均胜电子
JOYSON ELECTRONICS

股份代號 Stock Code :
0699.HK / 600699.SH

寧波均勝電子股份有限公司
Ningbo Joyson Electronic Corp.

（於中華人民共和國註冊成立的股份有限公司）
(A joint stock company incorporated in the People's Republic of China with limited liability)

2026
中期報告
INTERIM REPORT

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COMPANY PROFILE

Ningbo Joyson Electronic Corp. is a leading global provider of intelligent automotive technology solutions. Leveraging its platform-based and modular technology systems, along with a worldwide network of research and development ("**R&D**"), manufacturing, and sales, it provides automotive electronics and safety solutions to OEM customers around the globe. Committed to creating a smarter, safer, and more sustainable mobility experience, the Company strives to make every journey around the world more enjoyable and secure. During the Reporting Period, upholding its spirit of "re-entrepreneurship and innovation", the Company pushed forward organizational innovation and strategic extension to expand its business into emerging sectors such as robotics and position itself as a "Tier1 supplier for both the automotive and robotics sectors", offering integrated hardware-software solutions for key robotics components to global automakers and robotics firms.

The Company principally engages in two core business segments: automotive electronics and automotive safety. The automotive electronics segment principally includes intelligent vehicle solutions, covering areas such as cockpit domain controllers, intelligent automotive connectivity, and intelligent driving, as well as human-machine interaction products and new energy management systems. The automotive safety segment principally encompasses products such as seat belts, airbags, intelligent steering wheels, and integrated safety solutions. The Company also engages in the business of intelligent cockpit components and new energy charging and power distribution systems through Senssun, its listed subsidiary.

We have over 25 R&D centers and over 60 production bases worldwide, spanning major automotive markets including Asia, Europe and North America. This global footprint enables us to conduct synchronized R&D, supply chain deployment, manufacturing and sales operations alongside leading OEMs around the world. Amid the historic transformation of the automotive industry from conventional internal combustion vehicles to intelligent electric mobility, the Company continues to lead the automotive electronics and automotive safety industries toward a safer, smarter and greener future by leveraging its industry-leading core technologies and strong independent R&D capabilities, innovative product design, a globally integrated R&D and manufacturing network, reliable quality management and consistently high-quality services. The Company serves as a long-term trusted partner of globally renowned automotive brands. According to the Top 100 Global Automotive Parts Suppliers in 2026 released by Automotive News, the Company ranked 29th globally, advancing eight places from its 2025 ranking.

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. WANG Jianfeng *(Chairperson)*
Mr. CHEN Wei *(President)*
Ms. LI Junyu
Mr. CAI Zhengxin

Non-executive Directors

Mr. ZHU Xuesong
Mr. ZHOU Xingyou

Independent Non-executive Directors

Prof. LU Guihua
Prof. YU Fang
Ms. XI Xuanhua
Mr. WANG Wenhai

AUDIT COMMITTEE

Prof. LU Guihua *(Chairperson)*
Mr. ZHOU Xingyou
Prof. YU Fang

NOMINATION, REMUNERATION AND APPRAISAL COMMITTEE

Ms. XI Xuanhua *(Chairperson)*
Ms. LI Junyu
Prof. LU Guihua

STRATEGY AND ESG COMMITTEE

Mr. WANG Jianfeng *(Chairperson)*
Mr. CHEN Wei
Ms. LI Junyu
Mr. CAI Zhengxin
Mr. ZHU Xuesong
Prof. YU Fang
Mr. WANG Wenhai

JOINT COMPANY SECRETARIES

Mr. YU Chaohui
Ms. YE Jiahong

AUTHORIZED REPRESENTATIVES

Ms. LI Junyu
Ms. YE Jiahong

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STOCK CODE

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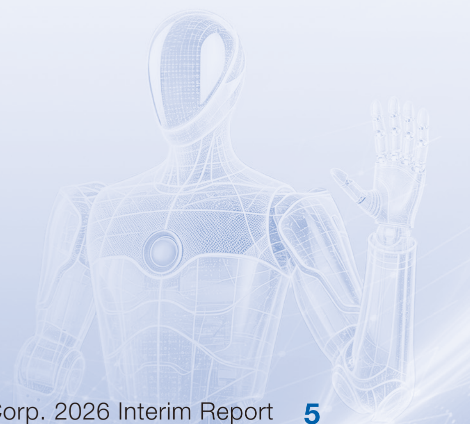
Hong Kong Stock Exchange: 00699

FINANCIAL HIGHLIGHTS

	Six months ended June 30		
	2026	2025	Change
	RMB	*RMB*	
	Thousand	*Thousand*	*%*
Revenue	**28,091,357**	30,347,073	-7.4%
Gross profit	**4,982,383**	5,509,338	-9.6%
Net profit	**867,775**	908,805	-4.5%
Profit attributable to owners of the parent company	**738,951**	707,632	4.4%
Basic earnings per share from continuing operation *(RMB)*	**0.48**	0.50	-4.6%



MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY DEVELOPMENT

In the first half of 2026, affected by factors such as the slowdown in macroeconomic growth, persistently high energy costs and adjustments to new energy vehicle ("**NEV**") subsidy policies in certain regions, overall global automobile demand came under pressure, but NEVs, intelligentization and overseas expansion remained the core drivers for the development of the industry. From a global market perspective, performance varied across different regions.

According to Global Data, global light vehicle sales reached approximately 42.77 million units in the first half of 2026 (excluding China's exports), representing a year-on-year decrease of approximately 3.9%. Of this total, sales in China (excluding exports) fell by approximately 22.7% year-on-year to approximately 9.58 million units; sales in the United States fell by approximately 2.9% year-on-year to approximately 7.92 million units; and sales in Europe grew by approximately 5.1% year-on-year to approximately 9.51 million units. Although global demand for automobiles was under pressure, NEVs continued to show strong growth. According to Rho Motion, global sales of NEVs grew by approximately 5.5% year-on-year to approximately 9.6 million units in the first half of 2026, with market penetration further rising. In Europe, in particular, thanks to factors such as the reinstatement of subsidy policies in some countries, the concentrated launch of new models, and oil prices, sales of NEVs in major markets such as Germany, France, and the United Kingdom grew rapidly, with market penetration continuing to rise.

In the first half of 2026, China's automotive industry presented the development characteristics of "pressure on overall volume, structural adjustments, and intense competition". According to the China Association of Automobile Manufacturers, from January to June 2026, automobile production and sales in China amounted to 14.993 million units and 15.017 million units, respectively, representing year-on-year decreases of 4% and 4.1%, respectively. Of this total, domestic automobile sales amounted to approximately 9.921 million units, representing a year-on-year decrease of 21.1%, mainly due to the decline in traditional fuel vehicle sales. Automobile export sales reached 5.096 million units, representing a rapid year-on-year increase of 65.3%, becoming an important growth engine for the development of the domestic automotive industry. In terms of industry structure, the production and sales of NEVs continued to grow, reaching 7.438 million and 7.446 million units, respectively, representing year-on-year increases of 6.7% and 7.3%, respectively. The proportion of NEVs sales to the total automotive sales has reached 49.6%, with market penetration continuing to rise. In addition, the competitiveness of domestic brands continued to grow, and their market share has expanded further. Amid pressure on overall sales, ongoing price competition has strained the profitability of the domestic automotive sector and posed challenges to the stability of the industrial and supply chains, as well as to the industry's healthy and sustainable development.

Against the backdrop of intensifying competition in the domestic market and the growing competitiveness of domestic brands, overseas expansion has become an important development direction for China's automotive industry that cannot be ignored. In the context of changes in the global trade environment and adjustments to tariff policies in some countries, China's automakers are transitioning from vehicle exports to the phase 2.0 of their overseas expansion featuring "technology export + localized production". In key markets such as Europe, Southeast Asia, and the Middle East, localization efforts continue to advance, including overseas facility construction, joint-venture production, and technology licensing. Several automakers and related parts manufacturers have begun building overseas production capacity, accelerating their integration into global competition.

At the same time, the industrialization of intelligent driving is further accelerating. Since 2026, the market penetration rate of new passenger vehicles equipped with combined driver-assistance functions in China has reached 70%, among which the penetration rate of models equipped with Navigation on Autopilot (NOA) exceeded 30%. Intelligent driving functions are rapidly expanding from mid-to-high-end models to the broader market. On the other hand, China has officially released mandatory national standards for intelligent driving in 2026, including the Intelligent and Connected Vehicle – Safety Requirements of Combined Driver Assistance System (GB 47955-2026) and the Intelligent and Connected Vehicle – Safety Requirements for Automated Driving System (GB 44721-2026), thereby accelerating the deployment of intelligent driving products in vehicles in China. During the same period, the United Nations Global Technical Regulation on Autonomous Driving Systems (ADS GTR), led by China and other countries, was approved and issued. As the world's first unified technical regulation on autonomous driving systems, this regulation provides more comprehensive standards support for the global advancement and implementation of autonomous driving technology and the global development of China's automobile enterprises.

Overall, the automotive industry is at an important stage of development marked by the continued deepening of electrification, intelligentization and globalization. In addition, the capabilities of the automotive industry continue to expand into emerging intelligent agents and other high-tech industries. The trend of industrial integration is becoming increasingly evident, and the automotive industry is also gradually evolving from a single transportation vehicle manufacturing industry into a technology platform that enables the spillover and cross-industry application of advanced manufacturing capabilities. The Company will closely follow industry development trends, adhere to technological innovation and product upgrades, and continuously enhance its core competitiveness. It will seize market opportunities arising from the waves of NEVs, intelligent driving and overseas expansion, while continuously exploring development opportunities in emerging fields such as emerging intelligent agents and AIDC, cultivating new growth drivers for the Company's long-term sustainable development.

BUSINESS REVIEW

In the first half of 2026, amid pressure on global automotive market demand (especially in the PRC and the North America) and rising prices for certain raw materials, the Company fully leveraged the advantages of its global footprint and operational management. Adhering to its business objectives of "stabilizing growth and improving performance", it responded flexibly to various challenges, and continued to benefit from cost reduction and efficiency enhancement measures, ensuring resilient profitability despite affected revenue generation. The Company achieved operating revenue of approximately RMB28.1 billion in the first half of 2026. The profit attributable to owners of the parent company amounted to approximately RMB0.74 billion, representing a year-on-year increase of approximately 4.4%. Net operating cash flow amounted to approximately RMB1.93 billion, representing an ongoing year-on-year increase. Building on this, through organizational innovation and strategic extension, the Company continued to accelerate its businesses expansion into other emerging technology industries, embarking on the journey of re-entrepreneurship and building a second growth curve. During the Reporting Period, the Company secured new design-wins with an estimated order value of approximately RMB44.9 billion over their full lifecycle. Leading domestic brands and emerging automakers are becoming the core drivers of order growth, and their share of total orders continues to rise. According to the Top 100 Global Automotive Parts Suppliers in 2026 published by Automotive News, the Company ranked 29th globally, up 8 places from 2025, further solidifying its leading position in global industry.

1. Ongoing improvement in overseas operations has contributed to the enhancement of long-term profitability

In the face of rising prices of certain raw materials, in particular automotive-grade chips and electronic components, the Company effectively ensured the stable operation of production through measures such as procurement strategies of locking in prices and quantities in advance and securing necessary spot supplies. In addition, the impact of the increase in raw material prices was actively responded through customer price compensation and internal cost reduction. On the other hand, the Company continued to drive operational efficiency improvements in key areas such as procurement cost optimization and manufacturing efficiency enhancement, effectively offsetting the impact of declining revenue and rising prices for certain raw materials, contributing an overall gross profit margin of approximately 17.7%. The gross profit margin remained relatively stable as a whole despite revenue headwinds, underscoring solid profitability resilience. Notably, in overseas regions, benefiting from a well-established global footprint and the gradual effectiveness of various cost-reduction and efficiency-enhancement initiatives previously prioritized, the gross profit margin continued to rise to 18.1%, with operating performance steadily improving. Looking ahead to the second half of the year, supported by the recovery of overseas automotive markets such as Europe, the accelerated global expansion of Chinese automakers, effective control of the Company's overseas operating costs, steady improvement in operational efficiency, and a solid customer base, the overseas revenue and profitability are expected to further improve.

2. Leveraging global first-mover advantage to capture opportunities from intelligent upgrades in overseas markets and the accelerated overseas expansion of Chinese automakers

Over the past two years, the Company actively explored the market opportunities presented by the overseas expansion of Chinese automakers and the intelligent transformation of overseas automakers, achieving multi-dimensional business breakthroughs. As a Chinese auto-parts maker with a global layout, the Company has established manufacturing bases and R&D centers in major automobile producing and consuming countries, forming a unique advantage through its China-rooted foundation and global footprint. On the one hand, it rapidly responded to demands, reduced communication costs, and utilized global resources to provide Chinese automakers going overseas with full-process solutions covering R&D, production, and after-sales services at the best cost. On the other hand, combining the advantages of China's intelligent electric technology with global layout experience, it actively seized new opportunities for intelligent upgrades in overseas markets.

Regarding opportunities for intelligent upgrades by overseas automakers, the Company has secured mass production project nominations and Proof-of-Concept (POC) projects from overseas automakers from Europe, Japan and Korea. The products will serve global markets including Europe and Asia, including advanced driver assistance systems, intelligent cockpits and autonomous driving data recording systems. Taking a NEV manufacturer in Southeast Asia as an example, the intelligent driving projects supplied by the Company for multiple new models of this customer have recently entered mass production in succession, and are expected to cover more vehicle segments in the future and gradually expand into the European market and a broader range of product lines beyond intelligent driving.

In terms of helping Chinese independent brands expand into overseas markets, the Company has successively secured orders for overseas models from Chinese domestic brands and emerging automakers, covering areas such as intelligent driving, intelligent cockpits, zonal controllers, and automotive safety. Taking one domestic emerging brand as an example, as its overseas sales grow rapidly, the intelligent cockpits and zonal controllers supplied by the Company are gradually being adopted in more of its overseas models. In the automotive safety business, the Company has deeply engaged in export model projects for several major independent brands, including a number of key models targeting overseas markets, and the share of revenue from these projects has been steadily increasing. In addition, under the United States-Mexico-Canada Agreement (USMCA), the regional value content (RVC) requirements for major light-vehicle components must meet a localization rate of 65% to 75% in order to qualify for USMCA tariff preferences. Meanwhile, pursuant to the EU Industrial Accelerator Act, electric vehicles are required to be assembled within the EU and, with the exception of power batteries, at least 70% of the ex-works value of their components must originate in the EU to be recognized as "EU-origin", thereby rendering them eligible for public procurement and public policy support. The Company is leveraging its first-mover advantage in global layout to proactively pursue localized production opportunities for leading independent brands in overseas markets. Currently, the Company's overseas factories have already obtained overseas local business orders from multiple leading domestic automakers and are in mass production. Furthermore, it is continuously advancing overseas cooperation matters with more domestic automakers, seizing the first-mover advantage in serving the overseas expansion of Chinese automakers.

