



Mint Group

MINTH GROUP LIMITED

敏實集團有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 425



2026

Interim Report



CORE VALUES

- Integrity
- Teamwork
- Trust
- Drive Transformation



VISION

Create beauty in motion with intelligence



MISSION

To make automobiles lighter, smarter, and beautiful

♻️ This Interim report is printed on environmental paper



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* Should there be any discrepancy between the English and Chinese versions, the English version shall prevail.

CORPORATE INFORMATION

THE BOARD

Executive directors

Wei Ching Lien (*Chairperson and
Chief Executive Officer*)

Zhang Yuxia

William Chin

Xu Hailan (*appointed on 30 June 2026*)

Ye Guo Qiang (*retired on 30 June 2026*)

Non-executive director

Chin Chien Ya

Independent non-executive directors

Mok Kwai Pui Bill

Tatsunobu Sako

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Chan Pak Hung

Hu Ting Wu

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Yi Lei Li

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STOCK CODE

SEHK Code: 0425



MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

During the six months ended 30 June 2026 (the “Review Period”), according to GlobalData statistics, global light vehicle sales amounted to approximately 42,770,000 units, representing a year-on-year decrease of about 3.9%, with an overall trend of “sluggish growth and deep regional divergence.”

During the Review Period, according to European Automobile Manufacturers’ Association (“ACEA”) statistics, new car registrations in the European markets, including the European Union, European Free Trade Association and the United Kingdom, were approximately 7,232,000 units, representing a year-on-year increase of about 6.1%. Despite macroeconomic weakness and geopolitical conflicts in the Middle East, the positive growth in Europe was mainly driven by accelerated demand release for battery electric vehicle (“BEV”) models. ACEA data show that internal combustion engine (“ICE”) vehicle sales in Europe during the Review Period were approximately 2,210,000 units, down by about 16.5% year-on-year, indicating continued contraction of the traditional ICE model market; supported mainly by market incentives, strong consumer demand for various electrification technologies continued to benefit the market, with BEV sales of approximately 1,608,000 units, representing a year-on-year increase of about 35.1%; hybrid electric vehicle (“HEV”) sales were approximately 2,672,000 units, representing a year-on-year increase of about 12.1%; and plug-in hybrid electric vehicle sales were approximately 742,000 units, representing a year-on-year increase of about 24.8%. In terms of competitive landscape, European local automakers continued to dominate the market with their deep-rooted channels and customer base. ACEA data show that registration volume for European local automakers during the Review Period was approximately 4,780,000 units, with a market share of approximately 67%. At the same time, Chinese brands, leveraging mature electric powertrain technology, leading intelligent cockpit solutions, and rigorous cost control across the value chain, achieved a historic breakthrough in the European market, with about 560,000 units registered, representing a significant year-on-year growth of about 109% and a market share of about 8%, second only to Japanese brands. During the Review Period, according to Marklines data, sales of passenger vehicles in the Europe, Middle East and Africa (“EMEA”) market were approximately 9,640,000 units, representing a year-on-year increase of about 1.7%.



MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the US market, during the Review Period, according to Marklines statistics, light vehicle sales during the Review Period were approximately 7,917,000 units, representing a year-on-year decrease of about 2.6%. Although sales rebounded slightly in the second quarter, the overall downward trend in the first half of the year was not reversed. During the Review Period, the new vehicle sales in the US market exhibited a sharp divergence in powertrain. Demand for ICE models continued to weaken; according to Marklines data, ICE model sales during the Review Period were about 6,018,000 units, down by about 3.1% year-on-year. In contrast, HEV models saw strong growth, with sales of approximately 1,159,000 units, representing a year-on-year increase of about 24.0%; sales of BEVs, affected by the cancellation of federal tax credits and other factors, were about 471,000 units, down by about 24.0% year-on-year. During the Review Period, the differentiated performance of powertrain technologies directly reshaped the market landscape. According to Marklines, American brands had a market share of 40.1%, down by about 1.4 percentage points year-on-year; Japanese brands, benefited from accumulated HEV technology and product advantages, increased their market share to about 38.5%, up by about 1.0 percentage point year-on-year; Korean brands also benefited from strong demand for HEVs, raising their market share to approximately 11.6%, up by about 0.7 percentage point year-on-year.

During the Review Period, the Chinese passenger vehicle market was characterized by “domestic demand under pressure, robust exports, and deep structural divergence.” According to the China Association of Automobile Manufacturers (“CAAM”), during the Review Period, production and sales of passenger vehicles in China totaled approximately 12,721,000 units and 12,720,000 units respectively, representing year-on-year decreases of about 5.9% and 6.0%, respectively; among them, domestic sales were about 8,288,000 units, a year-on-year decrease of about 24.3%. Exports became the main growth driver for the industry during the Review Period, forming a distinct contrast with the short-term domestic market adjustment. Data from CAAM showed that during the Review Period, passenger vehicle exports were about 4,432,000 units, up about 71.7% year-on-year. During the Review Period, the penetration rate of new energy vehicles (“NEV”) continued to climb. CAAM data showed that NEV sales during the Review Period were about 7,446,000 units, with an increase of about 7.3% year-on-year, accounting for about 49.6% of total new car sales. With the rapid development of the NEV market, the divergence between Chinese and joint-venture brands further intensified. CAAM data showed that during the Review Period, the market share of Chinese brands rose to 71.8%, with an increase of about 3.3 percentage points year-on-year; German and Japanese brands accounted for 9.9% and 8.4%, respectively, down by about 3.2 and 1.2 percentage points year-on-year; American brands’ market share was 6.9%, up by about 1.0 percentage point year-on-year; and Korean brands maintained a market share of 1.7%.



MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY OVERVIEW

Minth Group Limited (the “Company”) together with its subsidiaries (collectively the “Group”) is primarily engaged in two major businesses, namely the research and development (“R&D”), production, and sales of auto parts, as well as that of toolings and moulds. The auto part business of the Group mainly includes metal and trim products, plastic products, aluminum products, and body structure products. The tooling and mould business mainly includes various moulds, gauges, and fixtures for the development, processing, and production of automobile exterior decorative parts and body structural parts. Meanwhile, the Group is actively tapping into new emerging sectors and products to drive the development of its second growth curve, focusing on R&D and expansion in new fields such as artificial intelligence (“AI”), robotics, low-altitude economy, and smart mobility. As a globally localized supplier, the Group has established presence through the development of R&D, design, production and sales networks in Canada, China, France, Germany, Japan, Mexico, Morocco, Poland, Serbia, South Korea, Thailand, the Czech Republic, the United Kingdom and the United States, committed to continuously providing customers with high-quality products and services.

During the Review Period, the four product business units (“BUs”) of the Group, namely plastics products, aluminum products, metal and trim products, and body structure products, continued to optimize organizational synergy and order intake mechanisms, maintaining effective collaboration with cross-functional departments to further enhance overall operational efficiency. The Group continued to deepen the flexible production network of “production hub + satellite factories” in its global operating regions, implementing the GLOCAL (globalization + localization) operation philosophy to continuously optimize the dual mechanism of global resource allocation and regional autonomous operation, thereby achieving synergistic improvement in both global vision and local penetration. During the Review Period, the Group continued to integrate cross-border operating experience with local practices, building a diversified supply network and further strengthening its comprehensive competitive edge in strategic layout, technological innovation, product matrix, resource synergy, and talent pipeline construction.



MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Period, the global macro environment and the development trends of the automotive industry continued to evolve, with fluctuations in regional geopolitical situations and regional policy orientations affecting the restructuring of global supply chains. The rapid development of the AI industry has had a significant impact on the operating models and resource acquisition of related sectors. Despite these external changes, the Group leveraged its relatively comprehensive global layout and cross-regional coordination capabilities, continuously strengthening supply chain stability, customer communication, delivery collaboration, and risk contingency management. As a result, the Group maintained stable overall operations during the Review Period, demonstrating strong operational resilience and stability under its globalized layout. During the Review Period, the Group's revenue recorded steady growth, profitability improved against the market trend, operational quality continued to enhance, and long-term capabilities were accumulated at an accelerated pace. Each BU achieved positive progress in areas such as cost control, quality improvement, inventory optimization, global capacity coordination, and digitalization. The Group's operational improvement is also transitioning from a reliance primarily on scale expansion in past years to a development stage focusing on the synergistic enhancement of profitability quality, operational efficiency, cash efficiency, and medium-to-long-term capability building.

During the Review Period, the Group continued to establish a systematic asset life-cycle management process, further optimizing its global capacity layout. The Group prudently planned additional capacity and related investments in accordance with changes in global trade policies and actual business needs. Based on previous new business intakes and potential future orders, the Group will systematically improve capacity layout in North America, Europe, Southeast Asia, Morocco, and other regions to support regional business growth and further enhance the Group's global localized supply capabilities. The funding for these investments is primarily expected to come from the Group's operating cash inflows.

During the Review Period, the Group further deepened its operational excellence system, promoted lean management upgrades across the entire value chain, and advanced multi-dimensional cost-reduction and efficiency-enhancement projects to build more resilient and comprehensive cost competitiveness, supporting steady profitability improvements. Meanwhile, the Group continuously optimized processes, manufacturing technologies, and production models to enhance overall product competitiveness and solidify its capability to further deepen its penetration at the customers' end. The Group maintained regular communication with customers, identifying customer needs from the perspectives of product, technology and material innovation, and is committed to providing systematic solutions for both ICE and NEV models of its customers.



MANAGEMENT DISCUSSION AND ANALYSIS

The Group continued to drive digital transformation, gradually upgrading to data-driven operations and decision making. During the Review Period, by deepening the application of various digital systems, the Group promoted digital design and development covering the full life cycle of product manufacturing, fixed assets, and R&D data, thus laying a solid foundation for comprehensive digital management and overall operational efficiency. The Group continued the global unified deployment of its SAP system across all factories, enhancing the standardization and visualization of operational data; improved the industrial Internet of Things (“IoT”) platform to integrate the entire production data loop; focused on building digital benchmark factories, deepening AI technology application and data transparency management, and improving real-time decision-making efficiency. At the same time, the Group also focused on fostering a digital mindset across its workforce through specialised talent development programmes and partner empowerment initiatives, gradually building a collaborative and innovative digital culture to support global operations and long-term development.

During the Review Period, the Group, with a focus on “strategic leadership, precise control, and continuous improvement”, actively promoted environmental, social and governance (“ESG”) management from macro-level planning to refined, normalized operations, continuously deepening the integration of ESG and corporate operations, and leveraging digital and intelligent applications to enhance the Group’s sustainable development capabilities. With its ongoing deepening ESG practices and favorable management outcomes, the Group received an MSCI ESG Rating of A for the first time during the Review Period, fully reflecting the recognition of the capital market for the Group’s sustainable development capabilities, and providing strong support for the Group’s continued excellent development.



MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Period, on environmental and climate response topics, the Group advanced a low-carbon transition aligned with its 2040 and 2050 carbon neutrality targets, and gradually fleshed out the construction of a global carbon platform, encompassing Scope 1, Scope 2, Scope 3, and product carbon footprint, and covering the Group's major global production bases. Building on this foundation, the Group has continued to improve its carbon data accuracy and traceability. Meanwhile, through various approaches such as procurement of renewable electricity, deployment of distributed photovoltaic facilities within its production sites, and iterative green manufacturing processes, the Group drove carbon reduction in its operations. The Group extended product life cycle carbon management to its supply chain, along with its low-carbon material solutions such as green aluminum and bio-based materials which achieved technical breakthroughs in the previous year, to promote active value chain collaboration in response to climate change.

In terms of social responsibility topics, the Group continued to promote ESG competency building, conducting tiered and categorized ESG training courses for all employees, covering both management and frontline staff, constantly enhancing the overall sustainability awareness and daily ESG management capability of its staff. The Group further deepened human rights risk management, combining multinational operation experience and local practices under the GLOCAL business philosophy, strengthening comprehensive risk management capabilities through onsite audits and workshops in select regions. In addition, the Group continually deepened cooperation with customers, suppliers, and other stakeholders, systematically cascading ESG requirements upstream along the supply chain through universal supplier ESG training and empowerment, and enhanced ESG audit for core suppliers, jointly building a resilient supply chain.

On the topic of corporate governance, the Group continuously optimized its ESG governance structure, established ESG quarterly performance evaluation mechanisms covering all departments, and integrated key ESG performance indicators into daily operations and performance assessment to promote deeper integration of sustainable development concepts with business decision-making. The ESG Department and the Risk and Governance Department of the Group broke through functional barriers, gradually achieving full life cycle risk management of business ethics through a dual drive of "auditing penetration" and "cultural immersion", comprehensively reinforcing protection against corruption, money laundering, and unfair competition.



MANAGEMENT DISCUSSION AND ANALYSIS

Looking ahead, the Group will continue to deepen its ESG strategy, working with all stakeholders to jointly promote its high-quality and sustainable development.

During the Review Period, the Group strictly adhered to the “Mint Group Internal Control and Risk Management System” and the “Mint Group Internal Control and Risk Management Guidelines”. Building upon its existing internal control and risk management effectiveness, and closely aligning with its global development strategy, the Group comprehensively advanced digital transformation, and continuously upgraded its risk control system toward intelligentization. Leveraging big data analytics and AI algorithms, the risk identification model of the Group has shifted from reactive to proactive prediction and in-process warning, significantly improving response efficiency and predictive accuracy. Each business team dynamically updates the risk mapping based on real-time operational data and promotes the regular maintenance of the risk database to ensure that control measures are followed up in a timely and accurate manner. In terms of process control, the internal control system is further integrated into core business processes. Leveraging process automation and business rule settings, rigid system constraints are implemented at key control points, while reasonable flexibility is retained for business operations, effectively balancing operational efficiency and compliance requirements. Relying on global deployment, the Group continues to advance full audit coverage in the Asia-Pacific, Europe, and North America regions, expanding the breadth and depth of supervision through the synergistic operation of process audits and onsite inspections, effectively preventing cross-border operational risks. All subsidiaries of the Group strictly implement the requirements of the ISO37001 Anti-bribery Management System and extend compliance management to key suppliers, building a comprehensive integrity ecosystem covering the entire value chain. The whistleblowing mechanism is also optimized, with full-process tracking and closed-loop management for reported matters, strengthened protection and incentives for whistleblowers, and an active compliance organizational atmosphere. Based on these measures, the Group will continue to iterate its management system dynamically, with a focus on risk control and operational efficiency, driven by both digitalization and globalization, to empower the Group’s sustainable development and create long-term value for all stakeholders.



