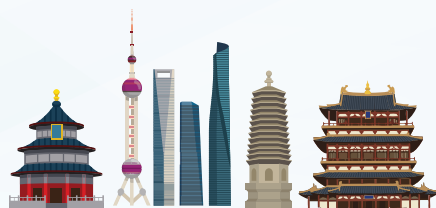




卡姆丹克太陽能系統集團有限公司 Comtec Solar Systems Group Limited

(Incorporated in the Cayman Islands with limited liability)

Stock code: 712



2026 Interim Report



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CORPORATE INFORMATION

DIRECTORS

Executive Director

Mr. John Yi Zhang (*Chairman*)

Non-executive Directors

Mr. Dai Ji

Mr. Qiao Fenglin

Independent non-executive Directors

Mr. Jiang Qiang

Dr. Yan Ka Shing

Ms. Qiu Ping, Maggie

COMPANY SECRETARY

Mr. Yuen Sing Wai Lester

AUTHORISED REPRESENTATIVES

Mr. John Yi Zhang

Mr. Qiao Fenglin

AUDIT COMMITTEE

Mr. Jiang Qiang (*Committee Chairman*)

Dr. Yan Ka Shing

Ms. Qiu Ping, Maggie

NOMINATION COMMITTEE

Mr. John Yi Zhang (*Committee Chairman*)

Mr. Jiang Qiang

Mr. Qiao Fenglin

Dr. Yan Ka Shing

Ms. Qiu Ping, Maggie

REMUNERATION COMMITTEE

Mr. Jiang Qiang (*Committee Chairman*)

Mr. John Yi Zhang

Mr. Qiao Fenglin

Dr. Yan Ka Shing

Ms. Qiu Ping, Maggie

CORPORATE GOVERNANCE COMMITTEE

Mr. John Yi Zhang (*Committee Chairman*)

Mr. Jiang Qiang

Ms. Qiu Ping, Maggie

REGISTERED OFFICE

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

HEADQUARTERS

No. 2, Hongyang Road

Tianning District

Changzhou City

Jiangsu Province

PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

RM 2301-02, 23/F.

Shanghai Industrial Investment Building

48-62 Hennessy Road

Wan Chai

Hong Kong SAR.

COMPANY'S WEBSITE

www.comtecsolar.com

CORPORATE INFORMATION

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East Wanchai
Hong Kong

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the Period, the Group is principally engaged in the solar and power storage business and the provision of logistics services.

Solar and Power Storage Business

In the solar and power storage business, the Group continues to operate its 11 existing power generation projects from its roof-top solar systems by the Group's wholly-owned subsidiaries in Shanghai, Wuxi, Fuzhou, Guangdong, Zhuhai, Tianjin, Haian, Changshu for a stable revenue source during the Period. In addition, the Group continues to provide solar engineering, procurement and construction ("EPC") services for rooftop distributed generation projects and, increasingly, for power-storage projects/facilities across the PRC.

The flywheel-lithium iron phosphate battery hybrid energy storage system (the "FLBH Energy System") in Yongji City, Shanxi Province (the "Yongji Flywheel Project"), in which the Group holds a minority equity interest through its indirectly 51%-owned subsidiary Comtec Energy Storage Technology (Liaoning) Limited together with shareholder loans, was completed, connected to the grid and commenced commercial operations on 1 March 2025. Building on that success, the Group secured additional EPC contracts for similar flywheel-lithium iron phosphate battery energy-storage systems invested by independent third parties which the Group has no equity, nor any other interests in, including a project in Shilou County, Lüliang City, Shanxi Province.

During the Period the Directors continued to pursue further opportunities in power storage and renewable-energy storage in north-eastern China and Shanxi Province. In particular, the Group is exploring a new investment in an energy-storage project with a total capacity of 150 MW located in Fushan County, Shanxi Province (the "Fushan Flywheel Project"). The Fushan Flywheel project is progressing steadily.

In the power-storage (sales and production) business the subsidiary continued to market its lithium-battery systems and products and to pursue higher-value orders, although the segment remains subject to intense competition.

Logistic Services

The logistics-services segment continued to seek new contracts. Revenue was affected by the termination of contracts by two major customers that occurred in the first half of 2025 (as previously reported) and by ongoing competitive pressure in the PRC logistics market.

As disclosed in the Company's announcement dated 28 December 2023, the Group entered into an agreement for the proposed acquisition of Zhilian Cloud, a logistics-cloud technology platform. Owing to internal restructuring at Zhilian Cloud and its affiliates, the acquisition remains pending. The Directors are in active discussion with the vendor with a view either to completing the acquisition or to exploring alternative cooperation opportunities in intelligent logistics.

The Group will continue to leverage its resources and network as well as the extensive investment experience of our board of directors and senior management to maintain an ongoing business development in the energy supply and storage business, sustainable commerce and economy, and intelligent logistic business.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

Revenue from our businesses mainly included (1) power generation income, (2) EPC consulting services income for design, installation and construction of photovoltaic power stations and renewable energy companies, (3) income from sales of lithium battery power storage products, and (4) income from provision of logistics services.

Total revenue for the Period was approximately RMB141.7 million, a modest decline of 4.4% from approximately RMB148.3 million for the six months ended 30 June 2025.

The decline was primarily attributable to a near-total cessation of logistics services revenue, which fell to an immaterial level following the termination of contracts with two major customers in the first half of 2025. Power generation income also recorded a slight decrease, mainly due to fewer sunshine hours in the first half of 2026 compared with the same period in 2025.

These reductions were partially offset by a substantial increase in EPC consulting revenue, which rose by approximately RMB43.8 million (or 47.7%) as a result of newly secured EPC contracts for rooftop distributed generation projects for multinational industrialists manufacturing in PRC and flywheel-storage systems (including the Shilou project).

Cost of sales and services

Cost of sales and services decreased by 17.7% from approximately RMB142.0 million for the corresponding period in 2025 to approximately RMB116.8 million for the Period, broadly in line with the change in revenue mix and volume.

Gross profit

During the Period, the Group recorded gross profit of approximately RMB24.9 million, representing an increase of approximately 294.2% from the gross profit of approximately RMB6.3 million for the corresponding period in 2025, as a result of the change in relative proportion of different sources of revenue reflecting a more favourable revenue mix, higher contribution from EPC and power-storage projects, and tighter cost control.

Other income

Other income decreased to approximately RMB1.0 million during the Period from approximately RMB4.1 million for the six month ended 30 June 2025, mainly because of decrease in rental income.

Other gains and losses

Other gains were approximately RMB15.2 million during the Period, representing an increase by approximately 894.2% from other losses of approximately RMB1.9 million during the corresponding period in 2025. The turnaround was primarily due to a substantial net foreign-exchange gain of approximately RMB14.2 million following the appreciation of RMB against USD and HKD during the Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Impairment loss on financial assets, net of reversal

The impairment loss on financial assets increase by RMB6.3 million, or 159.9%, from approximately RMB4.0 million during the corresponding period in 2025 to RMB10.3 million during the Period. The increase in impairment was primary due to the lengthened accounts receivables aging for the logistics business, partially offset by the improving aging of the Solar and Power Storage Business.

Selling and distribution expenses

Selling and distribution expenses increased by approximately RMB589,000, or 124.5%, from approximately RMB473,000 for the corresponding period in 2025 to approximately RMB1.1 million for the Period, primarily due to higher marketing activity associated with new EPC opportunities.

Administrative expenses

Administrative expenses increased slightly by approximately RMB1.5 million, or 11.3%, from approximately RMB13.1 million for the corresponding period in 2025 to approximately RMB14.6 million for the Period. The increase was largely controlled by the stringent cost control measures implemented by the Group during the Period.

Research and development expenses

Research and development expenses decreased by approximately RMB204,000, or 96.7%, from approximately RMB211,000 for the corresponding period in 2025 to approximately RMB7,000 for the Period, due to the stringent cost control measures implemented by the Company.

Finance costs

Interest expenses increased by approximately RMB7.1 million from approximately RMB13.9 million for the corresponding period in 2025 to approximately RMB20.9 million for the Period due to the full period effect of higher interest rate in some new loans and certain refinanced borrowings.

