operation, with an accelerated transition between old and new growth drivers and continued progress in high-quality development. The national GDP increased by 4.7% period-on-period, and the main economic indicators operated within a reasonable range. Affected by factors such as the slowdown of the investment growth in fixed assets, the weakening supportive role of the investment in infrastructure and the continuous adjustment of the real estate industry, the demand of cement market was under pressure. In the first half of the year, the national cement output was 736 million tonnes, representing a period-on-period decrease of 8%. Affected by the weakening market demand, competition in the industry further intensified, and the overall price of cement showed a volatile downward trend. At the same time, the prices of major energy sources such as coal increased period-on-period, further increasing operating costs. The profitability of the industry declined period-on-period, and the overall operating pressure on enterprises continued to increase. (Data source: National Bureau of Statistics, Digital Cement)

(2) INTRODUCTION OF THE MAIN BUSINESS OF THE COMPANY

During the Reporting Period, the Group principally engaged in the production and sales of cement, commodity clinker, aggregate and commodity concrete. Responding to the market demand, the Group's cement products mainly comprise 32.5-grade cement, 42.5-grade cement and 52.5-grade cement, which are widely used in large-scale national infrastructure construction projects such as railways, highways, airports and water conservancy projects as well as urban real estate development, urban renewal and rural construction.

Cement belongs to the basic raw material industry and is a regional product, the sales of cement is limited by the mode of transportation and local cement prices, and its business model is different from that of daily consumer goods. The Group has adopted a sales model focusing on direct sales and supplemented by distribution. The Group has a relatively extensive marketing network, with over 600 marketing departments in the regions across the PRC and overseas where the Group has operation. On such basis, the Group continued to improve its marketing strategy by continuing to promote the construction of networks and waterway distribution channels in the regional markets along the river and coastal areas as well as areas with concentrated demand, consolidating the construction in the end markets, so as to further improve its regional market competitiveness.

In addition, based on core cement business, the Company has continued to promote the extension, supplementation and enhancement of its industrial chains, coordinated the development of upstream and downstream industrial chains such as aggregates and commodity concrete, expanded into the business of consumption building materials such as ceramic tile glue and dry-mixed mortar, fully leveraged the synergistic advantages of the "cement +" industrial chain, and provided customers with "one-stop" comprehensive building materials service solutions.

(3) CHANGES IN CORE COMPETITIVENESS OF THE COMPANY DURING THE REPORTING PERIOD

Since its listing in 1997, the Company has been focusing on strengthening, optimizing and growing its core cement business by emphasizing independent innovation and technological innovation, vigorously pushing forward energy conservation and emission reduction and developing low-carbon recycling economy. After nearly 30 years of sustainable, healthy and steady development, and by refining internal management, strengthening market construction and promoting technological innovation, the Company has created a unique "Conch Model", and established relatively strong advantages in brand recognition, resources, technology, funding, market share, management, human resources, etc.

During the Reporting Period, the Group continued to focus on the high-quality development of its core business and the upstream and downstream industrial chains, firmly advanced its international development, deeply implemented the green, digital and intelligent transformation and continuously improved operational management standards and operating quality and efficiency, further solidifying its core competitiveness for sustainable development.

(4) MANAGEMENT DISCUSSION AND ANALYSIS ON THE OPERATIONS

Analysis on the Operational Conditions for the First Half of 2026

1. Overview of operation development

In the first half of 2026, due to weak demand in the cement market, intensifying market competition and other factors, the overall operating pressure on the industry further increased. In the face of a complex and challenging operating environment, the Group established a foothold in the market by taking multiple measures to actively address various headwinds and challenges, striving to overcome the adverse impact of the market downturn, and continuously enhancing its operational resilience, thereby further consolidating the foundation for high-quality development amid the industry adjustment cycle.

During the Reporting Period, the Group focused on achieving its annual operating targets and strengthened the coordination of both domestic and international markets. In domestic market, the Group continued to stabilize operations and strengthen management, reinforced end-user market development, and deepened the "cement+" industrial synergy; in overseas market, the Group strengthened the operational management of overseas subsidiaries, optimized global resource allocation, and further improved the operating quality, efficiency and profit contribution of the overseas businesses. At the same time, the Group fully leveraged its scale procurement advantages, enhanced cost reduction, and continued to unleash the potential for cost reduction and efficiency enhancement, thereby consolidating its cost competitiveness.

During the Reporting Period, in accordance with the PRC Accounting Standards, the Group's revenue amounted to RMB36,927 million, representing a decrease of 10.88% from that of the corresponding period of the previous year; net profit attributable to equity shareholders of the Company amounted to RMB2,527 million, representing a decrease of 42.76% from that of the corresponding period of the previous year; and earnings per share were RMB0.48, representing a decrease of RMB0.36 from that of the corresponding period of the previous year. During the Reporting Period, in accordance with the IFRSs, revenue amounted to RMB36,927 million, representing a decrease of 10.88% from that of the corresponding period of the previous year; net profit attributable to equity shareholders of the Company amounted to RMB2,720 million, representing a decrease of 41.85% from that of the corresponding period of the previous year; and earnings per share were RMB0.52, representing a decrease of RMB0.37 from that of the corresponding period of the previous year.

During the Reporting Period, encircling the "15th Five-Year" strategic plan, the Group adhered to effective investment and coordinated the advancement in its core business development and industrial chain layout. In terms of core business development, the Group continued to promote production capacity integration of the main business in China by pushing forward the acquisition of the cement assets of Wanwei Updated High-Tech. In overseas markets, the Group seized development opportunities and achieved positive progress in the construction of key projects. In terms of industrial chain extension, 4 aggregates projects were put into operation on schedule, 26 commodity concrete projects were implemented through new construction, leasing and toll processing and 4 new dry-mixed mortar and ceramic tile glue projects were newly put into production, these have further enhanced the Group's industrial chain layout and accelerated its formation as a comprehensive building materials service solutions provider.

The Group continued to advance scientific and technological innovation as well as the transformation and application of innovation achievements, fostering a positive company-wide innovation atmosphere. During the Reporting Period, the Group won 7 building materials science and technology awards jointly issued by the China Building Materials Federation and the Chinese Ceramic Society, as well as the Anhui Provincial Science and Technology Award, and obtained 223 authorized patents. The employee participation rate in innovation activities reached 46%, and more than 500 innovation achievements were replicated and promoted in a scale of "1-100". The Group has deeply implemented green and low-carbon development. It accelerated the ultra-low emission renovation of production lines, intensified research and development efforts in advanced carbon-reduction technologies, and further explored energy-saving and carbon-reduction potential to further reduce carbon intensity. The Group also strengthened its research on carbon market policies and operating mechanisms, actively participated in carbon market trading, and further enhanced green and low-carbon development.

As at the end of the Reporting Period, the Group's production capacity of clinker, cement, aggregates and commodity concrete amounted to 234 million tonnes, 385 million tonnes[1], 186 million tonnes and 84.35 million cubic meters, respectively. The installed capacity of wind-photovoltaic power generation and energy storage in operation amounted to approximately 1,431 MW.

2. Major operational information during the Reporting Period

(1) *Analysis of revenue and cost*

Principal activities by industry, product, region and sales model

Principal activities by industry

Industry	**Operating revenue** (RMB'000)	**Operating cost** (RMB'000)	**Gross profit margin** (%)	**Increase or decrease in operating revenue over the corresponding period of the previous year** (%)	**Increase or decrease in operating cost over the corresponding period of the previous year** (%)	**Increase or decrease in gross profit margin over the corresponding period of the previous year**
Building material industry (sale of self-produced products)	28,634,730	22,202,233	22.46	-16.49	-8.98	Decreased by 6.40 percentage points
Building material industry (trading business)	1,095,045	1,083,854	1.02	99.71	100.16	Decreased by 0.22 percentage point

[1] During the Reporting Period, no new production capacity of cement was added. The production capacity of cement decreased from that at the beginning of the Reporting Period was mainly due to the dismantling of certain mills based on the production capacity replacement arrangements of the Group.

Principal activities by product

Product	Operating revenue (RMB'000)	Operating cost (RMB'000)	Gross profit margin (%)	Increase or decrease in operating revenue over the corresponding period of the previous year (%)	Increase or decrease in operating cost over the corresponding period of the previous year (%)	Increase or decrease in gross profit margin over the corresponding period of the previous year
Building material industry (sale of self-produced products) - 42.5 grade cement Note 1	19,887,047	15,529,603	21.91	-16.68	-8.26	Decreased by 7.17 percentage points
Building material industry (sale of self-produced products) - 32.5 grade cement	3,062,826	2,099,524	31.45	-18.27	-14.61	Decreased by 2.94 percentage points
Building material industry (sale of self-produced products) – clinker	2,249,233	2,038,394	9.37	-26.05	-17.68	Decreased by 9.21 percentage points
Building material industry (sale of self-produced products) – aggregate and manufactured sand	1,889,794	1,119,112	40.78	-10.50	-5.57	Decreased by 3.09 percentage points
Building material industry (sale of self-produced products) – commodity concrete	1,545,830	1,415,600	8.42	1.79	5.21	Decreased by 2.98 percentage points
Building material industry (trading business)	1,095,045	1,083,854	1.02	99.71	100.16	Decreased by 0.22 percentage point

Principal activities by region

Region	Operating revenue (RMB'000)	Operating cost (RMB'000)	Gross profit margin (%)	Increase or decrease in operating revenue over the corresponding period of the previous year (%)	Increase or decrease in operating cost over the corresponding period of the previous year (%)	Increase or decrease in gross profit margin over the corresponding period of the previous year
Building material industry (sale of self-produced products) – East China Note 2	7,733,292	6,760,604	12.58	-23.64	-13.86	Decreased by 9.92 percentage points
Building material industry (sale of self-produced products) – Central China Note 3	6,876,308	5,320,901	22.62	-23.41	-16.17	Decreased by 6.69 percentage points
Building material industry (sale of self-produced products) – South China Note 4	5,138,101	4,009,750	21.96	-14.77	-4.55	Decreased by 8.35 percentage points
Building material industry (sale of self-produced products) – West China Note 5	5,144,320	3,895,959	24.27	-17.85	-9.18	Decreased by 7.22 percentage points
Building material industry (sale of self-produced products) – Export	763,921	649,318	15.00	77.37	81.01	Decreased by 1.71 percentage points
Building material industry (sale of self-produced products) – Overseas	2,978,788	1,565,701	47.44	20.98	16.12	Increased by 2.20 percentage points
Building material industry (trading business)	1,095,045	1,083,854	1.02	99.71	100.16	Decreased by 0.22 percentage point

Principal activities by sales model

Sales model	Operating revenue (RMB'000)	Operating cost (RMB'000)	Gross profit margin (%)	Increase or decrease in operating revenue over the corresponding period of the previous year (%)	Increase or decrease in operating cost over the corresponding period of the previous year (%)	Increase or decrease in gross profit margin over the corresponding period of the previous year
Building material industry – Direct sale	17,555,432	13,226,497	24.66	-13.75	-5.55	Decreased by 6.55 percentage points
Building material industry – Distribution	12,174,343	10,059,590	17.37	-15.93	-8.01	Decreased by 7.12 percentage points

Notes:

1. 42.5-grade cement includes cement of grade 42.5 and above;
2. East China mainly includes Jiangsu, Zhejiang, Shanghai, Fujian and Shandong, etc.;
3. Central China mainly includes Anhui, Jiangxi and Hunan, etc.;
4. South China mainly includes Guangdong, Guangxi and Hainan;
5. West China mainly includes Sichuan, Chongqing, Guizhou, Yunnan, Gansu, Shaanxi, Xinjiang and Inner Mongolia, etc.

Sales by industry

During the Reporting Period, the Group's sales volume of self-produced cement and clinker products amounted to 121 million tonnes, representing a period-on-period decrease of 3.96%. Sales revenue from self-produced products amounted to RMB28,635 million, representing a period-on-period decrease of 16.49%. Cost of sales of self-produced products decreased by 8.98% period-on-period to RMB22,202 million. The consolidated gross profit margin of self-produced products was 22.46%, representing a decrease of 6.40 percentage points from that for the corresponding period of the previous year.

The Group achieved a sales volume of 4.61 million tonnes for its cement and clinker trading business, representing a period-on-period increase of 146.13%. Revenue from trading business amounted to RMB1,095 million, representing a period-on-period increase of 99.71%. Cost of trading business increased by 100.16% period-on-period to RMB1,084 million. The consolidated gross profit margin of trading business was 1.02%, representing a decrease of 0.22 percentage point from that for the corresponding period of the previous year.

The Group's total sales volume of self-produced products and trading business of cement and clinker amounted to 125 million tonnes, representing a period-on-period decrease of 1.75%. Revenue generated from principal activities amounted to RMB29,730 million, representing a period-on-period decrease of 14.66%. Cost of principal business decreased by 6.61% period-on-period to RMB23,286 million. The consolidated gross profit margin of products was 21.67%, representing a decrease of 6.75 percentage points from that for the corresponding period of the previous year.

Sales by product

During the Reporting Period, the gross profit margin of the Group's self-produced 42.5-grade cement, 32.5-grade cement and clinker decreased by 7.17 percentage points, 2.94 percentage points and 9.21 percentage points period-on-period, respectively. The consolidated gross profit margin of aggregates and manufactured sand decreased by 3.09 percentage points period-on-period to 40.78%; the consolidated gross profit margin of commodity concrete was 8.42%, representing a period-on-period decrease of 2.98 percentage points.

Sales by region

During the Reporting Period, the domestic market was primarily affected by the period-on-period decrease in the selling prices of products, resulting in the decrease of sales revenue of self-produced products across various domestic regions by varying degrees. Benefiting from demand growth and effective market coordination, the Group's overseas projects demonstrated a positive trend of simultaneous growth in both volume and price with sales revenue and gross profit margin recorded a period-on-period increase of 20.98% and 2.20 percentage points, respectively. In addition, the Group sought overseas export opportunities and increased its export in a timely manner, with export revenue growing by 77.37% period-on-period.

(2) *Profit analysis*

Major profit or loss items prepared in accordance with the PRC Accounting Standards

Items	**Amount**		Increase or decrease for the Reporting Period over the corresponding period of the previous year (%)
	Six months ended 30 June 2026 (RMB'000) (Unaudited)	Six months ended 30 June 2025 (RMB'000) (Unaudited)	
Revenue from principal activities	**29,729,775**	34,836,859	-14.66
Profit from operations	**3,167,736**	5,807,809	-45.46
Profit before taxation	**3,265,319**	5,903,295	-44.69
Net profit attributable to equity shareholders of the Company	**2,526,712**	4,414,320	-42.76

During the Reporting Period, mainly affected by the decrease in the selling prices of products, the Group's revenue from principal business, profit from operations, profit before taxation and net profit attributable to equity shareholders of the Company recorded decreases of 14.66%, 45.46%, 44.69% and 42.76%, respectively, as compared to the corresponding period of the previous year.

(3) Analysis of costs and expenses

Consolidated costs of cement and clinker for the six months ended 30 June 2026 and their period-on-period changes

Items	Six months ended 30 June 2026		Six months ended 30 June 2025		Increase or decrease in costs	Increase or decrease in proportion of costs
	Unit costs (RMB/tonne) (Unaudited)	Proportion (%)	Unit costs (RMB/tonne) (Unaudited)	Proportion (%)	(%)	(percentage points)
Raw materials	27.20	16.67	31.86	18.30	-14.63	-1.63
Fuel and power	93.55	57.35	96.36	55.33	-2.92	2.02
Depreciation expense	15.59	9.56	16.54	9.50	-5.74	0.06
Labor cost	11.26	6.90	12.94	7.43	-12.98	-0.53
Others	15.52	9.52	16.44	9.44	-5.60	0.08
Total	163.12	100	174.14	100	-6.33	–

Note: All cost items above represent the costs of the Group's self-produced products, excluding cost of the trading business.

During the Reporting Period, the Company enhanced its cost control standards through adopting technological innovation, strengthening logistic management, increasing utilization of alternative fuels, and optimizing procurement channels for raw materials and fuels. The Company's consolidated costs of self-produced cement and clinker products decreased by 6.33% period-on-period.

Changes in major expense items prepared in accordance with the PRC Accounting Standards

Expenses for the period	**Amount for the six months ended 30 June 2026 (RMB'000) (Unaudited)**	Amount for the six months ended 30 June 2025 (RMB'000) (Unaudited)	Increase or decrease for the Reporting Period over the corresponding period of the previous year (%)	Proportion over the revenue from principal activities for the Reporting Period (%)	Proportion over the revenue from principal activities for the corresponding period of the previous year (%)	Increase or decrease in the proportion over the revenue from principal activities (percentage points)
Selling expenses	**1,601,725**	1,637,375	-2.18	5.39	4.70	0.69
Administrative expenses	**2,595,474**	2,972,673	-12.69	8.73	8.53	0.20
Research and development expenses	**205,035**	332,442	-38.32	0.69	0.95	-0.26
Financial expenses (income is stated in negative)	**232,075**	-497,378	146.66	0.78	-1.43	2.21
Total	**4,634,309**	4,445,112	4.26	15.59	12.75	2.84

During the Reporting Period, the Group's research and development expenses decreased by 38.32% period-on-period, primarily due to a period-on-period decrease in expenditure on various research and development projects; the Group's finance expenses increased by 146.66% period-on-period, primarily due to a period-on-period increase in net exchange losses resulting from RMB appreciation and exchange rate fluctuations, as well as a period-on-period decrease in interest income under finance expenses due to utilization of part of cash at bank and on hand to purchase wealth management products and structured deposits to secure stable returns on capital.

(4) Financial position

Asset and liability position

Changes in assets and liabilities prepared in accordance with the PRC Accounting Standards

Items	**As at 30 June 2026 (RMB'000) (Unaudited)**	As a percentage of total assets as at the end of the Reporting Period (%)	As at 31 December 2025 (RMB'000)	As a percentage of total assets as at the end of the previous year (%)	Change in amounts as at the end of the Reporting Period from that at the end of the previous year (%)
Cash at bank and on hand	**34,328,683**	13.60	50,598,227	19.73	-32.15
Financial assets held for trading	**23,451,797**	9.29	12,999,961	5.07	80.40
Accounts receivable	**2,384,398**	0.94	3,050,128	1.19	-21.83
Advance payment	**724,855**	0.29	700,064	0.27	3.54
Inventories	**8,543,762**	3.38	7,596,948	2.96	12.46
Long-term equity investments	**8,518,309**	3.37	7,981,404	3.11	6.73
Investments in other equity instruments	**1,184,773**	0.47	1,416,434	0.55	-16.36
Fixed assets	**89,984,079**	35.64	92,417,324	36.03	-2.63
Construction in progress	**6,593,017**	2.61	6,105,558	2.38	7.98
Right-of-use assets	**949,436**	0.38	888,246	0.35	6.89
Intangible assets	**37,129,343**	14.71	37,056,178	14.45	0.20
Total assets	**252,464,266**	100	256,494,726	100	-1.57
Short-term borrowings	**5,056,999**	2.00	4,540,764	1.77	11.37
Contract liabilities	**2,409,460**	0.95	2,923,388	1.14	-17.58
Long-term borrowings	**5,728,116**	2.27	7,018,946	2.74	-18.39
Bonds payables	**9,500,000**	3.76	12,500,000	4.87	-24.00
Lease liabilities	**290,108**	0.11	220,156	0.09	31.77
Total liabilities	**50,531,634**	20.02	52,490,390	20.46	-3.73
Total liabilities and equity	**252,464,266**	100	256,494,726	100	-1.57

As at the end of the Reporting Period, the Group's cash at bank and on hand decreased by 32.15% as compared to that at the end of the previous year; balance of financial assets held for trading increased by 80.40% as compared to that at the end of the previous year, which was mainly due to the subscription of wealth management products of banks and structured deposits during the Reporting Period; accounts receivable decreased by 21.83% as compared to that at the end of the previous year, which was mainly due to the achievement in reduction in current account balances during the Reporting Period; balance of long-term borrowings decreased by 18.39% as compared to that at the end of the previous year, which was mainly due to the repayment of borrowings during the Reporting Period; balance of bonds payables decreased by RMB3,000 million as compared to that at the end of the previous year, which was mainly due to re-classification of certain medium-term notes that will expire within one year during the Reporting Period to non-current liabilities according to the PRC Accounting Standards.

The Group's total assets prepared in accordance with the PRC Accounting Standards amounted to RMB252,464 million, representing a decrease of 1.57% as compared to that at the end of the previous year. Total liabilities amounted to RMB50,532 million, representing a decrease of 3.73% as compared to that at the end of the previous year, of which, current liabilities amounted to RMB29,910 million, representing an increase of 6.75% as compared to that at the end of the previous year and non-current liabilities amounted to RMB20,622 million, representing a decrease of 15.73% as compared to that at the end of the previous year. As at the end of the Reporting Period, the Group's gearing ratio calculated in accordance with the PRC Accounting Standards was 20.02%, representing a decrease of 0.44 percentage point as compared to that at the end of the previous year.

Please refer to note 14 to the financial report prepared in accordance with the PRC Accounting Standards for information on the contingent liabilities of the Group.

As at the end of the Reporting Period, equity attributable to equity shareholders of the Company amounted to RMB191,233 million, representing a decrease of 0.76% as compared to that at the end of the previous year; equity attributable to minority shareholders amounted to RMB10,700 million, representing a decrease of 5.32% as compared to that at the end of the previous year. As at the end of the Reporting Period, net assets per share attributable to equity shareholders of the Company amounted to RMB36.27.

As at the end of the Reporting Period, total current assets and total current liabilities of the Group prepared in accordance with the PRC Accounting Standards amounted to RMB86,709 million and RMB29,910 million respectively, with a current ratio of 2.90:1 (end of last year: 3.19:1). Total current assets and total current liabilities of the Group prepared in accordance with the IFRSs amounted to RMB86,709 million and RMB29,910 million respectively, with a net gearing ratio of 0.070 (end of last year: 0.082). The net gearing ratio was calculated as: (interest-bearing liabilities minus cash and cash equivalents) divided by shareholders' equity.

As at the end of the Reporting Period, overseas assets of the Group amounted to RMB18,364 million, accounting for 7.27% of the total assets.

As at the end of the Reporting Period, the Company pledged intangible assets and fixed assets with book values of approximately RMB49 million and RMB229 million respectively as security for borrowings from financial institutions. The deposit of RMB44 million has been frozen due to involvement in legal proceedings.

Save for the matters disclosed above, no other assets of the Group were distressed, seized, frozen, charged or pledged or could only be realized upon satisfaction of certain conditions or cannot be realized or used for debt settlements, nor did there exist any circumstance or arrangement under which the right to occupy, use, gain from and dispose of assets were subject to other restrictions.

Liquidity and source of funds

Maturity analysis of bank loans and other loans of the Group as at the end of the Reporting Period is as follows:

	As at 30 June 2026 (RMB'000) (Unaudited)	As at 31 December 2025 (RMB'000)
Due within 1 year	**7,408,642**	6,610,662
Due after 1 year but within 2 years	**1,752,319**	1,826,356
Due after 2 years but within 5 years	**3,342,955**	4,204,890
Due after 5 years	**632,842**	987,700
Total	**13,136,758**	13,629,608

As at the end of the Reporting Period, balance of the Group's bank borrowings was RMB13,137 million, representing a decrease of RMB493 million as compared to that at the end of the year. Such decrease was mainly attributable to repayment of borrowings during the Reporting Period. Please refer to note 10 to the financial report prepared in accordance with the PRC Accounting Standards for information on borrowings bearing fixed interest rate.

Save for the above borrowings, the Group issued medium-term notes of RMB12,500 million.

During the Reporting Period, the Group's source of funding was mainly from the net cash flows generated from operating activities.

Analysis of cash flow

Comparison of net cash flow prepared in accordance with the PRC Accounting Standards

	Six months ended 30 June 2026 (RMB'000) (Unaudited)	Six months ended 30 June 2025 (RMB'000) (Unaudited)	Changes (%)
Net cash flows generated from operating activities	**4,515,900**	8,337,281	-45.83
Net cash flows generated from investing activities	**1,674,762**	-6,641,187	125.22
Net cash flows generated from financing activities	**-3,578,391**	-4,812,242	25.64
Effect of exchange rate change on cash and cash equivalents	**-90,843**	-21,841	–315.92
Net increase in cash and cash equivalents	**2,521,428**	-3,137,990	180.35
Balance of cash and cash equivalents at the beginning of the period	**11,017,590**	16,993,888	-35.17
Balance of cash and cash equivalents at the end of the period	**13,539,019**	13,855,898	-2.29

During the Reporting Period, the Group's net cash flows generated from operating activities amounted to RMB4,516 million, representing a period-on-period decrease of RMB3,821 million, which was mainly due to the period-on-period decrease in cash received from sales of goods and rendering of services during the Reporting Period.

During the Reporting Period, the Group's net cash inflows from investing activities increased by RMB8,316 million from that for the corresponding period of the previous year, which was mainly due to the period-on-period increase in recovery amount of the time deposits, wealth management products of banks and structured deposits upon maturity during the Reporting Period.

During the Reporting Period, the Group's net cash outflows from financing activities decreased by RMB1,234 million as compared to that of the corresponding period of the previous year, which was mainly due to the period-on-period decrease in the amount of repayment of borrowings during the Reporting Period.

3. Capital expenditure

During the Reporting Period, capital expenditure of the Group amounted to approximately RMB4,337 million, which was mainly used for project construction and external investments.

As at the end of the Reporting Period, capital commitments in respect of the purchase of machinery and equipment for production and investments that should be committed but have not been provided for in the accounts are set out as follows:

	As at 30 June 2026 (RMB'000) (Unaudited)	As at 31 December 2025 (RMB'000)
Authorized and contracted for	**9,402,160**	9,661,933
Authorized but not contracted for	**6,948,906**	5,519,520
Total	**16,351,066**	15,181,453

4. Exchange rate risk and related hedging by financial instruments

During the Reporting Period, the overseas businesses of the Group spanned across several countries and regions including Indonesia, Myanmar, Laos, Cambodia and Uzbekistan, and the operating revenue and expenditures of overseas companies were generally settled in local currencies and US dollars. The initial capital investment for construction of overseas projects was relatively large, and the source of funding mainly came from registered capital and internal and external financing. Due to foreign exchange control in certain invested countries, depreciation of local currencies and fluctuation in the exchange rates of RMB, US dollars and other major currencies, foreign currency assets and liabilities and cross-border fund receipts and payments of overseas companies may result in exchange gains or losses, thereby exposing the Group to a certain degree of exchange rate fluctuation risk.

In order to effectively mitigate foreign exchange risk and to ensure that the overall foreign exchange risk is under control, the Group coordinated arrangement of financing and foreign exchange receipts and payments, steadily reduced the scale of overseas liabilities and optimized asset and liability structure by taking into account the construction progress of overseas projects, production and operating needs and exchange rate fluctuations. The Group actively leveraged the management role of fund pool to strengthen centralized and unified management, allocation and efficient utilization of foreign funds, thereby reducing foreign exchange conversion and settlement costs and promoting complementary capital advantages, and effectively lowering finance expenses. The Group continuously monitored changes in exchange rates and interest rates of the interested countries. In response to the risk of exchange losses on the RMB liabilities of overseas projects arising from expected RMB appreciation, the Company has taken a phased approach to replace existing RMB liabilities with local currency loans in the interested countries, thereby balancing currency mismatches and enhancing the Company's financial stability.

