CNG中玻

CHINA GLASS HOLDINGS LIMITED
中國玻璃控股有限公司 *

(Incorporated in Bermuda with limited liability)
(Stock Code: 3300)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board of directors (the "**Directors**" and the "**Board**", respectively) of China Glass Holdings Limited (the "**Company**") hereby announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2025 together with the comparative figures for the corresponding period in 2024.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025 – unaudited
*(Expressed in Renminbi ("**RMB**"))*

	Note	Six months ended 30 June 2025 RMB'000	2024 RMB'000
Revenue	4	**2,153,490**	2,683,496
Cost of sales		**(1,990,741)**	(2,413,143)
Gross profit	4(b)	**162,749**	270,353
Other income	5	**142,367**	72,118
Distribution costs		**(59,750)**	(50,464)
Administrative expenses		**(177,038)**	(177,787)
Impairment losses on receivables and contract assets		**(30,698)**	(16,718)
Other expenses		**(95,638)**	(19,438)
(Loss)/profit from operations		**(58,008)**	78,064
Finance costs	6(a)	**(231,089)**	(229,773)
Share of profits less losses of joint ventures		**(1,345)**	1,837
Loss before taxation	6	**(290,442)**	(149,872)
Income tax	7	**(28,301)**	12,984
Loss for the period		**(318,743)**	(136,888)
Attributable to:			
Equity shareholders of the Company		**(258,451)**	(119,006)
Non-controlling interests		**(60,292)**	(17,882)
Loss for the period		**(318,743)**	(136,888)
Loss per share (RMB yuan)			
Basic and diluted	8	**(0.15)**	(0.07)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025 – unaudited
(Expressed in RMB)

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Loss for the period	**(318,743)**	(136,888)
Other comprehensive income for the period (after tax and reclassification adjustments):		
Items that will not be reclassified to profit or loss:		
– equity securities designated at fair value through other comprehensive income ("FVOCI") – net movement in fair value reserve (non-recycling)	**126**	326
Items that may be reclassified subsequently to profit or loss:		
– exchange differences on translation of financial statements into presentation currency	**59,656**	(313,859)
Total comprehensive income for the period	**(258,961)**	(450,421)
Attributable to:		
Equity shareholders of the Company	**(198,677)**	(432,559)
Non-controlling interests	**(60,284)**	(17,862)
Total comprehensive income for the period	**(258,961)**	(450,421)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

(Expressed in RMB)

	Note	**(unaudited) At 30 June 2025** ***RMB'000***	(audited) At 31 December 2024 *RMB'000*
Non-current assets			
Property, plant and equipment		**8,497,188**	8,691,331
Other non-current assets		**157,688**	181,620
Investment properties		**29,672**	31,096
Right-of-use assets		**620,951**	633,791
Intangible assets		**212,504**	206,900
Goodwill		**275,537**	264,574
Interests in joint ventures		**46,200**	47,545
Equity securities designated at FVOCI		**970**	803
Deferred tax assets		**401,155**	404,456
		10,241,865	10,462,116
Current assets			
Inventories		**1,059,394**	1,220,776
Contract assets		**69,263**	37,063
Trade and bills receivables	9	**389,700**	334,396
Other receivables	10	**454,279**	457,293
Prepayments		**239,383**	216,288
Prepaid income tax		**5,076**	4,104
Assets held for sale		**–**	188,643
Cash at bank and on hand		**1,017,474**	1,302,086
		3,234,569	3,760,649

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 30 June 2025
(Expressed in RMB)

	Note	**(unaudited) At 30 June 2025** *RMB'000*	(audited) At 31 December 2024 *RMB'000*
Current liabilities			
Trade and bills payables	11	**1,270,823**	1,122,161
Accrued charges and other payables	12	**1,623,874**	1,687,856
Contract liabilities		**316,763**	304,760
Bank loans and other borrowings		**7,060,679**	7,320,923
Lease liabilities		**11,515**	11,993
Income tax payable		**130,044**	113,032
		10,413,698	10,560,725
Net current liabilities		**(7,179,129)**	(6,800,076)
Total assets less current liabilities		**3,062,736**	3,662,040
Non-current liabilities			
Bank loans and other borrowings		**2,260,409**	2,596,017
Lease liabilities		**62,447**	65,188
Other non-current liabilities		**7,614**	4,974
Deferred tax liabilities		**107,201**	111,835
		2,437,671	2,778,014
NET ASSETS		**625,065**	884,026
CAPITAL AND RESERVES	13		
Share capital		**85,951**	85,951
Reserves		**(19,576)**	179,101
Total equity attributable to equity shareholders of the Company		**66,375**	265,052
Non-controlling interests		**558,690**	618,974
TOTAL EQUITY		**625,065**	884,026

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION
For the six months ended 30 June 2025 – unaudited
(Expressed in RMB unless otherwise indicated)

1 CORPORATE INFORMATION

China Glass Holdings Limited (the "**Company**") was incorporated in Bermuda on 27 October 2004 as an exempted company with limited liability under the Bermuda Companies Act 1981. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 23 June 2005. The Company and its subsidiaries (together referred to as the "**Group**") are principally involved in the production, marketing and distribution of glass and glass products, designing and installation of glass production lines, and the development of glass production technology.

2 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), including compliance with Hong Kong Accounting Standard ("**HKAS**") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). It was authorised for issue on 27 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

The preparation of an interim financial report in conformity with HKAS 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 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA.

For the six months ended 30 June 2025, the Group incurred net loss of RMB318,743,000. As at 30 June 2025, the Group had net current liabilities of RMB7,179,129,000. Total bank loans and other borrowings amounted to RMB9,321,088,000, and out of which RMB7,060,679,000 is due within 12 months at the end of the reporting period. After the end of the reporting period and up to the date of approval of this interim report, the Group has defaulted and is unable to repay borrowings due totalling RMB1,295,854,000, including a syndicated loan of RMB1,022,699,000 and other loans and borrowings of RMB273,155,000. The above defaults also triggered cross-default provisions of other outstanding borrowings of approximately RMB6,711,453,000, which represented bank loans and other borrowings of approximately RMB4,951,044,000 that are originally due within one year and approximately RMB1,760,409,000 that are originally due after one year as at the end of the reporting period, and resulted in the Group being under an immediate repayment obligation of such outstanding borrowings (Note 15).

These events or conditions indicated the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern, and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business for the foreseeable future.