Loss before taxation

Loss before taxation was approximately RMB5.8 million for the Period, decreased by approximately RMB17.3 million from loss of approximately RMB23.1 million for the corresponding period in 2025, due to substantial improvement in gross profit and the large foreign-exchange gain, partially offset by higher impairment and finance costs.

Taxation

The Group recorded tax expenses of approximately RMB52,000 during the Period, compared to approximately RMB589,000 for the corresponding period in 2025, primarily due to the improving results and scale of operations.

Loss for the Period

Loss for the Period attributable to owners of the Company narrowed substantially to approximately RMB2.0 million (2025 corresponding period: loss of approximately RMB22.8 million). Total comprehensive expense attributable to owners of the Company was approximately RMB2.2 million (2025 corresponding period: expense of approximately RMB20.3 million).

MANAGEMENT DISCUSSION AND ANALYSIS

Other comprehensive expenses

The Company, through its indirectly 51% owned subsidiary, Comtec Energy Storage Technology (Liaoning) Limited (卡姆丹克儲能科技(遼寧)有限公司*) (“Comtec Liaoning”), continues to hold 15% equity interests in Shenyang Guoyun Weikong Energy Storage Technology Limited (瀋陽國雲微控儲能科技有限公司*) (“Shenyang Guoyun”). Shenyang Guoyun, through Yongji Guoyun, being its wholly-owned subsidiary, holds the development project of a FLBH Energy System in the Economic and Technological Development Zone, Yongji City, Shanxi Province, the PRC. The valuation of such investment is recorded as financial asset with fair value measured through other comprehensive income/(expenses). The fair-value change of this financial asset at FVTOCI produced a small other comprehensive expense charge of approximately RMB410,000 for the Period (2025 corresponding period: income of approximately RMB1.8 million).

Interim dividend

The Board resolved not to declare an interim dividend for the Period (six months ended 30 June 2025: nil).

Liquidity and financial resources

As at 30 June 2026, the Group's current ratio (current assets divided by current liabilities) was 1.00 (31 December 2025: 0.58). The Group had a working capital deficit (total consolidated current liabilities exceeded total consolidated current assets) of approximately RMB0.8 million as of 30 June 2026 (31 December 2025: approximately RMB251.2 million). Also, the Group recorded net liabilities of approximately RMB149.6 million as of 30 June 2026 (31 December 2025: approximately RMB223.7 million). The improvement reflects higher inventory and contract liability balances associated with ongoing EPC projects, together with the slight change of use of different source of capital that occurred after 31 December 2025, resulting in different costs of capital.

Contingent liabilities

As at 30 June 2026, there was no material contingent liability (31 December 2025: nil).

Charges on group assets

As at 30 June 2026, the Group had RMB5,000 pledged bank deposit for raising borrowing restricted cash (31 December 2025: RMB5,000), and pledged certain trade receivables and plant and machines to secure financing facilities granted to the Group. Save as disclosed above, as at 30 June 2026, no other assets of the Group were charged.

MATERIAL ACQUISITIONS AND DISPOSALS

During the Period, save as disclosed in other section of this report, there was no material acquisition or disposal of subsidiaries, associates and joint ventures by the Group.

* for identification purposes only

MANAGEMENT DISCUSSION AND ANALYSIS

SIGNIFICANT INVESTMENT HELD

During the Period, the Company, through its indirectly 51% owned subsidiary, Comtec Liaoning (卡姆丹克儲能科技(遼寧)有限公司*), continued to invest in 15% equity interests in Shenyang Guoyun (瀋陽國雲微控儲能科技有限公司*). Shenyang Guoyun, through Yongji Guoyun, being its wholly-owned subsidiary, holds the development project of a FLBH Energy System in the Economic and Technological Development Zone, Yongji City, Shanxi Province, the PRC. The valuation of such investment is recorded as financial asset with fair value measured through other comprehensive income. As at 30 June 2026, the valuation amounted to RMB4.0 million (31 December 2025: RMB4.4 million) on the consolidated balance sheet of the Group.

On 28 November 2023, Comtec Liaoning, as lender entered into the loan agreement with Shenyang Guoyun, as borrower, pursuant to which, Comtec Liaoning agreed to grant a loan of RMB8.5 million to Shenyang Guoyun, for a term of 36 months from the date of drawdown (i.e. on or before 15 December 2023). The loan is unsecured and it bears interest of 10% per annum.

OUTLOOK

Asset allocation and/or refinancing, and deleveraging

The Directors continue to reallocate capital, seek low costs funding, lower gearing and refinance when opportunities arise. The Directors remain focused on debt-restructuring discussions with Putana/Pandana and other substantial creditors with the aim of materially reducing net liabilities. The Group is actively considering other investments in the Northeastern area of PRC in the field of power storage and renewable energy storage and the Company will make further announcement(s) to keep its shareholders and potential investors informed of any update as and when appropriate.

Further development of the logistics business segment

The Group plans to endeavour into the fields of carriage of dangerous goods, intelligent logistics and logistics finance by obtaining relevant licenses where necessary and partnering with certain local PRC government(s) as equity investor(s) as well as teams of specialists with industry knowhow and IT engineering expertise.

Strengthening our EPC business

Supported by national “carbon-peak/carbon-neutrality” policies, the demand for distributed photovoltaic and energy-storage EPC services remains strong. The Group will continue to form partnerships with professional industry investors to capture additional projects.

The Group has undertaken more than 30 distributed photovoltaic power generation EPC projects since 2017, together with the experience in being one of the pioneers in the investment of FLBH Systems, and the Group will focus on strengthening its EPC business by forming partnership(s) with professional industry investor(s) to undertake more EPC projects in the coming years. The Company will make further update(s) and/or announcement(s) on this as and when appropriate.

* for identification purposes only

MANAGEMENT DISCUSSION AND ANALYSIS

Strategic investments

The Group keeps an open mind for solid investment opportunities which can benefit our Group by, among others, delivering satisfying returns, bringing synergy and opportunities to existing businesses of the Group and enabling the Group to promote industrial upgrading. For instance, the Group invested in a frequency modulation energy-storage power station project (which involves an innovative flywheel energy storage technology) with a state-owned enterprise and one of the flywheel energy storage leaders in 2023. The Directors will continue to explore different opportunities and the potential opportunities of such investments will be disclosed as and when appropriate.

Energy Business – Fushan Project

In addition to the Group's existing rooftop solar operations, in 2023, the Group strategically invested in a minority stake in an energy project focused on a flywheel-lithium iron phosphate battery hybrid energy storage system in Shanxi Province, the PRC (the "Shanxi Flywheel Project"). Building on the Group's investment in the Yongji Flywheel Project, the Group is currently exploring a new investment in a flywheel energy project with a total capacity of 150MW, located in Fushan County, Shanxi Province, the PRC ("Fushan Project").

The Fushan Project is expected to generate substantial revenue if successfully completed, connected to grid and generating power.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE

The Company is committed to preserve high standards of corporate governance in the interests of Shareholders. During the Period, the Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the “CG Code”) save as and except for the deviation below:

Pursuant to Corporate Governance Code Provision C.2.1, the roles of chairman and chief executive should be separated and should not be performed by the same individual. The Company currently has no Chief Executive Officer. The daily operation and management of the Company is undertaken and monitored by Mr. John Yi Zhang, an executive Director, and Mr. Che Xiaoxi, the chief operating officer. Meanwhile, Mr. Che Xiaoxi is also responsible for the day-to-day management, administration and operation of the Company. The delegated functions and work tasks are periodically reviewed. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of Chairman and Chief Executive Officer is necessary.

The Board has achieved its gender diversity target of not less than 10% for female Directors representation on the Company's Board.

MODEL CODE

The Company has adopted the Model Code set out in Appendix C3 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. Having made specific enquiry with all Directors of the Company, all Directors confirmed that they have complied with the required standard set out in the Model Code throughout the Period.

REVIEW OF INTERIM FINANCIAL STATEMENTS

The audit committee of the Company has reviewed this interim report and held meetings to discuss the internal controls, risk management and financial reporting matters of the Company, including the review of the unaudited interim results and the unaudited condensed consolidated financial statements of the Group for the Period.

INTERIM DIVIDEND

The Board does not recommend any interim dividend to be declared for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Period.

As at 30 June 2026, the number of treasury shares held by the Company was nil.