OUTLOOK FOR THE SECOND HALF OF THE YEAR

In the second half of 2026, the Central Government will implement a more proactive fiscal policy and a moderately loose monetary policy, accelerate fiscal expenditure and use of bond funds, and strive to vigorously advance the implementation of construction and work under the "two prioritizations" and the "two new" initiatives. The State will make solid progress in the planning and construction of "six networks" including urban pipeline networks and water networks, which is expected to generate more physical workload and provide a certain degree of support for cement demand on the infrastructure side. At the same time, the real estate market remains in the stage of adjustment and transformation. In the first half of the year, indicators such as real estate development investment, commencement of construction area and sales area remained under pressure. It is expected that in the second half of the year, local governments will further implement city-specific policies, coordinate efforts to control increment, reduce inventory and optimize supply, promote high-quality advancement of urban renewal. They will also accelerate the redevelopment of dilapidated and old houses, urban villages and old residential communities, and promote the construction of "good housing". However, stabilization and recovery in real estate investment remain a matter of time, and the impact of the adjustment of real estate market on cement demand will continue.

In terms of operation and management, the Group will conduct in-depth analysis on the market development trend, strengthen the operation and coordination of cement and upstream and downstream industrial chains, fully implement measures to improve quality and efficiency and control costs, and strive to stabilize operational foundation. First, the Group will persist in pursuing a dual-pronged approach in both domestic and overseas markets. It will deepen its presence in the domestic market, optimize marketing models and structures, improve the customer service system, strengthen the development of channels, and accelerate the transformation into a comprehensive building materials service solution provider. At the same time, the Group will actively expand overseas markets, focus on improving the operating quality of overseas projects with a view to further enhance the profitability of overseas projects. Second, the Group will take cost control as the key point to enhance operation resilience. It will strengthen analysis of supply and demand of the fuel market, flexibly adjust procurement strategies and expand diversified procurement channels. The Group aims to continuously reduce production and operating costs by empowering production and operational management via adoption of digital intelligence technologies, accelerating the construction of intelligent factories and digital application scenarios and actively expanding the application of new energy and alternative fuels. Third, the Group will consistently adhere to the ESG development concept, and reinforce the bottom line for safety, environmental protection and green development. It will carry out in-depth efforts to address the root causes of production safety through a focused campaign, strengthen the implementation of production safety responsibilities and deepen intelligent safety management. The Group strives to accelerate the ultra-low emission transformation of production lines, improve the carbon emission statistics accounting and carbon asset management system covering the entire process of production and operation and coordinate promotion of carbon emission reduction at the source, carbon emission control in the process and carbon emission end-of-pipe treatment. By expanding the application of green energy and low-carbon technologies, the Group's green and low-carbon development level is thereby enhanced.

In terms of investment development, the Group will continue to encircle the "15th Five-Year" development plan to accurately implement effective investment, comprehensively shape the competitive advantage of the industry and continuously promote high-quality development. First, the Group will consolidate and enhance the competitive advantage of its core cement business. It will grasp the favorable opportunity arising from the profound reshaping of the industry landscape to promote the merger and acquisition of high-quality projects of domestic main business, thereby continuously improving market layout and enhancing industry concentration level. The Group will also accelerate the advancement of international expansion, promote the implementation of key overseas projects, strengthen the research and feasibility studies on projects in the pipeline. Via persistent refinement of overseas businesses layout, the Group strives to open up new horizons in international development. Second, the Group will promote industrial chain extension by implementing differentiated strategies. It will focus on improving the layout of aggregate and commodity concrete projects in advantageous markets, make use of resource advantages to accelerate the construction of key aggregate projects and take various measures to expand the network of commodity concrete projects. By continuously cultivating the consumer building materials sector, the Group aims to build a diversified product matrix and marketing channels. Third, the Group will accelerate the construction of new momentum for development. The Group will focus on the high-end, intelligent and green development to promote the development and growth of new energy industry, environmental protection industry, digital industry and engineering service industry. It will also promote deep integration of emerging business and the core cement business in the fields such as operational development, energy saving and carbon reduction, intelligent manufacturing and technical services. Fourth, the Group will strengthen the coordinated allocation of innovative resources. It will promote scientific and technological innovation and industrial innovation aiming to create benefits through industrial synergy and integrative development, thereby injecting new momentum into the transformation and upgrading of the core business and the Group's high-quality sustainable development.

(5) IMPLEMENTATION OF THE ACTION PLAN FOR "IMPROVING QUALITY AND EFFICIENCY AND INCREASING RETURNS"

In order to thoroughly implement the spirit of the new "National Nine Guidelines", actively respond to the SSE's Initiative on Conducting the "Improving Quality and Efficiency and Increasing Returns" Special Action of Companies Listed on the SSE, practice the "investor-centered" development concept, and further promote the high-quality development of the Company and enhance its investment value, the Company formulated the 2026 action plan for "Improving Quality and Efficiency and Increasing Returns". For details, please refer to the announcement published by the Company on the website of the SSE on 30 April 2026. During the Reporting Period, the Company actively carried out and implemented relevant work according to the plan. The details are as follows:

(1) The Group deeply focused on high-quality development, implemented refined management, and enhanced operation resilience under the downward situation of the industry. During the Reporting Period, the Company steadily developed its core business and upstream and downstream industrial chains, and advanced the acquisition of the domestic cement assets of Wanwei Updated High-Tech in an orderly manner. The Group continued to expand the scale of aggregate and commodity concrete businesses, and accelerated the implementation of consumption building materials projects, thereby making positive progress in the construction of key projects. The Company actively adopted "addition and subtraction" approach in operation, strove to enhance the contribution of profits of aggregate and commodity concrete. The Group also accelerated the expansion of consumption building materials market, and actively explored overseas export business. At the same time, the Group leveraged the advantages of large-scale procurement, utilized digital intelligence achievements to facilitate cost control, intensified efforts to promote and utilize new energy and alternative fuels, and comprehensively promoted cost reduction.

(2) The Group drove technological innovation with all-employee innovation, and accelerated the transformation and application of innovation achievements. The Group has established an innovation system with participation of all employees, which fully mobilized the innovation enthusiasm of employees in all business segments and positions. During the Reporting Period, the employee participation rate reached 46%, and some innovation achievements were promoted and applied, achieving relatively good economic benefits. In addition, during the Reporting Period, the Group won 7 building materials science and technology awards jointly issued by the China Building Materials Federation and the Chinese Ceramic Society, as well as the Anhui Provincial Science and Technology Award, and obtained 223 registered patents, thereby further strengthening the technological barrier and providing solid technical support for the Group's business expansion, green transformation, cost reduction and efficiency improvement.

(3) The Group attached great importance to the return to shareholders and took various measures to safeguard the interests of shareholders. First, the Group actively enhanced shareholders' sense of gain through cash dividends. During the Reporting Period, the Company organized and implemented distribution of final dividends for 2025 by strictly implementing the provisions of the Articles and the Profit Distribution and Return Plan to Shareholders for the Next Three Years (2025-2027). The cash dividends distributed for the year accounted for 55.29% of the net profit attributable to shareholders of the Company for 2025. Second, the Group encouraged the controlling shareholders to increase their shareholdings in the Company. During the Reporting Period, based on its confidence in the Company's sustainable and stable development in the future and the recognition of its long-term investment value, Conch Holdings increased its shareholdings by a total of 52,920,020 A Shares of the Company with the accumulated amount of RMB1,279.8786 million (excluding transaction costs) for the shareholding increase. Third, the Group formulated a plan for a new round of share repurchase, it cumulatively repurchased 2,200,000 A Shares and 2,630,000 H Shares during the Reporting Period, and changed the use of 22,242,535 A Shares repurchased in the previous period from "for sale in accordance with relevant requirements" to "for cancellation and reduction in the Company's registered capital". As at the publication date of this report, the cancellation procedures for the relevant shares have been completed.

(4) The Group adhered to the direction of investor demand-oriented, improved the level of information disclosure and smoothed communication channels. During the Reporting Period, the Group completed the disclosure of the 2025 Annual Report, the 2026 First Quarterly Report and various ad hoc announcements in strict accordance with the relevant regulations on information disclosure of listed companies. The Group also improved the readability of annual reports through video presentation and "one infographic for understanding". The Group took various measures to build efficient and smooth communication channels, held results presentation and promotion roadshows in a timely manner after disclosure of the 2025 annual results. The Group actively participated in broker strategy meetings, reception of investor research visits and exchanges, promptly responded to 107 pieces of investor inquiries on the SSE e-Interaction platform, and answered investors' daily inquiries through the investor hotline. The Group fully protected the rights of minority shareholders to participate in general meetings, and encouraged minority shareholders to exercise their voting rights by using the SSE intelligent reminder service. The Company's chairman, independent Directors and relevant senior management members attended the general meetings in person, and frankly communicated with shareholders and listened carefully to their opinions.

(5) The Group continuously improved the institutional system of the Company and strengthened the performance management of "key minority". During the Reporting Period, the Group amended and improved the Articles and formulated the Management System for the Remuneration of Directors and Senior Management Members, the Management System for the Resignation of Directors and Senior Management Members and the Implementation Rules for the Cumulative Voting System in accordance with the Code of Corporate Governance for Listed Companies and the HKSE Listing Rules, laying a solid foundation for standardized operation from the system level. In order to promote the "key minority" such as Directors and senior management members to perform their duties faithfully and diligently, the Group formulated the Management System for the Remuneration of Directors and Senior Management Members, specifying that the remuneration for non-independent Directors and senior management members shall consist of basic remuneration, performance-based remuneration, and medium and long-term incentive income, with performance-based remuneration accounting for no less than 60%. The Group also improved the arrangements for remuneration suspension, recovery and deferred payment. In addition, during the Reporting Period, the Group continued to strengthen the duty performance capacity of "key minority" personnel by means of internal trainings, providing learning materials, and arranging the Directors and senior management members to participate in trainings organized by the SSE and the China Association for Public Companies.

(6) The Group steadily promoted green and low-carbon development, and coordinated the operation of carbon assets by relying on the market trading mechanism. The Group continued to strengthen ESG management. Focusing on green and low-carbon development goals, the Group expanded the use of alternative fuels based on local conditions, optimized the technical route to improve the comprehensive utilization rate of solid waste, and actively explored cutting-edge technologies for carbon reduction such as hydrogen-mixed combustion in cement kilns. At the 8th High-level Forum on Integrated Development of the Yangtze River Delta, the consortium for carbon capture in the cement industry of the Yangtze River Delta in which the Group participated was successfully selected in the third batch of innovative consortia of the Yangtze River Delta. In order to consolidate the data base of carbon assets, during the Reporting Period, the Group completed the carbon inventory work for 69 subsidiaries. At the same time, the Group actively participated in the national carbon market transactions, established cooperative relationships with a number of enterprises in the carbon business, carried out the procurement and reserve of carbon emissions allowance (CEA) in the national carbon market, and promoted the preservation and appreciation of carbon assets.

(1) PRINCIPAL INVESTMENTS DURING THE REPORTING PERIOD

1. Establishment, merger and acquisition, transfer and deregistration of subsidiaries during the Reporting Period

(1) In January 2026, the Company acquired 50% equity interest in Conch Power Sales held by Anhui Conch Clean Energy Technology Co., Ltd. The registered capital of Conch Power Sales was RMB200 million. After the completion of the acquisition, Conch Power Sales became a non-wholly-owned subsidiary of the Company.

(2) In February 2026, the Company and its wholly-owned subsidiary, Conch (Hefei) Holding Co., Ltd. (hereinafter referred to as "Hefei Holding"), jointly invested in and established Feidong Conch New Building Material Co., Ltd. with a registered capital of RMB30 million, of which the Company contributed RMB27 million, accounting for 90% of its registered capital, and Hefei Holding contributed RMB3 million, accounting for 10% of its registered capital.

(3) In April 2026, the Company and its wholly-owned subsidiary, Chaohu Conch Cement Co., Ltd. (hereinafter referred to as "Chaohu Conch"), jointly invested in and established Hefei Conch Building Material Co., Ltd. with a registered capital of RMB300 million, of which the Company contributed RMB270 million, accounting for 90% of its registered capital, and Chaohu Conch contributed RMB30 million, accounting for 10% of its registered capital.

(4) In April 2026, the Company and its wholly-owned subsidiary, Yangzhou Conch Cement Co., Ltd. (hereinafter referred to as "Yangzhou Conch"), jointly invested in and established Yangzhou Conch Zhurun New Material Co., Ltd. with a registered capital of RMB30 million, of which the Company contributed RMB28.5 million, accounting for 95% of its registered capital, and Yangzhou Conch contributed RMB1.5 million, accounting for 5% of its registered capital.

(5) In April 2026, the Company and its wholly-owned subsidiary, Liquan Conch Cement Co., Ltd. (hereinafter referred to as "Liquan Conch"), jointly invested in and established Ulanqab Conch Cement Co., Ltd. with a registered capital of RMB300 million, of which the Company contributed RMB270 million, accounting for 90% of its registered capital, and Liquan Conch contributed RMB30 million, accounting for 10% of its registered capital.

(6) In May 2026, the Company and its wholly-owned subsidiary, Anhui Xuancheng Conch Cement Co., Ltd. (hereinafter referred to as "Xuancheng Conch"), jointly invested in and established Xuancheng Conch New Building Material Co., Ltd. with a registered capital of RMB30 million, of which the Company contributed RMB28.5 million, accounting for 95% of its registered capital, and Xuancheng Conch contributed RMB1.5 million, accounting for 5% of its registered capital.

(7) In June 2026, the Company and its wholly-owned subsidiary, Xing'an Conch Cement Co., Ltd. (hereinafter referred to as "Xing'an Conch"), jointly invested in and established Guilin Conch New Building Material Co., Ltd. with a registered capital of RMB50 million, of which the Company contributed RMB47.5 million, accounting for 95% of its registered capital, and Xing'an Conch contributed RMB2.5 million, accounting for 5% of its registered capital.

(8) In June 2026, the Company invested in and established Conch Investment Holdings (Hong Kong) Limited (hereinafter referred to as "Hong Kong Conch Investment") with a registered capital of USD105 million, and held as to 100% by the Company.

(9) In June 2026, Hong Kong Conch Investment invested in and established Mauritius Conch (TZ) Co., Ltd. with a registered capital of USD105 million, and held as to 100% by Hong Kong Conch Investment.

(10) In June 2026, the Company acquired 100% equity interests in Conch Design Institute held by Conch Holdings. The registered capital of Conch Design Institute was RMB150 million. After the completion of the acquisition, Conch Design Institute became a wholly-owned subsidiary of the Company. For details, please refer to the announcements published by the Company on the websites of the Stock Exchange and the Company on 24 June 2026.

(11) During the Reporting Period, the Company completed the deregistration of its subsidiaries Nanjing Haizhong Trading Co., Ltd. and Huaian Conch New Energy Co., Ltd., and transferred 50% equity interests in Wuhu Conch Wind Power Energy Technology Co., Ltd. held by the Group. The deregistration or equity transfer of such companies will not have adverse impact on the production, operation and the results of the Company as a whole.

Note: Subsidiaries established, merged and acquired, transferred and deregistered during the Reporting Period do not include project companies of Conch Environment Protection.

2. Investment in securities

As at the end of the Reporting Period, the details of the Group's shareholdings in other listed companies were set out as follows:

Stock code	Stock short name	Initial Investment costs (RMB)	Percentage of shareholding at the beginning of the Reporting Period (%)	Percentage of shareholding at the end of the Reporting Period (%)	Carrying amount at the beginning of the Reporting Period (RMB)	Gain or loss on changes in fair value during the Reporting Period (RMB)	Accumulated changes in the fair value recognized in equity (RMB)	Amount purchased during the Reporting Period (RMB)	Amount sold during the Reporting Period (RMB)	Investment gain or loss recognized during the Reporting Period (RMB)	Carrying amount at the end of the Reporting Period (RMB)
02233	WCC	1,960,606,127	29.67	29.67	3,684,007,353	-	-	-	-	115,888,917	3,611,161,974
00587	Conch Environment Protection	2,825,641,178	21.21	21.21	873,415,379	-	-	-	-	-	873,415,379
00586	Conch Venture	1,923,031,472	4.99	4.99	759,968,134	-	85,890,337	-	-	23,445,387	845,858,471
06655	Huaxin Building Materials	1,146,289,177	1.73	1.28	584,689,630	-	-161,801,689	-	155,749,461	5,596,997	267,138,480
000672	Shangfeng Materials	178,166,549	1.21	0.88	152,727,392	104,105,590	-	-	69,961,271	16,446,183	201,452,982
000877	Tianshan Material	999,999,999	1.04	1.04	394,074,074	-125,185,185	-	-	-	-	268,888,889
Total		**9,033,734,502**	**-**	**-**	**6,448,881,962**	**-21,079,595**	**-75,911,352**	**-**	**225,710,732**	**161,377,484**	**6,067,916,175**

Notes:

(1) Securities of Conch Venture and Huaxin Building Materials held by the Group were included in "investments in other equity instruments", securities of WCC and Conch Environment Protection held by the Group were included in "long-term equity investments", and securities of Shangfeng Materials and Tianshan Material held by the Group were included in "financial assets held for trading".

(2) The funds utilized by the Group for the above securities investments were mainly its own funds.

3. Major investments during the Reporting Period

During the Reporting Period, the Group did not have major investment project with a total investment amount exceeding 10% of the audited net assets of the Company of the previous year. For details of the investment projects of the Group during the Reporting Period, please refer to the paragraph headed "1. Overview of operation development" under the section headed "(4) Management Discussion and Analysis on the Operations – Analysis on the Operational Conditions for the First Half of 2026" in Chapter 3 "Management Discussion and Analysis" in this report as well as item 15 under note 5 to the financial report prepared in accordance with the PRC Accounting Standards.

4. Principal majority-owned subsidiaries and invested companies

As at the end of the Reporting Period, the Company had 483 subsidiaries, 9 jointly-controlled entities, and invested in 6 associates and 3 partnerships.

During the Reporting Period, the net profit of Anhui Conch Material Trading Co., Ltd. (hereinafter referred to as "Conch Material Trading"), a wholly-owned subsidiary of the Company, accounted for more than 10% of the net profit of the Company. Conch Material Trading mainly serves as an internal centralized procurement platform for raw and fuel materials of the Group, and its registered capital was RMB300 million. Its main business includes sales of coal, lubricant and other materials. As at the end of the Reporting Period, the total assets and the net assets of Conch Material Trading amounted to RMB2,049,000,520.59 and RMB873,442,665.64, respectively. During the Reporting Period, Conch Material Trading recorded the operating revenue of RMB9,751,104,858.09 and the net profit of RMB309,174,246.21.

During the Reporting Period, the investment income from CNBM (Anhui) New Materials Industrial Investment Fund Partnership (Limited Partnership) (hereinafter referred to as the "Industrial Investment Fund"), a partnership invested by the Company, accounted for more than 10% of the net profit of the Company. The contribution amount of the Industrial Investment Fund is RMB15 billion, and it is mainly engaged in equity investment, investment management, asset management and other activities through private equity funds. As at the end of the Reporting Period, the total assets and the net assets of the Industrial Investment Fund amounted to RMB17,933,497,048.36 and RMB17,933,269,735.20, respectively. During the Reporting Period, the Industrial Investment Fund recorded the operating revenue of RMB3,316,673,500.64 and the net profit of RMB3,260,591,258.95.

5. Cooperation and Investment with Private Equity Fund

(1) In 2021, the Company, China National Building Material Private Equity Fund Management (Beijing) Co., Ltd. (general partner and fund manager, hereinafter referred to as "CNBM Private Equity Fund") and other limited partners jointly invested in and established the Industrial Investment Fund, with an initial fund scale amounting to RMB15 billion. The Company, as a limited partner, shall make capital contribution of RMB1.6 billion. In addition, CNBM Private Equity Fund and some partners or their related parties jointly invested in and established CNBM Private Equity Fund Management (Anhui) Co., Ltd. (formerly known as CNBM (Anhui) New Materials Fund Management Co., Ltd. hereinafter referred to as "CNBM (Anhui) Management Company"), with a registered capital of RMB50 million, of which the Company contributed RMB3,809,524, accounting for 7.62% of its registered capital. After the establishment of CNBM (Anhui) Management Company, it was admitted to the Industrial Investment Fund and acted as its general partner and executive partner. The Industrial Investment Fund has completed the registration procedures for corporate establishment with the State Administration for Market Regulation and the filing of private funds with the Asset Management Association of China.

In 2022, in order to give full play to the enthusiasm of the team of the Industrial Investment Fund, CNBM (Anhui) Management Company and the core management members of the team jointly invested in and established Hefei Weiyu Equity Investment Partnership (Limited Partnership) (hereinafter referred to as "Hefei Weiyu"). CNBM (Anhui) Management Company and Hefei Weiyu entered into the Agreement on Transfer of the General Partner Shares of CNBM (Anhui) New Materials Industrial Investment Fund Partnership (Limited Partnership), according to which CNBM (Anhui) Management Company transferred its general partner shares of RMB15 million to Hefei Weiyu at a price of RMB4.5 million (corresponding to the committed capital contribution of RMB15 million and the paid-in capital contribution of RMB4.5 million). After completion of the above transfer, Hefei Weiyu was admitted to the Industrial Investment Fund as a limited partner after consideration and approval by the partners' meeting of Industrial Investment Fund. After the change of partners of the Industrial Investment Fund, the partners re-signed the Partnership Agreement of CNBM (Anhui) New Materials Industrial Investment Fund Partnership (Limited Partnership). The registration procedures for corporate change in relation to the admission of Hefei Weiyu to the Industrial Investment Fund, and the change procedures for filing of private funds with the Asset Management Association of China have been completed.

The Industrial Investment Fund has completed the first phase of fundraising of RMB15 billion, of which the Company has made actual paid-in capital contribution amount of RMB1.6 billion. For details, please refer to the provisional announcements No. 26, 29, 37 and 47 as disclosed by the Company on the website of SSE in 2021, the provisional announcement No. 1 published by the Company on the website of SSE in January 2023 and the provisional announcement No. 8 published by the Company on the website of SSE in January 2024.

(2) In 2023, the Company (as a limited partner) jointly invested in Anhui Conch Haitong Industrial Internet Master Fund Partnership (Limited Partnership) (hereinafter referred to as “Industrial Internet Master Fund”) with one general partner (namely Guotai Haitong Capital Co., Ltd. (formerly known as Haitong Capital Co., Ltd.)) and five other limited partners (namely, Conch Capital, Wuhu Industrial Investment, Wuhu High New Industrial Development Fund Company Limited, Wuhu Jinghu Zhenye Investment Fund Company Limited and Ningbo Shangyi Software Company Limited), with a total capital contribution amount of RMB5 billion, of which RMB1.5 billion shall be contributed by the Company. The partnership will not be accounted for as a subsidiary of the Company and its financial results will not be consolidated into the accounts of the Company. The Industrial Internet Master Fund has a term of 11 years (which may be extended for a total period of up to 2 years) and its business scope includes engaging in activities such as equity investment, investment management and asset management as a private fund. The primary mode of investment is setting up new sub-funds with other partners or investing in established sub-funds, with a focus on projects with strong growth potential within the “Industrial Internet+” ecological platform, including intelligent manufacturing, industrial platforms, industrial software, industrial supply chains, industrial application solutions, industrial Internet hardware, blockchain, cloud computing, Internet of Things, artificial intelligence, 5G and other fields.

The Industrial Internet Master Fund has completed the registration procedures of the changes of partners and registered capital with the State Administration for Market Regulation, and the filing of private equity funds with the Asset Management Association of China. For details, please refer to the announcements published by the Company on the websites of the Stock Exchange and the Company on 6 June 2023 and 26 June 2023, and the announcements published by the Company on the website of the SSE on 7 June 2023, 27 June 2023 and 28 September 2023, respectively.

(3) In 2023, the Company (as a limited partner) jointly invested in Anhui Conch Goldstone Innovation Development Investment Fund Partnership (Limited Partnership) (hereinafter referred to as the "Innovation Development Investment Fund") with two general partners (namely, Goldstone Investment Co., Ltd. and CITIC Private Equity Fund Management Company Limited) and five other limited partners (namely, Conch Capital, Wuhu Industrial Investment, CITIC City West Science and Innovation Corridor (Hangzhou) Equity Investment Fund Partnership (Limited Partnership), Anhui Expressway Company Limited and Goldstone Runze (Zibo) Investment Consultation Partnership (Limited Partnership)), with a total capital contribution amount of RMB5 billion, of which RMB1 billion shall be contributed by the Company. The partnership will not be accounted for as a subsidiary of the Company and its financial results will not be consolidated into the accounts of the Company. The Innovation Development Investment Fund has a term of eight years (which may be extended for a total period of up to 2 years) and its business scope includes engaging in activities such as equity investment, investment management and asset management as a private equity fund. The scope of its investment mainly covers strategic emerging industries and high-tech industries, including new energies, new materials, carbon technology, digital industry, green environmental protection and intelligent transportation.

The Innovation Development Investment Fund has completed the registration procedures of the changes of partners and registered capital with the State Administration for Market Regulation, and the filing of private equity funds with the Asset Management Association of China. For details, please refer to the announcement published by the Company on the websites of the Stock Exchange and the Company on 8 September 2023, and the announcements published on the website of the SSE on 9 September 2023 and 8 November 2023, respectively.

The Company will fulfill information disclosure obligation on a timely basis in strict accordance with the SSE Listing Rules, the Guidelines of Self-regulation of Companies Listed on Shanghai Stock Exchange No. 5 – Transactions and Related Party Transactions (《上海證券交易所上市公司自律監管指引第5號—交易與關聯交易》) and other relevant requirements according to the subsequent progress of the Industrial Investment Fund, the Industrial Internet Master Fund and the Innovation Development Investment Fund.

6. Financial Entrustment

In combination with the Company's daily fund arrangements and unutilized fund situation and in order to make full use of the unutilized fund, the Company used part of its own idle funds for financial entrustment after comprehensive consideration of security and return rate. As at the end of the Reporting Period, the overall situation of the financial entrustment was as follows:

Type	Risk characteristics	Undue balance (RMB in million)	Overdue unrecovered amount (RMB in million)
Wealth management product issued by bank	R1 (Low risk) or R2 (Low to medium risk)	17,260	–
Asset management plan	R2 (Low to medium risk)	40	–
Beneficiary certificate	R1 (Low risk)	2,700	–
Structured deposits	R1 (Low risk)	5,500	–

(2) IMPLEMENTATION OF THE COMPANY'S FINAL PROFIT APPROPRIATION PROPOSAL FOR 2025

On 28 May 2026, the final profit appropriation proposal for 2025 was considered and approved at the 2025 annual general meeting of the Company. Based on the Company's total number of issued shares of 5,299,302,579 shares registered on the record date for the implementation of equity distribution, less 24,442,535 A Shares in the Company's designated securities account for repurchase, a cash dividend of RMB0.61 (tax inclusive) per share was paid to all the shareholders of the Company, totaling RMB3,217,664,626.84 (tax inclusive). As at the date of publication of this report, the above dividend was paid to all the shareholders whose names were recorded in the register of members on the relevant record date.