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND OPERATION LAYOUT

During the Review Period, the Group achieved its revenue of approximately RMB13,408,353,000, representing an increase of about 9.1% compared to approximately RMB12,286,969,000 for the same period in 2025. Facing a complex and changing macro environment, the Group demonstrated strong resilience in overall operations, maintaining steady growth in global revenue. In particular, the EMEA market stood out and served as a significant growth engine of the Group during the Review Period.

During the Review Period, the Group's regional performance was as follows:

EMEA market: the revenue was approximately RMB4,936,579,000, with an increase of about 16.0% from approximately RMB4,257,051,000 for the same period in 2025. The growth was mainly driven by the continued expansion of the European electric vehicle market under the dual drive of policy incentives and consumption transformation. By seizing structural growth opportunities and leveraging the established localized production capacity and batch delivery of battery housing orders, the Group experienced solid revenue growth in EMEA market, which provided strong support for its overall performance.

China market: the revenue was approximately RMB4,281,292,000, with a decrease of about 0.6% compared with approximately RMB4,306,273,000 for the same period in 2025. In the face of challenges from weak domestic demand, the Group effectively offset market downward pressure through diversified business development and optimization of customer structure, maintaining overall stable operations.

Americas market: the revenue was approximately RMB3,308,828,000, with an increase of about 8.5% from approximately RMB3,049,324,000 for the same period in 2025. This was mainly due to the continuous and steady growth of exterior parts business, while the battery housing and body structural parts businesses also entered the mass production and delivery stage. With further enhancements in localized operational capabilities and core product competitiveness, the Group's business structure has become increasingly diversified.

Japan and Korea market: the revenue was approximately RMB672,904,000, with an increase of about 48.8% from approximately RMB452,184,000 for the same period in 2025, mainly attributable to the smooth mass production of battery housing business for the Japanese customers, bringing new momentum for regional revenue growth.



MANAGEMENT DISCUSSION AND ANALYSIS

Other markets: the revenue was approximately RMB208,750,000, with a decrease of about 6.0% compared to approximately RMB222,137,000 for the same period in 2025.

During the Review Period, the Group continued to steadily proceed with its new order intakes. In response to the differentiated performance of various OEMs in different markets, the Group adjusted its business strategies in a timely manner to ensure a balanced and robust overall layout. During the Review Period, significant breakthroughs were achieved in battery housing and body and chassis structural parts. Following the successful order wins of Toyota's battery housing business in the Japanese market and structural parts business in the European market, the Group further secured Toyota's battery housing and chassis structural parts business from their Shanghai plant and structural parts business in Japan. At the same time, the Group obtained its first bumper beam business from Mercedes-Benz and HEV battery housing business from Honda. In addition, the Group successfully secured battery housing orders for the best-selling models of Hyundai-Kia in Europe, becoming their largest battery housing supplier in the European market. The Group also continued to expand its market share for the aforesaid products among customers such as Volkswagen, BYD, Geely, Changan, and Great Wall Motor. During the Review Period, the Group further deepened its joint technology innovation partnership with its customers.

During the Review Period, the Group continued to strengthen the new orders intake for smart exterior and traditional products under plastic parts business, making good progress and securing first orders from multiple customers. These include, among others, grilles for Volkswagen North America, front and rear bumpers and spoilers for Hyundai-Kia in Americas market, bumpers for Toyota Shanghai plant and FAW Toyota, complete vehicle interior chromed parts for Leapmotor, and plastic guide rails for Chery. In terms of smart decorative parts business, the Group continued to receive orders for smart interior and exterior products from customers such as SAIC Volkswagen, SAIC General Motors, Geely, Great Wall Motor, and Harmony Intelligent Mobility Alliance (HIMA). Meanwhile, the Group steadily advanced the acquisition of new business for other exterior parts and actively explored diversified development paths while consolidating its core business. Leveraging mature experience and product advantages accumulated in the China market, the Group's market share in sealing systems and quarter window business continued to expand, with new breakthroughs among customers such as Mercedes-Benz, Renault, BYD, Toyota, and XPeng. A diversified product portfolio and an increasingly balanced customer structure have not only enhanced the Group's market competitiveness but also strengthened its ability to withstand market risks, providing a strong guarantee for the Group's long-term and stable development.



MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Period, the body structure BU continued to maintain strong development resilience despite a complex external environment. Relying on a global customer base, project management capabilities, technical reserves and localized delivery capabilities, this BU achieved positive progress in Europe, North America and China markets. In particular, the Group's business in the European market showed stable growth underpinned by established customer base and policy support; in the North America market the Group achieved significant breakthroughs in business expansion among key customers, new project acquisition, and local capacity building; and in the China market the Group experienced successful launch of several strategic projects for Chinese brands. These three regional markets together constitute the main growth drivers for the body structure BU and also reflect the effectiveness of the Group's global deployment and regional collaborative business strategies. Meanwhile, this BU continues capability building around concurrent design, technological breakthroughs, extreme cost reduction, global capacity layout, and quality management initiatives, and further refines the product portfolio in key areas such as battery housings, structural parts, energy storage enclosures and related structures, as well as high-strength steel and magnesium alloy applications.

During the Review Period, the plastic BU maintained a strong growth momentum, with revenue, profit, and gross profit margin all improving, demonstrating strong business resilience and product competitiveness. The plastic BU continued to focus on expanding its product portfolio around key areas such as tailgate systems, bumper assemblies, grilles, active grille shutters, lightings, interior assemblies and related products as well as composite material products, further enhancing system integration supply capabilities and the proportion of high value-added products. Notably, in terms of lighting products, progress was made for customers in both China and international markets, and by leveraging the Group's inhouse R&D and manufacturing and integration capabilities in core components and innovative surface treatment, product competitiveness continued to be strengthened. Meanwhile, this BU continued to promote the application of AI, construction of manufacturing execution system (MES)/IoT systems, automation upgrades, and process simulation optimization, driving continuous improvements in the efficiency of new project launch, manufacturing efficiency, and quality traceability. With these capabilities gradually solidifying, the plastic BU exhibited a continuous improvement trend in customer response efficiency, operational efficiency, and overall profitability.



MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Period, the aluminium BU and metal and trim BU remained relatively stable in overall business scale. In particular, the aluminium BU, whilst facing pressures arising from changes in market dynamics and rising aluminium prices during the Review Period, continued to drive improvements across the entire supply chain, resulting in a steady improvement in operational quality. In response to the cost implications of aluminium price surge, the Group continued to drive procurement synergies, raw material price linkage, optimisation of materials and design, process improvements and yield rate enhancements. It also actively mitigated the impact of external cost volatility through measures such as optimising inventory structure, reducing logistics costs, energy substitution, improving asset efficiency and regional collaborative manufacturing. At the same time, continued progress was made in areas such as quality improvement, inventory management, safety and environmental protection, and energy consumption optimisation, with operational management further focusing on high-quality development. The metal and trim BU remained relatively stable in its overall operations during the Review Period, whilst continuing to advance relevant strategic initiatives centered on optimising the business structure and building momentum for medium- to long-term growth. During the Review Period, this BU actively expanded its 'second curve' product portfolio, which includes energy storage cabinets, electromechanical products, rubber sealing systems, glass and quarter window assemblies, and system integration products. It continued to foster new products and business directions, laying the foundation for future business growth and product structure optimisation.

During the Review Period, the Group continued to deeply implement the GLOCAL philosophy into operational practices, further enhancing international operational capabilities through global resource coordination and local market cultivation. The Group continued to integrate global resources, promote cross-regional talent development and knowledge replication, and assembled multidisciplinary core talents into cross-functional teams to flexibly respond to phased and regional demands. As international business continued to grow, the Group strategically strengthened capacity allocation and local production in North America, Europe, and other key regions, further increasing the proportion of local supply to better respond to changes in trade policies, geopolitical factors, and customers' global deployment needs.



MANAGEMENT DISCUSSION AND ANALYSIS

The Group continued to enhance the management skills of its factories globally, built benchmark factories and promoted their management models, and employed the experience from the benchmark factories in terms of operation, technology and innovation to empower its global operations. During the Review Period, the Group's global factories made comprehensive use of the advantageous resources of various locations to pursue local excellence, prioritizing to improve the process planning, production efficiency, product yield, and capacity utilisation rate for products with more complex processes, so as to achieve a comprehensive improvement in technology, quality, and production processes.

During the Review Period, the Group further optimized its organizational structure, continually strengthened the coordination of BU with related R&D, business, and manufacturing resources to enhance order acquisition, product design, and mass production ramp-up efficiency. The Group also continued to optimize the operation efficiency of its global factories through systematic optimization and technological innovation, thereby consistently improving production efficiency and quality management. In terms of cost reduction and efficiency improvement, special improvement initiatives were continually promoted at multiple factories, driving steady increases in per capita output value through waste recycling, process efficiency improvement, moderate automation upgrades, production line benchmarking for higher production efficiency, and organizational optimization. In quality management, the Group actively promoted the full lifecycle quality management mechanism and the cultivation of a zero-defect culture, continuously conducting targeted improvements for key deficient process steps, core manufacturing processes, and critical quality control points. By implementing digitalized operations monitoring and a company-wide improvement proposal mechanism, the Group further consolidated the culture of continuous improvement, with significant improvements especially in its international factories.



MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Period, the Group continued to implement its asset-light strategy, strictly reviewing the rationality and necessity of new production capacity. By reducing dedicated production lines, enhancing line flexibility, promoting global capacity allocation, and strengthening investment return management, capacity utilization was improved. At the same time, the Group reduced new investment requirements through technological transformation, and actively evaluated feasible solutions such as introduction of second-hand equipment and revitalization of existing assets to compress non-essential capital expenditures. With the continuous changes in the global economic and operating environment, the Group will continue to dynamically adjust its investment plans based on market demand and business developments, enhance investment efficiency, and support stable business growth.

The Group also continued to advance sustainability-related operations by increasing the recycling and reuse of waste and scrap, including aluminium, stainless steel, plastics, and chemicals related to surface treatment wherever feasible; meanwhile, continually promoting energy-saving and carbon-reduction, residual energy utilization, and photovoltaic construction to raise the proportion of green energy usage. These measures contribute to reducing operating costs, improving resource use efficiency, and further enhancing the Group's overall competitiveness in sustainable development.

The global macro environment and automotive industry development trends continue to undergo changes. During the Review Period, geopolitical conflicts, raw material price fluctuations, and regional market uncertainties continued to impact the global supply chain and operating environment. In the face of these challenges, the Group, leveraging its relatively comprehensive global layout, continued to optimize local operations and increase the proportion of local supply, while maintaining timely communication with customers regarding supply assurance, logistics arrangements, cost changes, and risk response, constantly seeking optimal business strategies amid external risks. On the other hand, the Group has always been committed to diversified business and market development, maintaining a relatively balanced layout in China, Europe, North America, and Asia-Pacific, thereby keeping the overall impact of related uncertainties on operations within a controllable range. During the Review Period, despite a number of external uncertainties, the Group still maintained steady business development and remained committed to creating long-term and stable returns for shareholders and other stakeholders.



MANAGEMENT DISCUSSION AND ANALYSIS

RESEARCH AND DEVELOPMENT

R&D and innovation are important pillars to corporate development and the Group attaches great importance to R&D planning. The Group had actively responded to the changes and developments in the automobile industry by laying down an innovation-driven strategy, optimising the structure of R&D organisations, strengthening the in-house R&D and innovative research capability in respect of basic materials, products and technologies, and continuing its investments in R&D. Through in-depth exchange with customers such as traditional OEMs, NEV start-ups and battery makers, the Group strived to deeply understand the differences in product and technology requirements of various customers and the development trend; and through proactive self-innovation and cooperation with leading enterprises globally, to promote technical breakthrough of processing technology. The Group prospectively improved the R&D capability and management efficiency as a whole to further solidify its presence in core components for NEVs and ICE vehicles and to promote the integration of intelligent products and exterior decorative parts, thus consolidating its position as a core strategic partner to OEM customers. The Group continues to engage in innovative R&D and deployment, devote itself to the business development of products including battery housings, body and chassis structural parts and intelligent integrated exterior decorative parts, and contribute to the evolution of the automobile industry towards low carbon and intelligence. The Group has achieved tremendous milestones in these fields, which lays a solid foundation for the Group's future sustainable development.



MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Period, the Group continued to secure project awards from traditional automakers, NEV start-ups and battery makers, further consolidating its leading position as one of the world's largest battery housing suppliers. The Group continued to advance technological R&D and innovation in battery housings and body and chassis structural components, providing multi-material and lightweight product solutions in response to requirements in terms of vehicle body structure, battery cell adaptation, and battery safety protection. These solutions meet both cell-to-body (CTB) and the latest safety standards for power batteries used in electric vehicles, continuously delivering innovative solutions to customers. The Group also achieved major breakthroughs in processes and technologies for 1,500MPa ultra-high strength martensitic steel, magnesium alloy casting, and aluminum extrusion of cell structural parts. At the same time, the Group focused on expanding its battery housing business for Chinese customers, alongside growing its international business for energy storage system structural parts and cell structural parts, gradually establishing another growth driver for the Group. The Group also continuously expanded into complementary products of battery housings, successfully developing products including liquid cooling plates, front and rear crash modules, sub-frames, die-cast structural parts, motor brackets, and sill beams, and has successively secured orders. This facilitates the Group to gradually achieve the integration of battery housing and body and chassis structure and is also expected to drive a significant increase in dollar content per vehicle.



