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Yuanda China Holdings Limited
遠大中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2789)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Directors**") of Yuanda China Holdings Limited (the "**Company**") hereby announces the unaudited interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**"). The interim financial information of the Group for the Reporting Period has not been audited, but has been reviewed by the audit committee (the "**Audit Committee**") of the Company.

FINANCIAL HIGHLIGHTS	**For the six months ended 30 June 2026 (Approximately)**	For the six months ended 30 June 2025 (Approximately)
Revenue *(RMB million)*	**1,559.7**	1,266.3
Adjusted gross profit margin *(Note)*	**27.3%**	23.3%
Profit for the period attributable to equity shareholders of the Company *(RMB million)*	**140.1**	184.1
Net cash used in operating activities *(RMB million)*	**(36.2)**	(46.4)
Basic and diluted earnings per share *(RMB cents)*	**2.26**	2.97
Proposed interim dividend per share *(HKD cents)*	**NIL**	NIL

Note: Adjusted gross profit margin represents gross profit margin after impairment losses for financial assets and contract assets.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi (“RMB”))

		Six months ended 30 June	
		2026	2025
	Note	***RMB'000***	*RMB'000*
Revenue	*3*	**1,559,706**	1,266,294
Cost of sales		**(1,157,697)**	(959,183)
Gross profit		**402,009**	307,111
Other income/(expense)		**2,887**	(185)
Selling expenses		**(23,916)**	(15,889)
Administrative expenses		**(139,168)**	(157,487)
Net reversal/(recognition) of expected credit losses of financial and contract assets		**24,244**	(12,082)
Profit from operations		**266,056**	121,468
Net finance (expense)/income	*4(a)*	**(120,446)**	70,307
Profit before taxation	*4*	**145,610**	191,775
Income tax	*5*	**(5,513)**	(7,629)
Profit for the period attributable to equity shareholders of the Company		**140,097**	184,146
Earnings per share *(RMB cents)*			
— Basic and diluted	*6*	**2.26**	2.97

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Profit for the period	**140,097**	184,146
Other comprehensive income for the period (after tax and reclassification adjustments)		
Item that is or may be reclassified subsequently to profit or loss:		
– exchange differences on translation of financial statements	**53,271**	(21,208)
Total comprehensive income for the period attributable to equity shareholders of the Company	**193,368**	162,938

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026 – Unaudited

(Expressed in RMB)

	Note	**At 30 June 2026** ***RMB'000***	At 31 December 2025 *RMB'000*
Non-current assets			
Property, plant and equipment		**352,032**	351,850
Right-of-use assets		**190,162**	196,196
Investment properties		**27,713**	28,312
Deferred tax assets		**177,650**	183,051
		747,557	759,409
Current assets			
Inventories and other contract costs		**181,265**	193,443
Contract assets	*7(a)*	**945,473**	875,233
Trade and bills receivables	*8*	**954,835**	984,449
Deposits, prepayments and other receivables		**450,515**	429,727
Restricted deposits		**441,112**	469,061
Cash and cash equivalents		**425,253**	573,072
		3,398,453	3,524,985
Current liabilities			
Trade and bills payables	*9*	**1,073,686**	1,060,041
Contract liabilities	*7(b)*	**413,742**	607,482
Accrued expenses and other payables		**276,032**	292,394
Bank loans		**883,900**	816,100
Other borrowings		**534,950**	365,268
Income tax payable		**126,020**	125,345
Provision for warranties		**51,456**	45,821
		3,359,786	3,312,451
Net current assets		**38,667**	212,534
Total assets less current liabilities		**786,224**	971,943

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026 – unaudited (continued)

(Expressed in RMB)

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Non-current liabilities		
Bank loan	**–**	85,000
Lease liabilities	**2,687**	3,807
Deferred tax liabilities	**–**	13,736
Provision for warranties	**164,278**	171,443
	166,965	273,986
NET ASSETS	**619,259**	697,957
CAPITAL AND RESERVES		
Share capital	**519,723**	519,723
Reserves	**99,536**	178,234
TOTAL EQUITY	**619,259**	697,957

NOTES

(Expressed in RMB unless otherwise indicated)

1 BASIS OF PREPARATION

This financial information 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*, issued by the International Accounting Standards Board (the "**IASB**"). It was authorised for issue on 31 August 2026.

This financial information 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 the accompanying notes do not include all of the information required for full set of financial statements prepared in accordance with IFRS Accounting Standards.

The financial information relating to the financial year ended 31 December 2025 that is included in the 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 financial statements for the year ended 31 December 2025 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 31 March 2026.