3. Core technologies continuing to upgrade, and industrial capabilities are accelerating their extension into emerging fields

In the automotive electronics business, the Company advanced technological innovation and product R&D in cutting-edge intelligent fields such as intelligent driving, domain-fusion controllers and in-vehicle optical communication under the new-generation electrical and electronic (E/E) architecture, thereby ensuring that the Company remains at the forefront of automotive electronics technology. At the same time, we fully leveraged the underlying technological strengths of the automotive industry, accelerated the development of our core capabilities in areas such as domain controllers, communications, energy management and system integration, and extended such capabilities into other emerging technology industries. By promoting the cross-industry reuse of our core technologies, we aim to create new business growth drivers. In the first half of 2026, the Company's intelligent driving business gradually entered the stage of large-scale mass production and delivery, while project nominations with both domestic and global customers are being vigorously advanced to build a pipeline of project resources for sustained future growth. In terms of intelligent cockpit, the Company continued to advance product R&D around next-generation cockpit chips, accelerated the deep integration of large-model technology with intelligent cockpits, and continuously enhanced intelligent interaction capabilities and user experience. At the same time, the Company actively expanded cockpit-related derivative products and application scenarios, continuously exploring connectivity between intelligent cockpits and intelligent home devices and building up key technological capabilities for the next generation of intelligent spaces. In terms of intelligent connectivity, the Company made forward-looking investments in in-vehicle optical communications and is currently actively advancing the introduction of such products into OEM projects. In addition, it is jointly developing connectivity products supporting advanced intelligent networks and low-Earth orbit satellite communications with major international OEMs, thereby continuously enhancing its technology reserves in the field of future in-vehicle communications. In terms of E-mobility, the Company has accelerated iteration to meet the demands of automotive high-voltage platforms and ultra-fast charging. With the continuous increase in the penetration rate of Chinese NEVs, the gradual recovery of the NEV market in Europe, the accelerated penetration of technologies such as high-voltage fast charging, and the progressive mass production of previously secured project nominations, the Company's in-vehicle E-mobility business is expected to benefit from favorable growth opportunities.

In terms of automotive safety business, the Company closely followed cutting-edge industry technologies, deeply integrating safety products with electronic technology. Based on the different safety needs of vehicles in the three stages of perception, decision-making, and execution, it developed a series of innovative safety solutions, including a comprehensive safety solution for zero-gravity seats and intelligent steering wheel hands-off detection (HOD), to achieve more efficient, comprehensive, and comfortable intelligent safety protection. In addition, the Company also actively participated in various industry conferences and seminars on automotive safety regulations, crash testing, safety standards, and cutting-edge technologies organized by industry institutions such as China Automotive Technology and Research Center and China Society of Automotive Engineers, continuously contributing to the development of automotive safety standards. The Company also received industry honors, including the "Outstanding Contributor to Automotive Safety Standardization during the 14th Five-Year Plan Period" awarded by the National Technical Committee of Auto Standardization.

4. Building on our Automotive Roots, Pushing for New Breakthroughs, and Vigorously Expanding into New Business Areas

Since 2011, the Company has been engaged in the innovative R&D of a series of onboard power supply products for NEVs, and has successively supplied related vehicle models of major global automakers. After more than a decade of strategic deployment and development, it has now established two major product series, namely power electronics (PMS) and battery management (BMS). Its principal products include: on-board chargers (OBC), 800V boosters, DC/DC converters, wireless charging systems (WPT), high-voltage battery management systems (HVBMS), low-voltage battery management systems (LVBMS), high-voltage power distribution units (PDU) and battery disconnect units (BDU), etc. Its voltage levels cover the full voltage spectrum of 12V/48V/400V/800V/1000V+, its power ratings cover 50W-22kW (with a maximum of 150kW), and its power density approaches 6kW/L, thereby achieving an integrated product portfolio covering the full energy flow of charging, voltage boosting, storage, discharging and power distribution in the NEV sector.

Power electronics products such as DC/DC and AC/DC are core components of power electronic conversion. In addition to NEVs, they are also widely deployed across numerous sectors including various infrastructure, industry, energy storage and power energy storage systems, rail transit and special transportation, consumer electronics, healthcare, and renewable power generation. In recent years, leveraging its long-established R&D and innovation capabilities accumulated in NEV energy management, stringent automotive-grade testing and mass production standards system, and an extensive product portfolio, the Company has adhered to the principles of “shared technological origins, iterative innovation, scenario expansion, and high-end increment”. Centering on its core energy management business, the Company has gradually migrated technologies and capabilities such as automotive-grade safety control, high-efficiency power conversion and intelligent battery algorithms to emerging high-tech scenarios such as emerging intelligent agents, AIDC and low-altitude aircraft, thereby developing differentiated products featuring “automotive-grade reliability + adaptation to cutting-edge scenarios” and realizing a strategic upgrade of its energy management business from auto parts to a service provider of broad-based high-end intelligent new energy solutions. For example, in the AIDC sector, the rapid advancement of large models and related technologies has driven increasing demand for highly reliable power supply and distribution, energy management, thermal management and system integration capabilities. The Company is currently accelerating the R&D of products and integrated solutions such as AC/DC power conversion units (AC/DC PSU), high-power DC/DC power conversion units (DC/DC), fully immersed liquid-cooled power cabinets and cooling distribution units (CDU). Samples are expected to be released and launched to the market in September 2026. The aforementioned products and integrated solutions are capable of achieving an optimal balance of high voltage, high current, high power, high efficiency, high reliability, and high safety within a compact space. Leveraging an automotive-grade engineering system, they can effectively enhance the design quality and full-lifecycle reliability of AIDC products. The Company develops supporting power control and distribution unit (PCDU) products for a leading domestic customer. It delivers comprehensive energy solutions consisting of “cells/modules/battery packs + battery management system + data services + backup” for emerging intelligent agents. In addition, the Company supplies supporting three-in-one product suite integrating battery management system (BMS), DC/DC conversion and power distribution unit (PDU) to overseas eVTOL companies.

POTENTIAL RISKS

1. Macro Environment and Industry Risks

The development of the auto parts industry in which the Company operates largely depends on the downstream automotive sector. The automotive industry is highly correlated with macro factors such as politics and the economy. Cyclical fluctuations in the global macro-environment, as well as geopolitical factors in certain countries or regions, may affect automobile production and consumption. Although the Company’s customers are primarily internationally renowned enterprises with strong market competitiveness and risk resilience, any adverse impact on their operations due to the macro environment or market demand may lead to a reduction in orders, thereby negatively affecting the Company’s operations. The Company will closely track macroeconomic and industry trends, strengthen market research and judgment, and timely adjust business layout and development strategies. The Company will deepen cooperation with core customers, expand diversified customer groups, and actively respond to industry competition and demand changes. The Company will improve its sales forecasting system, establish a mechanism to track and correct forecast deviations, and maintain flexibility in production and supply chain planning, so as to address demand fluctuations and competitive pressures.

2. Risk of New Orders Falling Short of Expectations

The projected full-lifecycle order value of newly designated projects is a preliminary estimate based on factors such as the customer's production volume forecasts and price projections; it does not reflect the actual final purchase amount of downstream customers. Due to a number of uncertainties such as changes in market demand, sales of vehicle models, adjustments to customers' strategies and changes in technical solutions, these figures may differ from final actual recognized revenue and do not constitute any form of performance guarantee. The Company will deepen cooperation with core customers, expand diversified customer groups, and actively respond to industry competition and demand changes. The Company will improve its sales forecasting system, establish a mechanism to track and correct forecast deviations, and maintain flexibility in production and supply chain planning, so as to address demand fluctuations and competitive pressures.

3. Risk of Slower-than-Expected Business Growth in Emerging Sectors

Emerging industries are still in the early stage of development, and there is a risk that their overall commercialization progress will be slower than expected. Going forward, the Company will continue to refine its product portfolio in emerging fields, actively seek out new customers, and fully leverage its strengths in technology, products, and supply chain synergy to strengthen cooperation with upstream and downstream enterprises, thereby actively promoting the market expansion and commercialization of products in emerging fields.

4. Raw Material Price Fluctuation Risk

The raw materials and parts required for the Company's production are affected by multiple factors, including global inflation, market supply and demand, and geopolitics. If their prices continue to rise and cost pressures cannot be effectively passed on to downstream customers, the Company's profitability may be affected. The Company addresses this risk through centralized procurement and enhanced supply chain cost management capabilities. Specific measures include continuously optimizing procurement processes, promoting centralized purchasing for key raw materials, setting cost reduction targets and advancing annual price negotiations, diversifying suppliers and developing potential supplier resources, and improving cost competitiveness through design optimization.

5. Supply Chain Security Risk

The Company's procurement and delivery chains are long and globally distributed. Geopolitical conflicts, escalating sanctions and export controls, rising tariff barriers, and instability among key suppliers may result in supply shortages, delivery delays, and increased costs in certain regions. This, in turn, may affect order fulfillment and operating performance. The Company will continue to improve the global procurement and supply chain system, specifically including advancing supplier risk management and tiered evaluation, promoting multi-source supply of key materials and cultivation of alternative supply chains, and establishing localized supply arrangements for some key materials to enhance supply resilience and delivery stability. In addition, the Company is closely monitoring changes in geopolitics and tariff policies, actively responding to compliance and trade risks, and building an all-round supply chain risk prevention and control system.

6. Product Quality Risk

Auto parts are subject to stringent quality and safety requirements. Major product quality issues may lead to customer claims and litigation, order losses, and damage to market reputation, and may even result in legal cases and regulatory penalties. These risks could adversely affect the Company's profitability and business expansion. The Company will continue to optimize product quality control and traceability processes, strengthen quality management of core components, and improve project development and quality management mechanisms. It will also enhance global quality incident investigation and closed-loop management mechanisms, improve traceability and refine processes. Leveraging information technology, the Company aims to ensure consistent global compliance with testing requirements for key products, thereby reducing risk in a systematic manner.

7. Product Competitiveness Risk

Technologies in automotive electrification and intelligent development are evolving rapidly. If the Company fails to update its products and optimize its product portfolio in a timely manner, or lacks sufficient innovation, its products may lose market competitiveness. This could result in product substitution or intensified competition, thereby affecting its market share and profitability. The Company will strengthen its monitoring and assessment of technological trends and market developments, enhance new product R&D and technological upgrades, promote a diversified product mix, and optimize the balance of its product and customer structures. It will increase resources for R&D of new technologies and products, strengthen innovation investment, enhance product competitiveness, and expand market development to accelerate the commercialization of emerging business areas.

8. Goodwill Impairment Risk

The Company has achieved business expansion through inorganic mergers and acquisitions, resulting in a significant amount of goodwill. If there are significant adverse changes in the macroeconomic environment, downstream industries, or market conditions in the future, or if the operating performance of relevant subsidiaries falls short of expectations, the Company may face goodwill impairment risks, which could negatively impact its business results. The Company will continue to implement various measures to improve quality and efficiency across relevant assets and business units. It will strengthen operational monitoring and analysis, and promote sustained improvement in profitability, so as to mitigate impairment risks.

9. Risk of Exchange Rate Fluctuations

The Company's overseas operations account for a significant portion of its business, and it holds foreign currency assets, liabilities, and transactions; as a result, exchange rate fluctuations will affect its operating performance and financial position. Significant fluctuations in exchange rates may result in foreign exchange gains or losses, affecting the conversion of revenues and expenses from overseas operations as well as the value of overseas investments, thereby increasing operational uncertainty. The Company will continue to optimize the alignment between its funding and business currencies, manage foreign exchange exposure through natural hedging and the appropriate use of financial instruments, and mitigate the impact of exchange rate fluctuations.

10. ESG and Environmental Compliance Risk

Major global markets are imposing increasingly stringent requirements on carbon emissions, supply chain due diligence, product carbon footprints, and information disclosure. As a result, the Company's environmental and ESG compliance costs have increased, while downstream customers are demanding higher levels of supply chain traceability. Failure to meet these compliance requirements may lead to restricted access to orders, higher compliance costs, regulatory penalties, or reputational risks. The Company will continue to improve its ESG compliance and supply chain due diligence systems and strengthen monitoring of ESG regulations. It will further advance ESG management and traceability system within the supply chain, enhance carbon footprint management, and promote energy conservation and emissions reduction to ensure compliance in its operations and control compliance costs.

FINANCIAL REVIEW

The following discussion is based on the financial information and notes set out in other sections of this interim report and should be read in conjunction with them.

Revenue

Revenue by Product Line

We generate our revenue primarily from providing (i) automotive safety solutions, including airbags, intelligent steering wheels, seatbelts and integrated safety solutions, (ii) automotive electronics solutions, including automotive intelligence solutions, E-mobility solutions and human-machine interaction (HMI) products, and (iii) other solutions, which mainly include products and solutions of Senssun, including air management systems, luxury smart interiors and new energy charging and power distribution systems.

The following table sets forth a breakdown of our revenue by product line in amounts and as percentages of our total revenue for the periods indicated:

	Six months ended June 30, 2026		Six months ended June 30, 2025		Change	
	Revenue	**Percentage of total revenue**	Revenue	Percentage of total revenue		
	RMB'000	***%***	*RMB'000*	*%*	*RMB'000*	*%*
Automotive safety solutions	**18,008,237**	**64.1**	18,996,785	62.6	(988,548)	(5.2)
Automotive electronics solutions	**7,743,916**	**27.6**	8,464,622	27.9	(720,706)	(8.5)
Others	**2,339,204**	**8.3**	2,885,666	9.5	(546,462)	(18.9)
Total	**28,091,357**	**100.0**	30,347,073	100.0	(2,255,716)	(7.4)

The Group's revenue for the six months ended June 30, 2026 was RMB28,091.4 million, representing a decrease of RMB2,255.7 million as compared with RMB30,347.1 million for the six months ended June 30, 2025. The decrease in operating revenue was primarily attributable to the decline in global automobile production and sales, in particular the decline in sales volume in Chinese and North American markets, as well as the disposal of the weighing apparatus business by Senssun, a subsidiary of the Company, at the end of 2025, which resulted in a decline in the Group's revenue in North America and China.

Revenue by Geographical Region

Our revenue is mainly generated from China and overseas markets. Overseas markets primarily include the rest of Asia, Europe, the Americas and Africa.

The following table sets forth a breakdown of our revenue by geographical region, determined by the location of customers, in amounts and as percentages of our total revenue for the periods indicated:

	Six months ended June 30, 2026		Six months ended June 30, 2025		Change	
	Revenue	**Percentage of total revenue**	Revenue	Percentage of total revenue		
	RMB'000	***%***	*RMB'000*	*%*	*RMB'000*	*%*
China	**6,629,548**	**23.6**	7,717,821	25.4	(1,088,273)	(14.1)
Overseas	**21,461,809**	**76.4**	22,629,252	74.6	(1,167,443)	(5.2)
Total	**28,091,357**	**100.0**	30,347,073	100.0	(2,255,716)	(7.4)

Geographically, the Group's revenue from domestic operations amounted to approximately RMB6,629.5 million, representing a decrease of 14.1% year-on-year. Its revenue from overseas operations reached approximately RMB21,461.8 million, representing a decrease of 5.2% year-on-year.