MANAGEMENT DISCUSSION AND ANALYSIS

In the field of intelligent interiors and exteriors, the Group has focused on the R&D of front face systems, side system, plastic tailgate systems, and intelligent interior systems, comprehensively realizing the intelligent upgrade of interiors and exteriors. The Group has proactively developed integrated smart front face solutions featuring functions such as illumination, heating, wave transmission, and automatic cleaning, supported by industry-leading proprietary technologies applicable to autonomous driving scenarios. Market penetration of the Group's front and rear fascia products continues to rise, with successful acquisition of multiple bumper assembly orders from European and American brands, as well as multiple illuminated grille projects from American brands. Meanwhile, the Group secured a number of intelligent illuminated door handle projects, and achieved breakthroughs in projects such as full-width light bars and grille lights for a well-known Chinese brand. The Group attaches great importance to clients' future technological requirements, and has signed a cooperation agreement with a Chinese automotive brand to jointly develop forward-looking intelligent door solutions. Significant breakthroughs have been achieved in composite material lightweight door systems. Leveraging proprietary VarinTech® technology, these product solutions have gained recognition from multiple NEV clients. Pre-research projects are progressively underway to accelerate the commercial application and promotion of composite materials within the automotive industry. The Group is also actively expanding into intelligent interior systems, focusing on the R&D of high-value-added interior assembly products. By deepening expertise in intelligent surface technologies to maintain its leading position, it has secured breakthroughs in multiple interior projects, including a smart instrument panel project for a European brand. The Group is also actively pursuing full vehicle interior system projects for a Japanese brand. In addition, the Group has made significant breakthroughs in lightweight plastic tailgates, securing project awards for multiple models from Japanese clients, while also achieving significant progress in a certain model of a European automaker.



MANAGEMENT DISCUSSION AND ANALYSIS

While focusing on the expansion of automotive metal components and trim products, the Group also proactively developed new businesses in complete vehicle sealing systems, mechatronic structural components, and functional components. During the Review Period, the Group successfully achieved mass production of complete sealing systems for a Renault vehicle model in Europe, utilizing recyclable material for some products in this model to replace traditional non-recyclable material, thereby promoting low-carbon and sustainable development. To actively expand sealing system business into the European market, the Group established a new production base in Morocco. During the Review Period, the Group also achieved smooth mass production of mechatronic products such as electric sliding door systems for an electric vehicle model of a well-known Chinese OEM.

The Group is also actively exploring new sectors and products, focusing on the R&D and market expansion in emerging fields such as AI infrastructure, intelligent robotics, low-altitude economy and commercial space industry. The Group is committed to systematically transferring the competitive edges accumulated in the automotive industry to these new sectors, which include precision manufacturing capabilities, global delivery network, customer collaboration advantages, as well as vertical integration capabilities ranging from materials and production processes to system integration. By targeting high-value and high-entry-barrier market segments, the Group aims to accelerate the development of its second growth curve.

Driven by the continuous advancement of artificial intelligence and the surge in compute demand, the Group has capitalized on the strategic window of opportunity for AI infrastructure development, focusing on the R&D and market development of products in relation to AI server liquid cooling systems, solid oxide fuel cell (“SOFC”) systems, and solid-state transformer (“SST”) systems. Among these, the AI server liquid cooling system encompasses a full range of core products, including liquid cooling plate modules, intelligent manifolds, coolant distribution units and immersion cooling tanks. The Group has secured orders from Taiwanese customers and commenced production and delivery during the Review Period. In the SOFC sector, the Group has achieved breakthroughs in its in-house developed products, including SOFC interconnects, support structures and cell frames, in the Chinese market and has completed small-batch deliveries. Furthermore, in the SST sector, the Group has partnered with a well-known North American SST player, and has participated in the in-depth concurrent development of structural components and thermal management products, actively expanding its business related to power infrastructure for AI data center in North America.



MANAGEMENT DISCUSSION AND ANALYSIS

In light of developments in embodied intelligence and policy trends, the Group is actively expanding its presence in the intelligent robotics sector, with a focus on robotic components, contract manufacturing of complete robots and secondary development, well prepared for future large-scale commercialization. In the robotic components sector, the Group focuses on the independent R&D of integrated joint modules, smart face masks and head assemblies, electronic skin, wireless charging systems and limb structural components. It has established strong partnerships with major Chinese robotics players and completed delivery of products to multiple major Chinese customers during the Review Period. In particular, the Group's independently developed face mask products, featuring unique structural designs, materials and surface treatment processes, offers system-level solutions ranging from face masks and modules to intelligent head assemblies, and the Group secured orders for face masks from a leading North American robotics client in July 2026. In the fields of robotic contract manufacturing and secondary development, the Group places great emphasis on the commercial application of intelligent robots. Leveraging its extensive experience in application scenarios accumulated in the automotive industry, the Group is focusing on developing industrial-grade embodied intelligence workstations. The Group actively collaborates with robot OEMs to carry out secondary development and data collection in industrial settings. The Group has undertaken secondary development projects for a number of international clients, and validation has passed at multiple industrial scenarios, underscoring the Group's commitment to industry development. Furthermore, the Group has fully leveraged the advantages of its global footprint to actively tap into original design manufacturing (ODM) and contract manufacturing business of robotics in international markets, and has established demonstration bases in China and Serbia. During the Review Period, the Group commenced production and delivery for such business in China.

As the growth in the commercial space sector continues to accelerate, the Group has proactively positioned itself in the commercial space and low-altitude economy sectors. In the low-altitude economy sector, the Group focuses on the R&D and production of two major product systems, i.e. airframes and rotor systems for low-altitude aircrafts. The Group has established in-depth collaborations with several leading Chinese flying car/ electric vertical take-off and landing (eVTOL) manufacturers, participated in the concurrent design and airworthiness certification of multiple airworthy models, and delivered products for several models during the Review Period. In the commercial space sector, the Group has participated in preliminary communications and quotations with customers regarding multiple products and solutions.



MANAGEMENT DISCUSSION AND ANALYSIS

The Group also attaches great importance to technological R&D of new materials and has continuously increased its R&D investment in materials, mastering the technologies of four core materials, namely high-performance collision aluminium, high-performance elastomer materials, functional plastics and green materials, as well as the related surface treatment technologies. The Group developed the Minal®-S636 aluminum alloy with excellent crash properties, which has successfully passed real vehicle crash performance validation and reached advanced level in the global market. As of 30 June 2026, the Group owned 72 core patents related to aluminum alloy material formulations and process technologies, which have been widely applied to battery housings and body and chassis structural parts for OEMs such as BMW, Mercedes-Benz, and Volkswagen, cementing the Group's position as a comprehensive market participant with leading product and material technologies in the Asia-Pacific region and globally. In the meantime, in response to global carbon neutrality objectives, the Group has focused on developing green aluminium profiles, successfully pioneering multiple recycling and additive technologies for aluminium. Related products have entered the stage of small-scale production. Furthermore, the Group's independently developed ECO-ALUMIN® S series green collision aluminium materials feature a carbon emission intensity below 3.0 kg.CO₂/kg.AL, enabling broad application in vehicle collision system components. Concurrently, the Group attached great importance to polymer material R&D and innovation, and has successfully completed the development of multiple products such as continuous long fiber reinforced flame-retardant materials, wave-transparent and light-transmitting materials, high-gloss non-coating materials, special engineering plastics, and green low-carbon products. These have been put into mass production application in components such as automotive front-end modules, bumpers, doors, and tailgates for a number of OEMs, delivering a comprehensive carbon reduction ratio exceeding 36% and contributing significantly to the Group's carbon neutrality objectives.