2 CHANGES IN ACCOUNTING POLICIES

The IASB has issued a number of amendments to IFRS Accounting Standards that are first effective for the current accounting period. The Group has applied these amendments to this financial information for the current accounting period. These amendments do not have a material impact on this financial information.

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

3 REVENUE AND SEGMENT REPORTING

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

- Domestic: comprises construction contracts carried out in the Chinese mainland.
- Overseas: comprises construction contracts carried out outside of the Chinese mainland.

(a) Disaggregation of revenue

All of the Group's revenue arises from construction contracts. The majority of the Group's revenue is recognised over time. Disaggregation of revenue from contracts with customers by timing of revenue recognition and geographical location of customers is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
Over time	**1,497,741**	1,191,134
Point in time	**61,965**	75,160
	1,559,706	1,266,294
Disaggregated by geographical location of customers		
Chinese Mainland	**650,561**	403,989
Australia	**176,350**	42,641
United Kingdom	**120,187**	108,395
Dubai	**103,092**	129,041
Saudi Arabia	**88,510**	77,574
Mongolia	**52,275**	44,164
Others	**368,731**	460,490
	909,145	862,305
	1,559,706	1,266,294

(b) Segment results

For the purpose of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitor the results attributable to each reportable segment on the following bases:

The measure used for reporting segment result is "adjusted gross profit" (i.e. gross profit less impairment losses for financial assets and contract assets).

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments. No significant intersegment revenues have occurred for the six months ended 30 June 2026 and 2025. The Group's other operating expenses, such as selling and administrative expenses, impairment losses for other receivables and net finance costs, are not measured under individual segments.

The Group's most senior executive management monitors the Group's assets and liabilities as a whole, accordingly, no segment assets and liabilities information is presented.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2026 and 2025 is set out below.

	Six months ended 30 June 2026		
	Domestic	**Overseas**	**Total**
	RMB'000	***RMB'000***	***RMB'000***
Revenue from external customers and reportable segment revenue	**650,561**	**909,145**	**1,559,706**
Reportable segment adjusted gross profit	**158,725**	**267,528**	**426,253**

	Six months ended 30 June 2025		
	Domestic	Overseas	Total
	RMB'000	*RMB'000*	*RMB'000*
Revenue from external customers and reportable segment revenue	403,989	862,305	1,266,294
Reportable segment adjusted gross profit	76,299	218,730	295,029

(c) Reconciliations of reportable segment profit or loss

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Reportable segment adjusted gross profit	**426,253**	295,029
Other income/(expense)	**2,887**	(185)
Selling expenses	**(23,916)**	(15,889)
Administrative expenses	**(139,168)**	(157,487)
Net finance (expense)/income	**(120,446)**	70,307
Profit before taxation	**145,610**	191,775

4 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Net finance expense/(income):

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Interest on borrowings	**36,964**	25,130
Interest on lease liabilities	**369**	444
Bank charges and other finance costs	**6,701**	5,944
Total borrowing costs	**44,034**	31,518
Interest income	**(3,050)**	(6,987)
Net foreign exchange loss/(gain)	**79,462**	(94,838)
	120,446	(70,307)

(b) Staff costs:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Salaries, wages and other benefits	**173,377**	184,452
Contributions to defined contribution retirement plans	**18,491**	18,519
	191,868	202,971

(c) Other items:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Depreciation and amortisation		
— owned property, plant and equipment	**11,943**	12,740
— right-of-use assets	**12,650**	13,274
— investment properties	**600**	600
Net loss on disposal of property, plant and equipment	**134**	5,216
Research and development costs	**8,828**	11,007
Increase in provision for warranties	**18,183**	17,246
Cost of inventories	**1,157,697**	959,183

5 INCOME TAX

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Current tax:		
— provision for corporate income tax in respective jurisdictions	**13,960**	26,000
Deferred tax:		
— originating and reversal of temporary differences	**(8,447)**	(18,371)
	5,513	7,629

The Company and the subsidiaries of the Group incorporated in Hong Kong are subject to Hong Kong Profits Tax rate of 16.5% for the six months ended 30 June 2026 (six months ended 30 June 2025: 16.5%). No provision for Hong Kong Profits Tax has been made as the Company and the subsidiaries of the Group incorporated in Hong Kong did not have assessable profits subject to Hong Kong Profits Tax for the six months ended 30 June 2026 (six months ended 30 June 2025: RMB Nil).

The Company and a subsidiary of the Group incorporated in the Cayman Islands and the British Virgin Islands, respectively, are not subject to any income tax pursuant to the rules and regulations of their respective countries of incorporation.