CORPORATE GOVERNANCE AND OTHER INFORMATION

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that was publicly available to the Company and to the best knowledge of the Directors as at the date of this report, the Company has maintained the prescribed public float of not less than 25% of the Company's issued shares as required under the Listing Rules during the Period.

DISCLOSURE OF INTEREST

Directors' and chief executive's interests and short positions in shares, underlying shares and debentures

As at the date of this report, the Directors and the chief executive of the Company and their respective associates had the following interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, including interests and short positions which the Directors and the chief executive of the Company were taken and deemed to have under such provisions of the SFO, or which are required to be and were recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

Long positions in the Company

Name of Directors	Nature of interest	Number of Shares interested	Approximate percentage of interest in the issued share capital of the Company
Mr. John Yi Zhang ¹	Beneficiary of a trust, interest in a controlled corporation, interest of spouse and founder of a trust	122,970,887	11.60%
Mr. Dai Ji	Beneficial owner	67,500,000	6.37%

Note:

- (1) Fonty, which is 100% beneficially owned by Mr. Zhang, held 111,013,461 Shares. For the purposes of disclosure of interest under the SFO, Mr. Zhang is also deemed to be interested in 11,957,426 Shares which are beneficially owned by Zhang Trusts For Descendants as the founder of the trust.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Save as disclosed above, as at the date of this report, none of the Directors or chief executive of the Company had or was deemed to have any interests or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed in this report, at no time throughout the Period was the Company, its holding company, or any of its subsidiaries a party to any arrangements to enable the Directors and chief executive of the Company (including their spouse and children under 18 years of age) to hold any interest or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporations (within the meaning of Part XV of the SFO).

Substantial Shareholders' Interests And Short Positions In Shares And Underlying Shares

So far as is known to any Director or chief executive of the Company, as at the date of this report, the persons or corporations (other than Director or chief executive of the Company) who had interest or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Long positions in the Company

Name of Shareholders	Nature of interest	Number of Shares interested	Approximate percentage of interest in the issued share capital of the Company
Fonty Holdings Limited	Beneficial owner	111,013,461	10.47%
Ms. Carrie Wang ¹	Interest of spouse	122,970,887	11.60%
Mr. Sun Da	Beneficial owner	104,885,179	9.90%
China Digital Development Group Limited ²	Beneficial owner	95,238,094	8.98%
Mr. Wu Jun ²	Interest in a controlled corporation	95,238,094	8.98%
CHINA SUCCESS INVESTMENT GROUP LIMITED ³	Beneficial owner	15,605,100	1.47%
Mr. Chang Loong Cheong ³	Interest in a controlled corporation	68,925,100	6.50%
Brotherhood Limited ³	Beneficial owner	53,320,000	5.03%
FAIRY SKY GLOBAL LIMITED ⁴	Beneficial owner	67,976,316	6.41%
Ms. Zhao Xiaoqun ⁴	Interest in a controlled corporation	67,976,316	6.41%



CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

- (1) Ms. Carrie Wang is the spouse of Mr. John Yi Zhang, therefore, pursuant to the SFO, she is deemed to be interested in all the Shares in which Mr. John Yi Zhang is interested.
- (2) China Digital Development Group Limited is wholly owned by Mr. Wu Jun. Therefore, Mr. Wu Jun is deemed to be interested in the 95,238,094 Shares held by China Digital Development Group Limited.
- (3) Brotherhood Limited is wholly owned by CHINA SUCCESS INVESTMENT GROUP LIMITED and CHINA SUCCESS INVESTMENT GROUP LIMITED is controlled by Mr. Chang Loong Cheong. Therefore, Mr. Chang Loong Cheong is deemed to be interested in the 68,925,100 Shares held by CHINA SUCCESS INVESTMENT GROUP LIMITED and Brotherhood Limited.
- (4) FAIRY SKY GLOBAL LIMITED is controlled by Ms. Zhao Xiaoqun. Therefore, Ms. Zhao Xiaoqun is deemed to be interested in the 67,976,316 Shares held by FAIRY SKY GLOBAL LIMITED.

Save as disclosed above, as at the date of this report, the Directors were not aware of any other person or corporation having an interest or short position in shares and underlying shares of the Company which be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

SHARE OPTION SCHEMES

Share Option Scheme

The Company adopted a share option scheme (the “Old Share Option Scheme”) on 2 October 2009 for the purpose of motivating eligible persons to optimize their future contributions to the Group and/or reward them for their past contributions, attracting and retaining or otherwise maintaining on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group.

As at 30 June 2026, the total number of shares of the Company under the Old Share Option Scheme which may be issued upon exercise of all outstanding share options was 15,296,544 (after the Share Consolidation), representing approximately 1.44% of the shares of the Company in issue on 30 June 2026. Since the Old Share Option Scheme was terminated on 1 October 2019, no further options can be granted under it. However, the share options granted under the Old Share Option Scheme prior to its termination shall continue to be valid and exercisable in accordance with the terms of the Old Share Option Scheme.

In view of, among others, the fact that the Old Share Option Scheme expired on 1 October 2019, and for the same purposes above, the Company conditionally adopted a new share option scheme (the “New Share Option Scheme”) on 31 December 2018 (the “Adoption Date”). The New Share Option Scheme became unconditional and took effect on 17 January 2019 upon the Listing Committee’s granting the listing of, and permission to deal in the Shares falling to be issued pursuant to the exercise of option under the New Share Option Scheme, and the Old Share Option Scheme was terminated on even date.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Under the New Share Option Scheme, the aggregate number of Shares in respect of which options (including both exercised and outstanding options) may be granted under the New Share Option Scheme and any other share option scheme(s) of the Company shall not, in aggregate exceed 10% of the total number of Shares in issue on the Adoption Date, i.e. 209,770,358 Unconsolidated Shares.

As at 30 June 2026, the total number of shares of the Company under the New Share Option Scheme which may be issued upon exercise of all outstanding share options was 22,982,956 (after the Share Consolidation), representing approximately 2.17% of the shares of the Company in issue on 30 June 2026.

No option may be granted to any participant of the New Share Option Scheme such that the total number of Shares issued and to be issued upon exercise of the options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of the Company's issued share capital from time to time.

The number of share options available for grant under the New Share Option Scheme was 16,039,133 (after the Share Consolidation) as of 1 January 2026 and 16,039,133 (after the Share Consolidation) share options as of 30 June 2026.

According to the New Share Option Scheme, the maximum number of shares issued and to be issued upon exercise of the Options granted to any one Eligible Person (including Services Provider) in any 12-month period shall not exceed 1% of the total number of Shares in issue from time to time. As such, the number of share options available for grant to each new Service Provider under the New Share Option Scheme was 10,599,234 (after the Share Consolidation) as of 1 January 2026 and 10,599,234 (after the Share Consolidation) as of 30 June 2026 and to the existing 6 Service providers under the New Share Option Scheme was 16,039,133 (after the Share Consolidation) as of 1 January 2026 and 10,599,234 (after the Share Consolidation) as of 30 June 2026.

An option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period as determined by the Board and not exceeding 10 years from the date of the grant. There is no minimum period for which an option must be held before it can be exercised. Participants of the New Share Option Scheme are required to pay the Company HK\$1.0 upon acceptance of the grant on or before the 28th day after the offer date. The exercise price of the options is determined by the Board in its absolute discretion and shall not be less than whichever is the highest of:

- (a) the nominal value of a Share;
- (b) the closing price of a Share as stated in the Stock Exchange's daily quotations sheets on the offer date; and
- (c) the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the offer date.

The New Share Option Scheme shall be valid and effective for a period of 10 years from the Adoption Date, after which no further options will be granted or offered.