Cost of Sales

Our cost of sales primarily consists of (i) material cost and (ii) manufacturing cost, which mainly include staff cost, depreciation and amortization, shipping cost and warranty expense.

The following table sets forth a breakdown of our cost of sales by nature in amounts and as percentages of our total cost of sales for the periods indicated:

	Six months ended June 30, 2026		Six months ended June 30, 2025		Change	
	RMB'000	***%***	*RMB'000*	*%*	*RMB'000*	*%*
Material cost	**16,208,751**	**70.1**	17,570,939	70.7	(1,362,188)	(7.8)
Manufacturing cost	**6,900,223**	**29.9**	7,266,796	29.3	(368,670)	(5.0)
Total	**23,108,974**	**100.0**	24,837,735	100.0	(1,730,858)	(7.0)

The cost structure remained relatively stable, compared to the same period of the previous year.

Gross Profit and Gross Profit Margin

Gross Profit and Gross Profit Margin by Product Line

The following table sets forth a breakdown of our gross profit and gross profit margin by product line for the periods indicated:

	Six months ended June 30, 2026		Six months ended June 30, 2025		Change	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Automotive safety solutions	2,857,165	15.9	3,032,839	16.0	(175,674)	(0.1)
Automotive electronics solutions	1,615,900	20.9	1,800,182	21.3	(184,282)	(0.4)
Others	509,318	21.8	676,317	23.4	(166,999)	(1.7)
Total	4,982,383	17.74	5,509,338	18.15	(526,955)	(0.4)

The Group's gross profit for the six months ended June 30, 2026 was RMB4,982.4 million, representing a decrease of RMB527.0 million, from RMB5,509.3 million for the six months ended June 30, 2025. Gross profit margin for the six months ended June 30, 2026 was 17.7%, compared with 18.2% for the six months ended June 30, 2025.

During the Reporting Period, despite the pressure on the external operating environment and the increase in the prices of certain raw materials, the global cost reduction and efficiency enhancement measures continuously implemented by the Group in prior periods gradually took effect, resulting in a gross profit margin of approximately 17.7%, which remained stable year-on-year.

In respect of the automotive safety business, although the revenue declined year-on-year, through measures such as the optimization of global centralized procurement of raw materials, direct material cost savings and the relocation of production capacity from high-cost regions to low-cost regions, the Group achieved a gross profit margin of approximately 15.9% during the Reporting Period, broadly in line with the same period of last year.

In respect of the automotive electronics business, affected by the decline in revenue and the price increases of automotive-grade chips and electronic components, the gross profit margin decreased by approximately 0.4 percentage points year-on-year to approximately 20.9%.

Gross Profit and Gross Profit Margin by Geographical Region

The following table sets forth a breakdown of our gross profit and gross profit margin by geographical region for the periods indicated:

	Six months ended June 30, 2026		Six months ended June 30, 2025		Change	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
China	1,105,313	16.7	1,492,612	19.3	(387,299)	(2.6)
Overseas	3,877,070	18.1	4,016,726	17.8	(139,656)	0.3
Total	4,982,383	17.74	5,509,338	18.15	(526,955)	(0.4)

During the Reporting Period, revenue from domestic market decreased year-on-year due to factors including a decline in passenger vehicle production and intense competition in the end-market. Gross profit margin also declined by approximately 2.6 percentage points year-on-year to approximately 16.7%.

In overseas markets, the Group continued the momentum of cost improvement achieved in the previous year and further improved profitability through initiatives such as introducing Chinese supply chain, optimizing its procurement system and improving its overseas manufacturing footprint. As a result, gross profit margin in overseas markets increased by approximately 0.3 percentage points year-on-year to approximately 18.1%.

Selling and marketing expenses

Our selling and marketing expenses decreased by RMB102.6 million, from RMB412.1 million for the six months ended June 30, 2025 to RMB309.5 million for the six months ended June 30, 2026, primarily attributable to the decline in the promotion expenses related to the disposal of the weighing apparatus business by the Group at the end of 2025, as well as the control of selling expenses.

Administrative expenses

Our administrative expenses decreased from RMB1,734.9 million for the six months ended June 30, 2025 to RMB1,552.8 million for the six months ended June 30, 2026, representing a decrease of RMB182.1 million, or 10.5%. Excluding the impact of the disposal of the weighing apparatus business at the end of 2025, administrative expenses decreased year-on-year during the Reporting Period, primarily attributable to the reduction in related administrative expenses following the organizational restructuring and optimization of the Group's operations in Europe.

Finance Costs

Our finance costs increased from RMB526.5 million for the six months ended June 30, 2025 to RMB535.6 million for the six months ended June 30, 2026, primarily attributable to the foreign exchange loss incurred during the Reporting Period as a result of exchange rate fluctuations, while interest expenses during the Reporting Period decreased compared with the same period of last year.

Research and Development Costs

Our research and development costs for the six months ended June 30, 2025 and 2026 were RMB1,693.5 million and RMB1,706.3 million, respectively, representing an increase of RMB12.8 million, or 0.8%, primarily attributable to the Group's continued investment in R&D in order to strengthen its core competitiveness, particularly in the areas such as the cutting-edge technologies of the intelligent electric vehicle industry including intelligent driving, emerging intelligent agents and server power supply solutions, and R&D costs remained relatively stable during the Reporting Period.

Income Tax

Our income tax expenses decreased by RMB127.8 million, or 37.8%, from RMB338.1 million for the six months ended June 30, 2025 to RMB210.3 million for the six months ended June 30, 2026, primarily attributable to the improvement in the income tax expense of certain subsidiaries in the Americas region during the Reporting Period.

Trade and Other Receivables

Our trade and other receivables decreased by 5.2% from RMB12,316.4 million as of December 31, 2025 to RMB11,674.2 million as of June 30, 2026, primarily reflecting the normal course of our business operations. The aging details of trade and other receivables are set out in Note 15 to the unaudited interim financial information.

Indebtedness

As of June 30, 2026 and December 31, 2025, the aggregate balance of our loans and borrowings was RMB26,133.0 million and RMB24,209.0 million, respectively, with borrowings increasing slightly in 2026.

	30 June 2026 *RMB'000*	31 December 2025 *RMB'000*
Short-term loans and borrowings	**11,651,152**	15,821,651
Long-term loans and borrowings	**14,481,880**	8,387,310
Total	**26,133,032**	24,208,961

The decrease in short-term loans and borrowings and the increase in long-term loans and borrowings were primarily attributable to the fact that the long-term borrowings of a subsidiary of the Company will be matured in 2026 in accordance with the original loan agreement, and the Group completed the refinancing of such borrowings with new long-term borrowings in January 2026. In addition, the Group incurred new borrowings to optimize its loan structure and reduce its overall borrowing costs.

Trade and Other Payables

Our trade and other payables were RMB16,028.5 million and RMB15,792.2 million as of June 30, 2026 and December 31, 2025, respectively, remaining broadly stable.

Liquidity and Capital Resources

Our Group adopts a prudent funding and treasury policy with a view to optimizing its financial position. Our Group regularly monitors its funding requirements to support its business operations and performs ongoing liquidity reviews. Our primary uses of cash are to satisfy its working capital, capital expenditure and investment needs. During the Reporting Period, our Group financed its operations primarily through cash and cash equivalents, cash flows from operating activities, and available bank loans and banking facilities. Cash and cash equivalents of our Group decreased by 4.4% from RMB7,964.8 million as of December 31, 2025 to RMB7,618.1 million as of June 30, 2026, remaining broadly stable.

The following table sets forth a consolidated statement of cash flows for the Group for the periods indicated:

	Six months ended June 30, 2026 *RMB'000*	Six months ended June 30, 2025 *RMB'000*
Cash generated from (used in):		
Operating activities	**1,933,995**	1,906,467
Investing activities	**(3,702,532)**	(2,461,485)
Financing activities	**1,635,918**	165,201
Net increase in cash and cash equivalents	**(132,619)**	(389,817)

The cash inflows from operating activities during the Reporting Period increased by RMB27.5 million compared with the same period of prior year, primarily attributable to the Group's continuous management and control over working capital, maintaining a relatively high level of net cash inflow from operating activities.

The cash outflows from investing activities during the Reporting Period increased by RMB1,241.0 million compared with the same period of prior year, primarily attributable to the Group's purchase of short-term wealth management products with high security and strong liquidity in order to improve the efficiency of capital utilization and strengthen cash management.

The cash inflows from financing activities during the Reporting Period increased by RMB1,470.7 million compared with the same period of prior year, primarily attributable to the introduction of strategic investors by the Group's automotive safety business division and the acquisition of certain non-controlling interests by the Group, as well as the additional borrowings obtained in order to optimize the loan structure and reduce the comprehensive loan interest rate.

Capital Expenditures

Our capital expenditures are primarily cash used to purchase property, plant and equipment and other intangible assets. Our capital expenditures decreased by 3.5% from RMB1,946.1 million for the six months ended June 30, 2025 to RMB1,880.0 million for the six months ended June 30, 2026, primarily based on our business needs. Our Group finances its capital expenditures through cash generated from operations and bank loans.

Contingent Liabilities

As of June 30, 2026, our Group did not have any material contingent liabilities or guarantees, nor any litigation or claims of material importance, pending or threatened against any member of our Group, that is likely to have a material and adverse effect on our business, financial condition or results of operations.

Gearing ratio

The Group monitors its capital structure on the basis of the gearing ratio. The gearing ratio is calculated as total borrowings divided by total equity at the end of the respective period/year.

The gearing ratio as of June 30, 2026 and December 31, 2025 were 1.2 and 1.0, respectively. The increase in the gearing ratio during the Reporting Period was primarily attributable to the acquisition of certain non-controlling interests by the Group, as well as the additional borrowings obtained in order to optimize the loan structure and reduce the comprehensive loan interest rate.

Mortgage and Pledge of Assets

As of June 30, 2026, the Group's assets mortgaged and pledged at book value were RMB12,662.1 million and RMB1,420.0 million, respectively, compared with RMB9,914 million and RMB865 million, respectively, as of December 31, 2025. The mortgaged assets mainly include property, plant and accounts receivable. The increase in the book value of assets mortgaged and pledged during the Reporting Period was primarily attributable to the increase in related loans.

Foreign Exchange Risk

The Group operates globally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the respective functional currency of our subsidiaries. As of June 30, 2026, the net exposure of the foreign currency monetary items held by the Group primarily arose from HKD, USD, EUR and RON; the value of the aforesaid foreign currency monetary items measured in RMB will fluctuate with the movements in the relevant exchange rates, thereby affecting the operating results and financial position of the Group.

The Group employs hedging strategies for currency settlement, including the use of certain derivative instruments (primarily including forward contracts and currency swaps), entering into forward foreign exchange hedging contracts, and managing the scale of foreign currency assets and liabilities to minimize foreign exchange risk and mitigate the impact of exchange rate fluctuations on operating results.

Employees and Remuneration

As at June 30, 2026, the total number of regular employees of the Group was 43,204, and the total staff costs of the Group (including Directors and the chief executive of the Company) for the Reporting Period were RMB6,145.6 million (including but not limited to salaries, bonuses, allowances, subsidies, welfare expenses, Directors' remuneration and share-based payment).

During the Reporting Period, there was no change to the Company's remuneration policy. For details, please refer to the 2025 Annual Report.

Talent Training and Development

During the Reporting Period, there was no change to the Company's training policy. For details, please refer to the 2025 Annual Report.

Significant Investments, Acquisitions and Disposals

On March 23, 2026, the Company entered into an equity transfer agreement with Future Industry Investment Fund (Limited Partnership), pursuant to which the Company acquired 12.4236% equity interests in Anhui Joyson from Future Industry Investment Fund (Limited Partnership) at a consideration of RMB2,515.66 million. For details, please refer to the announcement of the Company dated March 23, 2026.

Save as disclosed above, during the Reporting Period, the Group did not have other significant investments required to be disclosed pursuant to Paragraph 32(4A) of Appendix D2 to the Hong Kong Listing Rules, nor did it have any material acquisition and/or disposal of subsidiaries, associates and joint ventures.

Future Plans for Material Investments and Investments in Capital Assets

As at the Latest Practicable Date, save as disclosed in the section headed "Utilization of the Proceeds" of this interim report, the Group does not have any plans for material investments and investments in capital assets.

Events after the Reporting Period

On August 13, 2026, Anhui Joyson, the Company, CIB Financial Asset Investment Co., Ltd. (興銀金融資產投資有限公司) and PSBC Financial Asset Investment Co., Ltd. (中郵金融資產投資有限公司) entered into a capital increase agreement, pursuant to which CIB Financial Asset Investment Co., Ltd. and PSBC Financial Asset Investment Co., Ltd. agreed to subscribe for the increased registered capital of Anhui Joyson for RMB30.40601865 million and RMB60.81203731 million at cash considerations of RMB500 million and RMB1 billion, respectively. For details, please refer to the announcement of the Company dated August 13, 2026.

Save as disclosed above, the Company has no other significant subsequent events since the end of the Reporting Period and up to the Latest Practicable Date.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DISCLOSURE OF INTERESTS

Interests and Short Positions of the Directors and Chief Executive in the Shares, Underlying Shares and Debentures of the Company and Its Associated Corporations

As at June 30, 2026, the interests and/or short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance), which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (including interests and short positions which they were taken or deemed to have under such provisions of the Securities and Futures Ordinance), or which were required, pursuant to section 352 of the Securities and Futures Ordinance, to be recorded in the register required to be kept by the Company, or which were required to be otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name	Position	Nature of interest	Number and description of Shares	Long position/ Short position	Approximate percentage of shareholding in the same class of Shares *(%)*	Approximate percentage of shareholding in the total issued Shares *(%)*
Mr. WANG Jianfeng(2)	Executive Director and Chairman of the Board	Beneficial owner	35,706,959 A Shares	Long position	2.56	2.30
		Interest in controlled corporation	533,333,116 A Shares	Long position	38.21	34.39
Ms. LI Junyu(3)	Executive Director, Vice President and Chief Financial Officer	Beneficial owner	520,000 A Shares	Long position	0.04	0.03
			470,000 H Shares	Long position	0.30	0.03
Mr. CHEN Wei(3)	Executive Director and President	Beneficial owner	360,000 A Shares	Long position	0.03	0.02
Mr. CAI Zhengxin(3)	Executive Director	Beneficial owner	250,000 A Shares	Long position	0.02	0.02
Mr. ZHU Xuesong	Non-executive Director	Beneficial owner	60,000 A Shares	Long position	0.004	0.004
			60,000 H Shares	Long position	0.04	0.004
Mr. ZHOU Xingyou	Non-executive Director	Beneficial owner	10,000 A Shares	Long position	0.001	0.001

Notes:

(1) As at June 30, 2026, the total number of issued Shares was 1,550,770,563 Shares, including 1,395,670,563 A Shares and 155,100,000 H Shares.