The subsidiaries of the Group established in the People's Republic of China ("**PRC**") are subject to PRC Corporate Income Tax rate of 25% for the six months ended 30 June 2026 (six months ended 30 June 2025: 25%).

The subsidiaries of the Group incorporated in countries other than the PRC (including Hong Kong), the Cayman Islands and the British Virgin Islands, are subject to income tax rates ranging from 8.5% to 30% for the six months ended 30 June 2026 pursuant to the rules and regulations of their respective countries of incorporation (six months ended 30 June 2025: 8.5% to 30%).

One of the subsidiaries of the Group established in the PRC is taxed as an enterprise with advanced and new technologies and therefore enjoys a preferential PRC Corporate Income Tax rate of 15% for the six months ended 30 June 2026 (six months ended 30 June 2025: 15%). In addition to the preferential PRC Corporate Income Tax rate, this subsidiary is entitled to an additional tax deductible allowance amounting to 100% (six months ended 30 June 2025: 100%) of the qualified research and development costs incurred in the PRC by this subsidiary.

The determination of tax provision involves judgement on tax treatment of certain transactions. The Group evaluates tax implication of transactions and tax provision are set up accordingly. Where the final tax outcome of these transactions is different from the amounts that were initially recorded, such differences will impact the tax provision in the year in which such determination is made.

6 BASIC AND DILUTED EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share for the six months ended 30 June 2026 is calculated based on the profit attributable to equity shareholders of the Company of RMB140,097,000 (six months ended 30 June 2025: RMB184,146,000) and the weighted average of 6,208,734,000 ordinary shares (six months ended 30 June 2025: 6,208,734,000 ordinary shares) in issue during the interim period.

(b) Diluted earnings per share

There are no dilutive potential shares outstanding during the six months ended 30 June 2026 and 2025. Hence, the diluted earnings per share is the same as basic earnings per share.

7 CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract assets

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Contract assets		
Arising from performance under construction contracts	**1,584,241**	1,498,178
Less: loss allowance	**(638,768)**	(622,945)
	945,473	875,233

Notes:

(i) All of the amounts are expected to be billed within one year from the end of the Reporting Period, except for the amounts of RMB82.7 million at 30 June 2026 (31 December 2025: RMB77.2 million) relating to retentions receivable (net of loss allowance) which are expected to be recovered over one year.

(ii) The Group's construction contracts include payment schedules which require stage payments over the construction period once milestones are reached, these payment schedules prevent the build-up of significant contract assets. The Group typically agrees to a one to ten years retention period after the completion of construction contracts, depending on the market practice in the countries where construction contracts are carried out and credit assessment performed by management on an individual customer basis.

(b) Contract liabilities

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Contract liabilities		
Construction contracts		
— billings in advance of performance	**413,742**	607,482

Notes:

(i) All of the contract liabilities are expected to be recognised as revenue within one year.

(ii) When the Group receives a deposit before the construction activity commences this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the project exceeds the amount of the deposit.

8 TRADE AND BILLS RECEIVABLES

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Trade receivables for contract work due from:		
— third parties	**2,031,521**	2,105,723
— companies under the control of the Controlling Shareholder	**109,468**	113,365
	2,140,989	2,219,088
Bills receivable for contract work	**72,549**	81,842
Trade receivables for sale of materials due from:		
— third parties	**5,733**	4,268
— companies under the control of the Controlling Shareholder	**1,866**	2,148
	7,599	6,416
	2,221,137	2,307,346
Less: loss allowance	**(1,266,302)**	(1,322,897)
Financial assets measured at amortised cost	**954,835**	984,449

At 30 June 2026, the amount of retentions receivable from customers included in trade and bills receivables (net of loss allowance) is RMB256.6 million (31 December 2025: RMB265.2 million).

Except for retentions receivable (net of loss allowance) of RMB142.8 million at 30 June 2026 (31 December 2025: RMB155.9 million), all of the remaining trade and bills receivables are expected to be recovered within one year.

The Group generally requires customers to settle progress billings and retentions receivable in accordance with contracted terms.

(a) Ageing analysis

As of the end of the Reporting Period, the ageing analysis of trade and bills receivables, based on the invoice date and net of loss allowance, is as follows:

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Within 1 year	**304,894**	295,450
1 to 2 years	**144,187**	164,295
More than 2 year	**505,754**	524,704
	954,835	984,449

9 TRADE AND BILLS PAYABLES

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Trade payables for purchase of inventories due to:		
— third parties	**508,822**	561,117
— companies under the control of the Controlling Shareholders	**5,371**	5,338
	514,193	566,455
Trade payables due to sub-contractors	**333,907**	278,583
Bills payable	**225,586**	215,003
Financial liabilities measured at amortised cost	**1,073,686**	1,060,041

All of the trade and bills payables are expected to be settled within one year or are repayable on demand.