In light of the above, the Group is taking and entering into the following initiatives, among other things, to mitigate and manage the liquidity pressure:

- Continually negotiating with the bank syndicates and other related lenders to extend and/or restructure the terms of the syndicated loan and other borrowings that have fallen overdue as at the date of approval of this interim report. The Group has already successfully renegotiated the extension of overdue loans and borrowings of RMB80,000,000 as of the date of approval of this interim financial report;

- Actively negotiating with banks and other financial institutions on loans and borrowings where the cross-default provisions had been triggered to not to demand the Group for repayment of such borrowings before the original due dates, and to renew these bank loans and other borrowings when they fall due on the original due dates;

- Seeking potential strategic investors; and

- Actively negotiating with its largest shareholder, namely Triumph Science Technology Group Co., Ltd.* ("**凱盛科技集團有限公司**", the "**Triumph Group**") (a wholly-owned subsidiary of China National Building Materials Group Co., Ltd.* ("中國建材集團有限公司"), a central state-owned enterprise), which provided its financial assistance to the Group in the form of loans of RMB1,177,612,000 as at 30 June 2025 and in the form of trade and other payables due to the Triumph Group and its related parties of RMB1,253,777,000 as at 30 June 2025, to not require repayment of these amounts for the next twelve months.

The management of the Group is actively and continuously working on the above initiatives, and the directors of the Company consider if the Group will be successful, to a certain extent, on these initiatives, and together with the cash flow forecast prepared by the management of the Group for the twelve months from the end of the reporting period, the Group will be able to meet its liabilities as and when they fall due for the foreseeable future. Therefore, the directors of the Company are of the opinion that it is appropriate to prepare the Group's financial statements for the period ended 30 June 2025 on a going concern basis. Should the Group not be able to continue to operate as a going concern, adjustments would have to be made to write down the carrying amounts of the Group's assets to their recoverable amounts, to provide for further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in this interim financial report.

* *The English translation of the names are for reference only and the official names of these entities are in Chinese.*

3 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability,* issued by the HKICPA to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

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

4 REVENUE AND SEGMENT REPORTING

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

- Clear glass products: this segment produces, markets and distributes clear glass products.

- Painted glass products: this segment produces, markets and distributes painted glass products.

- Coated glass products: this segment produces, markets and distributes coated glass products.

- Energy saving and new energy glass products: this segment produces, processes, markets and distributes energy saving and new energy glass products, such as low-emission coated glass, solar reflector, photovoltaic glass and photovoltaic battery module products.

- Design and installation related service: this segment provides design, purchasing parts and installation services of glass production lines, and upgrading and transformation services of glass production process.

(a) Disaggregation of revenue

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

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or service lines		
– sales of glass products	**1,989,647**	2,501,835
– revenue from service contracts	**109,571**	150,271
– sales of other products	**54,272**	31,390
	2,153,490	2,683,496
Disaggregated by geographical location of customers		
– The Chinese Mainland and Hong Kong (place of domicile)	**1,292,586**	1,921,999
– Nigeria	**220,626**	163,219
– Middle East	**161,243**	145,902
– Kazakhstan	**95,863**	64,775
– Other countries	**383,172**	387,601
	860,904	761,497
	2,153,490	2,683,496

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

(b) Segment results

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

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments. The measure used for reporting segment profit is gross profit/(loss). No intersegment sales have occurred for the six months ended 30 June 2025 and 2024. The Group's other operating expenses, such as distribution costs, administrative expenses and other expenses, and assets and liabilities, including the sharing of technical know-how, are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning capital expenditure, interest income and interest expenses is presented.

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2025 and 2024 is set out below.

	Clear glass products		**Painted glass products**		**Coated glass products**		**Energy saving and new energy glass products**		**Design and installation related services**		**Total**	
	Six months ended 30 June 2025	Six months ended 30 June 2024	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**Six months ended 30 June 2025**	Six months ended 30 June 2024
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
Disaggregated by timing of revenue recognition												
– point in time	**732,652**	1,153,320	**405,459**	374,406	**434,206**	430,069	**417,330**	544,013	**54,272**	31,390	**2,043,919**	2,533,225
– over time	**–**	–	**–**	–	**–**	–	**–**	–	**109,571**	150,271	**109,571**	150,271
Revenue from external customers and reportable segment revenue	**732,652**	1,153,320	**405,459**	374,406	**434,206**	430,096	**417,330**	544,013	**163,843**	181,661	**2,153,490**	2,683,496
Reportable segment gross (loss)/ profit	**(35,458)**	(11,315)	**10,339**	67,548	**135,906**	129,602	**17,421**	42,779	**34,541**	41,739	**162,749**	270,353

5 OTHER INCOME

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Government grants	**10,399**	23,475
Interest income	**16,372**	19,635
Net gain on sale of raw and scrap materials	**11,043**	21,313
Net gain/(loss) on disposals of property, plant and equipment (Note)	**102,730**	(2,019)
Others	**1,823**	9,714
	142,367	72,118

Note: During the six months ended 30 June 2025, net gain on disposals of property, plant and equipment was mainly attributable to the completion of the disposal of a subsidiary's property, plant and equipment and right-of-use assets at the total consideration of RMB297,551,000. These assets were classified as assets held for sale as at 31 December 2024.

6 LOSS BEFORE TAXATION

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

(a) Finance costs

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Interest on bank loans and other borrowings	**182,880**	203,682
Interest on lease liabilities	**2,338**	2,699
Bank charges and other finance costs	**47,324**	33,552
Total borrowing costs	**232,542**	239,933
Less: amounts capitalised into property, plant and equipment (Note)	**(17,139)**	(5,574)
Net borrowing costs	**215,403**	234,359
Net foreign exchange loss/(gain)	**15,686**	(4,586)
	231,089	229,773

Note: The borrowing costs have been capitalised at 5.35% per annum for the six months ended 30 June 2025 (six months ended 30 June 2024: 5.87% per annum).

(b) Other items

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Cost of inventories	**1,917,425**	2,413,143
Depreciation and amortisation charge:		
– property, plant and equipment	**331,142**	302,824
– investment properties	**1,424**	1,383
– right-of-use assets	**13,058**	13,715
– intangible assets	**8,778**	9,221
Impairment losses on property, plant and equipment	**–**	12,864
Research and development costs (other than capitalised costs and related amortisation)	**14,685**	11,621

7 INCOME TAX

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Current taxation:		
The Chinese Mainland		
– Provision for the period	**25,780**	9,318
– Under/(over)-provision in respect of prior years	**109**	(118)
	25,889	9,200
Overseas		
– Provision for the period	**3,754**	4,920
	29,643	14,120
Deferred taxation		
– Origination and reversal of temporary differences	**(1,342)**	(27,104)
	28,301	(12,984)

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

The subsidiaries of the Group incorporated in Hong Kong are subject to Hong Kong Profits Tax rate of 16.5% (six months ended 30 June 2024: 16.5%).

The subsidiaries of the Group established in the Chinese Mainland are subject to the People's Republic of China (the "PRC") Corporate Income Tax rate of 25% for the six months ended 30 June 2025 (six months ended 30 June 2024: 25%).