From 1 January 2023, the Company has relied on the traditional arrangement provided for the existing share schemes and has complied with the new Chapter 17 of the Listing Rules, which became effective from 1 January 2023.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Details of the share options exercised and lapsed under the Old Share Option Scheme during the Period are as follows:

Grantee	Date of grant	Exercise price per Share	After share consolidation					Balance as at 30 June 2026
			Balance as at 1 January 2026	Share options granted during the Period	Exercised during the Period	Lapsed during the Period	Cancelled during the Period	
Director								
Mr. Chau Kwok Keung ⁽⁶⁾	2 May 2017	HK\$1.340	375,000	–	–	–	–	375,000
Mr. Kang Sun ⁽⁶⁾	2 May 2017	HK\$1.340	50,000	–	–	–	–	50,000
Mr. Leung Ming Shu ⁽⁶⁾	2 May 2017	HK\$1.340	50,000	–	–	–	–	50,000
Mr. Xu Erming ⁽⁶⁾	2 May 2017	HK\$1.340	50,000	–	–	–	–	50,000
Mr. Zhang Zhen ⁽⁶⁾	2 May 2017	HK\$1.340	375,000	–	–	–	–	375,000
Other participants								
Employees	15 June 2018	HK\$0.604	1,150,000	–	–	–	–	1,150,000
Employees	2 May 2017	HK\$1.340	1,975,000	–	–	–	–	1,975,000
Consultants	15 June 2018	HK\$0.604	4,171,544	–	–	–	–	4,171,544
Consultants	2 May 2017	HK\$1.340	2,600,000	–	–	–	–	2,600,000
Consultants	9 September 2016	HK\$2.240	4,500,000	–	–	–	–	4,500,000
Total			15,296,544	–	–	–	–	15,296,544

CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

- (1) All Share options granted under the Old Share Option Scheme on 24 May 2010, 28 June 2012, 27 December 2012, 30 September 2013, 31 March 2014, 11 May 2015, 26 June 2015 and 25 November 2015 have either lapsed or been cancelled by the grantees.
- (2) Share options granted under the Old Share Option Scheme on 9 September 2016 shall vest in the grantees in accordance with the timetable below with a 10-year exercise period (for this purpose, the date or each such date on which the share options are to vest being hereinafter referred to as a "Vesting Date"):

Vesting Date	Percentage of Share Options to vest
9 September 2016	50% of the total number of Share Options granted
9 December 2016	12.5% of the total number of Share Options granted
9 March 2017	12.5% of the total number of Share Options granted
9 June 2017	12.5% of the total number of Share Options granted
9 September 2017	12.5% of the total number of Share Options granted

- (3) Share options granted under the Old Share Option Scheme on 2 May 2017 shall vest in the grantees in accordance with the timetable below with a 10-year exercise period (for this purpose, the date or each such date on which the share options are to vest being hereinafter referred to as a "Vesting Date"):

The 2,875,000 (after the Share Consolidation) Share Options (including the Share Options granted to the Directors) shall be subject to a vesting schedule as follows:

Vesting Date	Percentage of Share Options to vest
2 August 2017	12.5% of the total number of Share Options granted
2 November 2017	12.5% of the total number of Share Options granted
2 February 2018	12.5% of the total number of Share Options granted
2 May 2018	12.5% of the total number of Share Options granted
2 August 2018	12.5% of the total number of Share Options granted
2 November 2018	12.5% of the total number of Share Options granted
2 February 2019	12.5% of the total number of Share Options granted
2 May 2019	12.5% of the total number of Share Options granted

The remaining 2,600,000 (after the Share Consolidation) Share Options shall be subject to a vesting schedule as follows:

Vesting Date	Percentage of Share Options to vest
2 May 2017	50% of the total number of Share Options granted
2 August 2017	12.5% of the total number of Share Options granted
2 November 2017	12.5% of the total number of Share Options granted
2 February 2018	12.5% of the total number of Share Options granted
2 May 2018	12.5% of the total number of Share Options granted



CORPORATE GOVERNANCE AND OTHER INFORMATION

- (4) The Company granted a total of 8,100,000 (after the Share Consolidation) Share Options on 2 May 2017, among which 1,050,000 (after the Share Consolidation) were not accepted by the relevant grantees.
- (5) Share options granted under the Old Share Option Scheme on 15 June 2018 shall vest in the grantees in accordance with the timetable below with a 10-year exercise period (for this purpose, the date or each such date on which the share options are to vest being hereinafter referred to as a "Vesting Date"):

Out of the 5,496,544 (after the Share Consolidation) Share Options granted, 4,171,544 (after the Share Consolidation) Share Options shall be subject to a vesting schedule as follows:

Vesting Date	Percentage of Share Options to vest
15 June 2018	50% of the total number of Share Options granted
15 September 2018	12.5% of the total number of Share Options granted
15 December 2018	12.5% of the total number of Share Options granted
15 March 2019	12.5% of the total number of Share Options granted
15 June 2019	12.5% of the total number of Share Options granted

The remaining 1,150,000 (after the Share Consolidation) Share Options shall be subject to a vesting schedule as follows:

Vesting Date	Percentage of Share Options to vest
15 September 2018	12.5% of the total number of Share Options granted
15 December 2018	12.5% of the total number of Share Options granted
15 March 2019	12.5% of the total number of Share Options granted
15 June 2019	12.5% of the total number of Share Options granted
15 September 2019	12.5% of the total number of Share Options granted
15 December 2019	12.5% of the total number of Share Options granted
15 March 2020	12.5% of the total number of Share Options granted
15 June 2020	12.5% of the total number of Share Options granted

- (6) Mr. Chau Kwok Keung, Mr. Zhang Zhen, Mr. Kang Sun, Mr. Leung Ming Shu and Mr. Xu Erming resigned as a Director on 31 January 2020, 25 January 2021, 20 March 2021, 10 February 2021 and 29 January 2021 respectively.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Detail of the movement of the share options granted under the New Share Option Scheme during the Period are as follows:

			After share consolidation					
Grantee	Date of grant	Exercise price per Share	Balance	Share	Exercised during the Period	Lapsed during the Period	Cancelled during the Period	Balance
			as at 1 January 2026	options granted during the Period				as at 30 June 2026
Director								
Mr. Kang Sun ⁽²⁾	29 May 2019	HK\$0.280	150,000	–	–	–	–	150,000
Mr. Leung Ming Shu ⁽²⁾	29 May 2019	HK\$0.280	100,000	–	–	–	–	100,000
Other participants								
Employees	29 May 2019	HK\$0.280	2,704,500	–	–	–	–	2,704,500
Consultants	29 May 2019	HK\$0.280	20,028,456	–	–	–	–	20,028,456
Total			22,982,956	–	–	–	–	22,982,956

Notes:

- (1) Share options granted under the New Share Option Scheme on 29 May 2019 shall vest in the relevant grantee in accordance with the timetable below with a 10-year exercise period (for the purpose, the date or each such date on which the share options are to vest being hereinafter referred to as a "Vesting Date"):

Vesting Date	Percentage of Share Options to vest
29 May 2019	50% of the total number of Share Options granted
29 August 2019	12.5% of the total number of Share Options granted
29 November 2019	12.5% of the total number of Share Options granted
29 February 2020	12.5% of the total number of Share Options granted
29 May 2020	12.5% of the total number of Share Options granted

- (2) Mr. Kang Sun and Mr. Leung Shu Ming resigned as a Director on 20 March 2021 and 10 February 2021 respectively.

During the Period save as disclosed above, no options granted under the Old Share Option Scheme or the New Share Option Scheme were lapsed or cancelled.

Further details of the Old Share Option Scheme and the New Share Option Scheme are set out in note 18 to the financial statements.



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Period for the six months ended 30 June 2026