As of the end of the Reporting Period, the ageing analysis of trade and bills payables, based on the maturity date, is as follows:

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Within 1 month or on demand	**962,278**	934,877
More than 1 month but less than 3 months	**78,553**	75,318
More than 3 months	**32,855**	49,846
	1,073,686	1,060,041

10 DIVIDENDS

(a) Dividends payable to equity shareholders of the Company attributable to the interim period

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

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved during the interim period

No final dividend in respect of the previous financial year has been approved during the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

(c) Special dividends/distributions

During the six months ended 30 June 2026, a special dividend of HK$0.05 per share was declared. The aggregate amount of the special dividend declared during the six months ended 30 June 2026 amounted to HK$310,437,000 (equivalent to approximately RMB272,066,000) (six months ended 30 June 2025 amounted to HK$248,349,000 (equivalent to approximately RMB230,841,000)).

11 CONTINGENT LIABILITIES

(a) Performance guarantee

At 30 June 2026, performance guarantee of approximately RMB317.3 million (31 December 2025: RMB290.5 million) was given by banks or the insurance company in favour of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and the customers of the Group for construction work. The Group has contingent liabilities to indemnify the banks or the insurance company for any claims from customers under the guarantee due to the failure of the Group's performance.

As of the end of the Reporting Period, the Directors do not consider it probable that a claim in excess of the provision for warranties provided by the Group will be made against the Group under any of the performance guarantees. The maximum liability of the Group as of the end of the Reporting Period under the guarantees issued is the amount disclosed above.

(b) Contingent liabilities in respect of legal claims

(i) In December 2009, Shenyang Yuanda Aluminium Industry Engineering Co., Ltd. ("**Shenyang Yuanda**") and Yuanda Aluminium Engineering (India) Private Limited ("**Yuanda India**"), both wholly-owned subsidiaries of the Group, jointly received a notice that they are being sued by a former sub-contractor in India in respect of Shenyang Yuanda's and Yuanda India's non-performance of the terms as stipulated in the sub-contract agreement entered into between Shenyang Yuanda and this former sub-contractor. Shenyang Yuanda has made a counterclaim against this sub-contractor for non-performance of the sub-contract agreement. On 30 September 2016, a first instance court judgement has been rendered in favour of Shenyang Yuanda and Yuanda India and pursuant to which the former sub-contractor shall pay to Shenyang Yuanda and Yuanda India damages in the amount of INR81.8 million (equivalent to approximately RMB5.9 million) plus accrued interest.

The former sub-contractor and Shenyang Yuanda and Yuanda India later on filed appeals and as at the date of this announcement, the lawsuit is under review before the Hon'ble High Court of Delhi. If Shenyang Yuanda and Yuanda India are found to be liable, the total expected monetary compensation may amount to approximately INR1,410.8 million (equivalent to approximately RMB101.7 million) plus accrued interest. Shenyang Yuanda and Yuanda India deny any liability in respect of the appeal filed by the former sub-contractor and, based on legal advice, the Directors do not believe it is probable that the court will find against Shenyang Yuanda and/or Yuanda India. No provision has therefore been made in respect of this claim.

(ii) In 2023, a wholly-owned subsidiary of the Group, Yuanda Queensland Pty Ltd. ("**Yuanda Queensland**"), is in dispute with Multiplex Constructions QLD Pty Ltd. ("**Multiplex**") over the subcontracts for works on the Queen's Wharf-IRD Project relating to various claims for variations, delay and additional costs, as well as damages claimed by Multiplex. Multiplex has claimed a total of AUD13.1 million (equivalent to approximately RMB61.3 million) for the above damages. The liability amount of these claims is still in the process of being assessed and evaluated. Thus, the Directors cannot reliably estimate the expected monetary compensation borned by Yuanda Queensland. No provision has therefore been made in respect of this claim.