Certain subsidiaries of the Group established in the Chinese Mainland obtained approval from the tax bureau to be taxed as enterprises with advanced and new technologies, and therefore enjoy a preferential PRC Corporate Income Tax rate of 15% for a period of three years, commencing in either 2023 or 2024. These subsidiaries are also entitled to an additional tax deductible allowance amounting to 100% of the qualified research and development costs incurred for the six months ended 30 June 2025 and 2024.

Subsidiaries of the Group incorporated in Nigeria are subject to Nigeria Corporate Income Tax rate of 30% for the six months ended 30 June 2025 (six months ended 30 June 2024: 30%). One of the Nigerian subsidiaries of the Group is established in the Nigerian Export Processing Zone and is exempted from all corporate income taxes.

A subsidiary of the Group incorporated in Kazakhstan is subject to Kazakhstan Corporate Income Tax rate of 20% This subsidiary obtained approval from the Kazakhstan's government in the exemption for corporate income tax for the period from 2016 to 2025 as a preferential tax arrangement for foreign investments.

A subsidiary of the Group incorporated in Italy is subject to Italy Corporate Income Tax rate of 27.9% (six months ended 30 June 2024: 27.9%).

8 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share for the six months ended 30 June 2025 is based on the loss attributable to ordinary equity shareholders of the Company of RMB258,451,000 (six months ended 30 June 2024: loss attributable to ordinary equity shareholders of the Company of RMB119,006,000) and the weighted average of 1,684,218,000 ordinary shares (after taken into account the ordinary shares held under the share award scheme as defined in Note 13(b)) (six months ended 30 June 2024: 1,684,218,000 ordinary shares) in issue during the six months ended 30 June 2025.

(b) Diluted loss per share

There are no dilutive potential shares outstanding during the six months ended 30 June 2025 and 2024. Hence, the diluted loss per share is the same as the basic loss per share for the six months ended 30 June 2025 and 2024.

9 TRADE AND BILLS RECEIVABLES

	At 30 June 2025 *RMB'000*	At 31 December 2024 *RMB'000*
Trade receivables due from:		
– third parties	**523,160**	430,374
– the Triumph Group and its related parties	**594**	1,371
	523,754	431,745
Less: loss allowance	**(160,390)**	(139,636)
Financial assets measured at amortised cost	**363,364**	292,109
Bills receivables	**26,336**	42,287
	389,700	334,396

Credit terms of three to six months from the date of billing or separately negotiated repayment schedules may be granted to certain customers with good credit rating, depending on credit assessment carried out by management on an individual customer basis.

Ageing analysis

The ageing analysis (based on the invoice date) of trade and bills receivables (net of loss allowance) as of the end of the reporting period is as follows:

	At 30 June 2025 *RMB'000*	At 31 December 2024 *RMB'000*
Within 1 month	**144,660**	151,871
More than 1 month but less than 3 months	**114,278**	97,562
More than 3 months but less than 6 months	**54,275**	60,161
More than 6 months but less than 1 year	**61,229**	6,768
Over 1 year	**15,258**	18,034
	389,700	334,396

10 OTHER RECEIVABLES

	At 30 June 2025 *RMB'000*	At 31 December 2024 *RMB'000*
Amounts due from related parties:		
– an equity shareholder of the Company (Note (i))	**14**	14
– a non-controlling equity owner of a subsidiary (Note (ii))	**115,394**	115,394
	115,408	115,408
Deposits and other debtors:		
– receivables for relocation of production plants and government grants	**106,087**	109,087
– advances to third parties	**196,068**	193,545
– others	**54,051**	46,763
	356,206	349,395
Less: loss allowance	**(201,954)**	(192,499)
	154,252	156,896
Financial assets measured at amortised cost	**269,660**	272,304
Value added tax refundable/deductible	**184,619**	184,989
	454,279	457,293

Notes:

(i) The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

(ii) As at 30 June 2025, the amounts due from a non-controlling equity owner of a subsidiary of the Group are secured by the non-controlling equity owner's equity interests in this subsidiary. The amounts are non-interest bearing and have no fixed terms of repayment.

11 TRADE AND BILLS PAYABLES

	At 30 June 2025 *RMB'000*	At 31 December 2024 *RMB'000*
Trade payables due to:		
– third parties	**808,517**	716,531
– the Triumph Group and its related parties	**222,810**	214,172
	1,031,327	930,703
Bills payables	**239,496**	191,458
Financial liabilities measured at amortised cost	**1,270,823**	1,122,161

The ageing analysis (based on the maturity date) of trade and bills payables as of the end of the reporting period is as follows:

	At 30 June 2025 *RMB'000*	At 31 December 2024 *RMB'000*
Due within 1 month or on demand	**1,073,831**	955,897
Due after 1 month but within 6 months	**184,146**	166,264
Due after 6 months but within 1 year	**12,846**	–
	1,270,823	1,122,161

12 ACCRUED CHARGES AND OTHER PAYABLES

	At 30 June 2025 *RMB'000*	At 31 December 2024 *RMB'000*
Amounts due to related parties:		
– the Triumph Group and its related parties (Note)	**1,030,967**	1,025,563
– a non-controlling equity owner of a subsidiary (Note)	**56,644**	56,641
	1,087,611	1,082,204
Accrued charges and other payables:		
– payables for construction and purchase of property, plant and equipment, land use rights and other non-current assets	**257,577**	299,189
– payables for staff related costs	**92,186**	98,576
– payables for dividends to non-controlling equity owners of subsidiaries	**4,817**	4,817
– payables for transportation expenses	**4,894**	10,441
– deposits	**72,016**	79,757
– others	**55,657**	50,876
	487,147	543,656
Financial liabilities measured at amortised cost	**1,574,758**	1,625,860
Payables for miscellaneous taxes	**48,628**	60,490
Provision for legal claims	**488**	1,506
	1,623,874	1,687,856

Note: The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

13 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

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

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the period

No final dividend in respect of the previous financial year has been approved and paid during the interim period (six months ended 30 June 2024: Nil).

(b) Equity-settled share-based transactions

(i) Share option scheme

The Company has a share option scheme (the "**Share Option Scheme 2016**") which has been approved by a special general meeting of shareholders of the Company on 19 February 2016. No share options were granted or exercised under the Share Option Scheme 2016 during the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

(ii) Share award scheme

On 12 December 2011, the directors of the Company adopted a share award scheme (the "**Share Award Scheme**") as a mean of rewarding and retaining employees of the Group and to attract suitable personnel for further development of the Group. A trust has been set up for the purpose of administering the Share Award Scheme.

Details of the shares held under the Share Award Scheme are set out below:

	No. of shares held *'000*
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	152,000

During the six months ended 30 June 2025, no ordinary share was purchased for the Share Award Scheme (six months ended 30 June 2024: Nil). No shares have been awarded to any selected employee as at the date of this interim financial report.