		For the six months ended 30 June	
	NOTES	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	4	141,732	148,285
Cost of sales and services		(116,837)	(141,970)
Gross profit		24,895	6,315
Other income	5	1,035	4,110
Other gains and losses	6	15,154	(1,908)
Impairment loss on financial assets, net of reversal		(10,305)	(3,965)
Selling and distribution expenses		(1,062)	(473)
Administrative expenses		(14,558)	(13,077)
Research and development expenses		(7)	(211)
Finance costs	7	(20,929)	(13,867)
Loss before taxation	8	(5,777)	(23,076)
Income tax expenses	9	(52)	(589)
Loss for the Period		(5,829)	(23,665)
Other comprehensive expense			
Item that will not be reclassified subsequently to profit or loss:			
Change in fair value of equity instruments designated at fair value through other comprehensive income ("FVTOCI")		(410)	1,762
Other comprehensive expense for the Period		(410)	1,762
Total comprehensive (expense)/income for the Period		(6,239)	(21,903)
(Loss)/profit for the Period attributable to:			
Owners of the Company		(1,999)	(22,800)
Non-controlling interests		(3,830)	(865)
		(5,829)	(23,665)
Total comprehensive (expense)/income attributable to:			
Owners of the Company		(2,208)	(20,251)
Non-controlling interests		(4,031)	(1,652)
		(6,239)	(21,903)
		RMB cents	RMB cents
Loss attributable to owners of the Company			
– Basic	11	(0.19)	(2.15)
– Diluted	11	(0.19)	(2.15)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	NOTES	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment		25,786	26,091
Investment properties		31,391	30,477
Intangible assets		–	–
Interest in associates		4,900	4,900
Financial assets at FVTOCI		4,122	4,532
Goodwill		–	–
Deferred tax assets		1,890	1,890
		68,089	67,890
Current assets			
Inventories		453,977	132,964
Trade receivables	12	29,469	53,524
Deposits, prepayment and other receivables, net		171,309	162,112
Pledged bank deposits		5	5
Cash and cash equivalents		11,284	4,258
		666,044	352,863
Current liabilities			
Trade payables	13	195,922	285,112
Other payables and accruals	14	166,427	144,138
Contract liabilities		140,330	23,090
Interest-bearing borrowings	15	88,446	69,421
Loan from shareholders	20	61,721	68,647
Tax liabilities		5,860	5,868
Deferred income		487	487
Consideration payable		5,130	5,130
Lease liabilities		1,828	1,439
Convertible bonds	16	665	686
		666,816	604,018
Net current liabilities		(772)	(251,155)
Total assets less current liabilities		67,317	(183,265)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	NOTES	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Non-current liabilities			
Interest-bearing borrowings	15	207,218	29,125
Deferred tax liabilities		2,379	2,379
Deferred income		1,395	1,816
Lease liabilities		5,893	7,105
		216,885	40,425
Net liabilities		(149,568)	(223,690)
Capital and reserves			
Share capital	17	3,727	3,727
Reserves		(236,331)	(234,124)
		(232,604)	(230,397)
Equity attributable to owners of the Company		83,036	6,707
Non-controlling interests			
Total deficits		(149,568)	(223,690)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Period for the six months ended 30 June 2026

	Attributable to owners of the Company									Non-controlling interests	Total
	Share capital RMB'000	Share premium RMB'000	Share options reserve RMB'000	Special reserve RMB'000	Statutory surplus reserve RMB'000	Fair value reserve (non-recycle) RMB'000	Property revaluation reserve RMB'000	Accumulated losses RMB'000	Sub-total RMB'000		
At 1 January 2025 (Audited)	3,727	1,600,933	118,187	17,382	84,760	779	-	(1,993,121)	(167,353)	6,929	(160,424)
Loss for the period	-	-	-	-	-	-	-	(22,800)	(22,800)	(865)	(23,665)
Other comprehensive expense for the period	-	-	-	-	-	975	-	-	975	787	1,762
Total comprehensive expense for the period	-	-	-	-	-	-	-	-	-	-	-
Shares issued upon subscription of new shares	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2025 (Unaudited)	3,727	1,600,933	118,187	17,382	84,760	1,754	-	(2,015,921)	(189,178)	6,851	(182,327)
At 1 January 2026 (Audited)	3,727	1,600,933	118,187	17,382	84,760	1,291	-	(2,056,676)	(230,396)	6,707	(223,689)
Loss for the period	-	-	-	-	-	-	-	(1,999)	(1,999)	(3,830)	(5,829)
Other comprehensive expense for the period	-	-	-	-	-	(209)	-	-	(209)	(201)	(410)
Total comprehensive expense for the period	-	-	-	-	-	(209)	-	(1,999)	(2,208)	(4,031)	(6,239)
Capital contribution from non-controlling interest	-	-	-	-	-	-	-	-	-	80,360	80,360
Shares issued upon subscription of new shares	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2026 (Unaudited)	3,727	1,600,933	118,187	17,382	84,760	1,082	-	(2,058,675)	(232,604)	83,036	(149,568)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

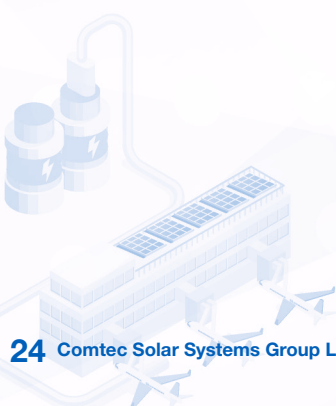
Period for the six months ended 30 June 2026

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Operating activities		
Loss before taxation	(5,777)	(23,076)
Adjustments for:		
Interest income	(589)	(466)
Interest expenses	20,929	13,867
Depreciation of property, plant and equipment	3,266	6,208
Fair value loss on investment properties	(914)	2,384
Release of deferred income	(420)	(420)
Gain on disposal of property, plant and equipment	–	(59)
Impairment loss of financial assets	10,305	3,965
Net foreign exchange (gain) loss	(8,844)	315
Operating cash flows before movements in working capital	17,956	2,718
Increase in inventories	(321,013)	(21,403)
Decrease (Increase) in trade and other receivables	31,545	(11,691)
Increase in advance to suppliers	(26,992)	(45,837)
(Decrease) Increase in trade and other payables	(80,525)	79,668
Decrease in contract liabilities	117,240	173
Cash (used in) generated from operations	(261,789)	3,628
Taxes paid	(60)	(589)
Net cash (used in) from operating activities	(261,849)	3,039

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Period for the six months ended 30 June 2026

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Investing activities		
Interest received	589	466
Proceeds from disposal of property, plant and equipment	–	142
Purchases of financial assets at FVTOCI	–	(100)
Purchase of property, plant and equipment	(2,960)	(1,158)
Net cash from investing activities	(2,371)	(650)
Financing activities		
Interest paid	(6,433)	(1,549)
Bank borrowings raised	200,000	–
Repayment of interest-bearing borrowings	(2,165)	(2,568)
Repayment of lease liabilities	(516)	(970)
Capital contribution from non-controlling interests	80,360	–
Net cash used in financing activities	271,246	(5,087)
Net increase (decrease) in cash and cash equivalents	7,026	(2,698)
Cash and cash equivalents at beginning of the period	4,258	9,075
Cash and cash equivalents at end of the period, represented by bank balances and cash	11,284	6,377



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

1. GENERAL

The condensed consolidated financial statements of Comtec Solar Systems Group Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to the “Group”) for the six months ended 30 June 2026 were authorised for issue in accordance with a resolution of the board of directors of the Company on 31 August 2026.

The Company is a public limited company incorporated in the Cayman Islands and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 30 October 2009. Its parent company and ultimate holding company is Fonty Holdings Limited, a company incorporated in the British Virgin Islands with limited liability. Its ultimate controlling party is Mr. John Yi Zhang (“Mr. Zhang”), who is the chairman and a director of the Company.

The Company is an investment holding company. The Group is principally engaged in research, production and sales of power storage products and lithium battery products, the provision of consulting services for investment, development, construction and operation of solar photovoltaic power stations, operation of rooftop distributed power generation projects in industrial, commercial and residential buildings and provision of logistics services to factories, manufacturers, raw material providers.

The condensed consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The condensed consolidated financial statements of the Group for the six months ended 30 June 2026 are unaudited, but have been reviewed by the audit committee of the Company. The condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange and International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (the “IASB”).