(iii) In addition to the lawsuit mentioned in Note 11(b)(i) to Note 11(b)(ii), certain subsidiaries of the Group are named defendants on other lawsuits, arbitrations or tax disputes in respect of construction work carried out by them. As at the date of this announcement, these lawsuits, arbitrations and disputes are under reviewed before courts, arbitrators or tax bureaus. If these subsidiaries are found to be liable, the total expected monetary compensation may amount to approximately RMB309.0 million, of which RMB27.4 million has already been provided for and the Group's bank deposits and other deposits of RMB41.8 million at 30 June 2026 was frozen by courts or insurance companies for certain of these lawsuits or disputes. Based on legal advice and assessment from the Directors on these lawsuits, arbitrations or tax disputes, the Directors do not believe it is probable that the courts, arbitrators or tax bureaus will find against these subsidiaries of the Group on these lawsuits, arbitrations and tax disputes.

BUSINESS REVIEW

Overall Performance

Currently, the global geopolitical landscape and macroeconomic policy environment remain complex and challenging, with various uncertainties continuing to exert influence. In the face of multiple external challenges, the Central Government of China adheres to the overarching principle of steady progress, steadily advancing the implementation of the "15th Five-Year Plan" at its outset, and remaining committed to fostering a stable and predictable policy environment. According to data from the National Bureau of Statistics of China, China's gross domestic product (GDP) for the first half of 2026 amounted to approximately RMB69,570.4 billion, representing a year-on-year increase of 4.7% at constant prices, with the economy maintaining overall stable operation.

In the building curtain wall industry, the trend towards market concentration among industry leaders has become increasingly pronounced, with intensifying competition in the bidding and tendering environment. At the current stage, the market increasingly tests a company's comprehensive coordination capabilities across technological barriers, capital security, cross-border project execution, and full-life-cycle operation and maintenance. In response to the complex and ever-changing internal and external operating environment, the Group steadily advanced its various operational initiatives during the first half of the year, assessing potential operational risks including geopolitical factors, exchange rate fluctuations, project performance, and payment collections, while establishing a full-process, routine risk control mechanism to ensure that risks are kept under control at every operational stage. We rigorously curtailed non-essential administrative expenses and streamlined redundant administrative expenses, with effective cost-side savings offsetting downward market pressures and safeguarding the Group's overall profitability floor, thereby achieving steady profitability for the period. During the first half of the year, the Group's overall internal management efficiency, project operational efficiency, and capital turnover efficiency all recorded further improvements, laying a solid internal foundation for achieving sustainable and stable development in the long run.

For the six months ended 30 June 2026, the profit attributable to equity shareholders of the Company of the Group decreased by approximately RMB44.0 million or 23.9% as compared with the corresponding period of 2025 to approximately RMB140.1 million (for the six months ended 30 June 2025: approximately RMB184.1 million), mainly due to exchange rate fluctuations, which caused foreign exchange losses comparing with the net gain in the corresponding period of the last year.

Newly-awarded projects (including VAT)

For the six months ended 30 June 2026, the aggregate amount of newly-awarded projects of the Group decreased by approximately RMB690.5 million or 28.5% as compared with the corresponding period of 2025 to approximately RMB1,731.5 million (for the six months ended 30 June 2025: approximately RMB2,422.0 million). This was mainly due to the Group's prudent expansion strategy in overseas markets in the first half of the year, prioritizing the expansion of high-quality projects with better returns and controllable risks.

Backlog

As of 30 June 2026, the contract value of backlog of the Group increased by approximately RMB1,013.1 million or 8.2% as compared with that as of 30 June 2025 to approximately RMB13,373.1 million (30 June 2025: approximately RMB12,360.0 million), which could support sustainable development of the Group for the next 2-3 years.

BUSINESS PROSPECTS

Looking ahead to the second half of 2026, the overall global economic growth momentum is expected to remain subdued. While the accelerating industrial application of artificial intelligence presents new growth opportunities for the global economy, the near-term operating environment remains highly uncertain amid lingering inflationary pressures, exchange rate volatility, slower cross-border capital flows and other external challenges. Meanwhile, the Central Government of China continues to pursue proactive and flexible macro-policies aimed at stimulating domestic demand and guiding industrial structural optimisation.