14 CONTINGENT LIABILITY

(a) In June 2024, an overseas subsidiary of the Group, Orda Glass Ltd LLP ("**Orda Glass**"), received a notice from the Department of Ecology of the Kyzylorda Region in Kazakhstan (the "**Regional DOE**") claiming that the pollutant emissions arose from the production of Orda Glass in 2023 were higher than the 2023 emission limit approved by the Regional DOE, and accordingly imposed a fine to this alleged noncompliance.

In May 2025, pursuant to an appeal made by Orda Glass against the imposed fine, the Specialized Interdistrict Administrative Offenses Court of the Kyzylorda Region fully annulled the fine imposed on Orda Glass and terminated the proceedings in the case. As of the date of the interim report, management of the Group is not aware that an appeal has been filed by the Regional DOE, although it has a right to do so. Management of the Group consider the outcome of the matter remains uncertain. No provision has therefore been made in this interim report with respect to this matter.

(b) As mentioned in Notes 2 and 15, after the end of the reporting period and up to the date of approval of this interim report, the Group has defaulted a syndicated loan and certain other bank loans and borrowings, which also triggered the cross-default provisions of other outstanding borrowings. The agreements of these loans and borrowings contain clauses regarding penalty interests to be charged when the loans and borrowings are overdue. The Group is actively negotiating with the bank syndicates and lenders to extend and/or restructure the terms of the syndicated loan and other loans and borrowings that have fallen overdue. Subject to the result of these negotiations, the directors of the Company consider that the amount of the penalty interests, if any, cannot be reliably estimated at the date of this interim report.

15 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

After the end of the reporting period, the Group has defaulted and is unable to repay borrowings due totalling RMB1,295,854,000, including a syndicated loan of USD141,700,000 (equivalent to approximately RMB1,022,699,000) and other bank loans and borrowings of RMB273,155,000. The above defaults also triggered the cross-default provisions of other outstanding borrowings of approximately RMB6,711,453,000, which represented bank loans and other borrowings of approximately RMB4,951,044,000 that are originally due within one year and approximately RMB1,760,409,000 that are originally due after one year as at the end of the reporting period, and resulted in the Group being under an immediate repayment obligation of such outstanding borrowings. This interim financial report has not reflected the reclassification of the non-current bank loans and other borrowings to current arising from the triggering of the cross-default provisions. The Group is taking and entering into various initiatives, including proactively negotiating with the relevant banks and financial institutions, to mitigate and manage the liquidity pressure (see Note 2 for details).

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET REVIEW

In the first half of 2025, under the combined influence of ongoing geopolitical conflicts and volatile U. S. trade policies, the global economy faced downward pressure, with international trade and investment environments tightening. Investment in sustainable development and cross-border project financing declined. Against this backdrop, the Chinese government maintained policy consistency, continuously reinforced macroeconomic regulation, optimized the competitive market environment, and promoted steady economic growth through flexible measures and forward-looking planning.

The domestic market exhibited structural divergence: the recovery of the real estate sector remained weak, the construction glass market continued to face oversupply, product prices remained under pressure, and enterprises in the industry encountered structural challenges in operating profitability. To respond to these market changes, most enterprises accelerated their transition into high value-added sectors such as specialty automotive glass, electronic glass, and solar glass; however, the effectiveness of transformation varied. The photovoltaic industry continued to face supply-demand imbalances, with profitability across the value chain further squeezed. In contrast, the solar thermal power industry, supported by technological barriers, national renewable energy policies, and rising market demand, maintained steady growth, with the solar thermal glass sub-sector remaining highly prosperous.

BUSINESS REVIEW

Overview

The Group currently owns 15 float glass production lines with a daily melting capacity of 8,200 tons. As of June 30, 2025, 11 lines were in operation, while 4 lines were non-operational and scheduled for cold repair, technological renovation, or relocation, subject to availability. cold repair, technological upgrades, or relocation. The product portfolio includes clear glass, painted glass, coated glass, energy-saving and new energy glass, which are widely used in construction, automotive, solar power, home furnishing, and household appliances.

The Group also operates two photovoltaic rolled glass lines (mainly producing photovoltaic glass), three offline low-emission ("**Low-E**") coated glass lines (mainly producing energy-saving architectural glass), five solar reflector lines (mainly producing concentrating mirrors), as well as one specialized glass equipment and technology service provider that offers production line design, equipment supply, and installation consulting services for downstream enterprises.

Actively implementing the "Going Global" strategy and pursuing the path of "globalization", the Group has established its industrial layout in glass manufacturing and equipment supply in Nigeria, Kazakhstan, and Italy. As an active participant in the "Belt and Road" Initiative, the Group is prioritizing the construction progress of its Egyptian float glass production lines while continuing to explore other emerging markets with development potential.

Production, sales and prices

In the first half of 2025, the Group produced a total of approximately 28 million weight cases of various types of glass, representing a decrease of approximately 8% year-on-year. Sales volume was approximately 25 million weight cases, representing a decrease of approximately 1% year-on-year. The average comprehensive selling price was RMB80 per weight case, representing a decline of approximately 20% year-on-year.

Prices of raw and fuel materials, and production costs

In terms of raw materials, in the first half of 2025, due to inventory pressure among soda ash enterprises and weak demand in the photovoltaic industry, supply-demand conditions in the soda ash sector remained loose, leading to overall price declines. Average procurement costs were lower than those of the previous year. For mineral raw materials, weak demand led to low-level price fluctuations. However, due to shortages of regional sand mine resources, transportation costs of certain mineral raw materials increased, pushing up procurement prices.

In terms of fuels, in the first half of 2025, domestic pipeline gas supply was sufficient and LNG prices remained competitive, driving continuous declines in domestic gas prices. The petroleum coke market, however, fluctuated upward within a range due to port inventory pressure and uncertainty in tariff policies.

MAJOR WORKS IN THE FIRST HALF OF 2025

In the first half of 2025, facing unprecedented market challenges and a volatile external environment, the Company continued to adhere to the strategic guidance of its major shareholders and earnestly pursued the medium- and long-term development strategy of "Organic Growth, M&A Growth, and Going Global". With performance growth as the core objective, the Company carried out a series of key initiatives under the themes of "coordinated breakthroughs, overseas expansion, technological innovation, performance-driven culture, compliance management and branding".

1. Advancing the "Three Key Initiatives" to consolidate the foundation for counter-cyclical growth

The Company focused on three initiatives: "cash flow improvement, cost reduction, and loss management", unified measures for "cost reduction and expense control" were rolled out, and each base tailored detailed implementation according to actual circumstances, achieving significant results:

- ***Energy Management***

  Expanded premium supply channels through market-based negotiations, coupled with technological upgrades to reduce both energy consumption and costs.

- ***Production Operations***

  Implemented lean production management, continuously optimized process parameters, upgraded equipment technology, and systematically unlocked cost-reduction potential across the value chain.