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

The Group incurred a net loss of approximately RMB5.8 million for the six months ended 30 June 2026 and had net current liabilities and net liabilities of approximately RMB0.8 million and RMB149.6 million as at that date respectively. Notwithstanding the above results, the condensed consolidated financial statements have been prepared on a going concern basis, the validity of the going concern basis is dependent upon the success of the Group’s future operations, its ability to generate adequate cash flows in order to meet its obligations as and when fall due and its ability to refinance or restructure its borrowings such that the Group can meet its future working capital and financing requirements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

2. BASIS OF PREPARATION *(continued)*

Also, the directors of the Company are of the opinion that the Group will be able to finance its future financing requirements and working capital based on the following considerations:

- Mr. Zhang has committed to provide necessary financial support in the form of debt and/or equity to the Group to enable the Group to meet its financial obligations as and when they fall due for the foreseeable future;
- Mr. Dai Ji has committed to provide necessary financial support in the form of debt and/or equity to the Group to enable the Group to meet its financial obligations as and when they fall due for the foreseeable future;
- Considering the Group has been able to roll over or obtain replacement borrowings from existing credit for most of its short-term interest-bearing borrowings upon their maturity historically, the Group will continue to do so for the foreseeable future;
- The Group has made an investment in a flywheel-lithium iron phosphate battery hybrid energy storage system and advanced a shareholders' loan in the amount of RMB8,500,000 to improve profitability;
- During the Period, the Directors continue to look for other investments in the Northeastern area of PRC and Shanxi Province in the field of power storage and renewable energy storage. Replicating the success of the Group's existing investment in the FLBH Energy System in Yongji, the Group is currently exploring a new investment in an energy storage project with a total capacity of 150MW, located in Fushan County, Shanxi Province, the PRC (the "Fushan Flywheel Project"). The Fushan Flywheel Project is expected to generate substantial revenue if successfully completed, connected to grid and generating power;
- Meanwhile, the Directors have been discussing with several other substantial creditors in relation to the debt settlement plan for our indebtedness (at subsidiary level), including trade and other payables and interest-bearing borrowings, through exploring various means such as debt capitalisation and/or reduction, potential adjustment of interests rates, debt rollovers and extension of the term of the indebtedness. It is hoped that the Company will reach an amicable settlement plan with its creditors, where the Company will eventually be able to resolve its liabilities issue, thereby reducing, if not in its entirety, at least a substantial part of the net liabilities of the Group. The Directors are endeavouring to restore the Company's financial position to a healthy condition;
- The Group is adopting strict control of operating and investing activities.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

2. BASIS OF PREPARATION *(continued)*

In view of the above, the directors of the Company are of the opinion that there will be sufficient financial resources available to the Group to enable it to meet its liabilities as and when they fall due and to continue as a going concern. Accordingly, the directors of the Company have prepared the condensed consolidated financial statements on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in these condensed consolidated financial statements.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment property, investments in equity securities and convertible bonds that are measured at fair value at the end of the reporting period.

Other than changes in accounting policies resulting from the application of new and amendments to International Financial Reporting Standards (“IFRSs”) as explained below, the accounting policies and methods of computation used in the condensed consolidation financial statements for the six months ended 30 June 2026 are the same as those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2025.

New and amendments to IFRSs that are effective for the current period

The Group has adopted the following new and amendments to IFRS which are effective for the financial year beginning on or after 1 January 2026:

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

The adoption of above amendments to IFRS does not have a material impact on these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

4. REVENUE AND SEGMENT REPORTING

(a) Revenue

The Group is principally engaged in provision of consulting services for investment, development, construction and operation of solar photovoltaic power stations and production and sales of power storage products and lithium battery products. Also, the Group is providing logistic services to factories, manufacturers, raw material providers.

(i) *Disaggregation of revenue from contracts with customers*

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

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Solar and power storage		
Power generation	4,890	6,171
Power storage (sales and production)	1,312	878
EPC consulting		
– photovoltaic power stations	2,900	2,912
– power storage companies	132,630	88,821
	135,530	91,733
	141,732	98,782
Logistics	–	49,503
Total	141,732	148,285

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



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

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 IFRS 15 to all its contracts such that no information regarding revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date is disclosed because either the remaining performance obligation is part of a contract that has an original expected duration of one year or less or the Group recognises revenue at the amount to which it has a right to invoice, which corresponds directly to the value to the customer of the Group's performance completed to date.

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by a mixture of business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management, being the chief operating decision maker (the "CODM") for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Solar and power storage – Provision of consulting services for investment, development, construction and operation of solar photovoltaic power stations and production and sales of power storage products and mono-crystalline products.
- Logistics services – Provision of logistics services to factories, manufacturers, raw material providers in the PRC, primarily in the Jiangsu Province.

(i) ***Segment revenue and results***

For the purposes of assessing segment performance and allocating resources between segments, the CODM monitors the results attributable to each reportable segment on the following bases:

Segment result includes revenue and expenses that are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments.

In addition, the CODM is provided with segment information concerning revenue and other information relevant to the assessment of segment performance and allocation of resources between segments.

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

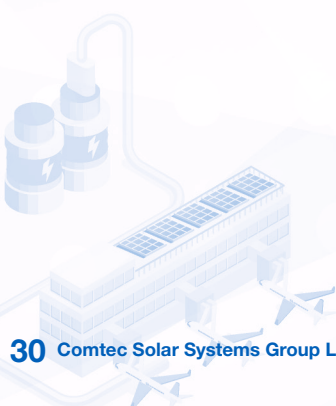
4. REVENUE AND SEGMENT REPORTING *(continued)*

(b) Segment reporting *(continued)*

(i) Segment revenue and results *(continued)*

For the six months ended 30 June 2026

	Solar and power storage RMB'000 (Unaudited)	Logistics services RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Disaggregated by timing of revenue recognition			
Point in time	133,942	–	133,942
Over time	7,790	–	7,790
Total revenue	141,732	–	141,732
Segment loss	(12,128)	–	(12,128)
Unallocated income			16,189
Unallocated corporate income/(expense)			17,782
Unallocated finance costs			(17,315)
Impairment loss on financial assets, net of reversal			(10,305)
Loss before taxation			(5,777)



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

4. REVENUE AND SEGMENT REPORTING *(continued)*

(b) Segment reporting *(continued)*

(i) Segment revenue and results *(continued)*

For the six months ended 30 June 2025

	Solar and power storage RMB'000 (Unaudited)	Logistics services RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Disaggregated by timing of revenue recognition			
Point in time	89,699	–	89,699
Over time	9,083	49,503	58,586
Total revenue	98,782	49,503	148,285
Segment loss	(790)	(1,375)	(2,165)
Unallocated income			2,201
Unallocated corporate income/(expense)			(6,829)
Unallocated finance costs			(12,318)
Impairment loss on financial assets, net of reversal			(3,965)
Loss before taxation			(23,076)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

4. REVENUE AND SEGMENT REPORTING *(continued)*

(b) Segment reporting *(continued)*

(i) **Segment revenue and results** *(continued)*

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit (loss) represents the profit (loss) of each segment without allocation of central and other operating expenses, certain unallocated other income and finance cost and impairment loss on financial assets, net of reversal. This is the measure reported to the directors of the Company with respect to the resource allocation and performance assessment.

(ii) **Segment assets and liabilities**

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

Segment assets

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Solar and power storage	626,857	254,263
Logistics services	7,327	7,327
Total segment assets	634,183	261,590
Corporate and other assets	99,951	159,163
Total assets	734,134	420,753



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

4. REVENUE AND SEGMENT REPORTING *(continued)*

(b) Segment reporting *(continued)*

(ii) Segment assets and liabilities *(continued)*

Segment liabilities

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Solar and power storage	165,006	309,658
Logistics services	7,092	7,092
Total segment liabilities	172,098	316,750
Corporate and other liabilities	711,604	327,693
Total liabilities	883,702	644,443

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to operating segment, other than unallocated property, plant and equipment, investment properties, unallocated deposits, prepayments and other receivables, unallocated bank balances and cash and other corporate assets. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and
- All liabilities are allocated to operating segments, other than unallocated other payables and accruals, unallocated lease liabilities, unallocated interest-bearing borrowings, convertible bonds, consideration payable, deferred tax liabilities and other corporate liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment liabilities.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

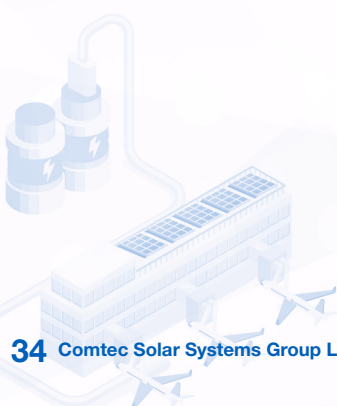
4. REVENUE AND SEGMENT REPORTING *(continued)*

(b) Segment reporting *(continued)*

(iii) Other segment information

For the six months ended 30 June 2026 (unaudited)

	Solar and power storage RMB'000	Logistics services RMB'000	Unallocated RMB'000	Total RMB'000
Amounts include in the measure of segment profit or loss of segment assets:				
Depreciation and amortisation	3,244	–	22	3,266
Impairment loss on financial assets, net of reversal	–	–	10,305	10,305
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss of segment assets:				
Finance costs	1,703	–	17,314	19,018
Income tax credit	52	–	–	52



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

4. REVENUE AND SEGMENT REPORTING *(continued)*

(b) Segment reporting *(continued)*

(iii) Other segment information *(continued)*

For the six months ended 30 June 2025 (unaudited)

	Solar and power storage RMB'000	Logistics services RMB'000	Unallocated RMB'000	Total RMB'000
--	--	----------------------------------	------------------------	------------------

Amounts include in the
measure of segment profit or
loss of segment assets:

Depreciation and amortisation	4,221	–	1,986	6,207
Impairment loss on financial assets, net of reversal	–	–	3,965	3,965

Amounts regularly provided to
the CODM but not included
in the measure of segment
profit or loss of segment
assets:

Finance costs	1,550	–	12,317	13,867
Income tax credit	(7)	–	596	589

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

5. OTHER INCOME

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Government grants (<i>note</i>)	420	420
Rental income	–	3,224
Interest income	589	466
Others	26	–
	1,035	4,110

Note: The government grants mainly represent the amount received from the local government by operating subsidiaries of the Group to encourage activities aimed out by the Group in clean energy industry and high-technology advancement. No specific conditions are attached to the grant.