The Group puts strong emphasis on the protection of intellectual property rights. It has initiated a comprehensive deployment in patents and trademarks for innovative products, and is focused on the protection and operation of intellectual property rights. During the Review Period, the Group filed 93 new patent applications and registered 28 new trademarks. The Group promotes the application and industrialisation of intellectual property rights, with 269 patents having been licensed, focusing on cutting-edge areas such as aluminium alloy new material, new energy and electrification. During the Review Period, the Group was granted 129 new patents by competent authorities and successfully registered 3 trademarks. The Group actively pursues intellectual property rights protection and risk prevention management, having carried out dozens of analyses relating to patent enforcement and infringement prevention. The Group not only respects the intellectual property rights of others but also resolutely safeguards its own intellectual property rights.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Results

During the Review Period, the Group's revenue was approximately RMB13,408,353,000, representing an increase of approximately 9.1% from approximately RMB12,286,969,000 in the same period in 2025. During the Review Period, the Group's products, including battery housings, structural parts, and plastic parts, maintained solid growth. In particular, the Group's business in EMEA markets significantly benefited from the strong sales growth of NEVs in Europe, with key products such as battery housings delivering excellent sales performance. In the Americas and Japan and Korea markets, business maintained steady growth, driven by the gradual mass production of new projects and increased customer demand. In the China market, although impacted by the decline in passenger vehicle production and sales, the Group effectively offset the pressure from the market downturn through diversified business expansion and optimized customer structure, thereby maintaining overall stable operations.

During the Review Period, the profit attributable to owners of the Company was approximately RMB1,434,144,000, representing an increase of approximately 12.3% from approximately RMB1,276,562,000 in the same period in 2025. During the Review Period, despite the various disruptions facing the automotive industry caused by factors such as global macroeconomic pressures, recurring geopolitical uncertainties and rising raw material costs, the Group benefited from its forward-looking Global-Local (GLOCAL) strategic layout, continuously enhanced GLOCAL operational capabilities, economies of scale driven by revenue growth, steadily improving capacity utilization and vigorously implemented cost reduction and efficiency improvement initiatives across product lines. As a result, gross profit recorded solid growth compared with the same period in 2025. Combined with its continued stringent expense controls, the Group further enhanced the quality of its earnings.



MANAGEMENT DISCUSSION AND ANALYSIS

SEGMENT REVENUE

An analysis on revenue by types of goods or services delivered or provided is as follows:

Segment category	Six months ended 30 June 2026		Six months ended 30 June 2025	
	RMB'000	%	RMB'000	%
Body structure	4,512,813	33.7	3,581,923	29.2
Plastic	3,231,656	24.1	2,867,481	23.3
Metal & Trim	2,738,608	20.4	2,660,040	21.6
Aluminum	2,398,873	17.9	2,469,038	20.1
Others	1,719,898	12.8	1,669,679	13.6
Elimination	(1,193,495)	(8.9)	(961,192)	(7.8)
Total revenue	13,408,353	100.0	12,286,969	100.0

A breakdown on revenue by ultimate geographical delivery destinations of the customers is as follows:

Geographical markets	Six months ended 30 June 2026		Six months ended 30 June 2025	
	RMB'000	%	RMB'000	%
The People's Republic of China (the "PRC")	4,281,292	31.9	4,306,273	35.0
Europe, the Middle East and Africa ("EMEA")	4,936,579	36.8	4,257,051	34.7
Americas	3,308,828	24.7	3,049,324	24.8
Japan & Korea ("JP & KR")	672,904	5.0	452,184	3.7
Others	208,750	1.6	222,137	1.8
Total	13,408,353	100.0	12,286,969	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

Gross Profit

During the Review Period, the Group's gross profit was approximately RMB3,840,475,000, representing an increase of approximately 10.6% from approximately RMB3,473,060,000 in the same period in 2025. The gross profit margin for the Review Period was approximately 28.6%, representing an increase of approximately 0.3% from approximately 28.3% in the same period in 2025. This was mainly attributable to the Group's efforts during the Review Period to actively reduce procurement costs through measures such as strategic sourcing, global coordinated negotiations, localized procurement, and vertical integration of production processes, while continuing to advance its GLOCAL production layout. At the same time, by persistently implementing lean manufacturing, technological upgrades, and refined cost control measures, the Group continued to improve production efficiency and product yield rates, thereby enhancing its overall global profitability and steadily strengthening its operational resilience amid a complex international environment.

Investment Income

During the Review Period, the investment income of the Group was approximately RMB108,446,000, representing an increase of approximately RMB760,000 from approximately RMB107,686,000 in the same period in 2025, and remained broadly stable year-on-year.

Other Income

During the Review Period, the other income of the Group amounted to approximately RMB167,491,000, representing an increase of approximately RMB42,279,000 from approximately RMB125,212,000 in the same period in 2025. It was mainly attributable to an increase in government grants related to income.

Other Gains and Losses

During the Review Period, the Group's other gains and losses amounted to a net gain of approximately RMB55,038,000, representing a decrease of approximately RMB39,193,000 compared to a net gain of approximately RMB94,231,000 in the same period in 2025. It was mainly due to changes in the fair value of financial instruments. The Group continues to utilize financial derivative instruments to manage foreign exchange risks arising from its global operations, and timely locks in certain foreign currency exchange rates to mitigate the impact of exchange rate fluctuations on its operating performance.

MANAGEMENT DISCUSSION AND ANALYSIS

Distribution and Selling Expenses

During the Review Period, the Group's distribution and selling expenses were approximately RMB530,212,000, representing an increase of approximately RMB17,971,000 from approximately RMB512,241,000 in the same period in 2025. It accounted for approximately 4.0% of the Group's revenue, representing a decrease of approximately 0.2% from approximately 4.2% in the same period in 2025. The increase in the Group's distribution and selling expenses compared to the same period in 2025 was primarily due to the increased freight costs resulting from the growth in the Group's revenue during the Review Period. Meanwhile, benefiting from the Group's continued advancement of its localized production strategy and the implementation of effective expense control measures, the Group's distribution and selling expenses as a percentage of revenue decreased compared to the same period in 2025.