Facing profound shifts in the external environment, the Group will adhere to the business strategy of "stabilising operations, enhancing quality, and expanding across segments". In terms of capital management and control, the Group will continue to strengthen cash management throughout its business processes, strictly control key links such as project receivables, cost outflows, and cash turnover, and mitigate project-related operational risks, with a view to fully safeguarding a healthy and stable cash flow while supporting the sustainable development of its business with a solid financial foundation. In terms of market footprint, the Group will deepen research across domestic and international markets, selectively cultivate additional customers, build differentiated advantages through product and technology innovation, process upgrades, quality enhancement, and tailored services, with a view to meeting the high-end and green requirements of new customers and new markets. Going forward, the Group will continue to optimise its global market footprint, consolidate its competitive strengths and leadership in the industry, fully reinforce operational quality and efficiency to deliver tangible business results, thereby creating long-term, stable value-added returns for various stakeholders and achieving sustainable, healthy development.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2026, the revenue of the Group increased by approximately RMB293.4 million or 23.2% as compared with the corresponding period of 2025 to approximately RMB1,559.7 million (for the six months ended 30 June 2025: approximately RMB1,266.3 million). Among which:

1. for the six months ended 30 June 2026, the revenue from domestic market of the Group increased by approximately RMB246.6 million or 61.0% as compared with the corresponding period of 2025 to approximately RMB650.6 million (for the six months ended 30 June 2025: approximately RMB404.0 million), contributing approximately 41.7% of the total revenue of the Group. This was mainly due to the Group's domestic projects on hand entering a phase of concentrated delivery; at the same time, the Group's continuing efforts devoted into the domestic projects with higher credit capacity provided strong support for domestic revenue.

2. for the six months ended 30 June 2026, the revenue from overseas market of the Group increased by approximately RMB46.8 million or 5.4% as compared with the corresponding period of 2025 to approximately RMB909.1 million (for the six months ended 30 June 2025: approximately RMB862.3 million), contributing approximately 58.3% of the total revenue of the Group.

Cost of sales

For the six months ended 30 June 2026, the cost of sales of the Group increased by approximately RMB198.5 million or 20.7% as compared with the corresponding period of 2025 to approximately RMB1,157.7 million (for the six months ended 30 June 2025: approximately RMB959.2 million). This was mainly due to the growth in the Group's revenue during the Reporting Period.

Adjusted gross profit margin

For the six months ended 30 June 2026, the Group's adjusted gross profit margin increased by approximately 4 percentage points as compared with the corresponding period of 2025 to approximately 27.3% (for the six months ended 30 June 2025: approximately 23.3%). This was mainly because the Group strengthened project cost control and the improvement in the credit risk profile of the Group during the Reporting Period. Among which:

1. for the six months ended 30 June 2026, the Group's domestic adjusted gross profit margin increased by approximately 5.5 percentage points as compared with the corresponding period of 2025 to 24.4% (for the six months ended 30 June 2025: approximately 18.9%); and

2. for the six months ended 30 June 2026, the Group's overseas adjusted gross profit margin increased by approximately 4 percentage points as compared with the corresponding period of 2025 to 29.4% (for the six months ended 30 June 2025: approximately 25.4%).

Non-IFRS measures: adjusted gross profit

To supplement the consolidated statement of profit or loss presented in the interim results announcement which is presented in accordance with IFRS, the Company also use adjusted gross profit as a non-IFRS measures, which are not required by, or presented in accordance with, IFRS. The adjusted gross profit for the six months ended 30 June 2026 is calculated by deducting a reversal of impairment of expected credit losses of financial and contract assets of approximately RMB24.2 million. The Company believed that the consideration of non-IFRS measures when shown in conjunction with the corresponding IFRS measures facilitates the identification of the Group's operating performance from year to year by eliminating potential impacts of items that the Company's management does not consider to be indicative of the Group's operating performance. Such non-IFRS measures allow investors to consider metrics used by the Company's management in evaluating the Group's performance. From time to time in the future, there may be other items that the Company may exclude in reviewing the Group's financial results. The use of the non-IFRS measures has limitations as an analytical tool, and shareholders of the Company or potential investors should not consider it in isolation from, or as a substitute for or superior to analysis of, the Group's results of operations or financial condition as reported under IFRS. In addition, the definition of such non-IFRS financial measures does not have a standardised meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies, and may differ from similar terms used by other companies.

Other income/(expense)

Other income/(expense) of the Group primarily comprised government grants, rental income, and net income from provision of repairs and maintenance services, and disposal losses of property, plant and equipment.

For the six months ended 30 June 2026, the other income of the Group increased by approximately RMB3.1 million as compared with the corresponding period of 2025 to approximately RMB2.9 million (for the six months ended 30 June 2025: other expense of approximately RMB0.2 million). This was mainly due to the decrease of the losses on disposal of property, plant and equipment.

Selling expenses

For the six months ended 30 June 2026, the selling expenses of the Group increased by approximately RMB8.0 million or 50.3% as compared with the corresponding period of 2025 to approximately RMB23.9 million (for the six months ended 30 June 2025: approximately RMB15.9 million), accounting for approximately 1.5% of the operating revenue of the Group (for the six months ended 30 June 2025: 1.3%). This was mainly due to the Group's efforts in expanding its domestic and overseas markets, resulting in a corresponding increase in project bidding and business-related expenses.