6. OTHER GAINS AND LOSSES

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Net foreign exchange gain	14,186	802
Fair value gain (loss) on investment properties	914	(2,384)
Others	54	(326)
	15,154	(1,908)



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

7. FINANCE COSTS

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Interest on bank borrowings	1,911	–
Interest on other borrowings	3,679	3,813
Interest on loans from shareholders	14,383	8,902
Interest on convertible bonds	649	900
Interest on leases liabilities	307	252
	20,929	13,867

8. PROFIT/LOSS BEFORE TAXATION

Profit/loss before taxation has been arrived at after charging:

(a) Staff costs

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
– Salaries, wages, bonus and other benefits (including of director's emoluments)	2,499	3,234
– Retirement benefits schemes contributions	265	244
Total staff costs	2,764	3,478

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

8. PROFIT/LOSS BEFORE TAXATION *(continued)*

(b) Other items

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Depreciation charge		
– owned property, plant and equipment	2,889	5,083
– right-of-use assets	376	1,124
	3,266	6,207

9. TAXATION

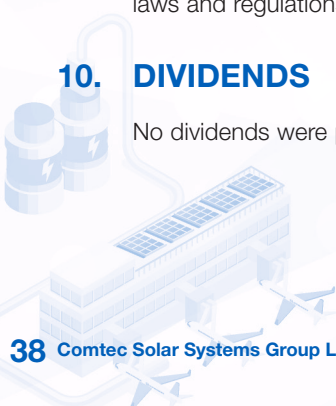
	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Current tax		
PRC Enterprise Income Tax	52	(7)
Deferred tax		
Current period	–	596
Income tax expense/(credit)	52	589

No Hong Kong Profits Tax was provided for the six months ended 30 June 2026 and 2025 as the group entities had no assessable profits or incurred tax losses in Hong Kong.

PRC Enterprise Income Tax was calculated at the applicable tax rate of 25% in accordance with the relevant laws and regulations in the PRC for the six months ended 30 June 2026 and 2025.

10. DIVIDENDS

No dividends were paid, declared or proposed during the six months ended 30 June 2026 and 2025.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

11. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to owners of the Company is based on the following data:

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Loss		
Loss for the Period attributable to owners of the Company	(1,999)	(22,800)
Number of shares		
Weighted average number of ordinary shares in issue	1,059,923,412	1,059,923,412
Weighted average number of outstanding and vested share options	–	–
Weighted average number of shares for the purpose of diluted earnings per share	1,059,923,412	1,059,923,412

Note:

The computation of diluted loss per share does not assume the exercise of the Company's options because the exercise price of those options was higher than the average market price for shares for 30 June 2026.

12. TRADE RECEIVABLES

	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Trade receivables	85,428	99,042
Less: expected credit loss for trade receivables	(55,959)	(45,518)
	29,469	53,524

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

12. TRADE RECEIVABLES *(continued)*

The Group requests prepayment from customers before delivery of goods and allows a credit period of 7 to 180 days for the remaining balance on case-by-case basis. The following is an ageing analysis of trade receivables net of impairment based on the invoice dates at the end of the reporting period, which approximated the respective revenue recognition dates:

	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
0 to 30 days	15,588	53,347
31 to 60 days	253	104
61 to 90 days	13,607	16
91 to 180 days	21	57
Over 180 days	–	–
	29,469	53,524

13. TRADE PAYABLES

The following is an ageing analysis of trade payables based on the invoice date at the end of the reporting period:

	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
0 to 30 days	65,575	65,693
31 to 60 days	12	10,305
61 to 90 days	–	748
91 to 180 days	2,506	74,197
181 to 360 days	82,284	85,515
Over 360 days	45,545	48,654
	195,922	285,112

The average credit period on purchases of goods is 7 to 180 days and certain suppliers grant a longer credit period on a case-by-case basis.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

14. OTHER PAYABLES AND ACCRUALS

	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Interest payables	106,452	92,828
Other payables and accrued charges	51,144	42,479
Amounts due to associates	4,900	4,900
Payables for acquisition of property, plant and equipment	3,931	3,931
	166,427	144,138

15. INTEREST-BEARING BORROWINGS

	NOTES	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Other borrowings			
– secured	15(a)	73,856	76,124
– unsecured	15(a)	21,808	22,422
Bank borrowing	15(b)	200,000	–
		295,664	98,546

(a) Other borrowings

At the end of the reporting period, the Group's other borrowings are unsecured, interest-bearing at rates ranging from 1.84% to 24% (2025: 1.84% to 24%) per annum and repayable within twelve months.

(b) Bank borrowing

During the current interim period, the Group obtained new bank loans amounting to RMB350,000,000 (six months ended 30 June 2025: NIL). The loans carry interest at variable market rates of approximately 4% and are repayable in instalments over a period of 6 years. As at the Period end, only RMB200,000,000 has been drawn down. The first repayment will only occur in September 2027, the proceeds were used to finance the EPC consulting business.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

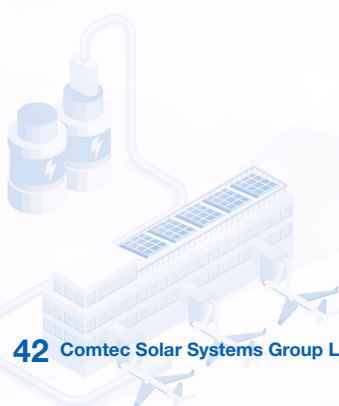
16. CONVERTIBLE BONDS

The Company issued USD settled convertible bonds (the “Bonds”) at an aggregate principal amount of USD10,000,000 with interest rate of 10% per annum on 27 July 2018.

The principal terms of the Bonds

- (i) Denomination of the Bonds – The Bonds are denominated and settled in USD.
- (ii) Maturity date – The third anniversary of the date of issuance, which is 27 July 2021.
- (iii) Interest – The Bonds carry interest at 10% per annum, accrued on a daily basis, of which 3% shall be paid in cash semi-annually in arrears and 7% should be paid in cash upon redemption or maturity.
- (iv) Security – The obligations of Company in respect of the Bonds are secured by the share charge of Comtec Solar (Hong Kong) Limited and Future Energy Capital Group Limited.
- (v) Conversion
 - (a) Conversion price – The conversion price is HKD0.174 per share, subject to adjustments.

Upon the completion of the Share Consolidation on 28 August 2019, the conversion price has been increased to HKD0.696 per share.
 - (b) Conversion period – The bondholder shall have the right, on any business day after the date of issuance until and including the seventh business day immediately preceding the maturity date, to convert the whole or part of the outstanding principal amounts of the Bonds.
 - (c) Number of conversion shares issuable – The number of conversion shares to be issued shall be calculated based on the principal amount of the Bonds being converted and the conversion price applicable on the relevant conversion date. No fraction of a share shall be issued on conversion of the Bonds.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

16. CONVERTIBLE BONDS *(continued)*

The principal terms of the Bonds *(continued)*

The Bonds contain two components, the debt component and the derivative component. The effective interest of the debt component is 12.44%. The derivative component is measured at fair value with changes in fair value recognised in profit or loss subsequently.