Administrative Expenses

During the Review Period, the administrative expenses of the Group amounted to approximately RMB894,289,000, representing an increase of approximately RMB89,770,000 from approximately RMB804,519,000 in the same period in 2025. It accounted for approximately 6.7% of the Group's revenue, representing an increase of approximately 0.2% from approximately 6.5% in the same period in 2025. It was mainly due to the fact that, with the continued expansion of the Group's global business during the Review Period, the Group actively recruited and retained international talents to further enhance its global operation and management capabilities. At the same time, in order to vigorously support the development of its new emerging sectors and sustainable growth in performance, the Group continued to refine its incentive policies combining short-term, medium-term, and long-term approaches to attract and retain core talents. In addition, due to the standardized management of social insurance contribution practices in Mainland China, the Group's related labor costs increased, but the overall impact remained manageable. In the meantime, the Group continuously optimized its organizational structure and maintained stringent control over other expenses to ensure the efficient allocation of resources.



MANAGEMENT DISCUSSION AND ANALYSIS

Research Expenditures

During the Review Period, the research expenditures of the Group amounted to approximately RMB820,866,000, representing an increase of approximately RMB94,567,000 from approximately RMB726,299,000 in the same period in 2025. It accounted for approximately 6.1% of the Group's revenue, representing an increase of approximately 0.2% from approximately 5.9% in the same period in 2025. During the Review Period, the Group actively responded to the transformation and development opportunities in the automotive industry. While continuing to focus on the trends toward low-carbon and intelligent development in the automotive industry, the Group also proactively expanded into new material fields such as polymer materials and green low-carbon materials, as well as new emerging sectors with long-term growth potentials, including intelligent integrated exteriors, AI server liquid cooling system, intelligent robotics, the low-altitude economy, and smart mobility. At the same time, the Group continued to recruit highly skilled R&D talents, accelerate breakthroughs in core technologies, and deepen strategic collaborations with industry-leading enterprises. Through more targeted and efficient R&D investments, the Group continued to enhance its technological innovation capabilities and core competitiveness, providing strong support for the long-term sustainable growth of its business.

Interest Expenses

During the Review Period, the Group's interest expenses amounted to approximately RMB162,110,000, representing a decrease of approximately RMB16,377,000 from approximately RMB178,487,000 in the same period in 2025. It was mainly attributable to the combined effects of the Group's loan structure adjustment and the decline in market lending rates.

Share of Results of Joint Ventures

During the Review Period, the Group's share of results of joint ventures was a net profit of approximately RMB15,434,000, representing a decrease of approximately RMB6,411,000 from a net profit of approximately RMB21,845,000 in the same period in 2025. It was mainly due to a decrease in profit of a joint venture during the Review Period.



MANAGEMENT DISCUSSION AND ANALYSIS

Share of Results of Associates

During the Review Period, the Group's share of results of associates was a net loss of approximately RMB19,029,000, representing an increase of approximately RMB8,213,000 from a net loss of approximately RMB10,816,000 in the same period in 2025. It was primarily due to increased losses from certain associates during the Review Period.

Income Tax Expense

During the Review Period, the Group's income tax expense was approximately RMB279,015,000, representing an increase of approximately RMB27,587,000 from approximately RMB251,428,000 in the same period in 2025.

During the Review Period, the effective tax rate was approximately 16.0%, broadly in line with the rate of approximately 16.0% in the same period of 2025.

Profits Attributable to Non-controlling Interests

During the Review Period, the Group's profits attributable to non-controlling interests were approximately RMB30,764,000, representing a decrease of approximately RMB11,858,000 from approximately RMB42,622,000 in the same period in 2025. It was mainly attributable to the decrease in net profit resulting from the decline in revenue of non-wholly owned subsidiaries during the Review Period.

Liquidity and Financial Resources

As of 30 June 2026, the Group's total amount of cash and cash equivalents, pledged bank deposits and time deposits was approximately RMB7,501,471,000, representing an increase of approximately RMB701,873,000 from approximately RMB6,799,598,000 as of 31 December 2025. As of 30 June 2026, the Group's low-cost borrowings in aggregate amounted to approximately RMB8,951,017,000, among which the equivalent of approximately RMB3,742,996,000, approximately RMB3,062,181,000, approximately RMB902,876,000, approximately RMB661,835,000, approximately RMB207,895,000, approximately RMB198,278,000, approximately RMB107,970,000 and approximately RMB66,986,000 were denominated in Euro ("EUR"), US Dollar ("USD"), RMB, Hong Kong Dollar ("HKD"), New Taiwan Dollar ("NTD"), Thai Baht ("THB"), Swiss Franc ("CHF") and Canadian Dollar ("CAD"), respectively, representing a decrease of approximately RMB1,766,000 from approximately RMB8,952,783,000 as of 31 December 2025. It was mainly attributable to the borrowings made by the Group having considered the consolidated gains from exchange rates, interest rates and capital management.



MANAGEMENT DISCUSSION AND ANALYSIS

The Group will leverage market interest rate and foreign exchange windows to continuously optimize its debt structure and balance borrowing rates and foreign exchange control, thereby maintaining the Group's overall debt level within a reasonable and healthy range.

During the Review Period, the net cash flow from the Group's operating activities was approximately RMB1,648,930,000, representing a decrease of approximately RMB587,917,000 from approximately RMB2,236,847,000 in the same period in 2025. This was mainly attributable to the Group's moderate increase in strategic reserves of key raw materials amid a complex and volatile international trade environment in light of supply chain security and stable operations considerations, resulting in an increase in working capital investment. Such measures helped enhance supply assurance capability and address market price volatility, further enhancing the Group's supply chain resilience and market competitiveness. Overall, the Group maintained a solid financial position, with cash flow from its operating activities remaining healthy.

During the Review Period, the Group's trade receivables turnover days were approximately 68 days, which were approximately 9 days shorter than approximately 77 days in the same period in 2025. This was mainly due to the increase in the proportion of revenue from the Group's customers in international markets with shorter collection cycles during the Review Period, coupled with the Group's enhanced control over collections. The combined effects led to a reduction in the turnover days of the Group's trade receivables.

During the Review Period, the Group's trade payables turnover days were approximately 92 days, representing a decrease of approximately 2 days from approximately 94 days in the same period in 2025. This was mainly attributable to a higher proportion of the Group's international business, which generally operates with shorter payment cycles. In addition, in light of supply chain security and cost management considerations, the Group has been continuously optimizing its procurement arrangements for relevant raw materials and accessories to ensure supply stability and enhance procurement cost competitiveness. As a result of the combined effects of the above factors, the Group's trade payables turnover days decreased.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Period, the Group's inventory turnover days were approximately 93 days, representing a decrease of approximately 2 days from approximately 95 days in the same period in 2025. This was mainly attributable to the Group's continuous advancement of its GLOCAL production layout during the Review Period to achieve closer-to-market production and supply, coupled with the ongoing enhancement of end-to-end supply chain management. The combined effects of these initiatives led to a reduction in the Group's inventories turnover days.