- ***Product Portfolio Optimization***

  Focused on a high value-added product strategy, dynamically adjusted production line configurations and product specifications, achieving efficient resource allocation.

- ***Asset Operation Improvement:***

  Established a market-based asset disposal mechanism, implemented precise inventory management strategies, accelerated accounts receivable turnover, optimized overseas fund allocation, and leveraged policy dividends to effectively strengthen cash flow resilience.

- ***Organizational Efficiency Improvement:***

  Optimized workforce structure and redesigned job value to scientifically control labor costs; enhanced full-cycle equipment management and refined control systems to ensure stable and efficient production operations.

2. Overseas subsidiaries maintained positive operations, further consolidating "Going Global" achievements

In the first half of 2025, the Company advanced its "Going Global" strategy, with overseas subsidiaries maintaining solid operations, steady growth in operating results, and orderly progress in investment and construction projects:

- ***Nigeria company: Profitability remained stable with steadily improving market competitiveness***

  Facing naira exchange-rate volatility and the competitive pressure of low-priced imported glass, it implemented targeted measures that resulted in a substantial increase in net profit, with consolidated gross margins among the industry leaders; leveraging a localized warehousing network, it enhanced market penetration, responded flexibly to shipping disruptions, optimized logistics layouts, and deepened customer service and technical collaboration; and by advancing waste-heat power generation and petroleum-coke substitution projects, it will anticipate a significant reduction in fuel and electricity costs.

- ***Kazakhstan company: Operational quality and efficiency continued to improve, achieving significant breakthroughs in performance during the first half of the year***

  By strengthening management and market expansion, it achieved a steady increase in the sales-to-production ratio and continuously enhanced its market competitiveness. It deepened the compliance system, significantly strengthening compliance management and risk prevention capabilities. In response to the Russia-Ukraine conflict and market fluctuations in Central Asia, it optimized its product portfolio, focusing on enhancing the premium level of high-value-added products like thick plate. Simultaneously, it reformed its distribution channels, deepened direct supply partnerships with end-users, stabilized regional prices, and further strengthened its competitive position.

- ***Italy company: Photovoltaic business recorded strong growth with sustained solid profitability during the first half of the year***

  Its traditional core businesses continued to deliver stable contributions, while the newly developed photovoltaic materials segment achieved significant sales growth, demonstrating enhanced counter-cyclical capacity. Its technological leadership and strategic focus underpinned profitability, laying a solid foundation for future development.

- ***Egypt project: Construction progressed in an orderly manner, reaching the stage where major construction could commence***

  Through optimized project management, it ensured the orderly completion of the glass furnace and tin bath foundation excavation, along with site enclosure, amidst complex external conditions. It also secured all required permits for the entire construction cycle, Currently, it has reached the stage where major construction could commence..

3. Significant achievements in technological innovation, core products gained industry recognition

In the first half of 2025, the Company achieved breakthroughs in technological innovation and product applications. Following systematic R&D and technical optimization, new low-resistance appliance Low-E glass and triple-silver high-performance Low-E glass achieved industrialized mass production, with third-party testing confirming that key indicators met or exceeded industry standards. Furthermore, the "CNG Blue" high-performance, long-life Low-E energy-saving glass, developed based on spectral selective coating technology, was selected by the industry association as a model case under the "Increase Variety, Improve Quality, Create Brand" initiative, fully demonstrating the Company's technological strength and innovation advantages.

4. **Specific performance assessment yields results, cultural development fosters cohesion and drives growth**

In the first half of 2025, the Company emphasized "enhanced incentives and practical results", continuously refining its performance assessment mechanisms: established a "monthly tracking + dynamic adjustment" mechanism to ensure full alignment of assessment targets with strategy and across all levels; deepened linkage between performance and remuneration, implemented special assessments for core tasks, and created differentiated incentives to drive achievement of core business objectives.

In terms of corporate culture, the Company focused on fostering employee cohesion: established benchmarks through the "Corporate Craftsman Awards", reinforcing the core values of "professional dedication and pursuit of excellence"; leveraged the 20th anniversary of its listing to inherit the spirit of "Steadiness and Enterprise", enhancing employee belonging; organized employee sports games, skills competitions, and other activities to boost team vitality, enhance staff wellness and cohesion.

5. **Compliance framework fortification reinforced operational foundation, brand and market recognition achieved dual enhancement**

In the first half of 2025, the Company continued to enhance compliance and governance standards: strengthened legal awareness and integrity through leadership training; conducted economic responsibility audits for senior management to safeguard assets; and improved the legal risk prevention and control system to comprehensively protect corporate interests.

In terms of branding and market presence, the Company improved its capital market monitoring system, conducted benchmarking within and beyond the industry using digital platforms to enhance strategic planning, and focused publicity on operations, technological innovation (e.g., "CNG Blue" products), and strategic partnerships to reinforce brand exposure. The Company's ESG developments received the highest rating of "A+" in the building materials industry for 2024, significantly improving market recognition.

MARKET OUTLOOK

In the second half of 2025, global economic growth is expected to slow further due to impact of U. S. trade barriers. China's real estate and photovoltaic power markets will both enter deep adjustment phases. Under the combined effects of policy regulation and market mechanisms, the downstream flat glass industry will continue to optimize supply-demand structures and eliminate outdated capacity, with the overall industry development expected to strategically upgrade toward "low-carbon and intelligent" directions.

It is noteworthy that demand in detail segment market such as automotive glass, energy-saving architectural glass, and conductive glass will remain strong. With the accelerated phase-out of obsolete capacity, the float glass market is expected to achieve supply-demand rebalancing. Importantly, the revision of the *Anti-Unfair Competition Law* and the promulgation of supporting policies will provide institutional safeguards for healthy industry development. These measures are expected to effectively curb disorderly low-price competition, address temporary oversupply issues, promote gradual recovery of prices in the industry chain to reasonable levels, and guide the industry back to a path of healthy development.

In the field of new energy applications, the rapid development of solar thermal power will significantly boost demand for high-performance solar thermal glass. Installed capacity and industry output value of solar thermal glass are expected to continue rising, presenting broad development prospects. This trend not only aligns with China's "dual carbon" strategy goals but also opens new growth opportunities for the flat glass industry.

Forecast of Raw Materials, Fuels and Production Cost

In the second half of 2025, the glass industry's market sentiment is projected to follow a deteriorating trend, subsequently driving the soda ash and various mineral raw materials markets into a phase of weakness. On the supply side, substantial planned soda ash capacity remains pending release, signaling an impending market restructuring. Demand-side dynamics exhibit structural divergence: demand for dense soda ash weakened amid declining glass production, while growth in light soda ash consumption proved insufficient to offset the deficit. Prices are projected to sustain their downward trends. Similarly, the quartz sand market displays structural polarization. Production and sales volumes of standard-grade sand declined in tandem due to contracting downstream demand, whereas high-purity quartz sand faces oversupply pressures following the concentrated commissioning of new capacity. Markets for dolomite, limestone, feldspar, and other mineral raw materials also demonstrate supply-demand imbalances. Although logistics costs provided a mitigating cushion, the overall price is projected to maintain relative stability with a modest downward drift.