(3) INTERIM DIVIDEND

On 28 May 2026, the resolution on the authorization to the Board for formulating and implementing the interim profit appropriation proposal for 2026 was considered and approved at the 2025 annual general meeting of the Company. The conditions for the interim profit appropriation are as follows: the Company records a profit in the first half of 2026, with a positive figure of the cumulated undistributed profit, and the cash flow can meet the requirements of the Group's normal operations and sustainable development. After comprehensive consideration of factors including the Company's operational development and shareholders' investment returns, the total amount of interim cash dividends for 2026 shall not exceed 30% of the net profit attributable to shareholders of the Company as reported in the consolidated statements (in accordance with the PRC Accounting Standards) for that period.

Pursuant to the scope of above authorisation, the Board decided to distribute an interim dividend of RMB0.13 per share (tax inclusive) for 2026. In accordance with the relevant provisions of the Articles, the Company's repurchased shares are not entitled to profit distribution rights, and the amount of the Company's repurchase of A Shares in cash shall be deemed as the amount of the cash dividend. Based on the Company's total number of issued shares of 5,277,060,044 shares as at the publication date of this report less 36,879,800 A Shares and 9,865,000 H Shares repurchased and held by the Company, the total amount of payment for the interim dividend for 2026 will be RMB679,940,981.72 (tax inclusive), accounting for 26.91% of the net profit attributable to shareholders of the Company as reported in the 2026 unaudited interim consolidated statements prepared in accordance with the PRC Accounting Standards. During the Reporting Period, the total amount of funds paid by the Company for the repurchase of A Shares was RMB43,808,898 (excluding transaction fees), and the total amount of payment for interim dividend was RMB723,749,879.72, accounting for 28.64% of the net profit attributable to shareholders of the Company as reported in the 2026 unaudited interim consolidated statement prepared in accordance with the PRC Accounting Standards. In the event that the Company's total number of shares with profit distribution right (i.e. less the repurchased shares held by the Company) changed prior to the record date for the implementation of dividend distribution, the Company intends to keep the cash dividend per share unchanged, and the total amount of payment for the interim dividend shall be adjusted accordingly.

Except for the above profit appropriation plan, the Company did not implement the capitalization of capital reserve fund.

As far as the Company is aware, as at the date of publication of this report, there was no arrangement under which any shareholder has waived or agreed to waive any interim dividend proposed to be distributed for the year 2026.

According to the Corporate Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) and the relevant implementation rules, and the Notice on Issues relating to Withholding and Payment of Corporate Income Tax by Chinese Resident Enterprise over Dividends Distributable to the Holders of Foreign H-Shares Who are Non-resident Enterprises (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)) promulgated by the State Administration of Taxation on 6 November 2008, the Company is required to withhold and pay corporate income tax at the rate of 10% upon distribution of the interim dividend to non-resident enterprise shareholders whose names appear on the H Shares register of members of the Company (including HKSCC Nominees Limited, other nominees, trustees or other entities and organizations, who will be deemed as non-resident enterprise shareholders).

According to the relevant provisions under the Notice on Tax Policies for Shanghai-Hong Kong Stock Connect Pilot Programme (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》) and the Notice on Tax Policies for Shenzhen- Hong Kong Stock Connect Pilot Programme (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2016]127號)》), enterprise income tax will be levied according to law on dividend income (which shall be included in its total income) received by mainland corporate investors from investing in H shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, among which, enterprise income tax will be exempted according to law for dividend income received by mainland resident enterprises that hold H shares for at least 12 consecutive months. The Company shall not withhold income tax on dividends payable by mainland corporate investors, and such enterprises shall report and make tax payment by themselves. The Company shall withhold individual income tax at the rate of 20% with respect to dividends received by mainland individual investors for investing in H shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect. For dividends received by mainland securities investment funds investing in H shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, individual income tax shall be levied on dividends derived therefrom.

Pursuant to the Notice on Issues relating to Collecting Individual Income Tax after Repealing the Document of Guo Shui Fa [1993] No. 045 (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》) promulgated by the State Administration of Taxation and the letter entitled "Tax Arrangements on Dividends Paid to Hong Kong Residents by Mainland Companies" issued by the Stock Exchange, overseas resident individual holders of the shares issued in Hong Kong by domestic non-foreign invested enterprises are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax treaties entered into between the countries to which their identity belong and China and the tax arrangements between the Chinese Mainland and Hong Kong (Macau). The Company shall determine the identity of individual holders of H Shares whose names appear on the H Shares register of members of the Company on 15 September 2026 (Tuesday) based on their registered addresses. The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the individual holders of H Shares and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the individual holders of H Shares or any disputes over the withholding mechanism or arrangements. The relevant arrangements are detailed as follows:

(1) For individual holders of H Shares who are Hong Kong or Macau residents and whose country (region) of domicile has entered into a tax treaty with China stipulating a dividend tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual holders of H Shares for distribution of dividend.

(2) For individual holders of H Shares whose country (region) of domicile has entered into a tax treaty with China stipulating a dividend tax rate of less than 10%, shareholders shall determine by themselves whether they are eligible to the treaty benefits. Those who wish to enjoy treaty benefits shall submit to the Company the information required under the Announcement of the State Administration of Taxation published in relation to the Administrative Measures on Stipulated Treatment Entitled by Non-residents Tax Payers (SAT Announcement [2019] No. 35) 《國家税務總局關於發佈<非居民納税人享受協定待遇管理辦法>的公告》(國家税務總局公告2019年第35號) before 21 September 2026. Based on the relevant information, the Company will withhold and pay individual income tax at the treaty tax rate on behalf of the individual holders of H Shares for distribution of dividend. Otherwise, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual holders of H Shares for distribution of dividend. Shareholders who are entitled to but have not enjoyed the treaty treatment and overpay taxes as a result thereof may, by themselves or through the Company, apply to competent tax authorities for the refund of overpaid taxes within the time limit stipulated in the tax levying related laws.

(3) For individual holders of H Shares whose country (region) of domicile has entered into a tax treaty with China stipulating a dividend tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the actual applicable tax rate stipulated in the relevant tax treaty on behalf of the individual holders of H Shares for distribution of dividend.

(4) For individual holders of H Shares whose country (region) of domicile has not entered into a tax treaty with China, or has entered into a tax treaty with China stipulating a dividend tax rate of 20% or are under other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the individual holders of H Shares for distribution of dividend.

(1) CORPORATE GOVERNANCE

Since the listing of the Company on the Stock Exchange and the SSE in 1997 and 2002 respectively, the Company has been continuously improving its corporate governance structure, perfecting the internal management and control systems and regulating its operation in accordance with the relevant domestic and overseas listing rules and regulatory requirements. General meeting of the Company and the Board have clearly defined power and duties, each assuming and performing its specific responsibilities and making its own decisions in an independent, efficient and transparent manner.

The general meeting is the body with the highest authority in the Company and operates in accordance with the Rules of Procedures of Shareholders' Meeting. During the Reporting Period, the Company's legal advisers as to the PRC law were present in witness of the convention of general meetings and legal advice was issued in connection therewith to ensure that decision-making procedures and contents of the general meetings are legal and valid and that shareholders can fully exercise their own rights.

The Board is the decision-making body for business operation of the Company, which is accountable to the general meeting. It operates in accordance with the Articles and the Rules of Procedures of Board Meeting. With a diligent, prudent and responsible attitude, the Directors formulate and implement various resolutions of general meetings, make scientific decisions and facilitate the healthy and stable development of the Company.

(2) AUDIT COMMITTEE

The Audit Committee has been established by the Board of the Company. The terms of reference adopted by the Audit Committee complied with all the requirements under the applicable code provisions in relation to terms of reference of the audit committee set out in Part 2 of Appendix C1 to the HKSE Listing Rules. The Audit Committee is responsible for the review and supervision of financial reporting procedures and the internal control system of the Group, giving advice and recommendation to the Board, and conducting effective oversight over the performance of duties by the Directors and senior management members and matters related to the legal operation of the Company in accordance with the Company Law and the Terms of Reference of the Audit Committee. This 2026 interim results report of the Company has been reviewed by the Audit Committee.

(3) CHANGE IN DIRECTORS AND SENIOR MANAGEMENT MEMBERS

On 12 May 2026, in order to meet the Company's need of operation and management, upon the nomination of the remuneration and nomination committee of the Board, the Board unanimously agreed to appoint Mr. Li Guoyou as the assistant to general manager of the Company.

On 3 July 2026, Mr. Fan Zhan submitted a written resignation report to the Board, applying for resignation from his position as the staff Director of the Company due to adjustment of his own work commitments and other business engagements, and his resignation took effect on the same date. Mr. Weng Changyi was elected and appointed by the staff of the Company as the staff Director of the tenth session of the Board on the same date. His term of office became effective from 3 July 2026 until the expiry of the tenth session of the Board (which is expected to be 30 May 2028). Mr. Weng Changyi has obtained the legal advice referred to in Rule 3.09D of the HKSE Listing Rules on 3 July 2026, and has confirmed that he understood his obligations as a Director of the Company.

Save for the aforesaid, during the Reporting Period and as at the date of publication of this report, there was no other change of Directors and senior management members nor their respective information which is required to be disclosed under Rule 13.51B(1) of the HKSE Listing Rules.

(4) STOCK OPTION INCENTIVE SCHEME

During the Reporting Period, the Group did not formulate or implement any stock option incentive scheme.

(5) ENVIRONMENTAL INFORMATION OF THE LISTED COMPANY AND ITS MAJOR SUBSIDIARIES INCLUDED IN THE LIST OF ENTERPRISES WHOSE ENVIRONMENTAL INFORMATION IS DISCLOSED IN ACCORDANCE WITH THE LAW

The Group adheres to the concept of ecological priority and green development, thoroughly implements the State's environmental protection policies and guidelines, and strictly complies with all applicable environmental laws and regulations. Guided by the objective of continuously improving the quality of the ecological environment, the Group promotes concerted efforts to reduce carbon emissions, cut pollution, expand green coverage, and pursue growth, thereby comprehensively consolidating the foundation for green and low-carbon development.

As at the end of the Reporting Period, 96 subsidiaries and branch companies of the Group were included in the list of enterprises whose environmental information is disclosed in accordance with the law by relevant environmental protection departments of the government. Particulars are set out in the following table:

No.	Name of companies	Search index for report of the environmental information disclosed in accordance with the law
1	Baimashan Cement Plant of Anhui Conch Cement Company Limited	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
2	Ningguo Cement Plant of Anhui Conch Cement Company Limited	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
3	Xuancheng Conch	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
4	Anhui Chizhou Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
5	Anhui Conch Siam Refractory Material Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
6	Anhui Tongling Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
7	Wuhu Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
8	Anhui Zongyang Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
9	Anhui Digang Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
10	Quanjiao Conch	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
11	Suzhou Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
12	Anhui Changfeng Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
13	Lu'an Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
14	Chaohu Conch	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
15	Anhui Huaining Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
16	Bozhou Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
17	Bengbu Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
18	Yingde Conch Cement Co., Ltd.	https://www-app.gdeei.cn/gdeepub/front/dal/report/list
19	Guangdong Qingxin Cement Co., Ltd.	https://www-app.gdeei.cn/gdeepub/front/dal/report/list
20	Yangchun Conch Cement Co., Ltd.	https://www-app.gdeei.cn/gdeepub/front/dal/report/list
21	Guangdong Qingyuan Guangying Cement Co., Ltd.	https://www-app.gdeei.cn/gdeepub/front/dal/report/list
22	Guangdong Conch Hongfeng Cement Co., Ltd.	https://www-app.gdeei.cn/gdeepub/front/dal/report/list
23	Hainan Changjiang Conch Cement Co., Ltd.	https://hnsthb.hainan.gov.cn/yfpl/#/gkwz/jcym
24	Zhanjiang Conch Cement Co., Ltd.	https://www-app.gdeei.cn/gdeepub/front/dal/report/list
25	Jiangxi Ganjiang Conch Cement Co., Ltd.	http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information
26	Nanchang Conch Cement Co., Ltd.	http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information
27	Yiyang Conch Cement Co., Ltd.	http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information
28	Fenyi Conch Cement Co., Ltd.	http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information
29	Ganzhou Conch Cement Co., Ltd.	http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information
30	Beiliu Conch Cement Co., Ltd.	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/index
31	Xingye Conch	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/index
32	Xing'an Conch	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/index

No.	Name of companies	Search index for report of the environmental information disclosed in accordance with the law
33	Guangxi Lingyun Tonghong Cement Co., Ltd.	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/index
34	Fusui Xinning Conch Cement Co., Ltd.	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/index
35	Longan Conch Cement Co., Ltd.	https://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLQYD/frontal/index.html#/home/index
36	Jianghua Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
37	Lianyuan Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
38	Shaoyang Yunfeng New Energy Technology Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
39	Linxiang Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
40	Shuangfeng Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
41	Hunan Yiyang Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
42	Qiyang Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
43	Shimen Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
44	Hunan Province Yunfeng Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
45	Hunan Conch Cement Co., Ltd.	https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index
46	Chongqing Conch Cement Co., Ltd.	http://183.66.66.47:10001/eps/index/enterprise-search
47	Basu Conch Cement Co., Ltd.	http://220.182.43.203:18073/idp-province/#/home/
48	Dazhou Conch Cement Co., Ltd.	https://103.203.219.138:8082/eps/index/enterprise-search
49	Bazhong Conch Cement Co., Ltd.	https://103.203.219.138:8082/eps/index/enterprise-search
50	Liangping Conch Cement Co., Ltd.	http://183.66.66.47:10001/eps/index/enterprise-search
51	Guangyuan Conch Cement Co., Ltd.	https://103.203.219.138:8082/eps/index/enterprise-search
52	Tongren Conch Panjiang Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
53	Guiding Conch Panjiang Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search

No.	Name of companies	Search index for report of the environmental information disclosed in accordance with the law
54	Zunyi Conch Panjiang Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
55	Guiyang Conch Panjiang Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
56	Qianxinan Resource Development Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
57	Shuicheng Conch Panjiang Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
58	Guizhou Liukuangruian Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
59	Guizhou New Shuanglong Cement Co., Ltd.	https://222.85.128.186:8081/eps/index/enterprise-search
60	Ma'anshan Conch Cement Co., Ltd.	https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
61	China Cement Plant Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
62	Zhenjiang Beigu Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
63	Yangzhou Conch	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
64	Taizhou Yangwan Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
65	Huai'an Chuzhou Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
66	Huai'an Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
67	Jiangsu Baling Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
68	Jining Conch Cement Co., Ltd.	http://221.214.62.226:8090/EnvironmentDisclosure/

No.	Name of companies	Search index for report of the environmental information disclosed in accordance with the law
69	Wenshan Conch Cement Co., Ltd.	http://220.163.62.151:10085/zhywglptQyd/frontal/index.html#/home/index
70	Yunnan Zhuangxiang Cement Co., Ltd.	http://220.163.62.151:10085/zhywglptQyd/frontal/index.html#/home/index
71	Tengchong Tengyue Cement Co., Ltd.	http://220.163.62.151:10085/zhywglptQyd/frontal/index.html#/home/index
72	Longling Conch Cement Co., Ltd.	http://220.163.62.151:10085/zhywglptQyd/frontal/index.html#/home/index
73	Baoshan Conch Cement Co., Ltd.	http://220.163.62.151:10085/zhywglptQyd/frontal/index.html#/home/index
74	Yingjiang Yunhan Cement Co., Ltd.	http://220.163.62.151:10085/zhywglptQyd/frontal/index.html#/home/index
75	Baoji Zhongxi Fenghuangshan Cement Co., Ltd.	http://113.140.66.227:11077/#/noLogin/index
76	Naimanqi Hongji Cement Co., Ltd.	http://111.56.142.62:40010/support-yfpl-web/web/viewRunner.html?viewId=http://111.56.142.62:40010/support-yfpl-web/web/sps/views/yfpl/views/yfplHomeNew/index.js&cantonCode=150000
77	Inner Mongolia Yuexing Environmental Protection Technology Co., Ltd.	http://111.56.142.62:40010/support-yfpl-web/web/viewRunner.html?viewId=http://111.56.142.62:40010/support-yfpl-web/web/sps/views/yfpl/views/yfplHomeNew/index.js&cantonCode=150000
78	Baoji Zhongxi Jinlinghe Cement Co., Ltd.	http://113.140.66.227:11077/#/noLogin/index
79	Linxia Conch Cement Co., Ltd.	https://zwfw.sthj.gansu.gov.cn/revealPubVue/#/home
80	Shaanxi Tongchuan Fenghuang Construction Materials Co., Ltd.	http://113.140.66.227:11077/#/noLogin/index
81	Pingliang Conch Cement Co., Ltd.	https://zwfw.sthj.gansu.gov.cn/revealPubVue/#/home
82	Qianxian Conch Cement Co., Ltd.	http://113.140.66.227:11077/#/noLogin/index
83	Liquan Conch	http://113.140.66.227:11077/#/noLogin/index
84	Qianyang Conch Cement Co., Ltd.	http://113.140.66.227:11077/#/noLogin/index
85	Yili Conch	https://124.117.235.203:9015/index
86	Yili Conch Environmental Protection Technology Co., Ltd.	https://124.117.235.203:9015/index
87	Moyu Conch Cement Co., Ltd.	https://124.117.235.203:9015/index
88	Nantong Haimen Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js

No.	Name of companies	Search index for report of the environmental information disclosed in accordance with the law
89	Taicang Conch Cement Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
90	Jiande Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search
91	Taizhou Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search
92	Yueqing Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search
93	Ningbo Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search
94	Shaoxing Shangyu Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search
95	Ninghai Qiangjiao Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search
96	Xiangshan Conch Cement Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search

(6) CONSOLIDATING AND EXPANDING ACHIEVEMENTS IN POVERTY ALLEVIATION AND RURAL REVITALIZATION

During the Reporting Period, the Group thoroughly implemented the State's rural revitalization strategy and the implementation opinions issued by the Anhui Provincial Party Committee and Provincial Government on advancing comprehensive rural revitalization in a solid manner, actively fulfilled its corporate social responsibilities, conducted regular assistance with a focus on consumption and industrial assistance to support the construction of rural revitalization. First, the Group deepened consumption-based assistance to agriculture. During the Reporting Period, the Company procured approximately RMB2.8 million agricultural products in a centralized manner, coordinated and organized its subsidiaries to procure agricultural and sideline products from the assisted areas nearby, and promoted the quality and affordably priced consumer products from assisted areas through internal staff purchase events and other channels. Second, the Group strengthened industrial assistance. Leveraging the resources advantages of agricultural products in the assisted areas, the Company guided the assisted areas to conduct research and feasibility studies and establish processing projects for agricultural and sideline products. The Group also coordinated resources to support water conservancy renovation and developed chrysanthemum cultivation and other specialty industries. Third, the Group continuously consolidated the achievements in poverty alleviation. The Group monitored and procured the village based cadres to conduct routine door-to-door checks and investigations. During the Reporting Period, the Group consoled more than 400 households in difficulty and other monitored groups, precisely implemented industrial subsidies and incentives and welfare policies, assisted in the implementation of medical insurance relief policy, and effectively addressed urgent difficulties and pressing concerns of the mass.

In addition, by giving full play to its industrial characteristics and facilitating the development of local economy through investment, the Group played a positive role in aspects such as increasing local financial tax revenue, promoting employment of rural population and boosting rural economic development, injecting new momentum for rural revitalization. In the course of the daily production and operation, the Group adhered to respecting nature, adapting nature and protecting nature, firmly established and practiced the development concept of lucid waters and lush mountains are invaluable assets and strictly kept the ecological redlines. Oriented at the ecological environment-friendly and effective use of resources, the Group continuously carried out restoration treatment towards ecological environment and the preservation of biodiversity. The Group was committed to build villages with an ecologically pleasant living environment featuring natural and beautiful landscape, stable and sound ecosystem, and harmony between humankind and nature through the construction of green factory, the development of digitalization and intelligence and the transformation towards green and low-carbon, thereby promoting a healthy cycle of ecological and economic growth, and supporting rural revitalization with the concept of green, low-carbon, and sustainable development.

(1) PERFORMANCE OF UNDERTAKING

On 29 January 2026, Conch Holdings entered into the Capital Increase and Reorganization Agreement with Wanwei Group, pursuant to which Conch Holdings proposed to acquire 60% equity interests in Wanwei Group by way of capital increase (the "Capital Increase Acquisition"), thereby controlling interest in Wanwei Group and indirectly controlling interest in Wanwei Updated High-Tech. The business of production and sales of insignificant quantities of cement products and assets of Wanwei Updated High-Tech (the "Cement-related Assets and/or Business") would give rise to a potential risk of competition with the Company's existing principal business upon completion of the Capital Increase Acquisition. With a view to comply with the Reorganization Agreement entered into between Conch Holdings and the Company before the listing of the Company on the Stock Exchange, Conch Holdings issued the Non-compete Undertaking Letter to the Company on 29 January 2026, the key provisions of the undertaking include the followings: (1) Conch Holdings will proactively coordinate with Wanwei Updated High-Tech (and its subsidiaries) to carry out disposal of their Cement-related Assets and/or Business (the "Disposal") prior to completion of the Capital Increase Acquisition, and will actively coordinate with Wanwei Updated High-Tech (and its subsidiaries) to grant the Company a right of first refusal over their Cement-related Assets and/or Business on the same terms and conditions in compliance with the HKSE Listing Rules, the SSE Listing Rules and other applicable laws and regulations and regulatory rules for listed companies; (2) in the event that the Disposal has not been commenced or completed as at the date of completion of the Capital Increase Acquisition, Conch Holdings undertakes to complete the Disposal within three years from the date of completion of the Capital Increase Acquisition. In the meantime, Conch Holdings shall proactively coordinate the signing and renewal of the relevant agreement (the "Agreement") between the Company and Wanwei Updated High-Tech (and its subsidiaries), pursuant to which the Company shall undertake the operation and management of the Cement-related Assets and/or Business of Wanwei Updated High-Tech (and its subsidiaries) on an exclusive basis. The Agreement shall take effect from the date of completion of the Capital Increase Acquisition and shall be valid for a term (including any renewal) not exceeding three years. The said Agreement will terminate automatically upon completion of the Disposal; and (3) upon completion of the Disposal or the signing of the Agreement, except for the Company and its subsidiaries, Conch Holdings and its other subsidiaries shall no longer, directly or indirectly, carry on, engage or be interested in the business of production and sale of cement products. For details, please refer to the announcements published by the Company on the websites of the Stock Exchange and the Company on 29 January 2026 and the announcement published by the Company on the SSE website on 30 January 2026.

On 2 July 2026, the Group has entered into agreements with Wanwei Updated High-Tech and its wholly-owned subsidiary Mengwei Technology with respect to the transfer of the Cement-related Assets, and entered into the Daily Connected Transactions Framework Agreement for transactions with Wanwei Updated High-Tech and Mengwei Technology for sale and purchase of commodities and provision of services. For details, please refer to the announcements published by the Company on the websites of the Stock Exchange and the Company on 2 July 2026 and the announcement published by the Company on the SSE website on 3 July 2026. As at the date of publication of this report, the Group has completed the acquisition of the cement-related assets of Wanwei Updated High-Tech and Mengwei Technology.

(2) APPROPRIATION OF FUNDS OF THE COMPANY FOR NON-OPERATING PURPOSE BY CONTROLLING SHAREHOLDERS AND OTHER RELATED PARTIES DURING THE REPORTING PERIOD

During the Reporting Period, there was no appropriation of the Company's funds for non-operating purpose by its controlling shareholders and other related parties.

(3) NON-COMPLIANCE IN PROVIDING GUARANTEES

During the Reporting Period, no external guarantee was provided in violation of the established decision-making procedures by the Company.

(4) ANALYSIS AND EXPLANATION ON REASONS AND IMPACTS OF CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

On 5 December 2025, the Ministry of Finance of the PRC issued the Interpretation No. 19 of the Accounting Standards for Business Enterprises (hereinafter referred to as the "Interpretation No. 19"), which stipulated contents of "Accounting Treatment of Compensatory Assets in Business Combinations not under Common Control", the "Accounting Treatment of Capital Reserve Related to the Disposal of a Subsidiary Previously Acquired in a Business Combination Under Common Control", the "Derecognition of Financial Liabilities Settled Using Electronic Payment Systems", the "Assessment of the Contractual Cash Flow Characteristics of Financial Assets and Related Disclosures", the "Disclosure for Equity Instruments Designated as Fair Value through Other Comprehensive Income" and others, and took effect from 1 January 2026. The Group implemented the relevant provisions of the Interpretation No. 19 on 1 January 2026. The application of the Interpretation No. 19 did not have a material impact on the financial statements of the Group and the Company.

On 4 June 2026, the Ministry of Finance of the PRC issued the Interpretation No. 20 of the Accounting Standards for Business Enterprises (hereinafter referred to as the "Interpretation No. 20"), which stipulated contents of "Assessment of the Contractual Cash Flow Characteristics of Financial Assets", the "Accounting Treatment for Currency's Lack of Exchangeability and Related Disclosures" and others, and took effect from the date of issuance. For businesses newly added during the period from 1 January 2026 to the effective date of the interpretation that fall within the scope prescribed thereby, enterprises shall make adjustments in accordance with the Interpretation. The Group implemented the provision of the Interpretation No. 20 on 1 January 2026. The application of the Interpretation No. 20 did not have a material impact on the financial statements of the Group and the Company.

(5) MATERIAL LITIGATION, ARBITRATION AND NEGATIVE MEDIA INQUIRY

During the Reporting Period, the Group was not involved in any litigation, arbitration and negative media inquiry which might have a material impact on the Group's business operation and management, nor were any of the current Directors and members of senior management of the Company involved in any material litigation or arbitration.

(6) EVENTS REGARDING INSOLVENCY AND RESTRUCTURING

During the Reporting Period, there was no event regarding insolvency or restructuring of the Group.

(7) ACQUISITIONS OR DISPOSALS OF MATERIAL ASSETS AND EQUITY

During the Reporting Period, the Group had not conducted any acquisitions and disposals of material assets or equity.

(8) CONNECTED TRANSACTIONS

During the Reporting Period, the following significant connected transactions of the Group were subsisting under the SSE Listing Rules and the HKSE Listing Rules:

1. Connected transactions or continuing connected transactions related to daily operations

(1) Transactions with Conch Holdings – use of trademarks

On 23 September 1997, the Company and Conch Holdings, being its controlling shareholder, entered into a trademark licensing agreement (the "Trademark Licensing Agreement"), pursuant to which the Company has been granted a license to use certain permitted trademarks (including trademarks of "海螺" and "CONCH") on permitted products in permitted regions for the period as set out in the Trademark Licensing Agreement. The validity period of the Trademark Licensing Agreement is provided to be the same as the validity period of the permitted trademarks, and where the validity period of the permitted trademarks is extended, the validity period of the Trademark Licensing Agreement in respect of the trademarks would be extended automatically. On 22 March 2018, the Company and Conch Holdings entered into a supplemental agreement for the trademark licensing, pursuant to which it was agreed that the annual fees paid by the Company to Conch Holdings in respect of the use of the trademarks consist of fixed license fee and variable license fee, of which the fixed license fee is RMB15 million per annum, and the variable license fee is a license fee for the use of the permitted trademarks by the companies (not being wholly-owned subsidiaries of the Company) in which the Company holds not less than 20% shares, equity interest or registered capital, at an amount to be determined according to the sales volume of cement and clinker.

During the Reporting Period, the fees payable by the Company to Conch Holdings in respect of the use of the trademarks amounted to RMB14.70 million. Pursuant to the HKSE Listing Rules and the SSE Listing Rules, no announcements were required to be made in respect of such connected transaction, nor was such connected transaction subject to the independent shareholders' approval requirement.