(2) Joyson Group is owned as to 57.50% by Mr. WANG Jianfeng. Therefore, under the Securities and Futures Ordinance, Mr. WANG Jianfeng is deemed to be interested in all the Shares held by Joyson Group. As at June 30, 2026, a total of 12,664,015 A Shares had been repurchased and held in the share repurchase account of the Company. Mr. WANG Jianfeng directly or indirectly through Joyson Group controls more than one-third of the voting rights at the Shareholders' meeting of the Company, and is therefore deemed to be interested in such repurchased A Shares held by the Company.

(3) Ms. LI Junyu, Mr. CHEN Wei and Mr. CAI Zhengxin are interested in 440,000, 240,000 and 240,000 underlying A Shares under the Employee Stock Ownership Plan, respectively.

Save as disclosed above, as at June 30, 2026, none of the Directors or the chief executive of the Company had any interests and/or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance), which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (including interests and short positions which they were taken or deemed to have under such provisions of the Securities and Futures Ordinance), or which were required, pursuant to section 352 of the Securities and Futures Ordinance, to be recorded in the register required to be kept by the Company, or which were required to be otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

Rights of Directors to Acquire Shares or Debentures

Save as disclosed above, at no time during the Reporting Period or as at the end of the Reporting Period was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries with all Directors, each Director has confirmed that he/she has consistently complied with the required standards set out in the Model Code throughout the Reporting Period.

Pursuant to code provision C.1.3 of the CG Code, the board should establish written guidelines no less exacting than the Model Code for relevant employees in respect of their dealings in the issuer's securities. The Company has formulated the "Internal Reporting System for Material Information" and the "Registration and Management System for Personnel with Access to Inside Information", requiring all personnel who have access to unpublished inside information to register, strictly controlling the scope of insiders and complying with relevant trading restrictions. The Company has notified all Directors and relevant employees prior to the commencement of the blackout period, reminding them not to deal with the securities of the Company during the lock-up period prior to the results announcement. During the Reporting Period, having made reasonable enquiries, no incident of non-compliance with the guidelines by the relevant employees of the Company was noted.

Interests of Substantial Shareholders in Shares and Underlying Shares

As at June 30, 2026, to the knowledge of the Company after reasonable enquiry, the following persons (other than the Directors or chief executive of the Company disclosed above) had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Hong Kong Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance, or which were recorded in the register required to be kept by the Company under section 336 of the Securities and Futures Ordinance:

Name	Nature of interest	Number and description of Shares[1]	Long position/ Short position	Approximate percentage of shareholding in the same class of Shares *(%)*	Approximate percentage of shareholding in the total issued Shares *(%)*
Joyson Group[2]	Beneficial owner	520,669,101 A Shares	Long position	37.31	33.57
Ms. DU Yuanchun[2]	Interest in controlled corporation	520,669,101 A Shares	Long position	37.31	33.57
BlackRock, Inc.[3]	Interest in controlled corporation	8,053,000 H Shares	Long position	5.19	0.52
		1,000 H Shares	Short position	0.001	0.0001
JPMorgan Chase & Co.[4]	Beneficial owner	6,595,948 H Shares	Long position	4.25	0.43
		6,570,948 H Shares	Short position	4.24	0.42
	Investment manager	9,500 H Shares	Long position	0.01	0.001
	Person having a security interest in shares	1,706,500 H Shares	Long position	1.10	0.11
	Approved lending agent	135,375 H Shares	Long position	0.09	0.01

Notes:

(1) As at June 30, 2026, the total number of issued Shares was 1,550,770,563 Shares, including 1,395,670,563 A Shares and 155,100,000 H Shares.

(2) Joyson Group is owned as to 42.50% by Ms. DU Yuanchun. Therefore, under the Securities and Futures Ordinance, Ms. DU Yuanchun is deemed to be interested in all the Shares held by Joyson Group.

(3) Pursuant to the corporate substantial shareholder notice dated June 30, 2026 regarding relevant event filed by BlackRock, Inc. with the Hong Kong Stock Exchange, it held 8,053,000 H Shares (long position) and 1,000 H Shares (short position) through multiple subsidiaries. These include 5,335,000 H Shares (long position) under cash-settled unlisted derivatives.

(4) Pursuant to the corporate substantial shareholder notice dated June 29, 2026 regarding relevant event filed by JPMorgan Chase & Co. with the Hong Kong Stock Exchange, it held 8,447,323 H Shares (long position), 6,570,948 H Shares (short position) and 135,375 H Shares (lending pool) through multiple subsidiaries. These include 1,120,500 H Shares (long position) and 4,417,500 H Shares (short position) under cash-settled unlisted derivatives.

Save as disclosed above, as at June 30, 2026, the Company was not aware of any other person who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance, or which were recorded in the register required to be kept by the Company under section 336 of the Securities and Futures Ordinance.

Utilization of the Proceeds

The Company issued H Shares on November 6, 2025 and listed and traded on the Main Board of the Hong Kong Stock Exchange. The Hong Kong Public Offering and the International Offering totally issued 155,100,000 H Shares with a nominal value of RMB1.00 each, at an issue price of HK$22.00 per Share. The gross proceeds from the Company's issuance of H Shares were HK$3,412.2 million. After deducting the issuance expenses directly attributable to the issuance, the net proceeds were approximately HK$3,252.9 million. Calculated according to the exchange rate of Hong Kong dollars to RMB of 0.9115 published by the People's Bank of China on November 6, 2025, the net proceeds were approximately RMB2,965.0 million (the "**Net Proceeds**").

As at June 30, 2026, the use of the Net Proceeds and the expected timetable disclosed in the Prospectus remain unchanged. The utilization of the Net Proceeds is as follows:

	Approximate percentage of the Net Proceeds	Available Net Proceeds *RMB in million*	Net Proceeds unutilized as at January 1, 2026 *RMB in million*	Net Proceeds utilized during the Reporting Period *RMB in million*	Net Proceeds unutilized as at the end of the Reporting Period *RMB in million*	Expected timeline for full utilization of the unutilized Net Proceeds
Enhance the Group's leadership in the smart auto tech industry and capture the transformative opportunities in the downstream automotive industry by investment in the research and development and commercialization of our auto smart solutions and cutting-edge technologies	35%	1,037.8	1,037.8	0	1,037.8	Before December 31, 2030
Improve the Group's production and manufacturing capabilities and cost efficiency, and optimize the Group's supply chain management	35%	1,037.8	1,037.8	0	1,037.8	Before June 30, 2030
Expand the Group's overseas market share and cooperate with OEM customers to achieve overseas expansion	10%	296.5	296.5	0	296.5	Before December 31, 2030
Potential investment and merger and acquisition opportunities with targets complementary to the Group's business in terms of technical expertise, business operations and brand profile	10%	296.5	266.5	203.5	63.0	Before December 31, 2030
Working capital and general corporate purposes	10%	296.5	296.5	0	296.5	Before December 31, 2030
Total	**100%**	**2,965.0**	**2,935.0**	**203.5**	**2,731.5**	

The balance of the Net Proceeds will continue to be utilized in accordance with the purposes and proportions disclosed in the Prospectus.

Purchase, Sale or Redemption of Listed Securities of the Company

Pursuant to the general mandate granted to the Board to repurchase H Shares approved at the 2026 first extraordinary general meeting held on April 15, 2026, and the extension of the validity period of such general mandate to repurchase H Shares approved at the 2025 annual general meeting held on May 12, 2026 (the "**2025 AGM**"), approval was granted for the Company to repurchase H Shares not exceeding 10% of the total number of H Shares in issue (excluding treasury Shares) as at the date of the resolution approving the grant of the H Share repurchase mandate at the general meeting, in order to cancel and reduce the registered capital or to be held as treasury Shares.

During the period from May 5, 2026 to June 30, 2026, the Company successfully repurchased an aggregate of 3,985,500 H Shares by way of on-market repurchases on the Hong Kong Stock Exchange, representing 2.57% of the total number of H Shares, and held as treasury Shares. The repurchase price ranged from HK$12.32 per Share to HK$18.58 per Share, and the total amount paid was approximately HK$60.4 million (excluding commissions and extra fees). The share repurchases complied with relevant laws and regulations and the predetermined repurchase scheme of the Company.

The following is the breakdown of share repurchases listed by month during the Reporting Period:

Month	Number of Shares repurchased	Highest repurchase price per Share *(HK$)*	Lowest repurchase price per Share *(HK$)*	Total repurchase amount *(HK$)*
May 2026	2,005,000	18.58	16.52	34,765,675
June 2026	1,980,500	15.42	12.32	25,642,455
Total	**3,985,500**			**60,408,130**

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares (within the meaning under the Hong Kong Listing Rules)) during the Reporting Period. As at the end of the Reporting Period, the Company held 12,664,015 A Shares as treasury Shares, which will be used for equity incentives or employee stock ownership plans; and held 3,985,500 H Shares as treasury Shares.

For the six months ended June 30, 2026, the Company did not issue any new Shares or debentures.

Share Plans

Following the approval at the sixteenth meeting of the tenth session of the Board held on October 14, 2021 and the second extraordinary general meeting for 2021 held on November 1, 2021, the Company adopted the Employee Stock Ownership Plan. Following the approval at the forty-second meeting of the eleventh session of the Board held on March 30, 2026 and the 2025 AGM, the Company adopted the H Share Award Scheme. Neither the Employee Stock Ownership Plan nor the H Share Award Scheme involves the issuance of new Shares by the Company, nor are they subject to the provisions of Chapter 17 of the Hong Kong Listing Rules regarding share schemes involving the issuance of new shares. For further details of the Employee Stock Ownership Plan, please refer to the section headed "Directors' Report – Employee Stock Ownership Plan" in the 2025 Annual Report. There has been no further change to the plan from the date of publication of the 2025 Annual Report up to the Latest Practicable Date. For further details of the H Share Award Scheme, please refer to the circular of the Company dated April 21, 2026. There has been no further change to the scheme from the date of the circular up to the Latest Practicable Date.

Compliance with the CG Code

The Group is always committed to adhering to high ethical standards and compliance requirements. By continuously optimizing the governance structure and internal control, the Group aims to safeguard the interests of Shareholders, enhance corporate value and accountability, ensure the long-term steady development of the Company, and effectively respond to the expectations of stakeholders. The Company has adopted the CG Code as its own corporate governance code. During the Reporting Period, the Company has consistently complied with all applicable code provisions under the CG Code.

Interim Dividend

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

Review of Financial Statements

The interim financial report for the six months ended June 30, 2026 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 Hong Kong Institute of Certified Public Accountants.

The Audit Committee has reviewed the unaudited interim results of the Group for the six months ended June 30, 2026 and is of the view that the results have been prepared in compliance with the relevant accounting standards, rules and regulations and that appropriate disclosures have been duly made.

Changes in Information of Directors and Senior Management

As considered and approved at the 2025 AGM, Mr. WANG Jianfeng, Mr. CHEN Wei, Ms. LI Junyu and Mr. CAI Zhengxin were re-elected as executive Directors of the twelfth session of the Board; Mr. ZHU Xuesong and Mr. ZHOU Xingyou were re-elected as non-executive Directors of the twelfth session of the Board; Prof. LU Guihua, Prof. YU Fang and Ms. XI Xuanhua were re-elected as independent non-executive Directors of the twelfth session of the Board; Mr. WANG Wenhai was appointed as an independent non-executive Director of the twelfth session of the Board; and Prof. WEI Xuezhe, the former independent non-executive Director, retired from the offices of an independent non-executive Director, the chairman of the Nomination, Remuneration and Appraisal Committee, and a member of the Strategy and ESG Committee upon conclusion of the 2025 AGM; Ms. XI Xuanhua was appointed as the chairman of the Nomination, Remuneration and Appraisal Committee, and Mr. WANG Wenhai was appointed as a member of the Strategy and ESG Committee.

On the same date, Mr. CHEN Wei was appointed as the president of the Company; Ms. LI Junyu was appointed as the vice president and chief financial officer of the Company; Mr. HUA Muwen was appointed as the vice president of the Company; and Mr. YU Chaohui was appointed as the secretary to the Board.

For details of the re-election of the Board and the appointment of senior management, please refer to the announcements of the Company dated March 30, 2026 and May 12, 2026 respectively, and the circular of the Company dated April 21, 2026.

Prof. YU Fang, an independent non-executive Director, was appointed as an independent non-executive director of Huaqin Co., Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 3296), on January 27, 2025, with effect from the listing date of the company (i.e. April 23, 2026).

During the Reporting Period and up to the Latest Practicable Date, save as disclosed above, there has been no other information of Directors and senior management required to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules.

REPORT ON REVIEW OF CONSOLIDATED FINANCIAL INFORMATION

Review report to the board of directors of Ningbo Joyson Electronic Corp.
(incorporated in the People's Republic of China)

INTRODUCTION

We have reviewed the interim financial report set out on pages 29 to 64, which comprises the consolidated statement of financial position of Ningbo Joyson Electronic Corp. (the "Company") as of 30 June 2026 and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial report in accordance with International Accounting Standard 34.