In terms of fuels, volatility is expected to remain limited in the second half. The natural gas market will see looser supply-demand conditions due to increased domestic and international supply, partially offset by rising downstream demand. Combined with strong bargaining power of downstream users, prices are expected to remain at mid-year fluctuation levels. Petroleum coke, however, will face oversupply as refinery operating rates rise, while demand growth remains sluggish, leading to overall downward price trends.

WORK PLAN FOR THE SECOND HALF OF 2025

1. Comprehensively advance the debt restructuring plan, ensure the Group's debt repayment capability and its ongoing status as a going concern.

In response to a series of events and potential risks triggered by the failure to repay a large one-time debt obligation in the short term, the Company is actively seeking professional advice to properly address the situation. Among the measures, the Company is engaging in discussions with financial advisors and potential financiers to raise funds for repaying the outstanding amount, and is exploring various options to resolve, extend, or restructure these borrowings, while maintaining ongoing negotiations with creditors to reach a resolution as soon as possible. Additionally, the Company is developing contingency plans to ensure that the Group's debt repayment ability and going concern status remain intact should the aforementioned refinancing not be completed in a timely manner, including but not limited to implementing a series of cost-reduction and efficiency-enhancement measures, improving operational performance through production line upgrades and product mix transformation. The Company will also ensure that all operating entities adopt proactive sales and prudent procurement strategies to maintain a balance between operational cash flow and debt principal/interest payments. At the same time, the Group will carefully assess market prospects, its own operational and financing conditions, and refrain from non-essential capital expenditures to meet the requirements for implementing the aforementioned measures.

2. Unwaveringly advancement of the "Going Global" strategy to enhance contributions from overseas subsidiaries

Overseas production bases will focus on safe operations as the foundation for capacity enhancement, while driving transformation toward high value-added products, optimizing warehousing networks, building multi-tier customer systems, and strengthening cost management to systematically improve production-sales synergies. Leveraging the technological platform of the Italian company, the Group will expand into the new energy glass and flat glass engineering sectors to tap global market potential. At the time, the Group will coordinate the progress of Egyptian project in an orderly manner.

3. **Technological promotion to drive product portfolio transformation and upgrade, and enhance operating performance at domestic bases**

The Group will continuously refine its production technology system, with a strategic focus on glass products for new energy applications and household appliance cold-chain sectors. It will advance the development of multi-functional ultra-clear float glass and premium automotive glass technologies, concurrently executing the technical upgrade of solar-thermal glass production lines. These initiatives will accelerate the industrialization of high value-added products and the large-scale production of "CNG"-branded specialty products, thereby steering the product portfolio toward greater differentiation and premium positioning.

4. **Continuous implementation of the "Three Key Initiatives" to optimize the resource allocation system**

The Group will revitalize assets through systematic measures to further enhance operational efficiency; promote cost reduction and efficiency improvement by leveraging a refined management system and build an end-to-end control mechanism; strengthen cost awareness across all staff; and establish a dynamic allocation mechanism that prioritizes core business areas, thereby achieving efficient coordination of resources and maximizing value creation.

FINANCIAL REVIEW

Revenue

For the first six months of 2025, the revenue of the Group from its principal business decreased by approximately 20% to RMB2,153,490,000 as compared to RMB2,683,496,000 in the first six months of 2024. The decrease in revenue was mainly attributable to the combined effects of both decrease in sales volume and average unit selling price.

	For the first six months of 2025		For the first six months of 2024		Change
	RMB'000	***Proportion***	*RMB'000*	*Proportion*	*%*
Clear glass	**732,652**	**34%**	1,153,320	43%	(36%)
Painted glass	**405,459**	**19%**	374,406	14%	8%
Coated glass	**434,206**	**20%**	430,096	16%	1%
Energy saving and new energy glass	**417,330**	**19%**	544,013	20%	(23%)
Design and installation related services	**163,843**	**8%**	181,661	7%	(10%)
	2,153,490	**100%**	2,683,496	100%	(20%)

To address the unprecedented market challenges and the complex and volatile external environment, the Group has earnestly advanced strategic measures such as "industrial structure upgrading", "product differentiation" and "cost reduction and efficiency enhancement." The Group has planned, in a reasonable and orderly manner, the cold repair and upgrading of aging production lines, while actively pursuing the mass production and market promotion of technologically innovative products, thereby effectively optimizing its product mix.

In the first half of 2025, within the Group's glass products segment, revenue from clear glass products as well as from the energy saving and new energy glass segment, primarily used in architectural and photovoltaic applications, decreased by approximately 36% and 23% respectively compared with the same period last year. This was mainly attributable to a decline in both sales volume and average selling price of ordinary architectural glass and photovoltaic glass. As such products have relatively low gross profit margins, the decrease in their sales partially alleviated the downward trend in the Group's overall profitability.

Sales of the Group's specialty products, such as CNG Grey, CNG Blue, and online coated glass products, increased, resulting in sales volumes of painted glass and coated glass rising by approximately 46% and 17% respectively. The Group actively expanded export channels, with export sales volume of glass products increasing by approximately 95% year-on-year in the first half. Overseas sales volume of glass products increased by approximately 14% compared with the same period last year, mainly due to the commencement of production in the second half of 2024 of an offline Low-E processed glass production line at the Kazakhstan company, as well as notable achievements in market development.

The Group's average selling price of glass products decreased by approximately 20% year-on-year, mainly due to the combined impact of: (a) a decline of approximately 28% in the average domestic selling price, driven by the prolonged downturn in the domestic real estate sector and intense competition among flat glass enterprises; (b) an increased sales proportion of energy saving and new energy glass products, such as solar thermal ultra-clear glass and solar reflectors, which have higher unit selling prices than the overall average for glass products, thus driving up the overall average selling price; and (c) the Group's average overseas selling price denominated in Renminbi increased by approximately 5% year-on-year (excluding the depreciation impact, the selling price denominated in Nigerian naira at the Group's Nigerian company increased by 45% year-on-year).

Revenue from the Group's design and installation related services segment was mainly derived from the engineering equipment and technical services business of its Italian company. In the first half of 2025, such segment revenue decreased by 10% compared with the same period last year, with revenue from uncompleted orders expected to be recognized in the second half of the year.

Cost of sales

The Group's cost of sales decreased by approximately 18% from RMB2,413,143,000 for the first six months of 2024 to RMB1,990,741,000 for the first six months of 2025. The decrease in cost of sales was mainly due to the decrease in the unit cost of glass products.