(2) Transactions with Haihui Company – receiving supply chain logistic transportation service, providing charging (battery changing) station equipment and power supply

① Supply Chain Logistic Transportation Service Contract

On 31 December 2025, the Company and Haihui Company entered into the Supply Chain Logistic Transportation Service Contract, with a validity period from 1 January 2026 to 31 December 2026. Pursuant to the contract, Haihui Company will provide supply chain logistic transportation service for the Group's cement, clinker, aggregate, commodity concrete, coal and other products. The aggregate transaction amount (i.e. the annual cap) shall not exceed RMB3,000 million.

The aggregate transaction amount under the Supply Chain Logistic Transportation Service Contract was mainly determined after taking into account the reasonable estimation of the transportation volume (with reference to the production and transportation volume of various products in 2025, and the estimation of further increase in the transportation volume for the year of 2026 due to the Group's acquisition of a batch of cement projects and continued promotion of the commodity concrete business development) according to the Group's production plans for cement, clinker, aggregate, commodity concrete and other products for the year of 2026, and the transportation unit price of various types of products, as determined through open tender to be conducted by the relevant subsidiaries or branch companies of the Company through Haihui Company. During the process of open tender through Haihui Company, the relevant subsidiaries or branch companies of the Company shall, based on factors including the quantity of consigned products, mode of transportation and transportation distance, review and compare the transportation quotations offered by not less than three independent third party qualified carriers who submitted a bid; and the bidder who offered the lowest price shall be selected. The relevant subsidiaries or branch companies of the Company may further negotiate with the successful bidder on an arm's length basis, with the aim to further lower the transportation unit price as quoted in the successful bid. In addition, the Company had also made reference to the historical transaction amount for provision of similar services by Haihui Company to the Group from 2023 to 2025 when determining the aggregate transaction amount under the Supply Chain Logistic Transportation Service Contract.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Supply Chain Logistic Transportation Service Contract was RMB1,074 million.

② Use of Charging (Battery Changing) Station Equipment Contract

On 31 December 2025, the Company and Haihui Company entered into the Use of Charging (Battery Changing) Station Equipment Contract, with a validity period from 1 January 2026 to 31 December 2026. Pursuant to the contract, Haihui Company will use the charging (battery changing) station equipment and power supply provided by the Company for actual external operation by Haihui Company. The aggregate transaction amount (i.e. the annual cap) shall not exceed RMB150 million.

The aggregate transaction amount under the Use of Charging (Battery Changing) Station Equipment Contract was mainly determined based on the following factors: (i) the basic electricity fee and the equipment usage fee charged by the Company from Haihui Company, of which, the basic electricity fee will be determined based on the time-of-use industrial electricity unit rates for different regions across the State published monthly by State Grid Corporation of China and China Southern Power Grid Company Limited on their respective official websites, multiplied by the time-of-use electricity consumption as shown on the charging (battery changing) terminal display or charging (battery changing) operation and management platform; the equipment usage fee will be determined with reference to the unit market prices (i.e. the relevant subsidiaries or branch companies of the Company shall obtain and make reference to the unit equipment usage fee of at least two independent third party charging (battery changing) stations in regions where they operate, whereby the unit equipment usage fee will be determined based on prevailing market prices after deducting operating costs of Haihui Company), multiplied by the time-of-use electricity consumption as shown on the charging (battery changing) terminal display or charging (battery changing) operation and management platform; (ii) the historical transaction amount for Haihui Company's use of charging (battery changing) station equipment and electricity provided by the Group for the year 2025. Whereas, taking into consideration that the Group expects the continued promotion of the charging (battery changing) station construction in the year of 2026, it is therefore expected that the consumption volume of charging (battery changing) station equipment and electricity for the year of 2026 will increase correspondingly.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Use of Charging (Battery Changing) Station Equipment Contract was RMB56.93 million.

Haihui Company is a non-wholly owned subsidiary of the Company, the Company, Conch New Material and Beijing Huitong Tianxia IOT Technology Co., Ltd. hold 75.6%, 20% and 4.4% of the registered capital of Haihui Company respectively. Conch New Material is a subsidiary of Conch Holdings, therefore, it is an associate of Conch Holdings and a connected person of the Company. Pursuant to Chapter 14A of the HKSE Listing Rules, Haihui Company is a connected subsidiary of the Company and hence a connected person of the Company. The transactions contemplated under the Supply Chain Logistic Transportation Service Contract and the Use of Charging (Battery Changing) Station Equipment Contract thus constituted continuing connected transactions for the Company. For details, please refer to the announcement published by the Company on the websites of the Stock Exchange and the Company on 31 December 2025. According to the SSE Listing Rules, Haihui Company was not a connected party of the Company, and hence the aforementioned transactions did not constitute connected transactions for the Company as prescribed under the SSE Listing Rules.

(3) Transactions with Conch Material Technology – procurement of admixtures

① Procurement of Cement Admixtures (Grinding Aids) Contract

On 27 November 2025, the Company and Conch Material Technology entered into the Procurement of Cement Admixtures (Grinding Aids) Contract, with a validity period from 1 January 2026 to 31 December 2026. Pursuant to the contract, the Group will procure cement admixtures from Conch Material Technology Group. The annual cap for the transactions under the Procurement of Cement Admixtures (Grinding Aids) Contract shall be RMB700 million.

The annual cap for the transactions under the Procurement of Cement Admixtures (Grinding Aids) Contract was determined mainly based on the estimated total procurement quantity of cement admixtures according to the Group’s cement production plan for the year of 2026, and the unit price of the products as determined based on the results of the open tender. In conducting the open tender by the Company, a total of three suppliers (one of which being Conch Material Technology and the other two being independent third parties) participated in this open tender. The tenders were rated based on technical evaluation and commercial evaluation. According to the overall rating results based on the technical evaluation and commercial evaluation, Conch Material Technology has been selected as one of the Group’s cement admixture suppliers. The unit price of cement admixture products under the Procurement of Cement Admixtures (Grinding Aids) Contract was determined based on the results of the open tender. In addition, when determining the annual cap for the transactions under the Procurement of Cement Admixtures (Grinding Aids) Contract, the Company had also made reference to the historical transaction amounts for procurement of same products by the Group from Conch Material Technology Group from 2023 to 2025.

Due to force majeure factors such as international geopolitical conflicts, the worldwide market prices of chemical raw materials have continued to surge, and the cost of key raw materials for cement admixtures has also increased significantly. Conch Material Technology and other independent third-party cement admixture suppliers of the Group have made requests to the Company for price increment. In accordance with the market research conducted by the Company, price hikes or the introduction of price adjustment mechanisms have become common across the cement admixture industry. Based on the aforesaid, and in order to ensure a stable supply of admixtures required for the Group's production and to ensure that the quality of the procured products would not be affected by cost fluctuations, the Company and Conch Material Technology entered into the Supplemental Contract to the Procurement of Cement Admixtures (Grinding Aids) Contract on 7 May 2026. On the basis of the fixed unit price under the Procurement of Cement Admixtures (Grinding Aids) Contract, a price adjustment mechanism linked to the cost of key raw materials of cement admixtures shall be incorporated, and the procurement unit price shall be reviewed and (where conditions are satisfied) adjusted once each month. Under the price adjustment mechanism, the annual cap for the procurement of cement admixtures by the Group from Conch Material Technology Group shall be adjusted from not more than RMB700 million to not more than RMB780 million (the revised annual cap became effective upon approval by the general meeting of Conch Material Technology on 7 July 2026). The Supplemental Contract to the Procurement of Cement Admixtures (Grinding Aids) Contract shall be valid until 31 December 2026. Save for the procurement unit price for cement admixtures and 2026 annual cap as amended by the Supplemental Contract to the Procurement of Cement Admixtures (Grinding Aids) Contract, all other terms and conditions of the Procurement of Cement Admixtures (Grinding Aids) Contract remain the same and are in full force and effect.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Procurement of Cement Admixtures (Grinding Aids) Contract (as amended by the Supplemental Contract to the Procurement of Cement Admixtures (Grinding Aids) Contract) was RMB281 million.

② Procurement of Concrete and Other Admixtures Framework Agreement

On 27 November 2025, the Company and Conch Material Technology entered into the Procurement of Concrete and Other Admixtures Framework Agreement, with a validity period from 1 January 2026 to 31 December 2026. Pursuant to the contract, the Group will procure concrete admixtures and other admixtures from Conch Material Technology Group. The annual cap for the transactions under the Procurement of Concrete and Other Admixtures Framework Agreement shall be RMB160 million.

The annual cap for the transactions under the Procurement of Concrete and Other Admixtures Framework Agreement was determined mainly based on the estimated total procurement quantity of concrete admixtures and other admixtures according to the Group's concrete and cement production plan for the year of 2026, and the unit prices of the products as determined based on the results of the tender or price enquiry and comparison and upon arm's length negotiation between the parties. The unit prices of the admixture products shall be determined by the parties by one of the following manners: (i) by tender: the Group shall conduct open tenders or invite tenders from at least three potential suppliers (including Conch Material Technology and other independent third parties) offering similar admixture products. The tenders would be rated based on technical evaluation and commercial evaluation. The successful tenderer shall achieve the highest or best overall rating results of the technical evaluation and commercial evaluation. The unit prices of the admixture products under the individual sub-contracts of the Procurement of Concrete and Other Admixtures Framework Agreement shall be determined with reference to the results of the tenders; or (ii) by price enquiry and comparison and upon negotiation: the Group shall obtain fair market prices of the products by conducting price inquiry and comparison from at least three potential suppliers (including Conch Material Technology and other independent third parties) offering similar admixture products. Potential suppliers shall be comprehensively reviewed based on various factors and the supplier shall be selected based on its optimal overall price-performance value and its reliability in terms of secured supply. After making reference to the prices of similar admixture products procured by the Group from Conch Material Technology Group and independent third party suppliers for the year 2025, the Group and Conch Material Technology Group shall determine the unit prices of the products after arm's length negotiations on normal commercial terms. In addition, when determining the annual cap for the transactions under the Procurement of Concrete and Other Admixtures Framework Agreement, the Company had also made reference to the historical transaction amounts for procurement of concrete admixtures and other admixtures by the Group from Conch Material Technology Group from 2023 to 2025.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Procurement of Concrete and Other Admixtures Framework Agreement was RMB32.69 million.

Conch Holdings, a controlling shareholder of the Company, holds 100% shares in Conch Tech Innovation Material. Conch Tech Innovation Material holds 36.47% shares in Conch Material Technology. Therefore, Conch Material Technology is an associate of Conch Holdings and hence a connected person of the Company. The transactions under the Procurement of Cement Admixtures (Grinding Aids) Contract (as amended by the Supplemental Contract to the Procurement of Cement Admixtures (Grinding Aids) Contract) and the Procurement of Concrete and Other Admixtures Framework Agreement thus constituted continuing connected transactions for the Company under Chapter 14A of the HKSE Listing Rules. For details, please refer to the announcements published by the Company on the websites of the Stock Exchange and the Company on 27 November 2025 and 7 May 2026. According to the SSE Listing Rules, Conch Material Technology was also a connected party of the Company and the transactions under the Procurement of Cement Admixtures (Grinding Aids) Contract (as amended by the Supplemental Contract to the Procurement of Cement Admixtures (Grinding Aids) Contract) and the Procurement of Concrete and Other Admixtures Framework Agreement also constituted connected transactions as prescribed under the SSE Listing Rules. However, as the aggregate transaction amounts had not reached 0.5% of the Company's latest audited net assets at the time of signing the relevant contracts or agreements, respectively, and the transactions under the Procurement of Cement Admixtures (Grinding Aids) Contract were conducted by way of open tender, the Company was not required to publish an ad hoc announcement for the transactions under the aforesaid contracts on the website of the SSE according to the SSE Listing Rules.

(4) *Transactions with Conch Accelerants Manufacturing—procurement of combustion accelerants, melting accelerants, desulfurizers and water treatment chemicals*

① Combustion Accelerants and Melting Accelerants Procurement Framework Agreement

On 31 December 2025, the Company and Conch Accelerants Manufacturing entered into the Combustion Accelerants and Melting Accelerants Procurement Framework Agreement, with a validity period from 1 January 2026 to 31 December 2026. Pursuant to the contract, the Group will procure combustion accelerants and melting accelerants from Conch Accelerants Manufacturing. The estimated aggregate transaction amount (i.e. the annual cap) under the Combustion Accelerants and Melting Accelerants Procurement Framework Agreement shall be not more than RMB151 million.

The estimated aggregate transaction amount under the Combustion Accelerants and Melting Accelerants Procurement Framework Agreement was mainly determined based on the estimated total procurement quantity of combustion accelerants and melting accelerants according to the Group's production plan for clinker for the year of 2026 and the unit prices of the products which were determined based on the results of price inquiry and comparison and upon negotiation between the parties. The unit prices of combustion accelerants and melting accelerants were determined based on the following factors: (i) the Group has conducted price inquiry and comparison from three potential suppliers (including Conch Accelerants Manufacturing and other independent third parties) offering similar products, in order to obtain fair market prices for the products. Potential suppliers were comprehensively reviewed by the Group based on various factors. The supplier was selected based on its optimal overall price-performance value and its reliability in terms of secured supply; and (ii) after making reference to the prices of similar products procured by the Group from Conch Accelerants Manufacturing and its subsidiaries, and independent third party suppliers for recent years, the unit prices of relevant products supplied to the Group by Conch Accelerants Manufacturing are in line with the average price offered to the Group by independent third party suppliers. In addition, when determining the annual caps for the transactions under the Combustion Accelerants and Melting Accelerants Procurement Framework Agreement, the Company had also made reference to the historical transaction amounts for procurement of the same products by the Group from Conch Accelerants Manufacturing and its subsidiaries from 2023 to 2025.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Combustion Accelerants and Melting Accelerants Procurement Framework Agreement was RMB25.16 million.

② Desulfurizer and Water Treatment Chemicals Procurement Framework Agreement

On 31 December 2025, the Company and Conch Accelerants Manufacturing entered into the Desulfurizer and Water Treatment Chemicals Procurement Framework Agreement, with a validity period from 1 January 2026 to 31 December 2026. Pursuant to the contract, the Group will procure desulfurizer and water treatment chemicals from Conch Accelerants Manufacturing. The estimated aggregate transaction amount (i.e. the annual cap) under the Desulfurizer and Water Treatment Chemicals Procurement Framework Agreement shall be not more than RMB149 million.

The estimated aggregate transaction amount under the Desulfurizer and Water Treatment Chemicals Procurement Framework Agreement was mainly determined based on the estimated total procurement quantity of desulfurizers and water treatment chemicals according to the Group's production plan for clinker for the year of 2026, and the unit prices of the products which were determined based on the results of the tender and price inquiry and comparison. The unit prices of desulfurizers and water treatment chemicals shall be determined based on the following factors: (i) the Company has conducted an open tender for the respective procurement of desulfurizers and water treatment chemicals. A total of four suppliers (one of which being Conch Accelerants Manufacturing and the other three being independent third parties) participated in the open tender for the procurement of desulfurizers and a total of five suppliers (one of which being Conch Accelerants Manufacturing and the other four being independent third parties) participated in the open tender for the procurement of water treatment chemicals. The Company rated the tenderers based on technical evaluation, and shortlisted three desulfurizer suppliers and three water treatment chemicals suppliers with the highest technical evaluation ratings (Conch Accelerants Manufacturing was included in both selections) as successful shortlisted suppliers; and (ii) the relevant subsidiaries or branch companies of the Company will conduct price inquiry from the successful shortlisted suppliers prior to procurement of desulfurizers or water treatment chemicals. The offeror of the lowest price quotations for the products will be selected as the supplier and the offered prices will be the unit prices of products under the sub-contracts of the Desulfurizer and Water Treatment Chemicals Procurement Framework Agreement. In addition, when determining the annual caps for the transactions under the Desulfurizer and Water Treatment Chemicals Procurement Framework Agreement, the Company had also made reference to the historical transaction amounts for procurement of the relevant products by the Group from Conch Accelerants Manufacturing and its subsidiaries from 2023 to 2025.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Desulfurizer and Water Treatment Chemicals Procurement Framework Agreement was RMB23.64 million.

Conch Holdings, a controlling shareholder of the Company, held 100% shares in Conch Tech Innovation Material. Conch Tech Innovation Material held 100% shares in Conch Accelerants Manufacturing, therefore, Conch Accelerants Manufacturing was an associate of Conch Holdings and hence a connected person of the Company. The transactions under the above two agreements thus constituted continuing connected transactions for the Company under Chapter 14A of the HKSE Listing Rules. For details, please refer to the announcements published by the Company on the websites of the Stock Exchange and the Company on 31 December 2025. According to the SSE Listing Rules, Conch Accelerants Manufacturing was also a connected party of the Company and the transactions under the above two agreements also constituted connected transactions for the Company as prescribed under the SSE Listing Rules. However, as the aggregate transaction amounts of the above two agreements had not reached 0.5% of the Company's latest audited net assets, the Company was not required to publish an ad hoc announcement for the transactions under the above two agreements on the website of the SSE.

2. Transactions with Conch Design Institute – receiving engineering project design and technology service, mine infrastructure project engineering design and construction service, SCR denitration technology modification service, distributed photovoltaic project EPC service and dechlorination system technology modification service

(1) Engineering Project Design and Technology Service

① Engineering Project Design and Technology Service Contract

On 20 March 2026, the Company and Conch Design Institute entered into the Engineering Project Design and Technology Service Contract, pursuant to which Conch Design Institute shall provide engineering design and/or technology modification services for projects such as aggregate, manufactured sand, commodity concrete, dry-mix mortar project, roller press technology modification projects, large-scale special modification projects and engineering consulting services of certain subsidiaries of the Company. The contract price shall be RMB105.84 million.

The contract price of the Engineering Project Design and Technology Service Contract was determined with reference to the requirements of the Engineering Survey Design Fee Standard (2002 Revised Version) (《工程勘察設計收費標準》(2002年修訂本)) jointly promulgated by the National Development and Reform Commission of the PRC and the Ministry of Housing and Urban-Rural Development of the PRC (the "Engineering Survey Design Fee Standard"), and the Information on the Cost Components of Engineering Survey Service (2022 Edition) (《工程勘察服務成本要素信息(2022版)》) published by China Engineering & Consulting Association, as well as the characteristics of the Group's engineering construction projects, and the scale, investment amount, scope of design and technology indicators of each project, and agreed between both parties on the basis of equality and mutual benefit. The Company had also made enquiries and compared the prices offered by two independent third party service providers and the price offered to the Group by Conch Design Institute has significant advantage.

② Engineering Design Services Framework Agreement

On 5 December 2025, Conch Environment Protection, a subsidiary of the Company and Conch Design Institute entered into the Continuing Connected Transactions Framework Agreement (the "Engineering Design Services Framework Agreement"), pursuant to which Conch Design Institute would provide engineering design and/or technology modification services for the industrial solid waste and hazardous waste treatment projects of certain subsidiaries of Conch Environment Protection for years from 2026 to 2028, of which the annual cap for the year of 2026 shall be RMB8 million. For details of the Engineering Design Services Framework Agreement, including the basic information of the contract, contract price, payment methods and basis for price determination, and the reasons for the transaction, please refer to the announcements dated 5 December 2025 and 6 March 2026 and the circular dated 11 February 2026 published by Conch Environment Protection on the website of the Stock Exchange.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Engineering Project Design and Technology Service Contract was RMB6.28 million, and the actual transaction amount (inclusive of tax) under the Engineering Design Services Framework Agreement was RMB2.15 million. If including the performance of relevant contracts entered into in previous years, the accumulated transaction amounts (inclusive of tax) relating to engineering project design and technology services between the Group and Conch Design Institute during the Reporting Period amounted to RMB30.23 million.

(2) *Mine Infrastructure Project Engineering Design and Construction Service*

On 20 March 2026, Guangying Mining (as the principal), a subsidiary of the Company, entered into the Engineering General Contract for the Additional Project Works of the Cement-applied Limestone Mine Infrastructure Project at Baishuidong Mining Area, Shitan Town, Qingxin District, Qingyuan City, Guangdong Province (the "Mine Infrastructure Project Engineering General Contract") with Conch Design Institute and Hongda Blasting (as the contractors), pursuant to which Conch Design Institute and Hongda Blasting agreed to provide engineering design and construction services for the additional project works of the cement-applied limestone mine infrastructure project of Guangying Mining. The contract price amounted to approximately RMB28.93 million.

The contract price of the Mine Infrastructure Project Engineering General Contract was determined based on the results of an open tender. Conch Design Institute (together with Hongda Blasting as the joint contractors) and three independent third party service providers participated in the open tender. Upon evaluation by adopting the comprehensive assessment method, Conch Design Institute (together with Hongda Blasting as the joint contractors) obtained the highest overall score, and were selected as the service providers of the engineering design and construction services for the additional project works of the mine infrastructure project of Guangying Mining.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Mine Infrastructure Project Engineering General Contract was RMB6.27 million. If including the performance of relevant contracts entered into in previous years, the accumulated transaction amounts (inclusive of tax) relating to mine infrastructure project engineering design and construction service between the Group and Conch Design Institute during the Reporting Period amounted to RMB12.73 million.

(3) *SCR Denitration Technology Modification Service*

Yili Conch, a subsidiary of the Company, and the Company entered into the SCR Denitration Engineering Design and Equipment Procurement (EP) Contract and the SCR Denitration Project Engineering Design and Equipment Supply (EP) Contract (collectively, the "SCR Denitration Technology Modification Service Contracts") with Conch Design Institute, on 9 September 2025 and 29 September 2025, respectively, pursuant to which Conch Design Institute agreed to provide engineering design, technology calibration, equipment supply and adjustment services for the SCR denitration technology modification projects for the clinker production lines of Yili Conch and certain other subsidiaries of the Company. The total prices of the two contracts amounted to RMB40.50 million.

The contract prices of the two SCR Denitration Technology Modification Service Contracts were determined with reference to the requirements under the Engineering Survey Design Fee Standard, as well as the project scale, scope of design, technology indicators, and the market prices for SCR denitration technology modification services, and as agreed between the relevant parties on the basis of equality and mutual benefit. The Company had also made references to the prices for providing similar services inquired from three independent third party service providers in recent years and conducted a price comparison, and the price offered to the Group by Conch Design Institute has significant advantage.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the two SCR Denitration Technology Modification Service Contracts was RMB21.81 million. If including the performance of relevant contracts entered into in previous years, the accumulated transaction amounts (inclusive of tax) relating to SCR denitration technology modification services between the Company and Conch Design Institute during the Reporting Period amounted to RMB43.39 million.

(4) Distributed Photovoltaic Project EPC Service

On 28 November 2025, Baoji Conch New Energy Co., Ltd. ("Baoji New Energy"), a subsidiary of the Company, and Conch Design Institute entered into the 1.75MW Distributed Photovoltaic Project EPC General Contracting Contract (the "Distributed Photovoltaic Project EPC Contract"), pursuant to which Conch Design Institute agreed to provide engineering design, equipment and material supply and/or adjustment, construction, installation and related engineering services for the distributed photovoltaic project of Baoji New Energy. The contract price amounted to RMB3.7268 million.

The contract price of the Distributed Photovoltaic Project EPC Contract was determined based on the results of an invited tender. Baoji New Energy invited Conch Design Institute and three independent third party service providers (all of them possess the relevant engineering design and construction qualifications) to submit tender. Among them, the tender price of Conch Design Institute was the most competitive and Conch Design Institute has been selected as the supplier of the EPC general contract of the distributed photovoltaic project of Baoji New Energy.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the Distributed Photovoltaic Project EPC Contract was RMB1.86 million.

(5) Dechlorination System Technology Modification Service

Xingye Conch and Quanjiao Conch, subsidiaries of the Company, entered into the Line 1 Kiln Tail Dechlorination System Technology Modification Project EPC General Contracting Contract and 2# Kiln Increased Dechlorination System Technology Modification Project EPC General Contracting Contract (collectively, the "Dechlorination System Technology Modification Service Contracts") with Conch Design Institute, on 10 June 2025 and 19 January 2026, respectively, pursuant to which Conch Design Institute agreed to provide engineering design, equipment and material supply and/or adjustment, construction, installation and related engineering services for the cement kiln dechlorination system modification of the aforesaid two companies. The total prices of the two contracts amounted to RMB11.47 million.

The contract price of the Dechlorination System Technology Modification Service Contract entered into between Xingye Conch and Conch Design Institute was determined based on the results of an invited tender. Xingye Conch invited Conch Design Institute and two independent third party service providers (all of them possess the relevant engineering design and construction qualifications) to submit tender. Among them, the tender price of Conch Design Institute was the most competitive and was selected as the dechlorination system technology modification service provider of Xingye Conch.

The contract price of the Dechlorination System Technology Modification Service Contract entered into between Quanjiao Conch and Conch Design Institute was determined based on the results of an open tender and further competitive negotiations. Quanjiao Conch selected its service providers of dechlorination system technology modification by the way of open tender. As only two suppliers (one of which being Conch Design Institute and the other being an independent third party) submitted tenders across two rounds of open tender, the number of tenderers did not meet the minimum threshold stipulated by the relevant laws and regulations. After competitive negotiations with the aforesaid two providers, the price offered by Conch Design Institute was more competitive. As such, Conch Design Institute was selected as the dechlorination system technology modification service provider of Quanjiao Conch.

During the Reporting Period, the actual transaction amount (inclusive of tax) under the two Dechlorination System Technology Modification Service Contracts was RMB2.69 million.

As at the date of signing the above contracts, Conch Design Institute is a wholly-owned subsidiary of Conch Holdings, a controlling shareholder of the Company, therefore, Conch Design Institute is an associate of Conch Holdings and hence a connected person of the Company. Pursuant to Chapter 14A of the HKSE Listing Rules, the transactions contemplated under above contracts constituted connected transactions or continuing connected transactions for the Company. For details, please refer to the announcement published by the Company on the websites of the Stock Exchange and the Company on 20 March 2026. According to the SSE Listing Rules, Conch Design Institute is also a connected party of the Company and the transactions under the above contracts also constituted connected transactions as prescribed under the SSE Listing Rules. However, as the aggregate contract amount of the contracts (including the above contracts) entered into by the Group with Conch Design Institute within the most recent 12 months accounted for less than 0.5% of the Company's latest audited net assets, the Company was not required to publish an ad hoc announcement for the above transactions on the website of the SSE.

3. Connected transactions related to equity acquisition – acquisition of equity interests in Conch Design Institute

On 24 June 2026, the Company (as transferee) entered into the equity transfer agreement in respect of Anhui Conch Construction Materials Design Institute Co., Ltd. with Conch Holdings (as transferor) and Conch Design Institute (as target company), pursuant to which the Company agreed to acquire 100% equity interests in Conch Design Institute owned by Conch Holdings at an acquisition consideration of RMB561.58 million.

The acquisition consideration was determined by the Company and Conch Holdings through negotiation base on the principle of equality and fairness with reference to the results of appraised value of the total equity interest of Conch Design Institute appraised by the independent valuer as at 31 March 2026. According to the valuation report issued by the independent valuer, as at 31 March 2026, the appraised value of total equity interest of Conch Design Institute adopting the income approach was RMB561.58 million.