The Company received the conversion notices from the subscriber for the exercise of the conversion rights attached to the Bonds in respect of the aggregate principal amount of USD2,000,000 and USD2,000,000 on 5 March 2021 and 18 March 2021 respectively. Pursuant to the conversion price of HKD0.696 per conversion share which is the adjusted conversion price after implementation of the Share Consolidation on 28 August 2019, a total number of 22,556,896 and 22,556,896 conversion shares have been issued to the subscriber on 5 March 2021 and 18 March 2021 respectively.

As at 30 June 2026, the aggregate principal amount of the Bonds of approximately USD98,000 (equivalent to RMB665,000) is overdue.

The movements of the debt and derivative components of the Bonds for the Period are set out below:

	Debt component RMB'000	Derivative component RMB'000
At 1 January 2026 (Audited)	686	–
Exchange difference	(21)	–
At 30 June 2026 (Unaudited)	665	–

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

17. SHARE CAPITAL

	At 30 June 2026		At 31 December 2025	
	No. of shares (Unaudited)	HKD'000 (Unaudited)	No. of shares (Audited)	HKD'000 (Audited)
Authorised:				
Ordinary shares of HK\$0.004 each	1,900,000,000	7,600	1,900,000,000	7,600
Issued and fully paid:	1,059,923,412	4,240	1,059,923,412	4,240
Presented in RMB:			At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Ordinary shares			3,727	3,727

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

18. SHARE-BASED COMPENSATION

(a) Share Option Scheme

The Share Option Scheme shall be valid and effective for a period of 10 years from 2 October 2009, after which no further options will be granted or offered. The Share Option Scheme expired on 1 October 2019.

Set out below are the details of movements of the outstanding options granted under the Share Option Scheme during the six months ended 30 June 2026 and the year ended 31 December 2025:

Date of grant	2025				Exercise price (HKD)	2026				
	At 1 January 2025	Cancelled	Lapsed	At 31 December 2025		At 1 January 2026	Cancelled	Lapsed	At 30 June 2026	Exercise price (HKD)
15 June 2018	5,321,544	-	-	5,321,544	0.604	5,321,544	-	-	5,321,544	0.604
2 May 2017	5,475,000	-	-	5,475,000	1.340	5,475,000	-	-	5,475,000	1.340
9 September 2016	4,500,000	-	-	4,500,000	2.240	4,500,000	-	-	4,500,000	2.240
25 November 2015	10,650,000	-	(10,650,000)	-	2.944	-	-	-	-	2.944
26 June 2015	5,000,000	-	(5,000,000)	-	6.000	-	-	-	-	6.000
	30,946,544	-	(15,650,000)	15,296,544		15,296,544	-	-	15,296,544	

All of the above options are fully vested and exercisable as at 30 June 2026 and 31 December 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

18. SHARE-BASED COMPENSATION *(continued)*

(b) New Share Option Scheme

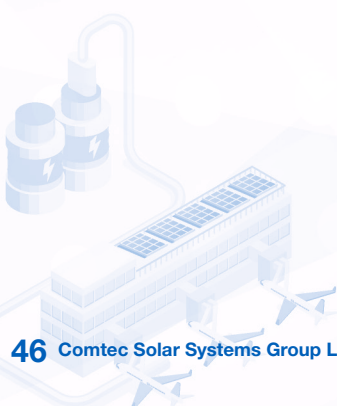
Set out below are the details of movements of the outstanding options granted under the New Share Option Scheme during the six months ended 30 June 2026:

Date of grant	1 January 2025	Exercise	Cancelled	Lapsed	At 31 December 2025, 1 January 2026 and 30 June 2026
29 May 2019	22,982,956	–	–	–	22,982,956
Exercise price (HKD)	0.280				0.280
Exercisable	22,982,956				22,982,956

The Group did not recognise any expenses for the six months ended 30 June 2026 and 2025 in relation to the share options granted by the Company under the New Share Option Scheme.

19. PLEDGED OF ASSETS

	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Bank deposits	5	5
Plant and machinery	10,016	10,334
Trade receivables	1,065	1,393
Leasehold land	1,441	1,462
Investment property	31,391	30,477
	43,918	43,671



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

20. RELATED PARTY TRANSACTIONS

(a) Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the six months ended 30 June 2026 and 30 June 2025 was as follows:

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Short-term employee benefits	897	1,641
Post-employment benefits	253	275
	1,149	1,916

The remuneration of directors and key management personnel is determined by the remuneration committee of the Company having regard to the performance of the individuals and market trends.

(b) Transactions with related parties

Other than as disclosed in note 7, 16 and elsewhere in these consolidated financial statements, the Group has following material transactions with related parties, which were entered into at terms mutually agreed with respective parties.

Related party relationship	Nature of transaction	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Mr. Sun Da, shareholder of the Company	Interest expense on unsecured borrowing	87	178
Mr. Dai Ji, director and shareholder of the Company	Interest expense on unsecured borrowing	812	677
China Success Investment Group Limited and its subsidiaries ("CSI Group")	Shared services fee and facility costs	1,014	1,301
	Interest expense on unsecured borrowing	13,571	19,283

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2026

20. RELATED PARTY TRANSACTIONS *(continued)*

(c) Balances with related parties

Other than as disclosed elsewhere in these consolidated financial statements, the Group has following material balances with related parties:

Related party relationship	Nature of balances	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Mr. Sun Da, shareholder of the Company	Interest expense payable on unsecured borrowing included in "Other payables and accruals" (note 14)	933	833
	Interest-bearing borrowings included in "Loans from shareholders"	1,129	1,174
Mr. Dai Ji, director and shareholder of the Company	Interest expense payable on unsecured borrowing included in "Other payables and accruals" (note 14)	1,489	677
	Interest-bearing borrowings included in "Loans from shareholders"	16,244	16,244
		19,795	18,928
Shenyang Com Haoyang	Amounts due to associates included in "Other payables and accruals" (note 14)	2,450	2,450
Shenyang Com Runze	Amounts due to associates included in "Other payables and accruals" (note 14)	2,450	2,450
		4,900	4,900
CSI Group	Shared services fee and facility costs payable included in "Other payables and accruals" (note 14)	5,549	4,536
	Amount due to the CSI Group included in "Other payables and accruals" (note 14)	10,590	9,773
	Interest expense payable on unsecured borrowing included in "Other payables and accruals" (note 14)	39,355	28,666
	Interest-bearing borrowings included in "Loans from shareholders"	44,348	51,229
		99,842	94,204
Shenyang Guoyin Weikong Energy Storage Technology Limited	Loan receivable, net	8,139	14,501
		8,139	14,501

As at 30 June 2026, the loans from shareholders are unsecured, repayable on demand and interest bearing ranged from 10% to the maximum interest rate permitted under the applicable law following the original subscription agreement pursuant to which the Company issued USD denominated Convertible Bonds on 27 July 2018.

DEFINITIONS

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board” or “Board of Directors”	the board of Directors
“Company”	Comtec Solar Systems Group Limited
“Convertible Bonds”	the convertible bonds due 2021 with interests issued by the Company to Putana Limited, a company incorporated under the laws of British Virgin Islands and an independent third party, and such issuance was completed and closed on 31 July 2018
“Corporate Governance Code” or “CG Code”	Code on corporate governance practices contained in Appendix C1 to the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of certain properties in Shanghai comprise of two land use rights and seven factory buildings
“Fonty”	Fonty Holdings Limited, a company incorporated under the laws of the British Virgin Islands
“Framework Agreement”	a strategic cooperation framework agreement which the Company entered with Jiangsu Changzhou Tianning Economic Development Zone Management Committee and Changzhou Tianning Investment Service Centre on 16 March 2021
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the People's Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	Model code for securities transactions by directors of listed issuers contained in Appendix C3 to the Listing Rules

DEFINITIONS

“Period”	the six months ended 30 June 2026
“PRC” or “China”	the People’s Republic of China which, for the purpose of this report, excludes Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.004 each in the share capital of the Company
“Share Consolidation”	the share consolidation of every four issued and unissued Unconsolidated Shares into one (1) Share, becoming effective from 28 August 2019
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Unconsolidated Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company prior to the Company’s share consolidation which took effect on 28 August 2019
“USD”	United States dollars, the lawful currency of the United States of America
“*”	for identification only
“%”	per cent