Gross profit

The Group's gross profit decreased by approximately 40% from RMB270,353,000 for the first six months of 2024 to RMB162,749,000 for the first six months of 2025. The decrease in gross profit was mainly due to decrease in sales unit price of the glass products in the mainland China.

Administrative expenses

For the first six months of 2025, the administrative expenses of the Group decreased slightly to RMB177,038,000 as compared to RMB177,787,000 for the first six months of 2024.

Finance costs

For the first six months of 2025, the finance costs of the Group increased slightly by approximately 1% to RMB231,089,000 as compared to RMB229,773,000 in the first six months of 2024.

Income tax

Income tax expenses were RMB28,301,000 for the six months ended 30 June 2025, compared with the income tax credited of RMB12,984,000 for the six months ended 30 June 2024. The income tax expenses primarily arose from consideration received by a subsidiary of the Company from disposal of its property, plant and equipment and right-of-use assets.

Loss for the period

For the first six months of 2025, the Group recorded a loss of RMB318,743,000, which was increased largely compared to a loss of RMB136,888,000 for the first six months of 2024. Such losses were mainly attributable to the combined effect of factors such as: (1) the downturn cycle in China's real estate industry continues, resulting in the architectural glass market remaining in a "supply exceeds demand" status, with architectural glass prices generally staying at a low level; (2) the photovoltaic industry in China continues to experience a "supply-demand mismatch", further narrowing the profit margins across the entire photovoltaic power generation industry chain; and (3) geopolitical instability, volatile international trade policies, and heightened risks of currency exchange rate fluctuations, among other macroeconomic uncertainties, have to some extent weakened the outstanding performance of the Group's overseas production bases in the first half of the year.

Current assets

The Group's current assets decreased by approximately 14% from RMB3,760,649,000 as at 31 December 2024 to RMB3,234,569,000 as at 30 June 2025, which was mainly due to the decreased in cash, assets held for sale and inventory.

Non-Current assets

The Group's non-current assets decreased by approximately 2% from RMB10,462,116,000 as at 31 December 2024 to RMB10,241,865,000 as at 30 June 2025, which was mainly due to the decreased in property, plant and equipment.

Current Liabilities

The Group's current liabilities decreased slightly by approximately 1% from RMB10,560,725,000 as at 31 December 2024 to RMB10,413,698,000 as at 30 June 2025, which was mainly attributable to the decreased in short-term bank loan and other borrowings.

Non-current liabilities

The Group's non-current liabilities decreased by approximately 12% from RMB2,778,014,000 as at 31 December 2024 to RMB2,437,671,000 as at 30 June 2025, which was mainly attributable to the decreased in long-term bank loans and other borrowings.

CAPITAL STRUCTURE, LIQUIDITY, FINANCIAL RESOURCES AND ASSETS-LIABILITIES RATIO

As at 30 June 2025, the Group's cash on hand and at bank were RMB1,017,474,000 (31 December 2024: RMB1,302,086,000), of which 70% (31 December 2024: 61%) were denominated in RMB, 13% (31 December 2024: 8%) were denominated in Euro ("EUR"), 7% (31 December 2024: 9%) were denominated in United States Dollars ("USD"), 6% (31 December 2024: 20%) were denominated in Nigerian Naira ("**NGN**"), and 2% (31 December 2024: 2%) were denominated in Hong Kong dollars ("HKD") and 2% (31 December 2024: Nil) were denominated in Kazakhstani Tenge ("**KZT**").

Outstanding bank loans and other borrowings were RMB9,321,088,000 (31 December 2024: RMB9,916,940,000), of which 88.6% (31 December 2024: 89.1%) were denominated in RMB, 11.0% (31 December 2024: 10.5%) were denominated in USD, and 0.4% (31 December 2024: 0.4%) were denominated in EUR. As at 30 June 2025, 60% (31 December 2024: 62%) of the outstanding bank loans and other borrowings bear interest at fixed rates while approximately 40% (31 December 2024: approximately 38%) bear interest at variable rates. As at 30 June 2025, 76% (31 December 2024: 74%) of the outstanding bank loans and other borrowings will mature within one year while 24% (31 December 2024: 26%) will mature after one year. As mentioned in Notes 2 and 15 to the unaudited interim financial information, the Group has triggered the cross-default provisions of loans and borrowings due after one year of RMB1,760,409,000 after the end of the reporting period, which resulted in the Group being under an immediate repayment obligation of such borrowings.

As at 30 June 2025, the gearing ratio (total interest-bearing debts divided by total assets) was 0.7 (31 December 2024: 0.7). As at 30 June 2025, the Group's current ratio (current assets divided by current liabilities) was 0.31 (31 December 2024: 0.36). The Group recorded net current liabilities amounted to RMB7,179,129,000 as at 30 June 2025 (31 December 2024: RMB6,800,076,000). As at 30 June 2025, assets-liabilities ratio (total liabilities divided by total assets) of the Group was 0.95 (31 December 2024: 0.94).

EXCHANGE RATE FLUCTUATION RISK AND RELATED HEDGING

The Group's transactions and monetary assets were primarily denominated in RMB, NGN, KZT, USD and EUR. Operating expenses and domestic sales of the Group's PRC subsidiaries were primarily denominated in RMB, operating expenses and sales of a subsidiary incorporated in Nigeria and Kazakhstan were primarily denominated in NGN KZT, and USD, the operating expenses and sales of an engineering equipment and technical service company in Italy were primarily denominated in EUR and certain borrowings of the Group were denominated in USD. The Group was of the opinion that the future fluctuation of RMB would be closely associated with the development of the PRC economy. The Group's net assets, profits or loss and dividends may be affected by the fluctuation of the exchange rate between RMB and other currency, such as NGN, KZT, USD and EUR. During the six months ended 30 June 2025, the Group did not purchase any derivatives for hedging purposes.

CONTINGENT LIABILITIES

Details of contingent liabilities are disclosed in Note 14 to the unaudited interim financial information.

MATERIAL ACQUISITIONS AND DISPOSALS, SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR ACQUISITIONS OF CAPITAL ASSETS

During the six months ended 30 June 2025, the Group did not have any material investments or acquisitions of capital assets, or material acquisitions or disposals of subsidiaries and associated companies, or significant investments.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Details of important events affecting the Group that have occurred since the end of the reporting period are disclosed in Note 15 to the unaudited interim financial information.

Save as disclosed elsewhere in this announcement and the Company's announcement pursuant to Rule 13.19 of the Listing Rules dated 20 August 2025, there have been no important events affecting the Group that have occurred since the end of the reporting period.