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

SCOPE OF REVIEW

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

CONCLUSION

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

KPMG

Certified Public Accountants

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

25 August 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2026 – unaudited

(Expressed in renminbi)

		Six months ended 30 June	
	Note	**2026**	2025
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Revenue	*3(a)*	**28,091,357**	30,347,073
Cost of sales		**(23,108,974)**	(24,837,735)
Gross profit		**4,982,383**	5,509,338
Other income	*4*	**66,128**	103,611
Selling and marketing expenses		**(309,507)**	(412,111)
Administrative expenses		**(1,552,815)**	(1,734,885)
Research and development costs		**(1,706,315)**	(1,693,527)
Impairment reversals/(losses) on trade and other receivables		**6,140**	(24,534)
Other net gains	*5(b)*	**135,005**	26,135
Profit from operations		**1,621,019**	1,774,027
Finance costs	*5(a)*	**(535,636)**	(526,548)
Share of losses of equity-accounted investees, net of tax		**(7,303)**	(539)
Profit before taxation		**1,078,080**	1,246,940
Income tax	*6*	**(210,305)**	(338,135)
Profit for the period		**867,775**	908,805
Attributable to:			
Equity shareholders of the Company		**738,951**	707,632
Non-controlling interests		**128,824**	201,173
Profit for the period		**867,775**	908,805
Continuing operation		**867,775**	883,164
Discontinued operation		**–**	25,641
Profit for the period		**867,775**	908,805
Earnings per share		**0.48**	0.51
Basic (RMB)			
– Continuing operation	*7(a)*	**0.48**	0.50
– Discontinued operation	*7(a)*	**–**	0.01
Diluted (RMB)			
– Continuing operation	*7(b)*	**0.48**	0.50
– Discontinued operation	*7(b)*	**–**	0.01

The notes on pages 35 to 64 form part of this interim financial report.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2026 – unaudited

(Expressed in renminbi)

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit for the period	**867,775**	908,805
Item that will not be reclassified to profit or loss:		
Remeasurement of net defined benefit liability	**(228)**	12,936
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements in foreign companies	**(796,522)**	918,332
Hedges – net movement in the hedging reserve	**(61,251)**	(62,165)
Other comprehensive (losses)/income for the period, net of tax	**(858,001)**	869,103
Total comprehensive income for the period	**9,774**	1,777,908
Attributable to:		
Equity shareholders of the Company	**173,516**	1,354,420
Non-controlling interests	**(163,742)**	423,488
Total comprehensive income for the period	**9,774**	1,777,908

The notes on pages 35 to 64 form part of this interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2026 – unaudited

(Expressed in renminbi)

	Note	**As at 30 June 2026 RMB'000 (Unaudited)**	As at 31 December 2025 RMB'000
Non-current assets			
Property, plant and equipment	*8*	**16,015,967**	16,680,519
Investment property		**9,993**	11,145
Right-of-use assets	*10*	**1,510,434**	1,593,470
Intangible assets	*9*	**5,907,707**	5,828,221
Interests in associates		**275,666**	113,302
Interest in joint venture		**109,759**	109,759
Goodwill	*11*	**6,899,172**	7,094,650
Prepayments and other assets	*16*	**2,488,705**	2,337,971
Trade and other receivables	*15*	**316,285**	308,109
Other financial assets	*12*	**1,185,561**	1,019,694
Deferred tax assets		**1,459,365**	1,455,492
		36,178,614	36,552,332
Current assets			
Derivative financial instruments		**16,486**	30,194
Inventories	*13*	**9,483,360**	9,211,829
Trade and other receivables	*15*	**11,330,928**	12,008,319
Prepayments and other assets	*16*	**2,094,312**	2,008,317
Other financial assets	*12*	**2,161,629**	550,446
Restricted cash	*17*	**1,294,852**	828,278
Cash and cash equivalents	*17*	**7,618,098**	7,964,822
		33,999,665	32,602,205
Current liabilities			
Loans and borrowings	*19*	**11,651,152**	15,821,651
Derivative financial instruments		**9,131**	11,509
Trade and other payables	*20*	**16,028,518**	15,792,215
Contract liabilities	*14*	**827,570**	707,436
Lease liabilities		**227,900**	235,651
Current taxation		**227,968**	262,752
Provisions		**363,709**	510,119
		29,335,948	33,341,333
Net current assets/(liabilities)		**4,663,717**	(739,128)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2026 – unaudited

(Expressed in renminbi)

	Note	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Total assets less current liabilities		**40,842,331**	35,813,204
Non-current liabilities			
Loans and borrowings	*19*	**14,481,880**	8,387,310
Defined benefit plan obligations		**1,032,935**	1,105,015
Trade and other payables	*20*	**282,746**	300,891
Lease liabilities		**687,761**	751,483
Deferred income		**270,513**	248,489
Provisions		**218,733**	273,948
Deferred tax liabilities		**711,264**	719,207
		17,685,832	11,786,343
Net assets		**23,156,499**	24,026,861
CAPITAL AND RESERVES			
Share capital		**1,550,771**	1,550,771
Reserves		**15,028,111**	15,771,646
Total equity attributable to equity shareholders of the Company		**16,578,882**	17,322,417
Non-controlling interests		**6,577,617**	6,704,444
TOTAL EQUITY		**23,156,499**	24,026,861

Approved and authorised for issue by the board of directors on 25 August 2026.

Wang Jianfeng
Chairman Chief

Li Junyu
Financial Officer

The notes on page 35 to 64 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2026 – unaudited

(Expressed in renminbi)

		Attributable to equity shareholders of the Company									
	Note	Share capital RMB'000 (Note 21)	Treasury shares RMB'000 (Note 21)	Share premium RMB'000 (Note 21)	PRC statutory reserves RMB'000 (Note 21)	Share-based payment reserve RMB'000 (Note 21)	Other reserve RMB'000 (Note 21)	Retained earnings RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2026		1,550,771	(286,467)	14,689,406	239,332	62,080	(2,263,062)	3,330,357	17,322,417	6,704,444	24,026,861
Changes in equity for the six months ended 30 June 2026:											
Profit for the period		–	–	–	–	–	–	738,951	738,951	128,824	867,775
Other comprehensive income		–	–	–	–	–	(565,435)	–	(565,435)	(292,566)	(858,001)
Total comprehensive income		–	–	–	–	–	(565,435)	738,951	173,516	(163,742)	9,774
Capital invested by non-controlling shareholders	26	–	–	–	–	–	582,783	–	582,783	1,427,017	2,009,800
Repurchase of ordinary shares		–	(52,660)	–	–	–	–	–	(52,660)	–	(52,660)
Transactions with non-controlling interests	25	–	–	–	–	–	(1,120,396)	–	(1,120,396)	(1,460,929)	(2,581,325)
Equity-settled share-based transaction		–	–	–	–	(62,080)	8,500	–	(53,580)	89,918	36,338
Profit distribution		–	–	–	–	–	–	(276,679)	(276,679)	(21,044)	(297,723)
Others		–	–	–	–	–	3,481	–	3,481	1,953	5,434
Balance at 30 June 2026 (Unaudited)		1,550,771	(339,127)	14,689,406	239,332	–	(3,354,129)	3,792,629	16,578,882	6,577,617	23,156,499
Balance at 1 January 2025		1,408,702	(419,373)	12,083,584	225,902	128,962	(2,236,977)	2,367,282	13,558,082	6,287,461	19,845,543
Changes in equity for the six months ended 30 June 2025:											
Profit for the period		–	–	–	–	–	–	707,632	707,632	201,173	908,805
Other comprehensive income		–	–	–	–	–	646,788	–	646,788	222,315	869,103
Total comprehensive income		–	–	–	–	–	646,788	707,632	1,354,420	423,488	1,777,908
Repurchase of ordinary shares		–	(193,436)	–	–	–	–	–	(193,436)	–	(193,436)
Transactions with non-controlling interests		–	–	–	–	–	(426,751)	–	(426,751)	137,746	(289,005)
Equity-settled share-based transaction		–	78,101	–	–	(41,979)	–	–	36,122	172	36,294
Profit distribution		–	–	–	–	–	–	(360,042)	(360,042)	(9,245)	(369,287)
Others		–	–	–	–	–	4,109	–	4,109	2,274	6,383
Balance at 30 June 2025 (Unaudited)		1,408,702	(534,708)	12,083,584	225,902	86,983	(2,012,831)	2,714,872	13,972,504	6,841,896	20,814,400

The notes on page 35 to 64 form part of this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2026 – unaudited

(Expressed in renminbi)

	Note	Six months ended 30 June	
		2026	2025
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Operating activities			
Cash generated from operations		**2,229,975**	2,191,183
Income tax paid		**(295,980)**	(284,716)
Net cash generated from operating activities		**1,933,995**	1,906,467
Investing activities			
Payment for purchases of property, plant and equipment, intangible assets and right-of-use assets		**(1,879,913)**	(1,946,071)
Proceeds from disposal of property, plant and equipment, and right-of-use assets		**111,483**	31,271
Net proceeds from acquisition of subsidiaries and other business units		**(4,000)**	–
Net proceeds from disposal of a subsidiary		**–**	37,682
Payment for acquisition of interests in associates		**(170,000)**	(30,000)
Payment for purchase of other financial assets		**(3,640,451)**	(3,262,307)
Proceeds from disposal of other financial assets		**1,871,997**	2,691,666
Other cash flows arising from investing activities		**8,352**	16,274
Net cash used in investing activities		**(3,702,532)**	(2,461,485)
Financing activities			
Proceeds from bank loans		**14,382,502**	8,130,328
Repayment of bank loans		**(11,707,796)**	(6,395,157)
Payment of capital element and interest element of lease liabilities		**(187,016)**	(120,444)
Interest of bank loans paid		**(469,953)**	(671,353)
Contribution from non-controlling interests		**2,009,800**	–
Payment for the purchase of non-controlling interests in subsidiaries		**(1,581,326)**	(298,125)
Dividends paid to equity shareholders of the Company and non-controlling interests		**(297,723)**	(361,921)
Payment for repurchase of shares		**(52,659)**	(193,436)
Net change in restricted cash		**(418,195)**	109,925
Listing expenses paid		**(28,074)**	(18,872)
Other cash flows arising from financing activities		**(13,642)**	(15,744)
Net cash generated from financing activities		**1,635,918**	165,201
Net decrease in cash and cash equivalents		**(132,619)**	(389,817)
Cash and cash equivalents at the beginning of the period		**7,964,822**	5,979,070
Effect of foreign exchange rate changes		**(214,105)**	134,753
Cash and cash equivalents at the end of the period	*17*	**7,618,098**	5,724,006

The notes on page 35 to 64 form part of this interim financial report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

(Expressed in Renminbi unless otherwise indicated)

1 BASIS OF PREPARATION

In 2004, Ningbo Joyson Electronic Co., Ltd. (changed to current name in February 2014, hereinafter referred to as "Joyson Electronics" or "the Company") started automotive components business and since then operated under Joyson Group.

In April 2011, Liaoyuan Deheng, the predecessor of the Company, entered into an agreement for assets purchase by share issue with, among others, Joyson Group, pursuant to which Liaoyuan Deheng agreed to acquire a controlling stake in the operating entities of the Company's business at the time from Joyson Group and other selling shareholders. In December 2011, as approved by China Securities Regulatory Commission (the "CSRC"), the transaction was completed. As a result, the operating entities were consolidated under the Company and the Company became listed on the Shanghai Stock Exchange.

On 6 November 2025, the Company completed a Global Offering of 155,100,000 newly issued H Shares with a par value of RMB1 per share to institutional and public shareholders in The Stock Exchange of Hong Kong Limited ("SEHK"). Upon the completion of the Global Offering, the share capital of the Company was increased to approximately RMB1,551 million, comprising 1,395,670,563 A Shares and 155,100,000 H Shares.

The Company and its subsidiaries (hereinafter collectively referred to as "the Group") are principally engaged in R&D, manufacturing and sales of automotive components, including Human Machine Interface products, Telematics, Automotive Safety Systems, and Electronics Products of New Energy Vehicle, etc. The Group mainly carried out its business in China, the United States, Japan, Germany, Mexico, Italy, Romania, Portugal, Poland, Brazil, India and other countries/areas.

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 of Hong Kong Limited, including compliance with International Accounting Standard ("IAS") 34, *Interim financial reporting*, issued by the International Accounting Standards Board ("IASB"). It was authorised for issue on 25 August 2026.

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

The preparation of interim financial information 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 information contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS 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. KPMG's independent review report to the Board of Directors is included on page 28.

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. Of these, only the amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments, are relevant to the Group's financial statements. The impacts of adopting these amendments are discussed below.

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

Amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments

The amendments cover three main aspects:

- The amendments clarify when a financial asset or a financial liability is recognised and derecognised. They also introduce an optional exception that permits an entity to derecognise a financial liability before the settlement date when the financial liability is settled in cash using an electronic payment system, provided that specific criteria are met.

- For the assessment of whether a financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, the amendments clarify the assessment of interest and introduce an additional test for the financial assets with contingent features, for example environmental, social or governance ("ESG")-linked features. The amendments also clarify the difference between financial assets with non-recourse features and contractually linked instruments which may then change the applicable assessments.

- The amendments introduce new disclosures for disposals of investments in equity instruments designated at FVOCI, and for financial instruments not measured at FVPL which contain contractual terms that could change the amount of contractual cash flows based on the occurrence or non-occurrence of a contingent event that does not relate directly to changes in basic lending risks and costs.

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

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

The amendments would also affect the disclosures to be included in the Group's annual financial statements for the year ending 31 December 2026 in respect of investments in equity instruments designated at FVOCI and financial instruments not measured at FVPL with specified contingent features. No additional disclosure has been included in this interim financial report.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The Company is an intelligent automotive technology solution provider, offering advanced products and solutions across the automotive industry's key areas mainly including automotive electronics and automotive safety.

Disaggregation of revenue

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers within the scope of IFRS 15:		
Disaggregated by major products or service lines		
– Sale of automotive components	**27,381,765**	29,144,194
– Rendering of research and development services	**273,360**	419,513
– Sale of tooling	**420,444**	327,825
– Sale of weighing products	**–**	435,710
Revenue from other sources		
– Rentals	**6,594**	8,969
– Others	**9,194**	10,862
	28,091,357	30,347,073

Disaggregation of revenue by the Group's business and by geographic markets is disclosed in Notes 3(b)(ii) and 3(b)(iii).

(b) Segment Reporting

The Group manages its businesses by geographic regions. The Group designs, manufactures and sells its products and services through four divisions: Automotive safety systems, Automotive electronics systems, Automotive components and Others. The Automotive safety systems business mainly includes seatbelts, airbags, intelligent steering wheels and integrated safety solutions related products. The Automotive electronics business mainly includes automotive intelligence solutions, e-mobility and HMI, etc. The Automotive components business includes smart cockpits products and new energy electric charging and distribution products. The Others business includes the Company and its subsidiaries other than those included in Automotive safety systems business, Automotive electronics systems business and Automotive components business. The Group disposed Weighing apparatus business on 3 December 2025.

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 presented accordingly the four reportable segments (2025: five reportable segments). No operating segments have been aggregated to form the reportable segments.

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment Reporting (Continued)

(i) Segment results, assets and liabilities

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

Segment assets include all tangible, intangible assets and current assets with the exception of investments in financial assets, deferred tax assets and other corporate assets. Segment liabilities include loans and borrowings managed directly, trade and other payables attributable to the manufacturing and sales activities of the individual segments and trade and provisions for automotive product warranties.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. However, other than reporting inter-segment sales of automotive product, assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

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

	Six months ended 30 June 2026					
	Automotive safety systems RMB'000 (Unaudited)	Automotive electronic systems RMB'000 (Unaudited)	Automotive components RMB'000 (Unaudited)	Others RMB'000 (Unaudited)	Elimination among segments RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue from external customers	17,473,465	7,741,931	2,402,202	473,759	–	28,091,357
Inter-segment revenue	2,377	321,983	62,999	365,460	(752,819)	–
Reportable segment revenue	17,475,842	8,063,914	2,465,201	839,219	(752,819)	28,091,357
Reportable segment profit/(loss) before taxation	455,655	453,250	(3,729)	177,521	(4,616)	1,078,081

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment Reporting (Continued)

(ii) (Continued)

	Six months ended 30 June 2025						
	Automotive safety systems RMB'000 (Unaudited)	Automotive electronic systems RMB'000 (Unaudited)	Automotive components RMB'000 (Unaudited)	Weighing Apparatus RMB'000 (Unaudited)	Others RMB'000 (Unaudited)	Elimination among segments RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue from external customers	18,427,041	8,464,622	2,501,999	435,710	517,701	–	30,347,073
Inter-segment revenue	3,419	421,923	52,043	–	263,491	(740,876)	–
Reportable segment revenue	18,430,460	8,886,545	2,554,042	435,710	781,192	(740,876)	30,347,073
Reportable segment profit/(loss) before taxation	513,187	533,334	75,177	6,833	136,859	(18,450)	1,246,940

	30 June 2026					
	Automotive safety systems RMB'000 (Unaudited)	**Automotive electronic systems RMB'000 (Unaudited)**	**Automotive components RMB'000 (Unaudited)**	**Others RMB'000 (Unaudited)**	**Elimination among segments RMB'000 (Unaudited)**	**Total RMB'000 (Unaudited)**
Reportable segment assets	**34,157,538**	**17,658,506**	**9,364,402**	**29,524,313**	**(20,526,480)**	**70,178,279**
Reportable segment liabilities	**22,094,886**	**9,405,380**	**5,405,456**	**13,766,398**	**(3,650,339)**	**47,021,781**

	31 December 2025					
	Automotive safety systems RMB'000	Automotive electronic systems RMB'000	Automotive components RMB'000	Others RMB'000	Elimination among segments RMB'000	Total RMB'000
Reportable segment assets	33,883,172	18,022,264	9,140,172	24,544,111	(16,435,182)	69,154,537
Reportable segment liabilities	23,619,034	9,892,564	5,853,233	7,440,032	(1,677,187)	45,127,676

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment Reporting (Continued)

(iii) Geographic information

The following table sets out information about the Group's revenue from external customers. The revenue is generated from China and overseas markets, such as North America, Europe, and Asia during the six months ended 30 June 2026 and 2025.