Administrative expenses

For the six months ended 30 June 2026, the administrative expenses of the Group decreased by approximately RMB18.3 million or 11.6% as compared with the corresponding period of 2025 to approximately RMB139.2 million (for the six months ended 30 June 2025: approximately RMB157.5 million). The administrative expenses accounted for approximately 8.9% of the operating revenue of the Group (for the six months ended 30 June 2025: 12.4%). This was mainly due to the Group deepening internal management, improving quality and efficiency, and reducing unnecessary administrative expenses during the Reporting Period.

Net finance (expense)/income

For the six months ended 30 June 2026, the Group recognised a net finance expense of approximately RMB120.4 million (for the six months ended 30 June 2025: a net finance income of approximately RMB70.3 million), which accounted for approximately -7.7% of the operating revenue of the Group (for the six months ended 30 June 2025: 5.6%). This was mainly due to the increase in exchange losses caused by exchange rate fluctuations and the increase in loan interest expenses during the Reporting Period.

Net current assets and financial resources

As of 30 June 2026, the net current assets of the Group decreased by approximately RMB173.8 million or 81.8% as compared with 31 December 2025 to approximately RMB38.7 million (31 December 2025: approximately RMB212.5 million) mainly due to the special dividends declared and paid.

As of 30 June 2026, the cash on hand and in bank of the Group decreased by approximately RMB175.7 million or 16.9% as compared with 31 December 2025 to approximately RMB866.4 million (31 December 2025: approximately RMB1,042.1 million), mainly denominated in RMB, United States Dollar ("**USD**"), Qatari Riyal ("**QAR**"), Euro ("**EUR**"), British Pound Sterling ("**GBP**") and Australian Dollar ("**AUD**").

Bank loans, other borrowings and gearing ratio

As of 30 June 2026, the total bank loans of the Group decreased by approximately RMB17.2 million or 1.9% as compared with 31 December 2025 to approximately RMB883.9 million (31 December 2025: approximately RMB901.1 million).

As of 30 June 2026, the total other borrowings of the Group increased by approximately RMB169.7 million or 46.5% as compared with 31 December 2025 to approximately RMB535.0 million (31 December 2025: approximately RMB365.3 million). This was mainly due to the increase in financing scale such as discounted bills and letters of credit used for project operation turnover during the Reporting Period.

The Group's gearing ratio (calculated by total liabilities divided by total assets) was 85.1% (31 December 2025: 83.7%).

Turnover days of receivables

The calculation of the receivables turnover days is based on the average amount of trade and bills receivables and net contract assets (contract assets less contract liabilities) as at the beginning and end of the relevant period (net of provision) divided by total revenue of the relevant period and multiplied by 181 days. For the six months ended 30 June 2026, the turnover days of receivables of the Group decreased by approximately 63 days or 28.4% as compared with the corresponding period of 2025 to approximately 159 days (for the six months ended 30 June 2025: approximately 222 days).

Inventories and other contract costs

The Group's inventories primarily consist of materials used in fabrication of curtain wall products, including extrusions aluminum, glass, steel and sealant. Contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfill a contract with a customer which are not capitalised as inventory.

As of 30 June 2026, the inventory and contract costs of the Group decreased by approximately RMB12.1 million or 6.3% as compared with 31 December 2025 to approximately RMB181.3 million (31 December 2025: approximately RMB193.4 million). This was mainly due to the consumption of raw materials during production.

Capital expenditure

For the six months ended 30 June 2026, the payment for capital expenditure of the Group decreased by approximately RMB0.2 million or 4.8% as compared with the corresponding period of 2025 to approximately RMB4.0 million (for the six months ended 30 June 2025: approximately RMB4.2 million), which was mainly due to the decrease in the expenditure on plant construction and equipment.

Foreign exchange risk

The overseas projects of the Group were mainly dominated in USD, GBP and AUD. The Group ensures that net exposure to currency risk arising from assets and liabilities is maintained at an acceptable level.

Contingent liabilities

Details of the Group's contingent liabilities as at 30 June 2026 are set out in Note 11.

Charge on assets

As of 30 June 2026, the Group's bank loans of approximately RMB420.0 million were secured by property, plant and equipment and land use rights with an aggregate carrying value of approximately RMB326.7 million.

As of 30 June 2026, the Group's cash on hand and in bank to secure bank loans, bank bills, credit and guarantee letters and other borrowings was approximately RMB249.0 million.