The acquisition was completed on 29 June 2026. Conch Design Institute became a direct wholly-owned subsidiary of the Company. The Company has paid the acquisition consideration of RMB561.58 million to Conch Holdings.

As at the date of signing the above agreement, Conch Holdings, a controlling shareholder of the Company holding approximately 37.40% of the total number of issued shares of the Company, was a connected person of the Company. The acquisition of Conch Design Institute thus constituted a connected transaction for the Company under Chapter 14A of the HKSE Listing Rules. For details, please refer to the announcement published by the Company on the websites of the Stock Exchange and the Company on 24 June 2026. According to the SSE Listing Rules, Conch Holdings was also a connected party of the Company and the acquisition of Conch Design Institute also constituted connected transactions as prescribed under the SSE Listing Rules. However, as the acquisition consideration did not exceed 0.5% of the Company's latest audited net assets, the Company was not required to publish an ad hoc announcement for the acquisition on the website of the SSE.

(9) DISCLOSEABLE TRANSACTIONS

On 26 March 2026, the Company and CMBC Wealth Management Co., Ltd. ("CMBC Wealth Management") entered into the CMBC Wealth Management Fuzhu Fixed-income Steady Closed-end No. 90 Wealth Management Product Contract and the CMBC Wealth Management Fuzhu Fixed-income Steady Closed-end No. 91 Wealth Management Product Contract, pursuant to which, the Company used its idle internal funds to subscribe for wealth management products in an aggregate amount of RMB2 billion with a term of 364 days and a performance benchmark (i.e. expected annualized rate of return) of 2.55% to 2.65%.

On 30 March 2026, the Company and CMBC Wealth Management entered into the CMBC Wealth Management Fuzhu Fixed-income Steady Closed-end No. 92 Wealth Management Product Contract, pursuant to which, the Company used its idle internal funds to subscribe for wealth management product in an amount of RMB1 billion with a term of 364 days and a performance benchmark of 2.55% to 2.65%.

On 28 May 2026, the Company and CMBC Wealth Management entered into the CMBC Wealth Management Guizhu Fixed-income Zengliying Series Closed-end No. 245 Wealth Management Product Contract and the CMBC Wealth Management Guizhu Fixed-income Zengliying Series Closed-end No. 247 Wealth Management Product Contract, pursuant to which, the Company used its idle internal funds to subscribe for wealth management products in an aggregate amount of RMB1.9 billion with a term of 362 days and a performance benchmark of 2.60%.

On 3 June 2026, the Company and CMBC Wealth Management entered into the CMBC Wealth Management Fuzhu Fixed-income Steady Closed-end No. 94 Wealth Management Product Contract and the CMBC Wealth Management Guizhu Fixed-income Zengliying Series Closed-end No. 250 Wealth Management Product Contract, pursuant to which, the Company used its idle internal funds to subscribe for wealth management products in an aggregate amount of RMB3.1 billion with a term of 362 days and a performance benchmark of 2.60%.

Each of the subscriptions contemplated under the aforesaid contracts, when calculated separately as a single transaction by itself, does not constitute a discloseable transaction for the Company under Chapter 14 of the HKSE Listing Rules. However, as the subscriptions contemplated under the aforesaid contracts were conducted by the Company with the same party (i.e. CMBC Wealth Management) within a 12-month period, they shall be aggregated as if they were one transaction pursuant to Rule 14.22 and Rule 14.23(1) of the HKSE Listing Rules. As at least one of the applicable percentage ratios calculated pursuant to Chapter 14 of the HKSE Listing Rules in connection with the aggregated transaction amount under the aforesaid contracts (i.e. RMB8 billion) is 5% or more but each of the applicable percentage ratios is less than 25%, the subscriptions collectively constitute a discloseable transaction for the Company. The aggregated transaction amount of the aforesaid contracts was within the authorization limit of entrusted wealth management considered and approved by the Board on 26 January 2026. For details, please refer to the announcement published by the Company on the websites of the Stock Exchange and the Company on 3 June 2026.

(10) MATERIAL CONTRACTS

1. During the Reporting Period or during the previous periods and subsisting in the Reporting Period, the Group was not involved in any material entrustment, contracting or leasing of assets of other companies, nor were any other companies involved in any entrustment, contracting or leasing of assets of the Company.

2. Guarantees

During the Reporting Period, on 22 June 2026, the Group had provided a new guarantee, Anhui Haizhong Environmental Company Limited, a subsidiary of the Company, provided full joint and several liability guarantee for the loan of its wholly-owned subsidiary Fujian Sanming Haizhong Environmental Protection Technology Co., Ltd. granted by Sanming Branch of Industrial Bank, with a guarantee amount of RMB10 million and for a guarantee period of one year. The above guarantee is within the scope of the estimated amount of guarantee considered and approved at the third meeting of the tenth session of the Board and the 2025 annual general meeting of the Company,

As at the end of the Reporting Period, the balance of guarantee provided by the Company to subsidiaries which are within the scope of the consolidated financial statements of the Group was RMB392.00 million, the balance of the external guarantees provided by the Company's subsidiaries (including guarantees provided to subsidiaries and joint ventures within the scope of the financial statements) was RMB327.17 million, and the aggregate amount of guarantees amounted to RMB719.17 million, representing 0.38% of the net assets of the Group as at the end of the Reporting Period, of which the aggregate balance of guarantees provided to subsidiaries amounted to RMB695.17 million and that to joint ventures amounted to RMB24.00 million.

During the Reporting Period, the Company did not provide guarantee to companies with a gearing ratio over 70%.

As at the end of the Reporting Period, save for the provision of guarantee to Yunfu Guangjia Haizhong Environmental Protection Technology Co., Ltd., a joint venture, the Group did not provide guarantee for its controlling shareholders, de facto controllers, other related parties of the Company and any unincorporated entities or individuals. Save for the guarantees as disclosed above, the Group did not provide any other guarantees or pledges, nor did the Group have any other significant contingent liabilities.

(11) PENALTIES AND/OR REMEDIES IN RELATION TO THE COMPANY AND ITS DIRECTORS, SENIOR MANAGEMENT MEMBERS, CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS

During the Reporting Period, none of the Company, its then and current Directors, senior management members, controlling shareholders and de facto controllers was subject to any penalties and/or remedies by competent authorities.

(12) STATUS OF INTEGRITY OF THE COMPANY, ITS CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS

During the Reporting Period, none of the Company, its controlling shareholders and de facto controllers failed to perform any obligations from effective legal instruments of the court or settle any due debt of relatively large amount.

(13) NO EVENT THAT MIGHT IMPOSE MATERIAL IMPACTS

Since the publication of the annual report of the Company for the year ended 31 December 2025 and up to the date of publication of this report, save as disclosed in this report, there has been no event or changes to the affairs of the Group that might impose material impacts on the Group.

(1) TOTAL NUMBER OF SHARES AND SHAREHOLDING STRUCTURE

1. There was no change in the total number of shares and the shareholding structure of the Company during the Reporting Period, as detailed below:

(Unit: Share)

Class of shares	Before change		Increase/decrease (+, -)			After change	
	Number	Percentage (%)	Issue of new shares	Transfer from capital reserve	Subtotal	Number	Percentage (%)
I. Shares subject to trading restrictions	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. State-owned legal person shares	-	-	-	-	-	-	-
2. Other domestic shares	-	-	-	-	-	-	-
II. Shares not subject to trading restrictions	**5,299,302,579**	**100**	**-**	**-**	**-**	**5,299,302,579**	**100**
1. RMB-denominated ordinary shares (i.e. A Shares)	3,999,702,579	75.48	-	-	-	3,999,702,579	75.48
2. Overseas-listed foreign shares (i.e. H Shares)	1,299,600,000	24.52	-	-	-	1,299,600,000	24.52
III. Total number of shares	**5,299,302,579**	**100**	**-**	**-**	**-**	**5,299,302,579**	**100**

2. On 14 July 2026, the Company cancelled the 22,242,535 repurchased A Shares, and the total number of shares of the Company was reduced from 5,299,302,579 shares to 5,277,060,044 shares. Such change had no material impact on earnings per share, net assets per share and other financial indicators.

(2) SHAREHOLDERS

As at the end of the Reporting Period, the total number of registered shareholders of the Company was 241,868, of which 117 were registered holders of H Shares. The shareholdings of the top ten registered shareholders of the Company as at the end of the Reporting Period are set out as follows:

Name of registered shareholder	Nature of shareholder	Increase or decrease during the Reporting Period (share)	Number of shares held at the end of the Reporting Period (share)	Percentage of shareholding (%) (Note 1)	Class of shares	Pledged, marked or frozen Status	Pledged, marked or frozen Number (share)
1. Conch Holdings (Note 2)	State-owned legal person	52,920,020	1,981,790,034	37.40	A Share	Nil	–
2. HKSCC Nominees Limited (Note 3)	Foreign legal person	11,950	1,298,111,290	24.50	H Share	Unknown	Unknown
3. Hong Kong Securities Clearing Company Limited	Foreign legal person	-54,123,328	97,169,945	1.83	A Share	Unknown	Unknown
4. Central Huijin Asset Management Ltd.	State-owned legal person	–	68,767,400	1.30	A Share	Unknown	Unknown
5. Guosen Securities Co., Ltd.	Others	27,400	28,328,901	0.53	A Share	Unknown	Unknown
6. CPIC Zhiyuan (Shanghai) Private Equity Fund Management Co., Ltd. – CPIC Zhiyuan No.1 Private Equity Securities Investment Fund	Others	1,729,700	18,884,600	0.36	A Share	Unknown	Unknown
7. Industrial and Commercial Bank of China Limited – Dongfanghong New Motion Flexible Allocation Hybrid Securities Investment Fund	Others	4,185,876	16,626,327	0.31	A Share	Unknown	Unknown
8. Anhui Conch Venture Group Co., Ltd.	Domestic non-state-owned legal person	–	16,531,300	0.31	A Share	Unknown	Unknown
9. China Merchants Bank Co., Ltd. – Dongfanghong Jingdong Big Data Flexible Allocation Hybrid Securities Investment Fund	Others	4,275,052	12,093,042	0.23	A Share	Unknown	Unknown
10. Industrial and Commercial Bank of China Limited – Fullgoal Research Selection Flexible Allocation Hybrid Securities Investment Fund	Others	3,149,225	11,835,875	0.22	A Share	Unknown	Unknown

Notes:

(1) The percentage of shareholding was calculated based on the total number of shares of 5,299,302,579 shares of the Company as at the end of the Reporting Period.

(2) During the Reporting Period, the total A Shares held by the Conch Holdings in the Company increased by 52,920,020, and Shares held by it were not subject to any pledge, mark, freezing or trust.

(3) As at the end of the Reporting Period, HKSCC Nominees Limited held 1,298,111,290 H Shares of the Company, representing 24.50% of the total share capital of the Company and 99.89% of the issued H Shares of the Company. These shares were held on behalf of its various clients.

(4) All the above shares are floating shares not subject to trading restrictions.

(5) The Board is not aware of any connected relationship or acting in concert relationship among the above-mentioned shareholders.

(6) Shareholding in the Company's designated securities account for repurchase is not shown in the above table. As at the end of the Reporting Period, there were 24,442,535 A Shares held in the Company's designated securities account for repurchase, accounting for 0.46% of the Company's total issued share capital.

(7) During the Reporting Period, no Shares were lent through refinancing by shareholders with more than 5% shareholding, the top 10 shareholders and the top 10 shareholders without restrictions on trading.

(3) SUBSTANTIAL SHAREHOLDERS

As at the end of the Reporting Period, the following persons (other than Directors or chief executive of the Company) held interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of shareholder	Number of ordinary shares held	Nature of interest	Percentage of shareholding of the relevant class of shares	Percentage of shareholding of all issued shares
Conch Holdings	1,981,790,034 A Shares (long position) (Note 1)	Beneficial owner	49.55% (Note 2)	37.40%
Anhui Provincial Investment Group Holding Co., Ltd.	1,981,790,034 A Shares (long position) (Note 1)	Interest of a controlled corporation	49.55% (Note 2)	37.40%
Conch Venture Enterprise	1,981,790,034 A Shares (long position) (Note 1)	Interest of a controlled corporation	49.55% (Note 2)	37.40%
Conch Venture	1,981,790,034 A Shares (long position) (Note 1)	Interest of a controlled corporation	49.55% (Note 2)	37.40%
JPMorgan Chase & Co.	147,771,499 H Shares (long position) (Note 4)	Beneficial owner/ Investment manager/ Person having a security interest in shares/ Trustee/ Approved lending agent	11.37% (Note 3)	2.79%
JPMorgan Chase & Co.	28,720,976 H Shares (short position) (Note 4)	Beneficial owner/ Investment manager	2.20% (Note 3)	0.54%
JPMorgan Chase & Co.	105,664,134 H Shares (lending pool) (Note 4)	Approved lending agent	8.13% (Note 3)	1.99%
The Capital Group Companies, Inc.	125,054,020 H Shares (long position) (Note 5)	Interest of a controlled corporation	9.62% (Note 3)	2.36%

Name of shareholder	Number of ordinary shares held	Nature of interest	Percentage of shareholding of the relevant class of shares	Percentage of shareholding of all issued shares
The Bank of New York Mellon Corporation	106,581,772 H Shares (long position) (Note 6)	Interest of a controlled corporation	8.20% (Note 3)	2.01%
The Bank of New York Mellon Corporation	97,818,296 H Shares (lending pool) (Note 6)	–	7.53% (Note 3)	1.85%
Invesco Asset Management Limited	99,623,500 H Shares (long position) (Note 7)	Investment manager	7.66% (Note 3)	1.88%
BlackRock, Inc.	75,686,295 H Shares (long position) (Note 8)	Interest of a controlled corporation	5.82% (Note 3)	1.43%
BlackRock, Inc.	12,232,500 H Shares (short position) (Note 8)	Interest of a controlled corporation	0.94% (Note 3)	0.23%
Artisan Partners Asset Management Inc.	66,165,283 H Shares (long position) (Note 9)	Interest of a controlled corporation	5.09% (Note 3)	1.25%
Artisan Partners Holdings LP	66,165,283 H Shares (long position) (Note 10)	Interest of a controlled corporation	5.09% (Note 3)	1.25%
Artisan Partners Limited Partnership	66,165,283 H Shares (long position) (Note 11)	Investment manager	5.09% (Note 3)	1.25%

Notes:

(1) Anhui Provincial Investment Group Holding Co., Ltd. ("Anhui Provincial Investment Group") and Conch Venture Enterprise held 51% and 49% of the equity interests in Conch Holdings, respectively. Conch Venture Enterprise is wholly owned by Anhui Conch Venture New Energy-saving Building Material Co., Ltd. ("CV New Building Material"), which is in turn wholly owned by China Conch Venture Holdings (HK) Limited ("CV HK"). CV HK is wholly owned by China Conch Venture Holdings International Limited ("CV International"). CV International is a wholly-owned subsidiary of Conch Venture. Pursuant to the SFO, Anhui Provincial Investment Group, Conch Venture Enterprise, CV New Building Material, CV HK, CV International and Conch Venture were deemed to have interests in the entire number of shares of the Company held by Conch Holdings.

(2) As at the end of the Reporting Period, the total number of domestic shares in issue was 3,999,702,579 shares, all of which were A Shares.

(3) As at the end of the Reporting Period, the total number of H Shares in issue was 1,299,600,000 shares.

(4) Based on the disclosure of interests form submitted by JPMorgan Chase & Co. on 8 June 2026 in respect of the relevant event that occurred on 3 June 2026, these shares were held through certain subsidiaries of JPMorgan Chase & Co. Of the 147,771,499 H Shares (long position), 28,962,310 shares were held in the capacity of beneficial owner; 13,129,100 shares were held in the capacity of investment manager; 15,525 shares were held in the capacity of person having a security interest in shares; 430 shares were held in the capacity of trustee; 105,664,134 shares (lending pool) were held in the capacity of approved lending agent. Of the 28,720,976 H Shares (short position), 28,719,976 shares were held in the capacity of beneficial owner; 1,000 shares were held in the capacity of investment manager.

(5) Based on the disclosure of interests form submitted by The Capital Group Companies, Inc. on 9 May 2026 in respect of the relevant event that occurred on 7 May 2026, these shares were held through certain subsidiaries of The Capital Group Companies, Inc. in the capacity of interest of a controlled corporation.

(6) Based on the disclosure of interests form submitted by The Bank of New York Mellon Corporation on 14 May 2026 in respect of the relevant event that occurred on 12 May 2026, these shares were held through its subsidiary in the capacity of interest of a controlled corporation.

(7) Based on the disclosure of interests form submitted by Invesco Asset Management Limited on 19 May 2026 in respect of the relevant event that occurred on 15 May 2026, these shares were held in the capacity of investment manager.

(8) Based on the disclosure of interests form submitted by BlackRock, Inc. on 2 July 2026 in respect of the relevant event that occurred on 29 June 2026, these shares were held through its certain subsidiaries in the capacity of interest of a controlled corporation.

(9) Based on the disclosure of interests form submitted by Artisan Partners Asset Management Inc. on 24 June 2026 in respect of the relevant event that occurred on 18 June 2026, these shares were held through its certain subsidiaries in the capacity of interest of a controlled corporation.

(10) Based on the disclosure of interests form submitted by Artisan Partners Holdings LP on 24 June 2026 in respect of the relevant event that occurred on 18 June 2026, these shares were held through its certain subsidiaries in the capacity of interest of a controlled corporation.

(11) Based on the disclosure of interests form submitted by Artisan Partners Limited Partnership on 24 June 2026 in respect of the relevant event that occurred on 18 June 2026, these shares were held in the capacity of investment manager.

In addition, based on the disclosure of interests form submitted by Taiwan Cement Corporation on 12 December 2008 in respect of the relevant event that occurred on 11 December 2008, 38,856,000 H Shares of the Company were held by Taiwan Cement Corporation through its certain subsidiaries. Assuming that the company has not disposed of any shares, upon implementation of the proposal of capitalization of capital reserve fund by the Company in 2010 and 2011, based on the disclosure of interests form previously submitted by Taiwan Cement Corporation, as at the end of the Reporting Period, Taiwan Cement Corporation should hold 116,568,000 H Shares of the Company correspondingly, representing 8.97% of the relevant class of shares and 2.20% of the total issued shares. However, according to the announcement published by Taiwan Cement Corporation on the stock market where its shares are listed, as at the end of the Reporting Period, the percentage of H Shares of the Company held by Taiwan Cement Corporation dropped below 5% of the relevant class of shares.

Save for the aforesaid shareholders, as at the end of the Reporting Period, the Company was not aware of any interests and short positions as recorded in the register required to be kept pursuant to section 336 of the SFO.

(4) PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES OF THE COMPANY

On 3 November 2023, the Board considered and approved the Resolution on the Plan of Repurchase of A Shares of the Company through Centralized Price Bidding. The Company has completed the repurchase by February 2024 for an accumulated repurchase of 22,242,535 A Shares. On 28 May 2026, upon approval by the 2025 annual general meeting, the use of such shares was changed from “for sale” to “for cancellation”. The Company completed the cancellation of such shares on 14 July 2026. For details, please refer to the announcement published by the Company on the SSE website on 14 July 2026.

According to the Resolution Regarding the Plan of Repurchase of Shares of the Company considered and approved by the Board on 26 May 2026 and the Resolution on Submitting to the Annual General Meeting to Authorize the Board to Decide on the Repurchase of Overseas-listed Foreign Shares considered and approved by the 2025 annual general meeting, during the Reporting Period, the Company had accumulated a repurchase of 2,200,000 A Shares on the SSE, for a total payment of RMB43,808,898 (excluding transaction fees). Such shares are used for safeguarding the value of the Company and the interests of the shareholders, which will be cancelled in accordance with laws, resulting in a reduction in the Company’s registered capital; the Company had accumulated a repurchase of 2,630,000 H Shares on the Stock Exchange for a total payment of HKD44,656,435 (excluding transaction fees). Such shares will be cancelled or held as treasury shares (as defined in the HKSE Listing Rules). As at the end of the Reporting Period, the above 2,200,000 repurchased A Shares and 2,630,000 repurchased H Shares have neither been sold nor cancelled.

As at the end of the Reporting Period, the number of treasury shares held by the Company was 24,442,535 A Shares and 2,630,000 H Shares.

Save as disclosed above, during the Reporting Period, neither the Company nor its subsidiaries repurchased, sold or redeemed any listed securities of the Company (including sales of treasury shares).

(5) ISSUE OF PREFERENCE SHARES AND PRE-EMPTIVE RIGHTS

During the Reporting Period, the Company did not issue preference shares. Under the Articles and the laws of the PRC, the Company is not required to offer to its existing shareholders pre-emptive right to subscribe for new shares in proportion to their shareholdings.

(6) NUMBER OF SHARES OF THE COMPANY HELD BY CURRENT AND FORMER DIRECTORS AND SENIOR MANAGEMENT MEMBERS CEASED TO ACT DURING THE REPORTING PERIOD AND CHANGES

Name	**Position**	**Number of shares held as at 31 December 2025** (share)	**Increase/ decrease in number of shares during the Reporting Period** (share)	**Number of shares held as at 30 June 2026** (share)
Xu Yue	Assistant to the general manager	600 (A Shares)	–	600 (A Shares)
Li Guoyou	Assistant to the general manager	9,000 (A Shares)	–	9,000 (A Shares)

Save as disclosed above, none of the Directors and other senior management members of the Company held or traded any share of the Company during the Reporting Period.

(7) INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

As at the end of the Reporting Period, the interests and short positions held by Directors and chief executive of the Company and their respective close associates (as defined in the HKSE Listing Rules) in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, are set out below:

Name	Position	The Company/ name of associated corporation	Nature of interest	Number of shares held (share)	Percentage of shareholding of the total issued shares
Li Qunfeng	Executive Director	Conch Environment Protection	Beneficial owner	2,050,000	0.11%
			Interest held jointly with other persons Note	473,204,318	25.90%

Note: Mr. Li Qunfeng and other concert parties have given undertakings to the Company that they will act in concert with the Company when exercising their voting rights at the general meetings of Conch Environment Protection. Pursuant to the SFO, Mr. Li Qunfeng, the Company and other concert parties shall be deemed to be interested in shares of Conch Environment Protection held by each other.

Save as disclosed above, as at the end of the Reporting Period, none of the Directors and chief executive of the Company nor their respective close associates had any interests and/or short positions in the shares, underlying shares, debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), nor had they been granted any rights to subscribe for or exercised the above rights to subscribe for the interests in the shares or debentures of the Company or its associated corporations as defined in Part XV of the SFO. Such interests or short positions shall be recorded in the register required to be kept and prepared by the Company under section 352 of the SFO; or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(8) CORPORATE GOVERNANCE CODE

During the Reporting Period, the Company had complied with all the code provisions as set out in Part 2 of the Corporate Governance Code in Appendix C1 to the HKSE Listing Rules.

(9) MODEL CODE

The Company has adopted a code of practice regarding Directors' securities transactions on terms no less exacting than the required standard in the Model Code. Having made specific enquiries by the Company, all Directors of the Company confirmed that each of them has complied with the required standards as set out in the Model Code and the Company's code of conduct in relation to securities transactions by Directors during the Reporting Period.

(10) STAFF AND REMUNERATION

As at the end of the Reporting Period, the Group had 47,320 employees with a total remuneration of approximately RMB3.893 billion, which represents the total amount of remuneration of employees for the Reporting Period.

During the Reporting Period, the Group implemented an annual remuneration system for its middle and senior management members whose annual remunerations were assessed with reference to the Group's production volume, sales volume, efficiency, costs, environmental protection, production safety and other key indicators of organizational performance and individual performance according to the tenure system and contract management, while a position and performance based remuneration system is implemented for its professional technical management staff and general staff. By setting up a position-based and performance-linked assessment management system, remunerations were assessed based on position indicators and performance of their duties and responsibilities.

During the Reporting Period, the Group made full use of various training resources and extensively organized and conducted multilevel trainings. The headquarters of the Group launched lectures on "Conch Lecture Hall – Innovation Leadership" on a regular basis. Ningguo Training Center provided four types of trainings, namely job skills, management capabilities, cultural integration and new staff induction, in a centralized manner based on the needs of regional entities and subsidiaries. Subsidiaries conducted daily trainings for employees by specialties and departments based on actual training needs of their employees, so as to constantly push forward the improvement of their theoretical knowledge and professional skills and promote the effective alignment of training with the needs of the enterprise.

(11) CHANGE IN CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS

During the Reporting Period, there was no change in controlling shareholders and de facto controllers of the Company.

(I) DEBT FINANCING INSTRUMENTS OF NON-FINANCIAL ENTERPRISES ON THE INTER-BANK BOND MARKET

Name of bond	Short name	Code	Issuance date	Value date	Maturity date	Balance of bond (RMB billion)	Interest rate (%)	Mode of repayment of principal and interest	Trading market	Investor suitability arrangements (if any)	Trading mechanism	Whether the risk of termination of listing exists
First Tranche of Green Medium-term Notes of Anhui Conch Cement Company Limited for Year 2024	24 Conch Cement MTN001 (Green)	102481853	2024.4.26	2024.4.29	2027.4.29	1.5	2.20	Interest is payable annually, and the principal is payable at maturity in one lump sum	PRC Interbank Bond Market	-	-	No
Second Tranche of Green Medium-term Notes of Anhui Conch Cement Company Limited for Year 2024	24 Conch Cement MTN002 (Green)	102481812	2024.4.25	2024.4.29	2027.4.29	1.5	2.20	Interest is payable annually, and the principal is payable at maturity in one lump sum	PRC Interbank Bond Market	-	-	No
Third Tranche of Medium-term Notes of Anhui Conch Cement Company Limited for Year 2024	24 Conch Cement MTN003	102484129	2024.9.12	2024.9.18	2029.9.18	3.5	2.12	Interest is payable annually, and the principal is payable at maturity in one lump sum	PRC Interbank Bond Market	-	-	No
Fourth Tranche of Medium-term Notes of Anhui Conch Cement Company Limited for Year 2024	24 Conch Cement MTN004	102484128	2024.9.12	2024.9.18	2029.9.18	3.5	2.10	Interest is payable annually, and the principal is payable at maturity in one lump sum	PRC Interbank Bond Market	-	-	No
First Tranche of Green Medium-term Notes of Anhui Conch Environment Group Co., Ltd. for Year 2024	24 Conch Environment GN001	132480069	2024.8.5	2024.8.7	2029.8.7	1.5	2.13	Interest is payable annually, and the principal is payable at maturity in one lump sum	PRC Interbank Bond Market	-	-	No
First Tranche of Green Medium-term Notes of Anhui Conch Environment Group Co., Ltd. for Year 2025	25 Conch Environment GN001	132580034	2025.4.23	2025.4.25	2028.4.25	1.0	1.80	Interest is payable annually, and the principal is payable at maturity in one lump sum	PRC Interbank Bond Market	-	-	No

(II) MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS OF THE COMPANY

Major indicators	30 June 2026 (Unaudited)	31 December 2025	Increase or decrease at the end of the Reporting Period as compared to that at the end of the previous year	Reason for the change
Current ratio (%)	**289.90**	319.25	Decreased by 29.35 percentage points	Mainly due to the decrease in current assets such as cash at bank and on hand and the increase in current liabilities such as non-current liabilities due within one year during the Reporting Period
Quick ratio (%)	**226.44**	269.47	Decreased by 43.03 percentage points	
Gearing ratio (%)	**20.02**	20.46	Decreased by 0.44 percentage point	Mainly due to the decrease in total liabilities

Major indicators	**Six months ended 30 June 2026 (Unaudited)**	Six months ended 30 June 2025 (Unaudited)	Increase or decrease for the Reporting Period over the corresponding period of the previous year (%)	Reason for the change
Net profit after extraordinary items attributable to equity shareholders of the Company (RMB'000)	**1,902,123**	4,198,097	-54.69	Mainly due to the decrease in profits as a result of the decrease in the selling price of products
EBITDA/total debts ratio	**0.15**	0.20	-24.39	Mainly due to the period-on-period decrease in profit before taxation
Interest coverage ratio	**10.51**	16.86	-37.64	Mainly due to the period-on-period decrease in profit before taxation
Cash interest coverage ratio	**13.31**	22.54	-40.95	Mainly due to the period-on-period decrease in net cash flows generated from operating activities
EBITDA interest coverage ratio	**22.74**	28.49	-20.18	Mainly due to the period-on-period decrease in profit before taxation
Loan repayment rate (%)	**100**	100	–	
Interest payment ratio (%)	**100**	100	–	

Consolidated statement of profit or loss

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi Yuan ("RMB"))

	Note	Six months ended 30 June **2026** **RMB'000**	2025 RMB'000 (restated) (Note 3)
Revenue	4	**36,926,872**	41,436,746
Cost of sales and services rendered		**(30,264,506)**	(31,451,271)
Gross profit		**6,662,366**	9,985,475
Other income	5	**640,504**	1,222,579
Selling and marketing costs		**(1,601,725)**	(1,637,375)
Administrative expenses		**(2,413,164)**	(2,720,676)
Research and development costs		**(205,035)**	(332,442)
Impairment loss on trade receivables		**(14,459)**	(4,854)
Impairment loss on property, plant and equipment and prepayments		**–**	(296,657)
Profit from operations		**3,068,487**	6,216,050
Finance costs	6(a)	**(301,955)**	(332,477)
Share of profits of associates		**480,340**	184,788
Share of profits of joint ventures		**212,312**	99,920
Profit before taxation	6	**3,459,184**	6,168,281
Income tax	7	**(800,793)**	(1,452,445)
Profit for the period		**2,658,391**	4,715,836
Attributable to:			
Equity shareholders of the Company		**2,719,786**	4,677,473
Non-controlling interests		**(61,395)**	38,363
Profit for the period		**2,658,391**	4,715,836
Earnings per share	8		
Basic		**RMB0.52**	RMB0.89
Diluted		**RMB0.52**	RMB0.89

The notes on pages 99 to 144 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 21(a).