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue by location of the customers		
– China	**6,629,548**	7,717,821
– Overseas	**21,461,809**	22,629,252
Total	**28,091,357**	30,347,073

4 OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Government grants	**44,243**	70,086
Additional deduction for VAT	**18,549**	30,742
Others	**3,336**	2,783
Total	**66,128**	103,611

Note:

Government grants mainly represent operating subsidies and amortization of government grants for capital expenditure including development and construction of property, plant and equipment or land use rights. Conditions related to the grants, i.e. job creation, realization of sales, completion of certain tax payments have been fulfilled.

Additional deduction for VAT represents the preferential tax treatment for advanced manufacturing companies that the Group was qualified for since 2023.

5 PROFIT BEFORE TAXATION

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
(a) Finance costs		
Interest on loans and borrowings	**517,219**	551,442
Less: capitalized interest expense	**(3,486)**	(2,526)
Interest on lease liabilities	**27,153**	28,055
Interest income	**(97,401)**	(49,200)
Net exchange losses/(gains)	**76,270**	(21,351)
Others	**15,881**	20,128
Total finance costs	**535,636**	526,548

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
(b) Other net gains/(losses)		
Gains on disposal of property, plant and equipment and right-of-use assets	**3,198**	826
Net realized and unrealized gains on financial assets measured at FVPL	**143,506**	20,493
Donations	**(418)**	(1,559)
Others	**(11,281)**	6,375
Other net gains	**135,005**	26,135

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
(c) Expenses by nature		
Cost of inventories (Note)	**22,637,353**	24,183,720
Depreciation of property, plant and equipment and investment property	**886,337**	926,634
Depreciation of right-of-use assets	**149,760**	147,296
Amortisation of intangible assets	**595,863**	599,851
Restructuring expenses	**69,326**	90,279
Product warranty costs	**176,801**	129,710
(Reversal)/write-down of inventories	**(3,922)**	101,038

Note: Cost of inventories includes staff costs, depreciation and amortisation expenses.

6 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

(a) Taxation in the consolidated statements of profit or loss represents:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax		
Provision for the period	**265,169**	368,124
(Over)/under-provision in respect of prior years	**(3,973)**	4,107
Deferred tax		
Origination and reversal of temporary differences	**(50,891)**	(34,096)
	210,305	338,135

Notes:

(i) According to the Corporate Income Tax Law of China (the "Tax Law"), the Group's subsidiaries in the PRC are subject to statutory income tax rate of 25%, except for those which are entitled to a preferential tax rate applicable to advanced and new technology enterprises of 15%.

(ii) Income tax on profits arising from other jurisdictions has been calculated on the estimated assessable profit for the period at the respective rates prevailing in the relevant jurisdictions for the six months ended 30 June 2026 and 2025.

7 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to ordinary equity shareholders of the Company by the weighted average number of ordinary shares in issue as follows:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Total		
Profit attributable to all equity shareholders of the Company (RMB'000)	**738,951**	707,632
Allocation of profit attributable to holders of unvested shares under the 2021 Joyson Employee Stock Ownership Plan (RMB'000)	**(1,773)**	(3,649)
Profit attributable to ordinary equity shareholders of the Company for the purpose of basic earnings per share (RMB'000)	**737,178**	703,983
Weighted average number of ordinary shares at 30 June ('000)	**1,533,873**	1,381,988
Basic earnings per share (expressed in RMB per share)	**0.48**	0.51

7 EARNINGS PER SHARE (Continued)

(a) Basic earnings per share (Continued)

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Continuing operation		
Profit attributable to all equity shareholders of the Company (RMB'000)	**738,951**	700,040
Allocation of profit attributable to holders of unvested shares under the 2021 Joyson Employee Stock Ownership Plan (RMB'000)	**(1,773)**	(3,609)
Profit attributable to ordinary equity shareholders of the Company for the purpose of basic earnings per share (RMB'000)	**737,178**	696,431
Weighted average number of ordinary shares at 30 June ('000)	**1,533,873**	1,381,988
Basic earnings per share (expressed in RMB per share)	**0.48**	0.50

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Discontinued operation		
Profit attributable to all equity shareholders of the Company (RMB'000)	**–**	7,592
Allocation of profit attributable to holders of unvested shares under the 2021 Joyson Employee Stock Ownership Plan (RMB'000)	**–**	(40)
Profit attributable to ordinary equity shareholders of the Company for the purpose of basic earnings per share (RMB'000)	**–**	7,552
Weighted average number of ordinary shares at 30 June ('000)	**1,533,873**	1,381,988
Basic earnings per share (expressed in RMB per share)	**–**	0.01

Weighted average number of ordinary shares:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Issued ordinary shares at 1 January (Note 21)	**1,550,771**	1,408,702
Effect of Treasury Shares (Note 21(b))	**(16,898)**	(26,714)
Weighted average number of ordinary shares at 30 June	**1,533,873**	1,381,988

(b) Diluted earnings per share

During the six months ended 30 June 2026, the unvested shares under the 2021 Joyson Employee Stock Ownership Plan were not included in the calculation of diluted earnings per share because their effect would have been anti-dilutive. Accordingly, diluted earnings per share were the same as basic earnings per share.

8 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired items of property, plant and equipment with a cost of RMB1,223,841,000 (six months ended 30 June 2025: RMB978,710,000). Items of property, plant and equipment with a net book value of RMB98,186,000 were disposed of during the six months ended 30 June 2026 (six months ended 30 June 2025: RMB34,362,000).

As at 30 June 2026, property, plant and equipment with a net book value of RMB5,026,616,000 were mortgaged as securities for bank loans (31 December 2025: RMB4,506,718,000).

9 INTANGIBLE ASSETS

During the six months ended 30 June 2026, the Group recognised additions to intangible assets with a cost of RMB825,773,000 (six months ended 30 June 2025: RMB831,737,000). Items of intangible assets with a net book value of RMB3,442,000 were disposed of during the six months ended 30 June 2026 (six months ended 30 June 2025: RMB4,515,000).

As at 30 June 2026, Intangible assets with a net book value of RMB690,731,000 were pledged as securities for bank loans (31 December 2025: RMB609,836,000).

10 LEASE

The Group leases assets including land use rights, buildings and building improvements, machinery and equipment, motor vehicles and others.

During the six months ended 30 June 2026, the Group entered into a number of lease agreements for use of buildings and building improvements and other properties and therefore recognised the additions to original value of right-of-use assets of RMB88,376,000(six months ended 30 June 2025: RMB111,008,000).

The Group leases houses and buildings as offices and production plants, with lease terms ranging from 2 to 20 years. In addition, the Group also leases machinery and transport for the production and manufacture of automotive parts, with lease terms ranging from 2 to 5 years.

11 GOODWILL

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Cost	**9,056,232**	9,320,721
Accumulated impairment loss	**(2,157,060)**	(2,226,071)
	6,899,172	7,094,650

11 GOODWILL (Continued)

A CGU to which goodwill has been allocated is tested for impairment by the management annually, and whenever there is an indication that the unit may be impaired. As at 30 June 2026, the management has considered and assessed all available internal and external sources of information and has not identified any indications that an impairment loss of goodwill may have occurred during the six months ended 30 June 2026. Therefore the management did not make a formal estimate of the recoverable amounts of each CGU as at 30 June 2026.

12 OTHER FINANCIAL ASSETS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Non-current financial assets measured at FVPL		
Equity instruments		
– Listed equity securities	**114,319**	134,457
– Unlisted equity instruments	**713,366**	473,034
Reinsurance of defined benefit plan	**49,818**	55,958
Negotiable certificates of deposit	**308,058**	305,192
Non-current financial assets measured at amortised cost		
Term deposits	**–**	51,053
	1,185,561	1,019,694
Current financial assets measured at FVPL		
Financial products (Note (ii))	**316,575**	227,506
Listed equity securities	**98,915**	113,605
Current financial assets measured at amortised cost (Note (i))		
Term deposits	**1,746,139**	209,335
	2,161,629	550,446

Notes:

(i) The current term deposits of RMB1,746,139,000 (unaudited) (2025: RMB209,335,000) and non-current term deposits of RMB Nil (unaudited) (2025: RMB51,053,000) at 30 June 2026, respectively are with the term more than 3 months and more than 12 months, are both held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest. These financial products are measured at amortised cost.

(ii) The Group invested some financial products issued by banks and other financial institutions with its idle funds. These wealth management products usually have a preset maturity period and expected return, covering a wide range of investments, including government and corporate debentures, central bank bills, currency market funds, and other Chinese listed and unlisted equity securities. These financial products are classified as financial assets at fair value through profit or loss.

13 INVENTORIES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Raw materials	**6,245,426**	6,267,692
Work in progress	**2,174,431**	2,110,527
Finished goods	**1,706,127**	1,533,399
	10,125,984	9,911,618
Less: Provision for diminution in value of inventories	**(642,624)**	(699,789)
	9,483,360	9,211,829

14 CONTRACT LIABILITIES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Advances from sales of automotive components	**40,522**	79,359
Advances on tooling and R&D services	**787,048**	628,077
	827,570	707,436

Note:

Contract liabilities primarily relate to the advance payments received from customers for deliveries of goods and for services to be performed. In the case for which contract liabilities are recognised, the customer has already paid the consideration or part of the consideration, but the Group has generally not yet satisfied its performance obligation or has done so only to a limited extent.

15 TRADE AND OTHER RECEIVABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Trade receivables		
– Third parties	8,620,995	8,977,806
– Related parties	10,955	9,925
Bills receivable (Note)	732,501	1,027,823
Receivables to be factored	5,096	53,845
Less: allowance for doubtful debts	(148,710)	(167,101)
Trade and bills receivables	9,220,837	9,902,298
Other receivables		
– Tax recoverable and refund receivable	1,596,441	1,634,398
– Deposits and prepayments	182,371	183,293
– Staff advance	91,738	79,591
– Others	239,541	208,739
Other receivables	2,110,091	2,106,021
Current	11,330,928	12,008,319
Other receivables		
– Overpayment of tax in previous years by overseas subsidiaries	277,250	267,603
– Others	39,035	40,506
Non-current	316,285	308,109

Note:

As at 30 June 2026, bills receivable of RMB378,424,000 (unaudited) (31 December 2025: RMB640,794,000), comprise of bank acceptance bills, whose fair values approximate to their carrying values were classified as financial assets at FVOCI under IFRS 9. The fair value changes of these bills receivable measured at FVOCI were insignificant during the period.

As at 30 June 2026, other bills receivable of RMB354,077,000 (unaudited) (31 December 2025: RMB387,029,000) are measured at amortised cost, including bank and commercial acceptance bills.

Bills receivable mainly represent short-term bank acceptance receivable that entitle the Group to receive the full face amount from the banks at maturity, which generally ranges from 3 to 6 months from the date of issuance. Historically, the Group had experienced no credit losses on bills receivable. The Group from time to time endorses bills receivable to suppliers in order to settle trade payables.

15 TRADE AND OTHER RECEIVABLES (Continued)

Ageing analysis:

As at the end of each reporting period, the ageing analysis of trade debtors, based on the revenue recognition date, is as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Within 1 year	**8,499,386**	8,836,237
More than 1 year but within 2 years	**89,133**	114,543
More than 2 years but within 3 years	**39,778**	33,163
More than 3 years	**3,653**	3,788
	8,631,950	8,987,731
Less: Provision for bad and doubtful debts	**(147,285)**	(165,607)
	8,484,665	8,822,124

16 PREPAYMENTS AND OTHER ASSETS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Payment to OEM	**701,638**	670,904
Prepayment for long-term assets	**241,105**	214,581
Contract costs and others (Note)	**1,545,962**	1,452,486
Non-current	**2,488,705**	2,337,971
Purchase of raw materials	**145,481**	127,090
Purchase of tooling	**81,589**	74,325
Deferred expense	**294,171**	205,809
Contract costs and others (Note)	**1,573,071**	1,601,093
Current	**2,094,312**	2,008,317
	4,583,017	4,346,288

Note:

Contract costs and others mainly include costs incurred in the initial activities carried out by the Group for the fulfillment of the contract, which are costs and expenses incurred by the Group for the fulfillment of contractual obligations prior to the formal delivery of the relevant products after the signing of supply agreements with certain OEMs, and such costs and expenses will be recovered in subsequent supply orders. Accordingly, the costs and expenses incurred by the Group are capitalised and amortised when anticipated future vendor purchases occur.

17 CASH AND CASH EQUIVALENTS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Cash at bank	**8,912,950**	8,793,100
Less: Restricted cash (Note)	**(1,294,852)**	(828,278)
Cash and cash equivalents in the consolidated statement of financial position and the consolidated cash flow statement	**7,618,098**	7,964,822

Note:

Restricted cash of RMB1,294,852,000 (unaudited) as at 30 June 2026 (31 December 2025: 828,278,000), mainly was pledged for loans and bank acceptance bills.

18 DISCONTINUED OPERATION

On 3 December 2025, the Group completed the disposal of weighing apparatus segment, which was not classified as held for sale or as a discontinued operation as at 30 June 2025, as the disposal process had not been initiated as of that date.

(a) Results of discontinued operation in the Group's consolidated financial statements

	Six months ended 30 June 2025 RMB'000 (Unaudited)
Revenue	435,578
Cost of sales	(294,540)
Gross profit	141,038
Expenses	(112,031)
Results from operating activities	29,007
Tax expense	(3,366)
Results from operating activities, net of tax	25,641

18 DISCONTINUED OPERATION (Continued)

(b) Cash flows from discontinued operation

	Six months ended 30 June 2025 RMB'000 (Unaudited)
Net cash used in operating activities	(135,056)
Net cash generated from investing activities	215,353
Net cash used in financing activities	(38,558)
Net cash inflows	41,739

19 LOANS AND BORROWINGS

The short-term loans and borrowings were as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Pledged loans (Note (i))	**397,882**	315,323
Loans secured by mortgages	**–**	60,150
Guaranteed loans (Note (ii))	**917,734**	638,045
Unsecured short-term loans (Note (iii))	**4,073,962**	4,448,688
Unsecured bond	**505,408**	500,201
Add: Current portion of long-term loans and borrowings	**5,756,166**	9,859,244
	11,651,152	15,821,651

As at 30 June 2026, the annual interest rates of major short-term loans and borrowings range from 1.35% to 5.40% (unaudited) (31 December 2025: from 1.50% to 5.14%).