As of 30 June 2026, bank deposits with the carrying value of approximately RMB19.5 million were frozen. The carrying value of the deposits pledged to secure the performance and retentions of construction contracts of the Group was approximately RMB169.6 million.

Save as disclosed above, the Group had no other charge on its assets as at 30 June 2026.

Material Acquisitions and Disposals

During the Reporting Period, the Group did not have any material acquisitions and disposals of its subsidiaries and associated companies.

Significant Investment

The Group did not make any significant investments during the Reporting Period.

Future Plans for Significant Investments or Capital Assets

The Group does not have any future plans for significant investments or capital assets as at the date of this announcement.

Global Offering and Use of Proceeds

In May 2011, the Company conducted a global offering (the "**Global Offering**") through which 1,708,734,000 new ordinary shares were offered at a price of HK$1.50 per share. Net proceeds raised were approximately HK$2,402,947,000. The ordinary shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 17 May 2011.

As stated in the Company's prospectus dated 20 April 2011 and the supplementary prospectus dated 5 May 2011 (the "**Prospectus**"), the Group intended to use the proceeds for expansion of its production capacity, repayment of its existing debts, investment in research and development, expansion of its sales and marketing network.

As of 30 June 2026, an accumulated amount of approximately HK$2,094 million of proceeds from the Global Offering (of which expansion of production capacity: HK$651 million; repayment of bank loans (mainly comprised the loan of Standard Chartered Bank): HK$962 million; expenses in research and development: HK$261 million; and expansion of its sales and marketing network: HK$220 million) was utilised. It is intended that the remaining proceeds of approximately HK$309 million will be used in accordance with the Prospectus of the Group in 1 to 5 years.

On 31 August 2026, the Board has resolved to change the allocation of the unutilised proceeds from the Global Offering by reallocating approximately HK$290 million which were originally allocated for expansion of production capacity to investment in research and development. For details, please refer to the announcement of the Company dated 31 August 2026 in relation to the change in use of proceeds.

EMPLOYEES AND REMUNERATION POLICIES

As of 30 June 2026, the Group had 2,833 full-time employees in total (31 December 2025: 2,670). The increase in the number of full-time employees was a result of the Group's increased pool of skilled talents. The Group has effective management incentive policies and competitive remuneration, which align with the interests of management, employees and shareholder alike. The Group sets its remuneration policy with reference to the prevailing market conditions and the performance of the individuals concerned, subject to review from time to time. The components of the remuneration package consist of basic salary, allowances, fringe benefits including medical insurance and contributions to pension funds, as well as incentives such as discretionary bonus.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The Company has established an Audit Committee with written terms of reference in compliance with the requirements set out in the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") to review and supervise the Group's financial reporting procedures, risk management and internal control systems. The Audit Committee comprises three independent non-executive Directors, namely Ms. Yang Qianwen (chairman of the Audit Committee), Mr. Ha Gang and Ms. Li Haining.

The Audit Committee has reviewed the Group's unaudited consolidated interim financial information for the six months ended 30 June 2026. The Audit Committee is satisfied that the unaudited interim financial information has been prepared in accordance with applicable accounting standards and regulations as well as the Listing Rules, with adequate relevant disclosures made.

CORPORATE GOVERNANCE

The Company is committed to maintaining good corporate governance practices and procedures with a view to enhancing investors' confidence to the Company and the Company's accountability. For the six months ended 30 June 2026, the Company has complied with all code provisions contained in Part 2 of the corporate governance code as set forth in Appendix C1 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. The Group has made specific enquiry to all Directors and all the Directors have confirmed their compliance with the required standard set out in the Model Code for the six months ended 30 June 2026.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE GROUP

For the six months ended 30 June 2026, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including sale of treasury shares) of the Group.

As at 30 June 2026, the Company did not hold any treasury shares.

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to the shareholders, investors, partners and customers of the Group for their continuous trust and support and all the management and staff of the Group for their contribution and devotion.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Group (http://www.yuandacn.com). The interim report for the six months ended 30 June 2026 will be disseminated to the shareholders of the Company and made available for review on the aforesaid websites in due course.

By order of the Board
Yuanda China Holdings Limited
Kang Baohua
Chairman

The PRC, 31 August 2026

As at the date of this announcement, the executive Directors of the Company are Mr. Kang Baohua, Mr. Zhao Zhongqiu, Mr. Wang Hao and Mr. Gao Kai, and the independent non-executive Directors of the Company are Ms. Yang Qianwen, Mr. Ha Gang and Ms. Li Haining.