Consolidated statement of profit or loss and other comprehensive income

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi Yuan ("RMB"))

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
		(restated)
		(Note 3)
Profit for the period	**2,658,391**	4,715,836
Other comprehensive income for the period (after tax and reclassification adjustments):		
Item that will not be reclassified to profit or loss:		
Equity investments at fair value through other comprehensive income ("FVOCI") – net movement in fair value reserve (non-recycling)	**(75,035)**	251,475
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of overseas subsidiaries	**5,087**	50,794
Shares of other comprehensive income of investees	**(123,336)**	(31,368)
Other comprehensive income for the period	**(193,284)**	270,901
Total comprehensive income for the period	**2,465,107**	4,986,737
Attributable to:		
Equity shareholders of the Company	**2,544,469**	4,947,093
Non-controlling interests	**(79,362)**	39,644
Total comprehensive income for the period	**2,465,107**	4,986,737

The notes on pages 99 to 144 form part of this interim financial report.

Consolidated statement of financial position

at 30 June 2026 – unaudited

(Expressed in Renminbi Yuan ("RMB"))

	Note	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000 (restated) (Note 3)
Non-current assets			
Property, plant and equipment			
– Investment properties	9	**49,317**	63,351
– Other property, plant and equipment	10	**105,739,528**	107,637,965
Intangible assets		**29,051,577**	28,966,573
Goodwill		**1,241,748**	1,241,748
Interest in associates		**6,164,162**	5,828,789
Interests in joint ventures		**2,354,147**	2,152,615
Loans and receivables	11	**391,143**	416,088
Long-term prepayments	9	**1,345,502**	1,473,046
Financial assets measured at FVOCI	12	**1,184,773**	1,416,434
Deferred tax assets		**1,824,815**	1,787,728
Time deposits		**16,348,572**	15,990,824
Amounts due from related parties	24(d)	**59,644**	66,557
		165,754,928	167,041,718
Current assets			
Inventories	14	**8,543,762**	7,596,948
Other financial assets		**2,730,446**	2,706,382
Trade and bills receivables	15	**8,320,762**	10,375,346
Time deposits		**5,163,439**	1,369,409
Financial assets measured at fair value through profit and loss (FVPL)	13	**23,451,797**	12,999,961
Prepayments and other receivables	16	**3,556,727**	3,221,533
Amounts due from related parties	24(d)	**208,266**	158,416
Tax recoverable		**405,456**	426,786
Restricted cash deposits		**545,362**	860,311
Bank deposits with original maturity over three months		**20,244,302**	38,720,326
Cash and cash equivalents	17	**13,539,019**	11,017,590
		86,709,338	89,453,008

The notes on pages 99 to 144 form part of this interim financial report.

Consolidated statement of financial position (Continued)

at 30 June 2026 – unaudited
(Expressed in Renminbi Yuan ("RMB"))

	Note	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000 (restated) (Note 3)
Current liabilities			
Trade and bills payables	18	**5,334,845**	5,239,195
Other payables and accruals		**8,491,652**	11,526,158
Current portion of long-term payables		**171,544**	183,724
Current portion of corporate bonds	20	**3,159,374**	112,632
Contract liabilities		**2,408,842**	2,923,022
Bank loans and other borrowings	19	**7,408,642**	6,610,662
Lease liabilities		**34,650**	30,346
Amounts due to related parties	24(d)	**2,576,834**	788,820
Current taxation		**323,591**	605,229
		29,909,974	28,019,788
Net current assets		**56,799,364**	61,433,220
Total assets less current liabilities		**222,554,292**	228,474,938
Non-current liabilities			
Corporate bonds	20	**9,500,000**	12,500,000
Bank loans and other borrowings	19	**5,728,116**	7,018,946
Lease liabilities		**290,108**	220,156
Long-term payables		**1,352,584**	1,168,719
Long-term employee benefits payable		**52,568**	55,948
Deferred income		**1,608,633**	1,540,173
Deferred tax liabilities		**1,946,458**	1,860,986
Provisions		**165,972**	133,514
		20,644,439	24,498,442
NET ASSETS		**201,909,853**	203,976,496

The notes on pages 99 to 144 form part of this interim financial report.

Consolidated statement of financial position (Continued)

at 30 June 2026 – unaudited
(Expressed in Renminbi Yuan ("RMB"))

	Note	**At 30 June 2026 RMB'000**	At 31 December 2025 RMB'000 (restated) (Note 3)
CAPITAL AND RESERVES			
Share capital		**5,299,303**	5,299,303
Reserves		**185,915,657**	187,381,508
Total equity attributable to equity shareholders of the Company		**191,214,960**	192,680,811
Non-controlling interests		**10,694,893**	11,295,685
TOTAL EQUITY		**201,909,853**	203,976,496

The notes on pages 99 to 144 form part of this interim financial report.

Consolidated statement of changes in equity

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi Yuan ("RMB"))

	Note	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Capital reserve RMB'000	Exchange reserve RMB'000	Statutory surplus reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Share of other comprehensive income of investees RMB'000	Other reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2025		5,299,303	(500,588)	9,953,822	440,933	(889,527)	2,649,654	(1,424,669)	(199,684)	741,905	171,834,178	187,905,327	12,431,475	200,336,802
Acquisition of subsidiaries under common control		-	-	162,200	-	-	-	-	-	-	442,889	605,089	36,503	641,592
Balance at 1 January 2025, as restated		5,299,303	(500,588)	10,116,022	440,933	(889,527)	2,649,654	(1,424,669)	(199,684)	741,905	172,277,067	188,510,416	12,467,978	200,978,394
Changes in equity for the six months ended 30 June 2025:														
Profit for the period		-	-	-	-	-	-	-	-	-	4,677,473	4,677,473	38,363	4,715,836
Other comprehensive income		-	-	-	-	49,513	-	251,475	(31,368)	-	-	269,620	1,281	270,901
Total comprehensive income		-	-	-	-	49,513	-	251,475	(31,368)	-	4,677,473	4,947,093	39,644	4,986,737
Capital contribution received from non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	63,423	63,423
Dividends declared by non-wholly owned subsidiaries to non-controlling shareholders		-	-	-	-	-	-	-	-	-	-	-	(416,786)	(416,786)
Dividends approved in respect of the previous year	21(a)	-	-	-	-	-	-	-	-	-	(3,746,713)	(3,746,713)	-	(3,746,713)
Acquisition of non-controlling interests in subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-
Share of change of capital reserve of the investees		-	-	-	818	-	-	-	-	-	-	818	-	818
Transfer of fair value reserve upon the disposal of financial assets at FVOCI		-	-	-	-	-	-	(109,572)	-	-	109,572	-	-	-
Dividends distributed to the original shareholders of the acquiree in a business combination under common control		-	-	-	-	-	-	-	-	-	(350,000)	(350,000)	-	(350,000)
Safety production fund		-	-	-	-	-	-	-	-	256,951	(256,951)	-	-	-
Balance at 30 June 2025, as restated		5,299,303	(500,588)	10,116,022	441,751	(840,014)	2,649,654	(1,282,766)	(231,052)	998,856	172,710,448	189,361,614	12,154,259	201,515,873

The notes on pages 99 to 144 form part of this interim financial report.

Consolidated statement of changes in equity (Continued)

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi Yuan ("RMB"))

	Note	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Capital reserve RMB'000	Exchange reserve RMB'000	Statutory surplus reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Share of other comprehensive income of investees RMB'000	Other reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 30 June 2025 and 1 July 2025, as restated		5,299,303	(500,588)	10,116,022	441,751	(840,014)	2,649,654	(1,282,766)	(231,052)	998,856	172,710,448	189,361,614	12,154,259	201,515,873
Changes in equity for the six months ended 31 December 2025:														
Profit for the period		-	-	-	-	-	-	-	-	-	3,845,206	3,845,206	(267,926)	3,577,280
Other comprehensive income		-	-	-	-	(22,908)	-	774,590	(68,564)	-	-	683,118	(7,568)	675,550
Total comprehensive income		-	-	-	-	(22,908)	-	774,590	(68,564)	-	3,845,206	4,528,324	(275,494)	4,252,830
Dividends declared by non-wholly owned subsidiaries to non-controlling shareholders		-	-	-	-	-	-	-	-	-	-	-	(361,662)	(361,662)
Dividends approved in respect of the previous year		-	-	-	-	-	-	-	-	-	(1,266,494)	(1,266,494)	-	(1,266,494)
Capital contribution received from non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	214,786	214,786
Acquisition of non-controlling interests in subsidiaries		-	-	123,907	-	-	-	-	-	-	-	123,907	(396,355)	(272,448)
Disposal of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	(2,349)	(2,349)
Share of change of capital reserve of the investees		-	-	-	(29,040)	-	-	-	-	-	-	(29,040)	-	(29,040)
Transfer of fair value reserve upon the disposal of financial assets at FVOCI		-	-	-	-	-	-	(242,528)	-	-	242,528	-	-	-
Dividends distributed to the original shareholders of the acquiree in a business combination under common control		-	-	-	-	-	-	-	-	-	(37,500)	(37,500)	(37,500)	(75,000)
Safety production fund		-	-	-	-	-	-	-	-	82,034	(82,034)	-	-	-
Balance at 31 December 2025		5,299,303	(500,588)	10,239,929	412,711	(862,922)	2,649,654	(750,704)	(299,616)	1,080,890	175,412,154	192,680,811	11,295,685	203,976,496

The notes on pages 99 to 144 form part of this interim financial report.

Consolidated statement of changes in equity (Continued)

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi Yuan ("RMB"))

	Note	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Capital reserve RMB'000	Exchange reserve RMB'000	Statutory surplus reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Share of other comprehensive income of investees RMB'000	Other reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2026		5,299,303	(500,588)	10,077,729	412,711	(862,922)	2,649,654	(750,704)	(299,616)	1,080,890	175,298,543	192,405,000	11,282,943	203,687,943
Acquisition of subsidiaries under common control		-	-	162,200	-	-	-	-	-	-	113,611	275,811	12,742	288,553
Balance at 1 January 2026		5,299,303	(500,588)	10,239,929	412,711	(862,922)	2,649,654	(750,704)	(299,616)	1,080,890	175,412,154	192,680,811	11,295,685	203,976,496
Changes in equity for the six months ended 30 June 2026:														
Profit for the period		-	-	-	-	-	-	-	-	-	2,719,786	2,719,786	(61,395)	2,658,391
Other comprehensive income		-	-	-	-	23,054	-	(75,035)	(123,336)	-	-	(175,317)	(17,967)	(193,284)
Total comprehensive income		-	-	-	-	23,054	-	(75,035)	(123,336)	-	2,719,786	2,544,469	(79,362)	2,465,107
Capital contribution received from non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	7,800	7,800
Purchase of own shares		-	(82,595)	(56)	-	-	-	-	-	-	-	(82,651)	-	(82,651)
Dividends declared by non-wholly owned subsidiaries to non-controlling shareholders		-	-	-	-	-	-	-	-	-	-	-	(527,308)	(527,308)
Dividends approved in respect of the previous year	21(a)	-	-	-	-	-	-	-	-	-	(3,217,665)	(3,217,665)	-	(3,217,665)
Acquisition of non-controlling interests in subsidiaries		-	-	(68)	-	-	-	-	-	-	-	(68)	(1,922)	(1,990)
Share of change of capital reserve of the investees		-	-	-	(3,956)	-	-	-	-	-	-	(3,956)	-	(3,956)
Transfer of fair value reserve upon the disposal of financial assets at FVOCI		-	-	-	-	-	-	(37,802)	-	-	37,802	-	-	-
Acquisition of subsidiaries under common control		-	-	(585,980)	-	-	-	-	-	-	-	(585,980)	-	(585,980)
Dividends distributed to the original shareholders of the acquiree in a business combination under common control		-	-	-	-	-	-	-	-	-	(120,000)	(120,000)	-	(120,000)
Safety production fund		-	-	-	-	-	-	-	-	188,206	(188,206)	-	-	-
Balance at 30 June 2026		5,299,303	(583,183)	9,653,825	408,755	(839,868)	2,649,654	(863,541)	(422,952)	1,269,096	174,643,871	191,214,460	10,694,893	201,909,853

The notes on pages 99 to 144 form part of this interim financial report.

Condensed consolidated cash flow statement

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi Yuan ("RMB"))

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
		(restated)
		(Note 3)
Operating activities		
Cash generated from operations	**5,544,359**	10,023,023
– Income tax paid	**(1,028,459)**	(1,685,742)
– Interest paid	**(317,465)**	(301,517)
Net cash generated from operating activities	**4,198,435**	8,035,764
Investing activities		
Payments for purchase of property, plant and equipment, land use rights and intangible assets	**(3,325,289)**	(4,043,942)
Proceeds from sale of financial assets measured at FVPL	**9,114,698**	–
Proceeds from the sale of financial assets measured at FVOCI	**155,749**	167,756
Proceeds from maturity of bank deposits over three months	**21,166,592**	10,445,444
Payments of new bank deposits with maturity over three months	**(7,737,927)**	(10,966,151)
Payment for the purchase of financial assets measured at FVPL	**–**	(700,000)
Payment for the other financial assets	**(19,379,998)**	(2,100,000)
Interest received	**1,897,428**	425,992
Payment for acquisitions of subsidiaries	**(352,739)**	(6,746)
New advances to third parties	**(2,074)**	(20,228)
Other cash flows arising from investing activities	**138,324**	156,687
Net cash generated from/(used in) investing activities	**1,674,764**	(6,641,188)

The notes on pages 99 to 144 form part of this interim financial report.

Condensed consolidated cash flow statement (Continued)

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi Yuan ("RMB"))

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000 (restated) (Note 3)
Financing activities		
Capital element and interest element of lease rentals paid	**(38,260)**	(27,229)
Proceeds from new bank loans and other borrowings	**4,873,765**	5,793,483
Repayments of bank loans and other borrowings	**(5,019,751)**	(7,046,382)
Dividends paid to equity shareholders of the Company	**(1,936,803)**	(4,096,713)
Dividends paid to non-controlling interests of subsidiaries	**(568,153)**	(110,615)
Capital contribution from non-controlling interests	**7,800**	63,423
Payment for acquisition of companies under common control	**(24,400)**	–
Acquisition of non-controlling interest in subsidiaries	**(235,578)**	–
Payment for repurchase of shares	**(82,651)**	–
Proceeds from issue of corporate bonds	**–**	1,000,000
Other cash flow used in financing activities	**(236,896)**	(86,692)
Net cash used in financing activities	**(3,260,927)**	(4,510,725)
Net increase/(decrease) in cash and cash equivalents	**2,612,272**	(3,116,149)
Effect of foreign exchange rate changes	**(90,843)**	(21,841)
Cash and cash equivalents at 1 January	**11,017,590**	16,993,888
Cash and cash equivalents at 30 June	**13,539,019**	13,855,898

The notes on pages 99 to 144 form part of this interim financial report.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

1 BASIS OF PREPARATION

This interim financial report of Anhui Conch Cement Company Limited (the "Company") and its subsidiaries (collectively the "Group") has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("IAS") 34 "*Interim Financial Reporting*" adopted by the International Accounting Standards Board ("IASB"). It was authorised for issue on 26 August 2026.

This interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.

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

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

This interim financial report is unaudited, but has been reviewed by the Audit Committee of the Company.

The financial information relating to the financial year ended 31 December 2025 that is included in this interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Statutory annual consolidated financial statements for the year ended 31 December 2025 are available from the Company's registered office. The independent auditors have expressed an unqualified opinion on those financial statements in their report dated 24 March 2026.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classifications and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards – Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*

The amended IFRS Accounting Standards that are effective from 1 January 2026 did not have any significant impact on the Group accounting policies and the interim condensed consolidated financial information.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

3 BUSINESS COMBINATION

Business combination under common control

During six months ended 30 June 2026, the Group acquired equity interest of below subsidiaries from related parties. Details of the acquired subsidiaries are as follows:

Name of the company	Voting rights/ effective equity interests	Date of acquisition	Principal activities	Total cash consideration RMB'000
Anhui Conch Green Energy Power Sales Co., Ltd. ("Conch Power Sales")	50%	12 January 2026	Electricity supply	24,400
Anhui Conch Construction Materials Design Centre Co., Ltd. ("Conch Design Institute")	100%	29 June 2026	Construction engineering design, construction, and surveying	561,580

As Conch Power Sales, Conch Design Institute and the Group are under common control of Anhui Conch Holding Co., Ltd. ("Conch Holdings") before and after the business combination and the control is not transitory, the acquisition of Conch Power Sales and Conch Design Institute was considered as a business combination involving entities under common control.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

3 BUSINESS COMBINATION (CONTINUED)

The financial performance previously reported by the Group for the six months ended 30 June 2025 have been restated to include the operating results of the combining entities from the earliest date presented under the control of the ultimate shareholder, regardless of the date of the common control combination, as set out below:

	The Group RMB'000 (as previously reported)	Conch Power Sales RMB'000	Conch Design Institute RMB'000	Inter-company Elimination RMB'000	The Group RMB'000 (as restated)
Revenue	41,291,785	33,205	206,324	(94,568)	41,436,746
Cost of sales and services rendered	(31,399,928)	(9,632)	(116,849)	75,138	(31,451,271)
Gross profit	9,891,857	23,573	89,475	(19,430)	9,985,475
Other income	1,215,408	925	6,246	–	1,222,579
Selling and marketing costs	(1,634,828)	(228)	(2,347)	28	(1,637,375)
Administrative expenses	(2,713,150)	(129)	(11,250)	3,853	(2,720,676)
Research and development costs	(308,663)	–	(23,779)	–	(332,442)
Impairment loss on trade receivables	(4,854)	–	–	–	(4,854)
Impairment loss on property, plant and equipment and prepayments	(296,657)	–	–	–	(296,657)
Profit from operations	6,149,113	24,141	58,345	(15,549)	6,216,050
Finance costs	(332,477)	–	–	–	(332,477)
Share of profits of associates	184,788	–	–	–	184,788
Share of profits of joint ventures	99,920	–	–	–	99,920
Profit before taxation	6,101,344	24,141	58,345	(15,549)	6,168,281
Income tax	(1,440,813)	(6,434)	(8,266)	3,068	(1,452,445)
Profit for the period	4,660,531	17,707	50,079	(12,481)	4,715,836
Other comprehensive income for the period (after tax and reclassification adjustments):					
Item that will not be reclassified to profit or loss:					

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

3 BUSINESS COMBINATION (CONTINUED)

	The Group RMB'000 (as previously reported)	Conch Power Sales RMB'000	Conch Design Institute RMB'000	Inter-company Elimination RMB'000	The Group RMB'000 (as restated)
Equity investments at FVOCI – net movement in fair value reserve (non-recycling)	251,475	–	–	–	251,475
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of financial statements of overseas subsidiaries	50,794	–	–	–	50,794
Shares of other comprehensive income of investees	(31,368)	–	–	–	(31,368)
Other comprehensive income for the period	270,901	–	–	–	270,901
Total comprehensive income for the period	4,931,432	17,707	50,079	(12,481)	4,986,737
Attributable to:					
Equity shareholders of the Company	4,900,642	8,853	50,079	(12,481)	4,947,093
Non-controlling interests	30,790	8,854	–	–	39,644
Total comprehensive income for the period	4,931,432	17,707	50,079	(12,481)	4,986,737

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

3 BUSINESS COMBINATION (CONTINUED)

The financial position previously reported by the Group as at 31 December 2025 has been restated to include the assets and liabilities of the combining entities recognized at the carrying value based on the controlling shareholder's financial statements (i.e. Conch Holdings) as set out below:

	The Group RMB'000 (as previously reported)	Conch Power Sales RMB'000	Conch Design Institute RMB'000	Inter-company Elimination RMB'000	The Group RMB'000 (as restated)
Non-current assets					
Property, plant and equipment					
– Investment properties	63,351	–	–	–	63,351
– Other property, plant and equipment	107,820,919	846	5,277	(189,077)	107,637,965
Intangible assets	28,961,499	–	5,149	(75)	28,966,573
Goodwill	1,241,748	–	–	–	1,241,748
Interest in associates	5,828,789	–	–	–	5,828,789
Interests in joint ventures	2,152,615	–	–	–	2,152,615
Loans and receivables	416,088	–	–	–	416,088
Long-term prepayments	1,473,047	–	–	(1)	1,473,046
Financial assets measured at FVOCI	1,416,434	–	–	–	1,416,434
Deferred tax assets	1,744,279	–	1,285	42,164	1,787,728
Time deposits	15,990,824	–	–	–	15,990,824
Amounts due from related parties	86,380	–	–	(19,823)	66,557
	167,195,973	846	11,711	(166,812)	167,041,718
Current assets					
Inventories	7,596,948	–	–	–	7,596,948
Other financial assets	2,706,382	–	–	–	2,706,382
Trade and bills receivables	10,185,968	8,253	181,125	–	10,375,346
Time deposits	1,369,409	–	–	–	1,369,409
Financial assets measured at fair value through profit and loss (FVPL)	12,899,353	–	100,608	–	12,999,961
Prepayments and other receivables	3,199,652	54	21,827	–	3,221,533
Amounts due from related parties	168,005	–	38,686	(48,275)	158,416
Tax recoverable	426,786	–	–	–	426,786
Restricted cash deposits	855,811	4,500	–	–	860,311
Bank deposits with original maturity over three months	38,720,326	–	–	–	38,720,326
Cash and cash equivalents	10,676,117	22,256	319,217	–	11,017,590
	88,804,757	35,063	661,463	(48,275)	89,453,008

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

3 BUSINESS COMBINATION (CONTINUED)

	The Group RMB'000 (as previously reported)	Conch Power Sales RMB'000	Conch Design Institute RMB'000	Inter-company Elimination RMB'000	The Group RMB'000 (as restated)
Current liabilities					
Trade and bills payables	5,098,970	6,718	133,507	–	5,239,195
Other payables and accruals	11,475,883	3,707	46,568	–	11,526,158
Current portion of long-term payables	183,724	–	–	–	183,724
Current portion of corporate bonds	112,632	–	–	–	112,632
Contract liabilities	2,915,575	–	7,447	–	2,923,022
Bank loans and other borrowings	6,610,662	–	–	–	6,610,662
Lease liabilities	30,346	–	–	–	30,346
Amounts due to related parties	785,491	–	91,928	(88,599)	788,820
Current taxation	605,229	–	–	–	605,229
	27,818,512	10,425	279,450	(88,599)	28,019,788
Net current assets	60,986,245	24,638	382,013	40,324	61,433,220
Total assets less current liabilities	228,182,218	25,484	393,724	(126,488)	228,474,938
Non-current liabilities					
Corporate bonds	12,500,000	–	–	–	12,500,000
Bank loans and other borrowings	7,018,946	–	–	–	7,018,946
Lease liabilities	220,156	–	–	–	220,156
Long-term payables	1,168,719	–	–	–	1,168,719
Long-term employee benefits payable	55,948	–	–	–	55,948
Deferred income	1,536,006	–	4,167	–	1,540,173
Deferred tax liabilities	1,860,986	–	–	–	1,860,986
Provisions	133,514	–	–	–	133,514
	24,494,275	–	4,167	–	24,498,442
NET ASSETS	203,687,943	25,484	389,557	(126,488)	203,976,496
CAPITAL AND RESERVES					
Share capital	5,299,303	2,000	150,000	(152,000)	5,299,303
Reserves	187,105,697	23,484	239,557	12,770	187,381,508
Total equity attributable to equity shareholders of the Company	192,405,000	25,484	389,557	(139,230)	192,680,811
Non-controlling interests	11,282,943	–	–	12,742	11,295,685
TOTAL EQUITY	203,687,943	25,484	389,557	(126,488)	203,976,496

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

3 BUSINESS COMBINATION (CONTINUED)

The cash flows previously reported by the Group for the six months ended 30 June 2025 have been restated to include the cash flows of the combining entities from the earliest date presented or since the date when combining entities first came under common control, regardless of the date of the common control combination, as set out below:

	The Group RMB'000 (as previously reported)	Conch Power Sales RMB'000	Conch Design Institute RMB'000	Inter-company Elimination RMB'000	The Group RMB'000 (as restated)
Net cash generated from operating activities	7,985,026	24,200	47,814	(21,276)	8,035,764
Net cash used in investing activities	(6,568,436)	(15,012)	(79,016)	21,276	(6,641,188)
Net cash used in financing activities	(4,160,725)	–	(350,000)	–	(4,510,725)
Net (decrease)/increase in cash and cash equivalents	(2,744,135)	9,188	(381,202)	–	(3,116,149)
Cash and cash equivalents as at 1 January 2025	16,337,147	23,092	633,649	–	16,993,888
Effect of foreign exchange rate changes	(21,841)	–	–	–	(21,841)
Cash and cash equivalents as at 30 June 2025	13,571,171	32,280	252,447	–	13,855,898

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are the manufacturing, sale and trading of clinker and cement products and other materials. Further details regarding the Group's revenue from principal activities are disclosed below.