(i) As at 30 June 2026, the pledged loans mainly include multiple short-term loans borrowed from Bank of China with a principal amount of RMB111,000,000; a short-term loan borrowed from Bank of Communications with a principal amount of RMB104,500,000; a short-term loan borrowed from Bank Polska Kasa Opieki S.A. with a principal amount of EUR12,031,000, equivalent to RMB93,444,000; multiple short-term loans borrowed from Deutsche Bank with a principal amount of EUR7,311,000, equivalent to RMB37,450,000; and multiple short-term loans borrowed from China Construction Bank with a principal amount of RMB50,000,000. The above loans are all secured by equity and asset pledges.

19 LOANS AND BORROWINGS (Continued)

(ii) As at 30 June 2026, the guaranteed loans mainly include multiple short-term loans borrowed from Industrial and Commercial Bank of China with a principal of RMB437,250,000; multiple short-term loans borrowed from China Construction Bank with a principal of RMB400,000,000; and multiple short-term loans borrowed from China Merchants Bank with a principal of RMB80,000,000. The above loans are guaranteed by Joyson Group.

(iii) As at 30 June 2026, the unsecured loans mainly include a short-term loan borrowed from Commerzbank with a principal amount of EUR230,000,000, equivalent to RMB1,786,437,000; multiple short-term loans borrowed from Postal Savings Bank of China with a principal amount of RMB519,143,000; multiple short-term loans borrowed from China Merchants Bank with a principal amount of RMB469,230,000; a short-term loan borrowed from Unicredit Bank with a principal amount of RMB427,191,000; a short-term loan borrowed from Bank of Communications with a principal amount of RMB300,000,000; and multiple short-term loans borrowed from China Construction Bank with a principal amount of RMB228,997,000.

The long-term loans and borrowings were as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Pledged loans (Note (i))	**9,687,213**	7,240,868
Loans secured by mortgages (Note (ii))	**1,525,492**	1,672,952
Guaranteed loans (Note (iii))	**3,429,807**	3,228,301
Unsecured long-term loans (Note (iv))	**5,595,534**	6,104,433
Less: Current portion of long-term loans and borrowings	**(5,756,166)**	(9,859,244)
	14,481,880	8,387,310

As at 30 June 2026, the annual interest rates of major long-term loans and borrowings range from 1.15% to 5.79% (unaudited) (31 December 2025: from 1.15% to 7.00%).

(i) As at 30 June 2026, pledged loans mainly include multiple long-term loans borrowed from Deutsche Bank, including a principal of RMB3,013,250,000, a principal of EUR202,100,000, equivalent to RMB1,569,731,000, a principal of USD178,519,000, equivalent to RMB1,215,872,000, and a principal of JPY21,840,000,000, equivalent to RMB918,263,000, all with a maturity date of 14 January 2031.

Pledged loans also include the long-term loans with a principal of RMB590,500,000 borrowed by the Group's subsidiary from China Construction Bank, maturing from 21 March 2027 to 29 May 2028; a syndicated loan of RMB403,700,000 from China Construction Bank as the lead bank, with a maturity date of 31 December 2027; long-term loans with a principal of RMB766,857,000 borrowed from Export-Import Bank of China, maturing from 22 September 2027 to 21 October 2033; long-term loans with a principal of RMB543,536,000 borrowed from China's Industrial Bank, maturing from 25 May 2027 to 26 November 2028; long-term loans with a principal of RMB331,500,000 borrowed from Bank of China, maturing from 22 April 2027 to 25 September 2027; and long-term loans with a principal of RMB217,500,000 borrowed from Bank of Communications, maturing from 15 September 2026 to 28 July 2027. The above loans are pledged with shares and assets.

19 LOANS AND BORROWINGS (Continued)

(ii) As at 30 June 2026, Mortgage loans primarily include long-term loans borrowed by the Group's subsidiary from The Export-Import Bank of China with a principal of RMB1,014,900,000, maturing from 9 July 2026 to 21 February 2035; long-term loans borrowed from China Construction Bank with a principal of RMB269,221,000, maturing from 2 January 2028 to 30 December 2029; long-term loans borrowed from Bank Polska Kasa Opieki S.A. with a principal of EUR19,031,000, equivalent to RMB151,076,000, maturing from 26 January 2032 to 8 April 2036; and long-term loans borrowed from Unicredit Bank with a principal of EUR10,000,000, equivalent to RMB77,671,000, maturing on 31 December 2028. The above loans are all secured by real property mortgages.

(iii) As at 30 June 2026, guaranteed loans primarily include multiple long-term loans borrowed by the Group's subsidiary from China Construction Bank with a principal of RMB1,022,582,000, maturing from 31 January 2027 to 21 May 2027; long-term loans borrowed from Agricultural Bank of China with a principal of RMB984,900,000, maturing from 26 December 2026 to 25 January 2028; long-term loans borrowed from Bank of China with a principal of RMB900,000,000, maturing from 4 September 2027 to 3 January 2029; and a long-term loan borrowed from Industrial Bank with a principal of RMB499,700,000, maturing on 13 November 2027. The above loans are all guaranteed by Joyson Group.

(iv) As at 30 June 2026, the unsecured loans mainly include multiple long-term loans borrowed by the Group's subsidiary from Commerzbank with a principal of EUR203,125,000, equivalent to RMB1,577,692,000, maturing from 30 June 2027 to 30 June 2031; multiple long-term loans borrowed from Industrial and Commercial Bank of China with a principal of RMB1,216,000,000, maturing from 9 March 2027 to 29 January 2029; multiple long-term loans borrowed from Agricultural Bank of China with a principal of RMB1,085,954,000, maturing from 31 January 2027 to 21 March 2035; multiple long-term loans borrowed from The Export-Import Bank of China with a principal of RMB739,510,000, maturing from 27 August 2026 to 14 December 2027; multiple long-term loans borrowed from Bank of China with a principal of RMB568,947,000, maturing from 7 October 2026 to 21 March 2035; a long-term loan borrowed from Postal Savings Bank of China with a principal of RMB197,000,000, maturing on 23 January 2028; and multiple long-term loans borrowed from Bank of Ningbo with a principal of RMB118,980,000, maturing from 10 October 2026 to 10 October 2028.

20 TRADE AND OTHER PAYABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Trade and bills payables	**10,870,358**	11,203,346
Accrual expenses	**465,934**	506,493
Sales discounts	**878,060**	908,512
Accrued payroll, welfare and bonus	**1,425,818**	1,671,380
Other tax payables	**585,708**	631,736
Dividends payable	**10,296**	10,296
Consideration payable for equity acquisition	**1,000,000**	–
Others	**792,344**	860,452
Current	**16,028,518**	15,792,215
Other long-term employee benefits payable	**260,862**	267,834
Others	**21,884**	33,057
Non-current	**282,746**	300,891

As at 30 June 2026 and 31 December 2025, there was no significant single item of accounts payable with ageing of more than one year.

21 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Final dividend in respect of the previous financial year, approved and paid during the following interim period, of RMB1.8 per 10 ordinary shares (six months ended 30 June 2025: RMB2.6 per 10 ordinary share)	**276,679**	360,042

(b) Treasury shares

During the year ended 31 December 2025, the Company repurchased 13,031,000 treasury shares amounting to approximately RMB222,515,000. During the period ended 30 June 2026, the Company further repurchased 3,985,500 treasury shares amounting to approximately RMB52,660,030 (unaudited).

The balances as of 30 June 2026 included the value of the 12,664,000 treasury shares to be used for equity incentives or employee stock ownership plans and the value of 3,690,000 treasury shares granted to the 2021 Joyson Employee Stock Ownership Plan.

22 FINANCIAL FAIR VALUES OF FINANCIAL INSTRUMENTS

(a) Financial assets and liabilities measured at fair value

Fair value hierarchy

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

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

		Fair value measurements as at 30 June 2026 categorised into (Unaudited)		
	Fair value at 30 June 2026 RMB'000	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Fair value measured on a recurring basis				
Financial assets measured at FVPL (Note 12)				
– Listed equity securities	213,234	125,008	–	88,226
– Financial products	316,575	–	316,575	–
– Equity instruments	713,366	–	–	713,366
– Reinsurance of defined benefit plan	49,818	–	–	49,818
– Negotiable certificates of deposits	308,058	–	308,058	–
– Derivative financial instruments	3,322	–	3,322	–
Financial assets measured at FVOCI				
– Bills receivable	378,424	–	–	378,424
– Receivables to be factored	5,096	–	–	5,096
– Derivative financial instruments	13,163	–	13,163	–
	2,001,056	125,008	641,118	1,234,930
Derivative financial liabilities	9,131	–	9,131	–

22 FINANCIAL FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

	Fair value at 31 December 2025 RMB'000	Fair value measurements as at 31 December 2025 categorised into Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Fair value measured on a recurring basis				
Financial assets measured at FVPL (Note 12)				
– Listed equity securities	248,062	248,062	–	–
– Financial products	227,506	–	227,506	–
– Equity instruments	473,034	–	–	473,034
– Reinsurance of defined benefit plan	55,958	–	–	55,958
– Negotiable certificates of deposits	305,192	–	305,192	–
– Derivative financial instruments	3,150	–	3,150	–
Financial assets measured at FVOCI				
– Bills receivable	640,794	–	–	640,794
– Receivables to be factored	53,845	–	–	53,845
– Derivative financial instruments	27,044	–	27,044	–
	2,034,585	248,062	562,892	1,223,631
Derivative financial liabilities	11,509	–	11,509	–

The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the end of the reporting period, taking into account current interest rates, the current creditworthiness and foreign exchange rate of the swap counterparties.

The fair value of foreign forward exchange contracts in Level 2 is determined by discounting the contractual forward price and deducting the current spot rate. The discount rate used is derived from the relevant government yield curve as at the end of the reporting period plus an adequate constant credit spread.

The fair value of financial instruments traded in an active market is determined at the quoted market price; and the fair value of those not traded in an active market is determined by the Group using valuation technique. The valuation models used mainly comprise discounted cash flow model and market comparable company model. The major inputs of the valuation model include expected rate of return and discount of lack of market liquidity.

22 FINANCIAL FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

During the six months ended 30 June 2026, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (six months ended 30 June 2025: Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The changes in Level 3 assets are analysed below:

	Financial assets at FVOCI RMB'000	Financial assets at FVPL RMB'000	Total RMB'000
As at 1 January 2025	581,604	223,801	805,405
Additions	735,150	80,658	815,808
Disposals/settlements	(581,604)	(1,034)	(582,638)
Currency translation differences	–	4,803	4,803
As at 30 June 2025 (Unaudited)	735,150	308,228	1,043,378
As at 1 January 2026	**694,639**	**528,992**	**1,223,631**
Additions	**383,520**	**–**	**383,520**
Disposals/settlements	**(694,639)**	**(5,556)**	**(700,195)**
Changes in fair value recognised in profit or loss	**–**	**159,146**	**159,146**
Currency translation differences	**–**	**168,828**	**168,828**
As at 30 June 2026 (Unaudited)	**383,520**	**851,410**	**1,234,930**

22 FINANCIAL FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

The following table summarizes the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of material financial assets and the sensitivity analysis of fair value to the inputs:

	Fair value					
	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000	Valuation technique(s)	Significant unobservable input(s)	Range of inputs (probability weighted average)	Sensitivity of fair value to the input(s)
Financial assets at FVPL						
– Equity instruments	**801,592**	473,034	Market approach	Recent transaction price, redemption value	N/A	N/A
Financial assets at FVOCI						
– Bills receivable	**378,424**	640,794	Discounted cash flow model	Lack of marketability discount	0%	N/A
– Receivables to be factored	**5,096**	53,845	Discounted cash flow model	Lack of marketability discount	0%	N/A

(b) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at amortised cost are not materially different from their fair values as at 30 June 2026 because of the short-term maturities of all these financial instruments.

23 COMMITMENTS

Commitments outstanding at 30 June 2026 not provided for in the interim financial report:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Contracted for acquisition of property, plant and equipment, intangible assets and other long-term assets	**694,974**	558,812

(Expressed in Renminbi unless otherwise indicated)

24 MATERIAL RELATED PARTY TRANSACTIONS

(a) Names and relationships of the related parties that had material transactions with the Group

The directors of the Company are of the view that the following parties/companies were significant related parties that had transactions with the Group during the six months ended 30 June 2026 and 2025, or had balances as at 30 June 2026 and 31 December 2025.

Name of party	Relationship with the Group
Joyson Holding Co., Ltd.	Parent company
Ningbo PIA Automation Holding Co., Ltd.	Under common control of ultimate controlling party
Ningbo Sci-Tech Park Joyson Property Management Co., Ltd.	Under common control of ultimate controlling party
Ningbo Junya Hotel Management Co., Ltd.	Under common control of ultimate controlling party
Ningbo Joyson Real Estate Development Co., Ltd.	Under common control of ultimate controlling party
PIA Automation Amberg GmbH	Under common control of ultimate controlling party
PIA Automation Bad Neustadt GmbH	Under common control of ultimate controlling party
PIA Automation USA Inc.	Under common control of ultimate controlling party
PIAMEX AUTOMATION, S. de R.L. de C.V.	Under common control of ultimate controlling party
Joyson Europe Holding GmbH	Under common control of ultimate controlling party
Shanghai PIA Medical Technology Co., Ltd.	Under common control of ultimate controlling party
Ningbo PIA Artificial Intelligence and Humanoid Robotics Research Institute Co., Ltd.	Under common control of ultimate controlling party
Ningbo Junyun Hotel Management Co., Ltd.	Under common control of ultimate controlling party
Ningbo Hanling international Cultural and Art Exchange Center Co., Ltd.	Under common control of ultimate controlling party
Ningbo Puzhi Future Robot Co., Ltd.	Under common control of ultimate controlling party
Ningbo Joyson Embodied Intelligence Robot Co., Ltd.	Under common control of ultimate controlling party
Suzhou SME-CQ AUTOMOTIVE Safety TECHNOLOGY Co., Ltd.	Associates
Yanfeng KSS (Shanghai) Automotive Safety Systems Co., Ltd.	A joint venture of subsidiaries
Shanghai Youzhong Technology Co.,Ltd.	An associate of subsidiaries
Ningbo Junyue Cloud New Energy Technology Co., Ltd.	An associate of subsidiaries (before 31 December 2025)
Zhongshan Camry Electronic Company Limited	Others (before 31 December 2025)
Zhu Xuesong	Vice-chairman
Cai Zhengxin	Director
Chen Wei	Director, Executive
Li Junyu	Director, Executive
Hua Muwen	Executive
Yu Zhaohui	Executive

24 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) Names and relationships of the related parties that had material transactions with the Group (Continued)

Name of party	Relationship with the Group
Dai Shenjun	Supervisor (Resigned before 31 December 2025)
Liu Jinlin	Supervisor (Resigned before 31 December 2025)
Guo Feier	Supervisor (Resigned before 31 December 2025)
Wang Yude	Supervisor (Resigned before 31 December 2025)
Zhou Xingyou	Director

* The official names of these entities are in Chinese. The English names are for identification purpose only.