HUMAN RESOURCES AND EMPLOYEES' REMUNERATION

As at 30 June 2025, the Group employed a total of approximately 3,908 employees within and outside the PRC (31 December 2024: about 4,589 employees). The decrease in staff number of the Group as at 30 June 2025 as compared to 31 December 2024 was mainly attributable to the prudent decision by management to gradually phase out less profitable production lines in mainland China amid persistent pressures from the challenging industry landscape. The Company methodically planned and executed the workforce reduction process by formulating a detailed downsizing plan and compensation packages, providing training and reemployment resources, and tracking post-employment outcomes for affected employees, resolutely safeguarding employees' rights and interests throughout the transition.

The Group ensures that the remuneration levels of its employees are competitive and employees are rewarded on a performance related basis, together with reference to the profitability of the Group, remuneration benchmarks in the industry, and prevailing market conditions within the general framework of the Group's salary and bonus system.

The employees of the companies in the Group which were established in the PRC and overseas participate in the benefit schemes in line with local labour laws and regulations, respectively.

INTERIM DIVIDEND

The Board has resolved not to declare interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "**Share Option Scheme**") at its special general meeting held on 19 February 2016 in order to provide an incentive for the qualified participants to work with commitment towards enhancing the value of the Company and its shares (being the ordinary shares of par value HK$0.05 each in the issued share capital of the Company, the "**Shares**"), for the benefit of its Shareholders, and to maintain or attract business relationship with the qualified participants whose contributions are or may be beneficial to the growth of the Group. Since the date of adoption of the Share Option Scheme, no share options have been granted, exercised, cancelled or lapsed under the Share Option Scheme.

SHARE AWARD SCHEME

The Board approved the adoption of the share award scheme of the Company (the "**Share Award Scheme**") on 12 December 2011 in order to recognise the contributions made by certain employees and to provide them with incentives in order to retain them for the continual operation and development of the Group, and to attract suitable personnel for further development of the Group. The Share Award Scheme would operate in parallel with the Share Option Scheme.

Subject to the provisions of the Share Award Scheme, the Board may, from time to time, at its absolute discretion select any employee (including any employee (including without limitation any executive director) of any member of the Group, but other than any excluded employee pursuant to the Share Award Scheme) for participation in the Share Award Scheme as a selected employee, and grant such number of awarded Shares to any selected employee at no consideration on and subject to such terms and conditions as it may in its absolute discretion determine. The Board is entitled to impose any conditions (including a period of continued service within the Group after the award), as it deems appropriate in its absolute discretion with respect to the vesting of the awarded Shares on the selected employee. In addition to such vesting conditions as may be imposed by the Board, it is also a condition for the grant of awarded Shares that any selected employee shall not transfer or dispose of more than 50 per cent. of the awarded Shares during the period of one (1) year after the date of vesting of such awarded Shares.

In connection with the implementation of the Share Award Scheme, the trustee of the Share Award Scheme will purchase the existing Shares on the market out of cash contributed by the Group and be held in trust for the selected employees until such Shares are vested with the relevant selected employees in accordance with the provisions of the Share Award Scheme.

Pursuant to the Share Award Scheme, the Board shall not make any further award of awarded Shares which will result in the aggregate nominal value of the Shares awarded by the Board under the Share Award Scheme exceeding ten per cent (10%). of the issued share capital of the Company at the time of such award. As at (i) 30 June 2025 and (ii) 28 March 2025, being the date of the annual report of the Company for the year ended 31 December 2024, the total number of issued Shares is 1,836,218,258, therefore, the limit on the grant of awarded Shares under the Share Award Scheme at those times were 183,621,825 Shares. The maximum aggregate nominal value of awarded Shares which may be awarded to a selected employee under the Share Award Scheme shall not exceed two per cent (2%). of the issued share capital of the Company at the time of such award.

The Share Award Scheme was originally set to expire on 12 December 2021. On 8 December 2021, the Board resolved to extend the term of the Share Award Scheme for another ten (10) years expiring on 12 December 2031, subject to any early termination as may be determined by the Board by a resolution of the Board. Save as the aforesaid, all other material terms of the Share Award Scheme remain unchanged and valid.

During the six months ended 30 June 2025, no shares were awarded or vested to directors and employees of the Group under the Share Award Scheme. Further details of the awards granted under the Share Award Scheme are disclosed in Note 13(b)(ii) to the unaudited interim financial information.

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

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a public float of not less than 25% of the issued share capital of the Company as required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") during the six months ended 30 June 2025 and up to the latest practicable date prior to the issue of this announcement.

AUDIT COMMITTEE

The audit committee of the Company, comprising Mr. Chen Huachen as chairman as well as Mr. Tang Liwei, Mr. Zhang Baiheng and Ms. Lan Haiqing as members, has reviewed, together with the participation of the Company's management and the external auditors, KPMG, the accounting principles and practices adopted by the Group, and has discussed operational, risk management and internal control, and financial reporting matters and systems of the Group, including the review of the unaudited interim results of the Group for the six months ended 30 June 2025.

EXTRACT OF REVIEW REPORT ON INTERIM FINANCIAL REPORT

The following is an extract of the review report on interim financial report for the six months ended 30 June 2025 from the external auditor of the Company:

Material uncertainty related to going concern

We draw attention to Note 2 to the interim financial report which describes that the Group incurred net loss of RMB318,743,000 for the six months ended 30 June 2025 and as at 30 June 2025, had net current liabilities of RMB7,179,129,000 and total bank loans and other borrowings amounting to RMB9,321,088,000. The Group is unable to repay a syndicated loan of RMB1,022,699,000 and other bank loans and borrowings of RMB273,155,000 due after the end of the reporting period and has triggered cross-default provisions of other current and non-current outstanding borrowings of the Group of RMB6,711,453,000. Therefore, the above loans and borrowings totaled RMB8,007,307,000 have become repayable on demand. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our review conclusion is not modified in respect of this matter.

INVESTOR RELATIONS AND COMMUNICATIONS

The Company adopts a proactive policy in promoting investor relations and communications. Regular meetings are held with institutional investors and financial analysts to ensure two-way communications on the Group's performance and development.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

Throughout the six months ended 30 June 2025, the Company applied the principles and complied with the applicable code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code of conduct in respect of transactions in securities of the Company by the Directors. Confirmation has been received from all Directors that they have complied with the required standards as set out in the Model Code during the six months ended 30 June 2025.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.chinaglassholdings.com). The interim report of the Company for the six months ended 30 June 2025 containing all the information required by the Listing Rules will be issued to the Shareholders and available on the above-mentioned websites in due course.

By Order of the Board
China Glass Holdings Limited
Lyu Guo
Executive Director

Hong Kong, 27 August 2025

As at the date of this announcement, the directors of the Company are as follows:

Executive Director:
Mr. Lyu Guo *(Chief Executive Officer)*

Non-executive Directors:
Mr. Tang Liwei *(Chairman)*; Mr. Xie Changqing; and Mr. Yang Xinyu

Independent Non-executive Directors:
Mr. Zhang Baiheng; Mr. Chen Huachen; and Ms. Lan Haiqing

* *For identification purpose only*