(i) Disaggregation of revenue

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
		(restated)
		(Note 3)
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products or service lines		
– Sales and trading of clinker and cement products	**29,729,775**	34,836,860
– Sales and trading of other materials	**5,695,565**	5,152,379
– Service income	**1,501,532**	1,447,507
	36,926,872	41,436,746

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in note 4(b).

The Group's customer base is diversified and there is no single customer with whom transactions have exceeded 10% of the Group's revenue.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(a) Revenue (continued)

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date.

The Group has applied the practical expedient in paragraph 121 of IFRS 15 to its revenue contracts such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts that have an original expected duration of one year or less.

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the year:		
Sales and trading of clinker and cement products	**2,923,022**	2,569,606

(iii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sales of cement, cement products and other materials

The performance obligation is satisfied upon delivery of the products, and payment is generally required in advance or due within 90 to 180 days after delivery.

Service revenue

The performance obligation is satisfied over time as services are provided or upon delivery of the services, and payment is generally received based on the progress of the services or upon completion of the services.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by a mix of two business lines, cement and cement related business and solid and hazardous waste treatment business, of which cement and cement related business is organised by geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following five reportable segments based on the regions in which the Group's cement and cement related business operates: Eastern China, Central China, Southern China, Western China and overseas. The solid and hazardous waste treatment business is one reportable segment as the performance assessment is based on the results of the solid and hazardous waste treatment business as a whole. No operating segments have been aggregated to form the following reportable segments.

(i) Segment results, assets and liabilities

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

Segment assets include all assets in the financial statements prepared in accordance with Accounting Standards for Business Enterprises or referred to as China Accounting Standards ("CAS") issued by the Ministry of Finance ("MOF") of the PRC. Segment liabilities include all liabilities in the financial statements prepared in accordance with CAS.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments in accordance with CAS.

The measure used for reporting segment profit is profit before taxation in accordance with CAS.

In addition to receiving segment information concerning profit before taxation, management is provided with segment information concerning revenue (including inter-segment revenue), interest income and expense from cash balances and borrowings managed directly by the segments, depreciation, amortisation and impairment losses and additions to non-current segment assets used by the segments in their operations. Inter-segment revenue are priced with reference to prices charged to external parties for similar orders.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

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

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

For the six months ended 30 June 2026

	Cement and cement related									
	Eastern China RMB'000	Central China RMB'000	Southern China RMB'000	Western China RMB'000	Overseas RMB'000	Elimination RMB'000	Subtotal RMB'000	Solid and hazardous waste treatment RMB'000	Elimination RMB'000	Total RMB'000
Disaggregated by type of business										
Sales and trading of clinker and cement products	8,651,890	6,880,198	5,306,662	5,147,466	3,743,559	-	29,729,775	-	-	29,729,775
Sales and trading of other materials	917,061	4,208,560	209,193	292,579	39,963	-	5,667,356	28,209	-	5,695,565
Service income	140,182	599,315	59,600	41,489	3,043	-	843,629	657,903	-	1,501,532
Revenue from external customers	9,709,133	11,688,073	5,575,455	5,481,534	3,786,565	-	36,240,760	686,112	-	36,926,872
Disaggregated by timing of revenue recognition										
Point in time	9,674,802	11,519,602	5,573,105	5,469,578	3,783,522	-	36,020,609	28,209	-	36,048,818
Over time	34,331	168,471	2,350	11,956	3,043	-	220,151	657,903	-	878,054
Revenue from external customers	9,709,133	11,688,073	5,575,455	5,481,534	3,786,565	-	36,240,760	686,112	-	36,926,872
Inter-segment revenue	2,313,954	9,363,867	242,663	155,750	67,503	(12,143,737)	-	78,881	(78,881)	-
Reportable segment revenue	12,023,087	21,051,940	5,818,118	5,637,284	3,854,068	(12,143,737)	36,240,760	764,993	(78,881)	36,926,872
Reportable segment profit (profit before taxation)	429,206	4,272,803	340,295	285,805	59,872	(2,056,527)	3,331,454	(66,135)	-	3,265,319

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

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

For the six months ended 30 June 2026

	Cement and cement related									
	Eastern China RMB'000	Central China RMB'000	Southern China RMB'000	Western China RMB'000	Overseas RMB'000	Elimination RMB'000	Subtotal RMB'000	Solid and hazardous waste treatment RMB'000	Elimination RMB'000	Total RMB'000
Interest income	5,902	810,247	12,383	7,435	40,586	(195,564)	680,989	1,419	-	682,408
Interest expense	(5,916)	(155,448)	(12,374)	(17,403)	(155,880)	95,804	(251,217)	(50,738)	-	(301,955)
Depreciation and amortisation for the period	(269,594)	(1,834,582)	(618,818)	(821,280)	(365,221)	-	(3,909,495)	(238,143)	-	(4,147,638)
Reportable segment assets (including interests in associates and joint ventures)	17,517,570	221,734,884	37,872,688	30,419,655	18,364,111	(82,771,001)	243,137,907	9,326,359	-	252,464,266
Investments in associates and joint ventures	-	4,871,157	-	-	3,611,162	-	8,482,319	35,990	-	8,518,309
Additions to non-current segment assets during the period	345,150	1,362,173	895,868	361,923	87,648	-	3,052,762	117,598	-	3,170,360
Reportable segment liabilities	6,726,639	42,996,976	20,274,592	9,765,699	13,253,133	(48,293,230)	44,723,809	5,807,825	-	50,531,634

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

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

For the six months ended 30 June 2025 (restated)

	Cement and cement related									
	Eastern China RMB'000	Central China RMB'000	Southern China RMB'000	Western China RMB'000	Overseas RMB'000	Elimination RMB'000	Subtotal RMB'000	Solid and hazardous waste treatment RMB'000	Elimination RMB'000	Total RMB'000
Disaggregated by type of business										
Sales and trading of clinker and cement products	10,366,462	9,126,558	6,165,954	6,285,038	2,892,848	-	34,836,860	-	-	34,836,860
Sales and trading of other materials	1,428,212	3,235,439	243,655	167,517	40,643	-	5,115,466	36,913	-	5,152,379
Service income	31,696	706,602	7,879	9,881	6,973	-	763,031	684,476	-	1,447,507
Revenue from external customers	11,826,370	13,068,599	6,417,488	6,462,436	2,940,464	-	40,715,357	721,389	-	41,436,746
Disaggregated by timing of revenue recognition										
Point in time	11,796,071	12,865,345	6,413,975	6,461,663	2,933,491	-	40,470,545	36,913	-	40,507,458
Over time	30,299	203,254	3,513	773	6,973	-	244,812	684,476	-	929,288
Revenue from external customers	11,826,370	13,068,599	6,417,488	6,462,436	2,940,464	-	40,715,357	721,389	-	41,436,746
									-	
Inter-segment revenue	2,986,012	10,886,475	247,757	92,455	174,900	(14,352,153)	35,446	55,795	(91,241)	-
Reportable segment revenue	14,812,382	23,955,074	6,665,245	6,554,891	3,115,364	(14,352,153)	40,750,803	777,184	(91,241)	41,436,746
Reportable segment profit (profit before taxation)	729,649	5,912,730	836,652	465,482	231,501	(2,237,232)	5,938,782	(35,487)	-	5,903,295

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

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

For the six months ended 30 June 2025 (restated)

	Cement and cement related									
	Eastern China RMB'000	Central China RMB'000	Southern China RMB'000	Western China RMB'000	Overseas RMB'000	Elimination RMB'000	Subtotal RMB'000	Solid and hazardous waste treatment RMB'000	Elimination RMB'000	Total RMB'000
Interest income	9,445	1,142,491	3,631	9,019	43,545	(209,014)	999,117	2,964	-	1,002,081
Interest expense	(4,031)	(124,798)	(14,031)	(20,898)	(208,690)	100,873	(271,575)	(60,902)	-	(332,477)
Depreciation and amortisation for the period	(265,065)	(1,848,797)	(614,778)	(998,455)	(353,054)	-	(4,080,149)	(220,240)	-	(4,300,389)
Reportable segment assets (including interests in associates and joint ventures)	18,088,085	222,506,177	39,566,828	29,465,202	20,773,070	(86,914,889)	243,484,473	10,247,639	-	253,732,112
Investments in associates and joint ventures	-	4,113,371	-	-	3,700,275	-	7,813,646	72,749	-	7,886,395
Additions to non-current segment assets during the period	135,907	6,409,222	845,564	374,076	123,372	-	7,888,141	64,828	-	7,952,969
Reportable segment liabilities	8,342,443	44,148,892	20,194,937	10,361,855	16,550,368	(53,686,052)	45,912,443	6,269,560	-	52,182,003

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(c) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
		(restated)
		(Note 3)
Revenue		
Reportable segment revenue	**49,149,490**	55,880,140
Inter-segment revenue	**(12,222,618)**	(14,443,394)
Consolidated revenue	**36,926,872**	41,436,746
Profit		
Reportable segment profit (profit before taxation)	**5,321,845**	8,140,527
Inter-segment profit	**(2,056,527)**	(2,237,232)
Differences between CAS and IFRS*	**193,866**	264,986
Consolidated profit before taxation	**3,459,184**	6,168,281

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
		(restated)
		(Note 3)
Assets		
Reportable segment assets	**335,235,267**	340,647,001
Inter-segment assets	**(82,771,001)**	(86,914,889)
Consolidated total assets	**252,464,266**	253,732,112
Liabilities		
Reportable segment liabilities	**98,824,864**	105,868,055
Inter-segment liabilities	**(48,293,230)**	(53,686,052)
Difference between CAS and IFRS*	**22,779**	34,239
Consolidated total liabilities	**50,554,413**	52,216,242

* The difference mainly arises from deferred income in respect of certain government grants recognised in profit and loss under IFRS and special reserve recognised under CAS.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

5 OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	**RMB'000**
		(restated)
		(Note 3)
Interest income on financial assets measured at amortised cost	**682,408**	1,002,081
Subsidy income*	**321,751**	438,449
Net loss on disposal of property, plant and equipment	**(9,604)**	(11,611)
Net realised and unrealised (loss)/gain on financial assets measured at FVPL	**206,740**	(65,944)
Dividend income from financial assets measured at FVPL	**5,643**	7,407
Dividend income from financial assets measured at FVOCI	**29,042**	67,143
Net foreign exchange loss	**(606,036)**	(165,633)
Others	**10,560**	(49,313)
	640,504	1,222,579

* Subsidy income mainly comprised refunds of value-added tax in connection with sales of certain cement products and government grants received.

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

(a) Finance costs:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Interest on bank loans and other borrowings	**333,395**	363,778
Interest on lease liabilities	**5,864**	6,063
Interest expense on financial liabilities not at FVPL	**339,259**	369,841
Less: interest expense capitalised into construction-in-progress*	**(37,304)**	(37,364)
	301,955	332,477

* The borrowing costs have been capitalized at rate of 1.80%~2.85% for the six months ended 30 June 2026 (six months ended 30 June 2025: 2.20%~3.85%).

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

6 PROFIT BEFORE TAXATION (CONTINUED)

(b) Staff costs:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
		(restated)
		(Note 3)
Salaries, wages and other benefits	**3,305,281**	3,897,488
Contributions to defined contribution retirement plans	**423,568**	419,677
Annuity	**164,100**	160,497
	3,892,949	4,477,662

Employees of the Group's PRC subsidiaries are required to participate in a defined contribution retirement plans administered and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated on certain percentages of the average employee salary as agreed by the local municipal government to the plan to fund the retirement benefits of the employees.

The Group's contributions to the defined contribution retirement plans are expensed as incurred and not reduced by contributions forfeited by those employees who leave the plans prior to vesting fully in the contributions. The Group has no other material obligation for the payment of retirement benefits associated with the scheme beyond the annual contributions described above.

(c) Other items:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
		(restated)
		(Note 3)
Depreciation of investment property and other property, plant and equipment	**3,619,119**	3,798,952
Amortisation of intangible assets	**528,519**	501,437
Cost of inventories*	**28,650,491**	29,788,039

* Cost of inventories included staff costs and depreciation expenses which amount is also included in the respective total amounts disclosed separately above or in note 6(b) for each of these types of expenses.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

7 INCOME TAX

Taxation in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
		(restated)
		(Note 3)
Current tax		
Provision for the period	**771,413**	1,489,088
	771,413	1,489,088
Deferred tax		
Origination and reversal of temporary differences	**29,380**	(36,643)
	800,793	1,452,445

No provision for Hong Kong Profits Tax was made for the six months ended 30 June 2026 and 2025 as the Group did not earn any income which is subject to Hong Kong Profits Tax.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

7 INCOME TAX (CONTINUED)

The Company and the Group's subsidiaries in the Chinese Mainland are generally subject to Corporate Income Tax at 25% on taxable income determined according to the PRC income tax laws, except for:

Subsidiaries' Name	**Tax rate**
Pingliang Conch Cement Co., Ltd. ("Pingliang Conch") 平涼海螺水泥有限責任公司 (Note (i))	15%
Dazhou Conch Cement Co., Ltd. ("Dazhou Conch") 達州海螺水泥有限責任公司 (Note (i))	15%
Guangyuan Conch Cement Co., Ltd. ("Guangyuan Conch") 廣元海螺水泥有限責任公司 (Note (i))	15%
Liquan Conch Cement Co., Ltd. ("Liquan Conch") 禮泉海螺水泥有限責任公司 (Note (i))	15%
Guiyang Conch Panjiang Cement Co., Ltd. ("Guiyang Conch") 貴陽海螺盤江水泥有限責任公司 (Note (i))	15%
Guiding Conch Panjiang Cement Co., Ltd. ("Guiding Conch") 貴定海螺盤江水泥有限責任公司 (Note (i))	15%
Chongqing Conch Cement Co., Ltd. ("Chongqing Conch") 重慶海螺水泥有限責任公司 (Note (i)) (Note (ii))	15%
Zunyi Conch Panjiang Cement Co., Ltd. ("Zunyi Conch") 遵義海螺盤江水泥有限責任公司 (Note (i))	15%
Qianyang Conch Cement Co., Ltd. ("Qianyang Conch") 千陽海螺水泥有限責任公司 (Note (i))	15%
Bazhong Conch Cement Co., Ltd. ("Bazhong Conch") 巴中海螺水泥有限責任公司 (Note (i))	15%
Wenshan Conch Cement Co., Ltd. ("Wenshan Conch") 文山海螺水泥有限責任公司 (Note (i))	15%
Shuicheng Conch Panjiang Cement Co., Ltd. ("Shuicheng Conch") 水城海螺盤江水泥有限責任公司 (Note (i))	15%
Linxia Conch Cement Co., Ltd. ("Linxia Conch") 臨夏海螺水泥有限責任公司 (Note (i))	15%
Guizhou Liukuangruian Cement Co., Ltd. ("Liukuangruian") 貴州六礦瑞安水泥有限公司 (Note (i))	15%
Qianxian Conch Cement Co., Ltd. ("Qianxian Conch") 乾縣海螺水泥有限責任公司 (Note (i))	15%
Qianxinan Resource Development Co., Ltd. ("Qianxinan") 黔西南州發展資源開發有限公司 (Note (i))	15%
Tengchong Tengyue Cement Co., Ltd. ("Tengchong Tengyue") 騰沖市騰越水泥有限公司 (Note (i))	15%
Liangping Conch Cement Co., Ltd. ("Liangping Conch") 梁平海螺水泥有限責任公司 (Note (i)) (Note (ii))	15%
Tongren Conch Panjiang Cement Co., Ltd. ("Tongren Conch") 銅仁海螺盤江水泥有限責任公司 (Note (i))	15%

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

7 INCOME TAX (CONTINUED)

Subsidiaries' Name (continued)	Tax rate
Yunnan Zhuangxiang Cement Co., Ltd. ("Zhuangxiang Conch") 雲南壯鄉水泥股份有限公司 (Note (i))	15%
Baoji Zhongxi Fenghuangshan Cement Co., Ltd. ("Fenghuangshan") 寶雞眾喜鳳凰山水泥有限公司 (Note (i))	15%
Baoji Zhongxi Jinlinghe Cement Co., Ltd. ("Jinlinghe") 寶雞市眾喜金陵河水泥有限公司 (Note (i))	15%
Guangxi Lingyun Tonghong Cement Co., Ltd. ("Lingyun Tonghong") 廣西淩雲通鴻水泥有限公司 (Note (i))	15%
Baoshan Conch Cement Co., Ltd. ("Baoshan Conch") 保山海螺水泥有限責任公司 (Note (i))	15%
Hami Hongyi Building Material Co., Ltd. ("Hami Building Material") 哈密弘毅建材有限責任公司 (Note (i))	15%
Yingjiangyunhan Cement Co., Ltd. ("Yingjiangyunhan") 盈江縣允罕水泥有限責任公司 (Note (i))	15%
Ganzhou Conch Cement Co., Ltd. ("Ganzhou Conch") 贛州海螺水泥有限責任公司 (note (i))	15%
Shaanxi Tongchuan Fenghuang Building Material Co., Ltd. ("Fenghuang Building Material") 陝西銅川鳳凰建材有限公司 (Note (i))	15%
Zunyi Haihui New Materials Co., Ltd. ("Zunyi Haihui") 遵義海匯新材料有限責任公司 (Note (i))	15%
Bazhong Conch Building Material Co., Ltd. ("Bazhong Building Material") 巴中海螺建材有限責任公司 (Note (i))	15%
Naimanqi Hongji Cement Co., Ltd.("Hongji Cement") 奈曼旗宏基水泥有限公司 (Note (i))	15%
Chongqing Fuling Conch Building Materials Co., Ltd. ("Fuling Coach") 重慶涪陵海螺建材有限公司 (Note (i))	15%
Guangyuan Conch New Materials Co., Ltd. ("Guangyuan New Materials") 廣元海螺新材料有限責任公司 (Note (i))	15%
Guiyang Conch Green Building Materials Co., Ltd. ("Guiyang Green Building Materials") 貴陽海螺綠色建材有限責任公司 (Note (i))	15%
Certain subsidiaries of China Conch Environment Protection Holdings Co., Ltd. ("Conch Environment Protection") 中國海螺環保控股有限公司之部分附屬公司 (Note (i) (Note (ii))	15%
Anhui Wuhu Conch Construction and Installation Engineering Co., Ltd. ("Conch Construction") 安徽蕪湖海螺建築安裝工程有限責任公司 (Note (ii))	15%
Anhui Conch Siam Refractory Material Co., Ltd. ("Refractory Material") 安徽海螺暹羅耐火材料有限公司 (Note (ii))	15%
Anhui Jinggong Testing and Inspection Center Co., Ltd. ("Jinggong Testing") 安徽精公檢測檢驗中心有限公司 (Note (ii))	15%
Anhui Haibo Intelligent Technology Co., Ltd. ("Haibo Intelligent") 安徽海博智能科技有限責任公司 (Note (ii))	15%

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

7 INCOME TAX (CONTINUED)

Subsidiaries' Name (continued)	Tax rate
Shanghai Zhizhi Technology Co., Ltd. ("Shanghai Zhizhi") 上海智質科技有限公司 (Note (ii))	15%
Anhui Conch Zhongnan Intelligent Robot Co., Ltd ("Zhongnan Intelligent") 安徽海螺中南智能機器人有限責任公司 (Note (ii))	15%
Anhui Conch Information Technology Engineering Co., Ltd ("Conch IT Engineering") 安徽海螺信息技術工程有限責任公司 (Note (ii))	15%
Xiangshan Conch Cement Co., Ltd. ("Xiangshan Conch") 象山海螺水泥有限責任公司 (Note (ii))	15%
Yangchun Conch Cement Co., Ltd. ("Yangchun Conch") 陽春海螺水泥有限責任公司 (Note (ii))	15%
Anhui Zhizhi Engineering Technology Co., Ltd. ("Anhui Zhizhi") 安徽智質工程技術有限公司 (Note (ii))	15%
Long'an Conch Cement Co., Ltd. ("Longan Conch") 隆安海螺水泥有限責任公司 (Note (ii))	15%
Anhui Conch Construction Materials Design Centre Co., Ltd. ("Conch Design Institute") 安徽海螺建材設計研究院有限責任公司 (Note (ii))	15%
Liuzhi Conch Yixin Green New Building Materials Co., Ltd ("Liuzhi New Construction") 六枝海螺溢鑫綠色新型建材有限公司 (Note (i))	15%
Basu Conch Cement Co., Ltd.("Basu Conch") 八宿海螺水泥有限責任公司 (Note (i))	15%
Yili Conch Cement Co., Ltd.("Yili Conch") 伊犁海螺水泥有限公司 (Note (i))	15%
Moyu Conch Cement Co., Ltd.("Moyu Conch") 墨玉海螺水泥有限公司 (Note (i))	15%
Yutian Conch Cement Co., Ltd.("Yutian Conch") 于田海螺水泥有限公司 (Note (i))	15%
Yili Conch Environmental Protection Technology Co., Ltd.("Yili Environmental Protection") 伊犁海螺環保科技有限公司 (Note (i))	15%
Anhui Conch New Energy Co., Ltd. ("Conch New Energy") 安徽海螺新能源有限公司 (Note (ii))	15%
Xuancheng Conch Building Photovoltaic Technology Co., Ltd. 宣城海螺建築光伏科技有限公司 (Note (ii))	15%
Tongliao Conch New Energy Co., Ltd. 通遼海螺新能源有限公司 (Note (i))	15%
Hainan Changjiang Conch Cement Co.,Ltd. ("Changjiang Conch") 海南昌江海螺水泥有限公司 (Note (v))	15%
Changjiang Conch Huangsheng Plastic Packaging ("Changjiang Plastic Packaging") 昌江海螺華盛塑料包裝有限公司 (Note (v)	15%
Zhuhai Haizhong Trading Co., Ltd. ("Zhuhai Haizhong") 珠海海中貿易有限責任公司 (Note (vi))	15%

7 INCOME TAX (CONTINUED)

Notes:

(i) Pursuant to Notice No.23 issued by the Ministry of Finance, State Administration of Taxation, National Development and Reform Commission of PRC on 23 April 2020 and relevant local tax authorities' notices, these companies are entitled to a preferential income tax rate of 15% as qualifying companies located in western areas in the PRC.

(ii) Pursuant to Chapter 28 of the Law of the PRC on Enterprise Income Tax, nationally supported enterprises recognised as high and new technology enterprises are entitled to a preferential income tax rate of 15%.

Conch Construction obtained a high and new technology enterprise certification in 2015 and obtained a renewed certification in 2024. Accordingly, it was entitled to a preferential income tax rate of 15% from 2024 to 2026.

Refractory Material obtained a high and new technology enterprise certification in 2019 and obtained a renewed certification in 2025. Accordingly, it was entitled to a preferential income tax rate of 15% from 2025 to 2027.

Jinggong Testing obtained a high and new technology enterprise certification in 2021 and obtained a renewed certification in 2024. Accordingly, it was entitled to a preferential income tax rate of 15% from 2024 to 2026.

Haibo Intelligent obtained a high and new technology enterprise certification in 2022. and obtained a renewed certification in 2025. Accordingly, it was entitled to a preferential income tax rate of 15% from 2025 to 2027.

Shanghai Zhizhi obtained a high and new technology enterprise certification in 2022. and obtained a renewed certification in 2025. Accordingly, it was entitled to a preferential income tax rate of 15% from 2025 to 2027.

Zhongnan Intelligent obtained a high and new technology enterprise certification in 2022. and obtained a renewed certification in 2025. Accordingly, it was entitled to a preferential income tax rate of 15% from 2025 to 2027.

Conch IT Engineering obtained a high and new technology enterprise certification in 2021 and obtained a renewed certification in 2024. Accordingly, it was entitled to a preferential income tax rate of 15% from 2024 to 2026.

Xiangshan Conch obtained a high and new technology enterprise certification in 2024. Accordingly, it was entitled to a preferential income tax rate of 15% from 2024 to 2026.

Yangchun Conch obtained a high and new technology enterprise certification in 2024. Accordingly, it was entitled to a preferential income tax rate of 15% from 2024 to 2026.

Anhui Zhizhi obtained a high and new technology enterprise certification in 2024. Accordingly, it was entitled to a preferential income tax rate of 15% from 2024 to 2026.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

7 INCOME TAX (CONTINUED)

Notes: (continued)

Liangping Conch obtained recognition as a high-tech enterprise in October 2023 and has been eligible for a preferential tax rate of 15% since 2023, with a validity period of three years.

Chongqing Conch obtained a high and new technology enterprise certification in 2024. Accordingly, it was entitled to a preferential income tax rate of 15% from 2024 to 2026.

Longan Conch obtained a high and new technology enterprise certification in 2025. Accordingly, it was entitled to a preferential income tax rate of 15% from 2025 to 2027.

Conch New Energy obtained a high and new technology enterprise certification in 2024. Accordingly, it was entitled to a preferential income tax rate of 15% from 2024 to 2026.

Xuancheng Conch Building Photovoltaic Technology obtained a high and new technology enterprise certification in 2025. Accordingly, it was entitled to a preferential income tax rate of 15% from 2025 to 2027.

Conch Design Institute obtained a high and new technology enterprise certification in 2025. Accordingly, it was entitled to a preferential income tax rate of 15% from 2025 to 2027.

(iii) According to Caishui [2023] No.12, "The Announcement of Further Implementation of Inclusive Tax Relief Policy on Small-scaled Minimal Profit Enterprise and individual business" issued by Ministry of Finance of the PRC and the State Administration of Taxation of PRC, the policy of calculating the taxable income of small-scaled minimal profit enterprises with a reduced tax rate of 25%, and paying the income tax at a tax rate of 20%, was extended to December 31, 2027.

(iv) According to Article 27 of the Law of the PRC on Enterprise Income Tax, the income from investment and operation of public infrastructure projects supported by the state can enjoy preferential tax policy. As further explained by Article 87 of Regulations on the Implementation of Enterprise Income Tax, public infrastructure projects supported by the state refers to the ports, airports, railways, highways, urban public transportation, electric power, water conservancy and other projects stipulated in the Catalogue of Enterprise Income Tax Preferential for Public Infrastructure Projects. The preferential policy allows full exemption from PRC income tax for the first three years starting from the initial year of production and operation and 50% of the standard tax rates will be levied for the following three years.

(v) According to the Notice on Continuing the Implementation of Preferential Policies for Enterprise Income Tax in Hainan Free Trade Port (Cai Shui [2025] No. 3), from January 1, 2025 to 31 December, 2027, encouraged industrial enterprises registered in Hainan Free Trade Port and operating substantially will be subject to a reduced corporate income tax rate of 15%.