In addition to the related party information disclosed elsewhere in the financial statements, the Group entered into the following material related party transactions.

(b) Key management personnel remuneration

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Salaries, wages and other benefits	**15,367**	19,099
Equity-settled share-based payment	**457**	1,439
	15,824	20,538

24 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(c) Related parties transactions

In addition to those related party transactions disclosed elsewhere in this interim financial report, the Group entered into the following material related party transactions for the six months ended 30 June 2026 and 30 June 2025:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Purchase of goods/receiving of services		
– Under common control of ultimate controlling party	**160,690**	92,715
– Associates	**56,433**	53,547
Sale of goods/rendering of services		
– Under common control of ultimate controlling party	**5,909**	1,650
– Associates	**–**	252
– Joint venture	**–**	120
Leases		
– The Group as the lessor:	**3,978**	7,646
– The Group as the lessee:	**1,475**	4,043
Guarantee		
– The Company as the guarantee holder	**5,807,400**	5,614,150

(d) Balance with related parties

As at 30 June 2026 and 31 December 2025, the Group had the following balances with related parties:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Trade in nature		
Trade receivables	**10,955**	9,925
Prepayments and other assets	**86,342**	79,590
Trade payables	**254,956**	222,322
Non-trade in nature		
Other payables	**10,000**	10,000

25 TRANSACTIONS WITH NON-CONTROLLING INTERESTS

During the six months ended 30 June 2026, material transactions with non-controlling interests were as follows:

(a) The Company acquired additional 12.42% shareholding of one of its subsidiaries, Anhui Joyson Automotive Safety System Holdings Co., Ltd. (hereinafter referred to as Anhui Joyson) during the six months ended 30 June 2026 from its non-controlling shareholder, Future Industry Investment Fund for cash of RMB2,515,660,000. Upon completion of this transaction, the Company recognised decrease in non-controlling interests of RMB1,425,785,000 and decrease in other reserves of RMB1,089,875,000.

(b) The Company acquired additional 1.48% shareholding of one of its subsidiaries, Ningbo Joynext Technology Co., Ltd. (hereinafter referred to as Joynext) during the six months ended 30 June 2026 from its non-controlling shareholder Hubei Kaihui Yangtze Automobile Industry Equity Investment Fund Partnership (L.P.) for cash of RMB62,298,000. Upon completion of this transaction, the Company recognised decrease in non-controlling interests of RMB57,969,000 and decrease in other reserves of RMB4,329,000.

26 CAPITAL INVESTED BY NON-CONTROLLING SHAREHOLDERS

During the six months ended 30 June 2026, the Company received investments from non-controlling shareholders as follows:

(a) The Company entered into capital increase agreements with ABC Investment, CCB Investment and CMB Investment, pursuant to which, ABC Investment, CCB Investment and CMB Investment agreed to subscribe in cash of RMB1,000,000,000, RMB500,000,000 and RMB500,000,000 for total shareholding of 9.17% of Anhui Joyson. Upon completion of these transactions, the Company's shareholding in Anhui Joyson decreased to 66.35% and the Company recognised decreases in other reserves of RMB582,783,000 and increases in non-controlling shareholders' interests of RMB1,417,217,000.

(b) The Company's subsidiary Ningbo Junen New Energy Co., Ltd. received capital injection in cash of RMB9,800,000 by its non-controlling shareholder.

27 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026

A number of amendments and new standards are not yet mandatory for annual periods beginning 1 January 2026. Earlier application is permitted; however, the group has not early adopted any new or amended standards in preparing this interim financial report.

The following updates the information provided in the last annual financial statements about the possible impacts of IFRS 18 which may have a significant impact on the group's consolidated financial statements when adopted.

IFRS 18, Presentation and disclosure in financial statements

IFRS 18 will replace IAS 1, *Presentation of financial statements*, and is first effective for annual reporting periods beginning on or after 1 January 2027.

IFRS 18 introduces new requirements for presentation and disclosure in financial statements, including new categories and defined subtotals in the statement of profit or loss, enhanced requirements for aggregation and disaggregation of information, and specific disclosures about management-defined performance measures. The group is assessing the expected impact that the initial application of IFRS 18 will have on its consolidated financial statements.

The group expects that the adoption of IFRS 18 will not change the group's net assets or net profit. However, it is expected to affect the presentation of the group's consolidated statement of profit or loss and related note disclosures. Based on the work performed to date, the group's assessment on the expected impact of the initial application of IFRS 18 is summarised below. The assessment remains subject to change as the group continues its implementation work.

27 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026 (Continued)

(a) Structure of the statement of profit or loss

IFRS 18 requires entities to classify income and expenses into specified categories in the statement of profit or loss, including operating, investing, and financing categories. It also requires entities to present two newly defined subtotals, which are "operating profit" and "profit or loss before financing and income taxes". The operating profit subtotal is expected to differ from the current profit from operations subtotal presented by the group. Based on the work performed to date, the group also expects the following changes to the consolidated statement of profit or loss:

- Classification of income and expenses depends on the group's main business activities. The group currently expects that investing in investment properties will be a specified main business activity for the purposes of IFRS 18, because the group has a reportable segment which comprises solely property leasing (see note 3(b)) and the performance of that reportable segment is an important indicator of the group's operating performance. Accordingly, the group expects to classify the income and expenses from investment property in the operating category and therefore they will be included in the new "operating profit" subtotal;

- Dividend, interest income, and net gains on trading securities, which are currently presented in the group's other income subtotal, as well as the share of profits less losses of associates and joint venture are expected to be classified in the investing category. The income and expenses classified in the investing category, together with the subtotal "operating profit", will form the new subtotal "profit or loss before financing and income taxes";

- The group is assessing the classification of income and expenses as currently included in the finance cost line item and expects that this line item will be disaggregated into "income and expenses on liabilities arising solely from raising of finance" and "interest expenses on other liabilities" in the financing category;

- The group is required to assess the classification of foreign exchange differences in the same category as the income and expenses from the items that gave rise to the differences, unless doing so would involve undue cost or effort; and

- The group currently presents operating expenses by function. The group is assessing whether its current presentation, or a mixed presentation by nature and function, will provide the most useful structured summary of its operating expenses under IFRS 18. If the group continues to present one or more operating expense line item by function, information about five specific expenses by nature will be provided in a single note to the financial statements.

27 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026 (Continued)

(b) Management-defined performance measures ("MPM")

MPMs are subtotals of income and expenses used in public communications outside the financial statements that communicate management's view of an aspect of the financial performance of the entity as a whole to users. Based on the group's current assessment, "adjusted operating profit", which excludes net valuation gain/loss on investment property, is identified as a MPM since it is currently being reported by the group in its management commentary, press releases, and investor presentations. The group is also developing a process to identify its public communications and assess whether other measures reported in those communications meet the definition of an MPM.

The group will be required to disclose specific information about MPMs in a single note in the financial statements. The MPMs disclosed by the group following adoption of IFRS 18 will be determined based on public communications issued by the group relating to the same reporting period.

(c) Principles of aggregation and disaggregation

IFRS 18 provides enhanced principles on how to group information in the financial statements, including the primary financial statements and the notes. It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

The group has been consistently applied the principles of aggregating and disaggregating the items on the basis of similar and dissimilar characteristics. The group is also assessing line items currently labelled as "other" across the primary financial statements and the notes and expects to use more informative labels where material information would otherwise be obscured.

IFRS 18 also introduces consequential amendments to IAS 7, *Statement of cash flows*. The group is assessing the impact of those amendments, including the requirement to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method and the classification of interest and dividend cash flows.

The actual impact of applying IFRS 18 may change as the group continues to assess the new requirements and finalises any changes to its reporting processes, controls and accounting policies before the date of initial application.

DEFINITIONS

In this interim report, unless the context otherwise requires, the following terms shall have the meanings set forth below:

"2025 Annual Report"	the annual report for 2025 issued by the Company on April 21, 2026
"5G-A"	5G Advanced (5G-A), an enhanced standard in the 5G evolution stage that delivers significant improvements in aspects such as bandwidth, latency, positioning and AI-native networks
"5G+V2X"	V2X technology based on the fifth-generation mobile communication technology
"A Share(s)"	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, subscribed for or credited as fully paid in RMB, which are listed for trading on the Shanghai Stock Exchange and traded in RMB
"AC/DC"	alternating current to direct current converter, which is used to convert alternating current into direct current
"AIDC"	artificial intelligence data center, a data center infrastructure for artificial intelligence model training, inference and high-performance computing
"Anhui Joyson"	Anhui Joyson Auto Safety Systems Holdings Co., Ltd., a limited liability company incorporated in the PRC and a subsidiary of the Company
"Audit Committee"	the Audit Committee of the Board
"Board" or "Board of Directors"	the board of directors of the Company
"CDU"	coolant distribution unit, which is used for the circulation, distribution and temperature control of coolant in liquid-cooling systems
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
"China" or "PRC"	the People's Republic of China
"Company", "our Company", or "Joyson Electronics"	Ningbo Joyson Electronic Corp. (寧波均勝電子股份有限公司), a joint stock company incorporated in the PRC with limited liability under the relevant PRC laws and regulations on August 7, 1992, the A Shares of which have been listed on the Shanghai Stock Exchange (stock code: 600699) and the H Shares of which have been listed on the Hong Kong Stock Exchange (stock code: 00699), formerly known as Liaoyuan Deheng Company Limited (遼源得亨股份有限公司) and Liaoyuan Joyson Electronics Co., Ltd. (遼源均勝電子股份有限公司)
"DC/DC"	direct current to direct current converter, which is used to convert direct current between different voltage levels

DEFINITIONS

"Director(s)"	director(s) of the Company
"Employee Stock Ownership Plan"	the employee stock ownership plan adopted by the Company, which was considered and approved at the sixteenth meeting of the tenth session of the Board held on October 14, 2021 and the second extraordinary general meeting for 2021 held on November 1, 2021
"eVTOL"	electric vertical take-off and landing vehicles
"Global Data"	a leading provider of data and insights for the automotive industry, offering market data of the global automotive industry and forecast and analysis services
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Group", "our Group", "we" or "us"	the Company and its subsidiaries
"H Share(s)"	overseas listed shares in the share capital of the Company with nominal value of RMB1.00 each, which are listed and traded on the Hong Kong Stock Exchange
"HK$" or "HK dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
"in-vehicle optical communication"	a core technology that utilizes optical signals to achieve high-speed, anti-interference data transmission inside vehicles
"Joyson Group"	Joyson Holding Co., Ltd. (均勝集團有限公司) (formerly known as Ningbo Joyson Investment Group Co., Ltd. (寧波均勝投資集團有限公司)), a limited liability company established in the PRC on September 4, 2001, and one of the controlling shareholders of the Company
"Latest Practicable Date"	August 24, 2026, being the latest practicable date prior to the issuance of this interim report for ascertaining certain information contained herein
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
"NOA"	the function of automatic assisted driving based on navigation paths in highway or expressway scenarios

DEFINITIONS

"OEM(s)"	automotive original equipment manufacturers (automotive manufacturer(s)), company(ies) that design, develop, and manufacture vehicles, and market their vehicles directly to customers
"PBOC"	the People's Bank of China, the central bank of the PRC
"PCDU"	power conditioning and distribution unit, which is used for conditioning, converting and distributing electrical power
"Prospectus"	the prospectus issued by the Company on October 28, 2025
"PSU"	power supply unit, which is used for power conversion, supply and management
"Reporting Period"	January 1, 2026 to June 30, 2026
"Rho Motion"	a data and research institution focusing on the electric vehicle and energy transition sectors
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Securities and Futures Ordinance"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
"Senssun"	Guangdong Senssun Weighing Apparatus Group Ltd. (廣東香山衡器集團股份有限公司), a subsidiary of the Company, listed on the Shenzhen Stock Exchange (stock code: 002870)
"Share(s)"	ordinary share(s) in the capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it in the Companies Ordinance
"Tier1"	suppliers that provide products directly to OEMs

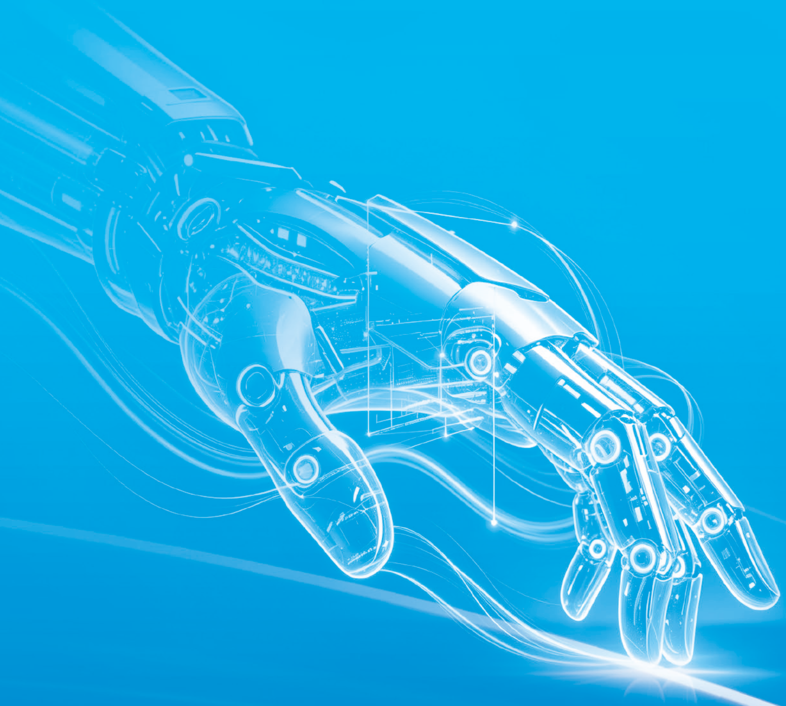
DEFINITIONS

“V2X”	Vehicle to Everything, referring to the communication between a vehicle and the outside world (such as vehicles, infrastructure, pedestrians, networks, etc.)
“%”	per cent

Notes:

1. Certain amounts and percentage figures included in this interim report have been subject to rounding adjustments.

2. In the event of any discrepancy between the Chinese and English names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain subsidiaries of the Company), the Chinese version shall prevail. English translation of Chinese company names and other terms are marked with “*” and are provided for identification purposes only.



均胜电子
JOYSON ELECTRONICS

更智能 更安全 更环保

SMARTER | SAFER | GREENER