(vi) According to Caishui [2022] No. 19, "The Notice of the Ministry of Finance and the State Administration of Taxation on the Preferential Policies for Enterprise Income Tax in the Hengqin Guangdong Macao Deep Cooperation Zone" issued by the Ministry of Finance and the State Administration of Taxation, enterprises located in the Hengqin Guangdong Macao Deep Cooperation Zone and engaged in the industries listed in the "Hengqin Guangdong Macao Deep Cooperation Zone Enterprise Income Tax Preferential Catalogue" (2021 version) and are in actual operation will be subject to a reduced corporate income tax rate of 15%.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

7 INCOME TAX (CONTINUED)

The corporate income tax rates of the subsidiaries outside Chinese Mainland are as following:

Subsidiaries' Name	Tax rate
Conch International Holdings (HK) Limited. ("Conch International") a subsidiary in Hong Kong	16.5%
Luangprabang Conch Cement Co., Ltd. ("Luangprabang Conch") a subsidiary in Laos	20%
Vientian Conch Cement Co.,Ltd.("Vientian Conch") a subsidiary in Laos	20%
Conch Cement Volga Limited Liability Company ("Volga Conch") a subsidiary in Russia	25%
Conch KT Cement (Phnom Penh) Company Limited ("Phnom Penh Conch") (note (i)) a subsidiary in Cambodia	–
Battambang Conch Cement Company Limited ("Battambang Conch"). a subsidiary in Cambodia	20%
PT Conch Cement Indonesia ("Indonesia Conch") a subsidiary in Indonesia	22%
PT Conch South Kalimantan Cement ("Indonesia South Conch") a subsidiary in Indonesia	22%
PT Conch International Trade Indonesia ("Indonesia International Trade Conch") a subsidiary in Indonesia	22%
PT Conch Maros Cement Indonesia ("Maros Conch") a subsidiary in Indonesia	22%
PT Conch Barru Cement Indonesia ("Barru Conch") a subsidiary in Indonesia	22%
PT Conch North Sulawesi Cement ("North Sulawesi Conch") a subsidiary in Indonesia	22%
PT Conch West Kalimantan Trade Cement ("West Kalimantan Conch") a subsidiary in Indonesia	22%
Tonga Conch Mining Co., Ltd. ("Tonga Mining") a subsidiary in Indonesia	22%
West Papua Conch a subsidiary in Indonesia	22%
PT SULUT SOLOG TAMBANG a subsidiary in Indonesia	22%
West Papua Persada a subsidiary in Indonesia	22%
PT.Kalomang Biru Persada("Biru Conch") a subsidiary in Indonesia	22%
PT Eternal Richway a subsidiary in Indonesia	22%
Qarshi Conch Cement Limited Liability Company ("Qarshi Conch") a subsidiary in Uzbekistan	15%
Tashkent Conch Cement Joint Venture Co., Ltd. ("Tashkent Conch"), a subsidiary in Uzbekistan	15%
Shangfeng Bridge of Friendship Co., Ltd., a subsidiary in Uzbekistan	15%
Conch Environment Protection, a company in the Cayman Islands and its subsidiaries in the Cayman Islands and British Virgin Islands ("BVI") (note (ii))	–
Subsidiaries of Conch Environment Protection in Hong Kong	16.5%
Myanmar Conch Cement (Mandalay) Co., Ltd. ("Mandalay Conch") a subsidiary in Myanmar	22%
Mauritius Conch (TZ) Limited ("Mauritius Conch") a subsidiary in Mauritius	15%
Conch Investment Holdings (Hong Kong) Limited ("Conch Investment") a subsidiary in Hong Kong	16.5%

7 INCOME TAX (CONTINUED)

Notes:

(i) Phnom Penh Conch has been declared as a qualified investment project by the Cambodian Development Council and can enjoy a maximum income tax preferential period of 9 years according to local investment laws. Among them, the first three years of operation are tax-free, the income tax is levied at 25% of the applicable tax rate (tax rate of 5%) for the fourth to fifth years, 50% of the applicable tax rate (tax rate of 10%) for the sixth to seventh years, 75% of the applicable tax rate (tax rate of 15%) for the eighth to ninth years, and the income tax rate for subsequent years is 20%. Phnom Penh Conch commenced production in 2025 and enjoys a three-year tax exemption starting from 2025.

(ii) Pursuant to the rules and regulations of the Cayman Islands and the BVI, these subsidiaries are not subject to any income tax in the Cayman Islands and the BVI.

8 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the six months ended 30 June 2026 is based on the profit attributable to equity shareholders of the Company of RMB2,719,786,000 (six months ended 30 June 2025: RMB4,677,473,000) and the weighted average number of shares in issue during the six months ended 30 June 2026 of 5,276,681,000 shares (six months ended 30 June 2025: 5,277,060,000 shares).

(b) Diluted earnings per share

The Company had no dilutive potential ordinary shares outstanding during the six months ended 30 June 2026 and 2025, therefore, diluted earnings per share is the same as the basic earnings per share.

9 INVESTMENT PROPERTIES AND LONG-TERM PREPAYMENTS

(a) Investment properties

During the six months ended 30 June 2026, the Group had no new operating lease rental of investment property (six months ended 30 June 2025: Nil).

During the six months ended 30 June 2026, the Group terminated three leased property agreement with carrying amount of RMB16,185,000 (six months ended 30 June 2025: Nil).

The rental income earned by the Group from its investment properties during the six months ended 30 June 2026 and 2025 was immaterial.

(b) Long-term prepayments

During the six months ended 30 June 2026, the decrease in long-term prepayments was mainly due to transfer of prepaid assets to other property, plant and equipment.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

10 OTHER PROPERTY, PLANT AND EQUIPMENT

(a) Right-of-use assets

During the six months ended 30 June 2026, the Group entered into a number of lease agreements for use of land, office buildings, and therefore recognised additions of right-of-use assets of RMB106,651,000 (six months ended 30 June 2025: RMB138,470,000).

(b) Acquisitions and disposals of owned assets

During the six months ended 30 June 2026, the Group acquired property, plant and equipment with a cost of RMB2,439,607,000 (six months ended 30 June 2025: RMB3,418,723,000).

Items of property, plant and equipment with a carrying amount of RMB176,837,000 were disposed of during the six months ended 30 June 2026 (six months ended 30 June 2025: RMB107,739,000), resulting in a net loss on disposal of RMB9,604,000 (six months ended 30 June 2025: a net loss on disposal of RMB11,611,000).

11 LOANS AND RECEIVABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Loans and receivables	**869,182**	896,145
Less: current portion of non-current loans and receivables (note 16)	**(478,039)**	(480,057)
	391,143	416,088

As at 30 June 2026, loans and receivables of the Group mainly represent advances made to local government authorities.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

12 FINANCIAL ASSETS MEASURED AT FVOCI

	Note	**At 30 June 2026 RMB'000**	At 31 December 2025 RMB'000
Financial assets measured at FVOCI (non-recycling)			
– Listed equity securities (Non- trading purpose)	(i)	**1,112,997**	1,344,658
– Unlisted equity investment (Non- trading purpose)	(ii)	**71,776**	71,776
		1,184,773	1,416,434

Note (i): Financial assets measured at FVOCI – listed equity securities held by the Group are shares in China Conch Venture Holdings Limited and HUAXIN BUILDING MATERIALS GROUP CO., LTD., which are listed on Hong Kong Stock Exchanges ("HKEX"). The fair values of these investments are measured with reference to the respective quoted market prices as at 30 June 2026 and 31 December 2025.

Note (ii): As at 30 June 2026, the fair value of the unlisted equity investment is approximately the same as its cost.

13 FINANCIAL ASSETS MEASURED AT FVPL

	Note	**At 30 June 2026 RMB'000**	At 31 December 2025 RMB'000 (restated) (Note 3)
Current Financial assets measured at FVPL			
Structured deposits	(i)	**5,551,424**	3,001,339
Wealth management products	(i)	**17,430,031**	9,151,258
Income certificate	(i)	**–**	300,563
Listed equity securities at FVPL	(ii)	**470,342**	546,801
		23,451,797	12,999,961

Note (i): As of 30 June 2026, the total principal amount of investments in structured deposits, Wealth management products, and Income certificate was RMB22,981,455,000 (2025: 12,453,160,000).

Note (ii): Financial assets measured at FVPL – listed equity securities held by the Group are shares in Gansu Shangfeng Cement Co., Ltd., and Tianshan Material Co., Ltd., which are listed on the SSE. These listed equity securities are held for trading purpose. The fair values of these investments are measured with reference to the respective quoted market prices as at 30 June 2026.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

14 INVENTORIES

(a) Inventories in the consolidated statement of financial position comprise:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Raw materials	**3,245,115**	2,858,094
Work in progress	**283,885**	263,964
Finished goods	**4,697,787**	4,191,652
Spare parts	**316,975**	283,238
	8,543,762	7,596,948

(b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Carrying amount of inventories sold	**28,650,491**	29,788,039

All of the inventories are expected to be recovered within one year.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

15 TRADE AND BILLS RECEIVABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000 (restated) (Note 3)
Trade debtors	**2,529,120**	3,191,415
Less: loss allowance for doubtful debts	**(237,039)**	(222,580)
	2,292,081	2,968,835
Bank acceptance notes receivable, carried at amortised cost	**4,445,303**	5,828,202
Finance company acceptance notes receivable, carried at amortised cost	**140,398**	3,560
Commercial acceptance notes receivable, carried at amortised cost	**8,260**	500
Bank acceptance notes receivable, carried at FVOCI	**1,434,720**	1,574,249
	8,320,762	10,375,346

(a) Ageing analysis

The following ageing analysis of trade debtors (net of loss allowance) are based on invoice date as of the statement of financial position date:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000 (restated) (Note 3)
Within 1 year	**8,147,247**	10,152,089
1 year or above	**173,515**	223,257
	8,320,762	10,375,346

Trade debtors are due within 30 to180 days from the date of billing, except for retention money in respect of certain sales contracts which is due upon the expiry of the retention period.

Bank acceptance notes receivable are due within 1 year from the date of issuance.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

15 TRADE AND BILLS RECEIVABLES (CONTINUED)

(b) Endorsed and discounted bank acceptance notes

The Group discounted bank acceptance bills to certain banks in Chinese Mainland or endorsed them to the Group's suppliers and derecognised them ("derecognised notes"). As at 30 June 2026, bills discounted or endorsed but not yet due of the group and derecognised are RMB3,391,841,000 (31 December 2025: RMB3,450,979,000). As at 30 June 2026, these undue notes receivable are shorter than one year.

According to the Bills Law of the PRC, if the accepting banks refused to make payment, the bearer of the bill may exercise the right of recourse against any one, several or all of the bill debtors, including the Group, without regard to the order of the debtors of the bill of exchange (the "continuous involvement"). The Group management considered that the risks and rewards of ownership of these undue bills have been substantially transferred, and therefore derecognised them and the settled accounts payable associated with it in full and recognised discount fees. The maximum exposures to loss and undiscounted cash flows from its continuous involvement and repurchases are equal to their carrying value. The Group management considered that the fair value of the continuous involvement is not material.

As at 30 June 2026, undue bank acceptance notes receivable of RMB501,982,000 (2025: RMB638,937,000) endorsed to its suppliers to settle the trade payables were not derecognised because management believed that the credit risks of ownership had not substantially transferred. All these undue bank acceptance notes receivable were due within 1 year.

As at 30 June 2026, undue bank acceptance notes receivable of RMB487,119,000 (2025: RMB346,243,000) discounted to banks were not derecognised because management believed that the credit risks of ownership had not substantially transferred. The short-term bank loan was recognised accordingly. All these undue bank acceptance notes receivable were due within 1 year.

(c) Bank acceptance notes receivable, carried at FVOCI

Due to the requirement of cash management, the Group endorsed part of the bank acceptance notes receivable to the suppliers. The business model of bank acceptance notes management is for the purpose of collecting cash flow of contracts and sales. Therefore, the Group classified bank acceptance notes receivable of RMB1,434,720,000 (2025: RMB1,574,249,000) as bank acceptance notes receivable carried at FVOCI.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

16 PREPAYMENTS AND OTHER RECEIVABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000 (restated) (Note 3)
Purchase prepayments	**873,437**	850,302
Current portion of loans and receivables (note 11)	**478,039**	480,057
Value-added tax recoverable and other tax prepayment	**1,155,929**	1,143,803
Other receivables	**1,249,933**	947,982
Less: Impairment allowance	**(200,611)**	(200,611)
	3,556,727	3,221,533

All of the prepayments and other receivables are expected to be recovered within one year.

17 CASH AND CASH EQUIVALENTS

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000 (restated) (Note 3)
Cash at bank and on hand	**13,385,262**	10,996,652
Other cash and cash equivalents	**153,757**	20,938
Cash and cash equivalents in the consolidated statement of financial position and cash flow statement	**13,539,019**	11,017,590

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

18 TRADE AND BILLS PAYABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000 (restated) (Note 3)
Trade payables	**5,217,423**	5,104,778
Bills payables	**117,422**	134,417
	5,334,845	5,239,195

Included in trade and bills payables are trade creditors with the following ageing analysis based on invoice date at the end of reporting period:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000 (restated) (Note 3)
Within 1 year (inclusive)	**5,334,845**	5,239,195
	5,334,845	5,239,195

Bills payables are due within 1 year from the date of issuance.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

19 BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings are as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Bank loans		
– unsecured	**11,275,179**	11,703,427
– secured	**1,374,858**	1,580,529
– bills discounted	**486,721**	345,652
	13,136,758	13,629,608

At 30 June 2026 and 31 December 2025, the bank loans and other borrowings were repayable as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within 1 year or on demand	**7,408,642**	6,610,662
After 1 year but within 2 years	**1,752,319**	1,826,356
After 2 years but within 5 years	**3,342,955**	4,204,890
After 5 years	**632,842**	987,700
Total non-current bank loans	**5,728,116**	7,018,946
	13,136,758	13,629,608

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

20 CORPORATE BONDS

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Medium-term Bonds	**12,659,374**	12,612,632
Less: Bonds Payable Due within One Year	**(3,159,374)**	(112,632)
	9,500,000	12,500,000

According to the Notice of Acceptance of Registration issued by the National Association of Financial Market Institutional Investors, it is agreed the registration of the Company's medium-term notes with a total amount of RMB10 billion, and the registration amount is valid for two years from the date of signing the Notice of Acceptance of Registration (October 14, 2022). The Company publicly issued four green medium-term notes in the national inter-bank bond market in 2024, totalling amount of RMB10 billion at face value with a term of 3-5 years, the coupon rate is 2.10% -2.20% and the interest is paid annually.

According to the Notice of Acceptance of Registration issued by the National Association of Financial Market Institutional Investors, it is agreed the registration and issuance of medium-term notes of no more than RMB3 billion by Anhui Conch Environmental Protection Group Co., Ltd. The registered amount is valid for two years from the date of signing the Notice of Acceptance of Registration (that is, July 25, 2024). Conch Environmental Protection Group publicly issued the first phase of green medium-term notes in 2024 in the national inter-bank bond market on August 5, 2024, with an amount of RMB1.5 billion at face value with a term of five years, a coupon rate of 2.13% and annual interest payment. Conch Environmental Protection Group publicly issued the first phase of green medium-term notes in 2025 in the national inter-bank bond market on April 23, 2025, with an amount of RMB1 billion at face value with a term of three years, a coupon rate of 1.8% and annual interest payment.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

21 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

Dividends payable to equity shareholders attributable to the previous financial year, approved and paid during the interim period

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Final dividend in respect of the previous financial year, approved and paid during the following interim period, of RMB0.61 per share (six months ended 30 June 2025: RMB0.71 per share)	**3,217,665**	3,746,713

On 26 August 2026, the board of directors declared an interim dividend of RMB0.13 per share of RMB679,940,982 (six months ended 30 June 2025: RMB1,266,494,411, RMB0.24 per share).

(b) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for equity shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of the adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is calculated as bank loans and other borrowings plus unaccrued proposed dividends, less cash and cash equivalents. Adjusted capital represents total equity attributable to equity shareholders of the Company, less unaccrued proposed dividends.

During 2026, the Group's strategy, which was unchanged from 2025, was to maintain the adjusted net debt-to-capital ratio at a range considered reasonable by management. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

21 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(b) Capital management (continued)

The Group's adjusted net debt-to-capital ratio at the end of the current and previous reporting periods was as follows:

	Note	**At 30 June 2026 RMB'000**	At 31 December 2025 RMB'000 (restated) (Note 3)
Current liabilities:			
Bank loans	19	**7,408,642**	6,610,662
Lease liabilities		**34,650**	30,346
Corporate bonds	20	**3,159,374**	112,632
Current portion of long-term payables		**171,544**	183,724
Non-current liabilities:			
Bank loans	19	**5,728,116**	7,018,946
Lease liabilities		**290,108**	220,156
Long-term payables		**1,352,584**	1,168,719
Corporate bonds	20	**9,500,000**	12,500,000
Total debt		**27,645,018**	27,845,185
Add: Proposed dividends		**679,941**	3,219,007
Less: Cash and cash equivalents	17	**(13,539,019)**	(11,017,590)
Adjusted net debt		**14,785,940**	20,046,602
Total equity		**201,909,853**	203,976,496
Less: Proposed dividends		**(679,941)**	(3,219,007)
Adjusted capital		**201,229,912**	200,757,489
Adjusted net debt-to-capital ratio		**7.35%**	9.99%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

22 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial instruments carried at fair value

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1: Fair values measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3: Fair value measured using significant unobservable inputs

		Fair value measurements 30 June 2026 categorised into		
	Fair value at 30 June 2026 RMB'000	Quoted prices in active market for identical assets (Level 1) RMB'000	Significant other observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000
Recurring fair value measurement				
Financial assets:				
Financial assets measured at FVPL:				
– Structured deposits	5,551,424	–	5,551,424	–
– Wealth management product issued by bank	17,430,031	–	17,430,031	–
– Listed equity securities	470,342	470,342	–	–
Financial assets measured at FVOCI:				
– Listed equity securities	1,112,997	1,112,997	–	–
– Unlisted equity securities	71,776	–	–	71,776
– Bank acceptance notes	1,434,720	–	1,434,720	–
	26,071,290	1,583,339	24,416,175	71,776

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

22 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial instruments carried at fair value (continued)

		Fair value measurements as at 31 December 2025 using		
	Fair value at 31 December 2025 RMB'000	Quoted prices in active market for identical assets (Level 1) RMB'000	Significant other observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000
Recurring fair value measurement				
Financial assets:				
Financial assets measured at FVPL:				
– Structured deposits	3,001,339	–	3,001,339	–
– Wealth management product issued by bank	9,151,258	–	9,151,258	–
– Income certificates	300,563	–	300,563	–
– Listed equity securities	546,801	546,801	–	–
Financial assets measured at FVOCI:				
– Listed equity securities	1,344,658	1,344,658	–	–
– Unlisted equity securities	71,776	–	–	71,776
– Bank acceptance notes	1,574,249	–	1,574,249	–
	15,990,644	1,891,459	14,027,409	71,776

During the years ended 30 June 2026, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Valuation techniques and inputs used in Level 2 fair value measurements

For wealth management products issued by banks that are measured at FVPL, the fair value is determined by net value of the products on the balance sheet date that published by commercial banks.

For structured deposits issued by banks that are measured at FVPL, the fair value is determined by calculating based on the discounted cash flow method.

For bank acceptance notes that are measured at FVOCI, the fair value is estimated as the present value of the future cash flows, discounted at the market interest rates at the end of the reporting period.

For assets held for sale, that are measured at FVPL, the fair value is sales determined by reference to the selling price on market and sales order agreed with an independent third party.

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

22 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial instruments carried at fair value (continued)

Valuation techniques and inputs used in Level 3 fair value measurements

The fair value of unlisted equity securities is determined based on medium market multiples (e.g. price-to-earnings ratio, price-to-sales ratio) of comparable companies or comparable transactions with a discount for lack of marketability as appropriate. Since the operating and financial status of the invested company has not undergone major changes, the fair value of unlisted equity securities is approximate to the cost of obtaining the equity securities.

(b) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 30 June 2026 and 31 December 2025.

23 COMMITMENTS

Capital commitments outstanding at 30 June 2026 not provided for in the interim financial report.

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Contracted for	**9,402,160**	9,661,933
Authorised but not contracted for	**6,948,906**	5,519,520
	16,351,066	15,181,453

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

24 MATERIAL RELATED PARTY TRANSACTIONS

(a) Related parties information

Name of related party	Nature of relationship
Conch Holdings 安徽海螺集團有限責任公司	Substantial shareholder of the Company
China Conch Venture Holdings Limited ("China Conch Venture") 中國海螺創業控股有限公司	Major shareholder of Conch Holdings
Conch (Anhui) Energy Saving and Environment Protection New Material Co., Ltd. and its subsidiaries ("Conch Energy Saving and its subsidiaries") 海螺(安徽)節能環保新材料股份有限公司及其附屬公司	Subsidiary of Conch Holdings
Wuhu Conch International Hotel Co., Ltd. ("WH Conch Hotel") 蕪湖海螺國際大酒店有限公司	Subsidiary of Conch Holdings
Anhui Conch Material Technology Co., Ltd. and its subsidiaries ("Conch New Materials") 安徽海螺材料科技股份有限公司及其附屬公司	Subsidiary of Conch Holdings
Wuhu Conch Trading Co., Ltd. ("WH Trading") 蕪湖海螺貿易有限公司	Subsidiary of Conch Holdings
Anhui Conch Science and Technology Innovation Materials Co., Ltd. and its subsidiaries ("Conch Innovation Materials and its subsidiaries") 安徽海螺科創材料有限責任公司及其附屬公司	Subsidiary of Conch Holdings
Anhui International Trade Group Holding Co., Ltd. ("Anhui International Trade and its subsidiaries") 安徽國貿集團控股有限公司及其附屬公司	Subsidiary of Conch Holdings
Anhui Conch Capital Management Company Limited ("Conch Capital") 安徽海螺資本管理有限公司	Subsidiary of Conch Holdings
Anhui Conch Industry Technology Research Institute Co., Ltd. 安徽海螺產業技術研究院有限公司	Subsidiary of Conch Holdings
Anhui Conch Kawasaki Engineering Co., Ltd. and its subsidiaries ("CK Engineering and its subsidiaries") 安徽海螺川崎工程有限公司及其附屬公司	Subsidiary of China Conch Venture
Anhui Conch Kawasaki Energy Conservation Equipment Manufacturing Co., Ltd. ("CK Equipment") 安徽海螺川崎節能設備製造有限公司	Subsidiary of China Conch Venture

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

24 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Related parties information (continued)

Name of related party	Nature of relationship
Yangzhou Haichang Port Industrial Co., Ltd. ("HC Port") 揚州海昌港務實業有限責任公司	Subsidiary of China Conch Venture
Anhui Conch Venture New Energy-saving Construction Material Co., Ltd. ("Conch Venture Green") 安徽海創新型節能建築材料有限責任公司	Subsidiary of China Conch Venture
Bozhou Conch Venture New Energy-saving Construction Material Co., Ltd. ("Bozhou Conch Venture Green") 亳州海創新型節能建築材料有限責任公司	Subsidiary of China Conch Venture
Anhui Conch Venture Green Energy and its subsidiaries 安徽海創綠能環保有限公司及其附屬公司	Subsidiary of China Conch Venture
Wuhu Conch Venture Enterprise Limited ("Conch Venture Wuhu") 蕪湖海創實業有限責任公司	Subsidiary of China Conch Venture
WH Electric Conch Clean Energy ("Clean Energy") 蕪湖市綠能清潔能源有限公司	Joint venture of the subsidiary of Conch Holdings
Anhui Conch Kawasaki Equipment Manufacturing Co., Ltd. ("Conch Kawasaki Equipment") 安徽海螺川崎裝備製造有限公司	Joint venture of the Company
Sino-Myanmar International 中緬(蕪湖)國際貿易有限公司	Joint venture of the Company
Myanmar Conch Cement Company Limited ("Myanmar Conch") 緬甸海螺水泥有限公司	Joint venture of the Company
Myanmar Conch Cement (Yangon) Company Limited ("Yangon Conch") 緬甸海螺(仰光)水泥有限公司	Joint venture of the Company
Huaibei Xiangshan Cement Company Limited ("Xiangshan Cement") 淮北相山水泥有限責任公司及其附屬公司	Joint venture of the Company
Jiande Haicheng New Materials Co., Ltd 建德海誠新型材料有限公司	Joint venture of the Company
Anhui Wanwei Group Co., Ltd. and its subsidiaries 安徽皖維集團有限責任公司及其附屬公司	Other Related Parties
Ningbo Shanshan Company Limited and its subsidiaries 寧波杉杉股份有限公司及其附屬公司	Other Related Parties

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

24 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions between the Group and related parties

The Group has entered into the following material related party transactions:

(i) Transactions with Conch Holdings

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Receiving services and purchase of goods	**22,431**	21,654
Provision of services and sales of goods	**8,980**	19,247

(ii) Transactions with other related parties

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Sales of goods	**41,111**	51,572
Provision of services	**64,960**	57,537
Purchase of property, plant and equipment	**161,158**	263,297
Purchase of raw materials	**566,638**	471,894
Interest expense on lease liabilities	**667**	678
Receiving services	**50,335**	139,229

(iii) Loan guarantees provided to other related parties

	At 30 June	At 31 December
	2026	2025
	RMB'000	RMB'000
Yunfu Guangjia	**24,000**	24,000
	24,000	24,000

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

24 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Key management personnel remuneration

Remuneration for key management personnel of the Group is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Short-term employee benefits	**2,380**	2,716
Post-employment benefits	**250**	268
	2,630	2,984

The above remuneration is disclosed in "staff costs" (see note 6(b)).

(d) Amounts due from/to related parties

(i) Due from related parties

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000 (restated) (Note 3)
Conch Kawasaki Equipment	**28,137**	28,445
CK Equipment	**3,426**	7,159
Myanmar Conch	**66,171**	42,790
Anhui Conch Venture Green Energy and its subsidiaries	**74,438**	69,861
CK Engineering and its subsidiaries	**18,646**	11,269
Xiangshan Cement	**2,113**	2,283
Other related parties	**74,979**	63,166
	267,910	224,973

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

24 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Amounts due from/to related parties (continued)

(ii) Due to related parties

(a) Lease liabilities due to related parties

	At 30 June 2026 (Note i) RMB'000	At 31 December 2025 (Note i) RMB'000
Conch Innovation Materials and its subsidiaries	33,798	36,042
HC Port	427	855
	34,225	36,897

Note i: The amount of lease liabilities due to related parties are included in total lease liabilities.

(b) Other amounts due to related parties

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000 (restated) (Note 3)
Conch Kawasaki Equipment	136,557	144,349
CK Equipment	19,040	16,468
CK Engineering and its subsidiaries	196,923	146,482
Conch New Materials	166,906	182,755
Anhui Conch Venture Green Energy and its subsidiaries	124,924	188,374
Conch Holdings	1,788,239	15,737
Other related parties	144,245	94,655
	2,576,834	788,820

Notes to the unaudited interim financial report

(Expressed in Renminbi Yuan unless otherwise indicated)

25 CONTINGENT LIABILITIES

On June 30, 2026, our company provided guarantees for the bank loan of its subsidiaries, with a guarantee amount of RMB392,000,000 (31 December 2025: RMB578,000,000). The directors of the Company consider that the Company will not have significant risks due to such guarantees. On June 30, 2026, subsidiaries of the Company provided guarantees for subsidiaries within the scope of the Group's consolidated financial statements with a guarantee amount of RMB303,167,000 (31 December 2025: RMB340,290,000). On June 30, 2026, the unexpired balance of the letter of guarantee issued by the company and its subsidiaries in the bank was RMB2,234,685,000 (31 December 2025: RMB2,291,491,000).

26 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of reporting period, the directors proposed a final dividend. Further details are disclosed in note 21 (a).