The Group's current ratio was approximately 1.1 as of 30 June 2026, decreasing by approximately 0.1 from approximately 1.2 as of 31 December 2025. As of 30 June 2026, the Group's gearing ratio was approximately 20.4% (31 December 2025: approximately 21.2%), which was a percentage based on interest-bearing borrowings divided by total assets.

Note: The calculation methods for the above indicators are the same as those previously set out in the Company's prospectus dated 22 November 2005.

The Group's capital demands had no particular seasonality features.

The Group is of the view that the favourable performance in sales, production and R&D, and a healthy cash reserve during the Review Period have provided a solid guarantee for sustainable development in the future.

Funding and Treasury Policy

The Group adheres to a prudent funding and treasury policy in managing its overall business operations. The Group funds its capital expenditures, working capital needs, and other liquidity requirements primarily through cash generated from operating activities, as well as bank and other loans. In addition, the Group will prudently manage its future capital to ensure financial stability and support sustainable growth. The Board reviews and evaluates the Group's funding and treasury policy from time to time to ensure its adequacy and effectiveness.



MANAGEMENT DISCUSSION AND ANALYSIS

COMMITMENTS

	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of: Acquisition of property, plant and equipment	456,998	417,595

INTEREST RATE AND FOREIGN EXCHANGE RISKS

As of 30 June 2026, the balance of the Group's bank borrowings was approximately RMB8,951,017,000, of which approximately RMB919,463,000 of the borrowings was bearing at fixed interest rates, and approximately RMB8,031,554,000 was bearing at floating interest rates. The aforesaid borrowings had no seasonality features. In addition, approximately RMB7,161,200,000 of the borrowings was denominated in currencies other than the functional currencies of the Group's related entities, of which the equivalents of approximately RMB3,742,996,000, approximately RMB2,445,113,000, approximately RMB661,835,000, approximately RMB136,300,000, approximately RMB107,970,000 and approximately RMB66,986,000 were denominated in EUR, USD, HKD, RMB, CHF and CAD respectively.

The Group's cash and cash equivalents and pledged bank deposits and time deposits are mainly denominated in RMB, USD and EUR. Remittance of funds out of the PRC is subject to the foreign exchange control restrictions imposed by the Chinese government.

As of 30 June 2026, the Group's total amount of cash and cash equivalents and pledged bank deposits and time deposits denominated in currencies other than the functional currencies was approximately RMB2,462,961,000, of which approximately RMB1,182,506,000 was denominated in USD, approximately RMB1,007,323,000 was denominated in EUR, approximately RMB185,869,000 was denominated in JPY, approximately RMB52,397,000 was denominated in HKD, approximately RMB30,171,000 was denominated in Mexican Peso, and the remainder of approximately RMB4,695,000 was denominated in other currencies.



MANAGEMENT DISCUSSION AND ANALYSIS

With the Group's international expansion and strategic layout around the world, the variety of foreign currencies involved in its transactions has increased. The Group's management places high importance on foreign exchange risk and closely monitors and manages the scale of its foreign currency transactions, as well as its foreign currency assets and liabilities on a daily basis. Meanwhile, the Group also utilizes financial derivatives such as forward foreign exchange contracts, currency swaps, options, and interest rate swaps to further mitigate interest rate risk and foreign exchange risk.

CONTINGENT LIABILITIES

As of 30 June 2026, the Group had no contingent liabilities (31 December 2025: Nil).

MORTGAGED ASSETS

As of 30 June 2026, the Group had a banking facility of NTD200,000,000 (equivalent to RMB42,660,000), which were mortgaged by property, plant and equipment with carrying amounts of approximately NTD47,708,000 (equivalent to approximately RMB10,176,000), land-use-rights with carrying amounts of approximately RMB5,917,000 and property, plant and equipment with carrying amounts of approximately RMB10,250,000 (31 December 2025: the Group had borrowings of NTD155,000,000 (equivalent to RMB34,581,000), which were mortgaged by property, plant and equipment with carrying amounts of approximately NTD47,708,000 (equivalent to approximately RMB10,644,000), and obtained a banking facility of RMB17,000,000, which were mortgaged by land-use-rights with carrying amounts of approximately RMB5,976,000 and property, plant and equipment with carrying amounts of approximately RMB10,471,000).

As of 30 June 2026, the Group issued bills payables of approximately RMB421,031,000 due within 6 months and had a banking facility of NTD60,000,000 (equivalent to RMB12,798,000), which were pledged by bills receivables with fair value of approximately RMB974,000, bank deposits of approximately RMB202,954,000 and bank deposits of approximately NTD3,000,000 (equivalent to approximately RMB640,000) (31 December 2025: the Group issued bills payables of RMB429,000,000 due within 6 months, issued letters of guarantee of approximately RMB54,499,000, and had borrowings of NTD60,000,000 (equivalent to RMB13,386,000), which were pledged by bills receivables with fair value of approximately RMB97,724,000 and bank deposits of approximately RMB203,675,000, USD10,000,000 (equivalent to approximately RMB70,288,000) and approximately NTD9,119,000 (equivalent to approximately RMB2,034,000). The borrowings are to be settled in NTD and RMB).



MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL EXPENDITURE

Capital expenditure includes the acquisition of property, plant and equipment, the increase in construction in progress and the addition of land-use-rights. During the Review Period, the Group's capital expenditure amounted to approximately RMB1,620,892,000 (the same period in 2025: approximately RMB902,056,000). During the Review Period, the Group proactively proceeded with capacity expansion and manufacturing capability enhancement in response to the increasing demand in global markets. The related capital expenditure was primarily used for the construction and equipment investment in global production facilities, as well as the production capacity expansion for high-growth products such as battery housings and body and chassis structural components. At the same time, driven by the increase in orders from Chinese customers and the launch of new projects, the Group also moderately increased its investments in related equipment and production capacity in the China region to support sustained business growth. Additionally, the Group continued to invest in areas with long-term growth potential, such as intelligent robotics, AI server liquid cooling system and AI infrastructure to foster new growth engines for its future development. Meanwhile, the Group maintained prudent control over capital expenditure in line with its asset-light strategy, exercised stringent control over fixed asset investments, actively promoted the renovation and reuse of old equipment, and continued to promote effective synergy among its global factories to further enhance the utilisation efficiency of production capacity and continuously optimize the efficiency of capital allocation.

PLACING AND SUBSCRIPTION

The Group had no placing and subscription of shares during the Review Period.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group had no material acquisition or disposal of subsidiaries, joint ventures and associates during the Review Period.



MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES

As of 30 June 2026, the Group employed a total of 28,500 employees, representing an increase of 1,133 as compared to 31 December 2025. Due to the implementation of the strengthening policy of China's social insurance contribution base, the Group's labor costs in China increased correspondingly during the Review Period, but the overall impact remained manageable. In line with its revenue growth objectives, the Group focused on strengthening global labor efficiency management by improving quality and efficiency in existing plant operations while proactively allocating workforce for new capacity and new business during the roll-out of new plants and the incubation of new sectors.

During the Review Period, the Group continued to strengthen its global remuneration governance, optimise the management model for total remuneration packages, implement a resource allocation approach focused on "enhancing efficiency in existing allocations and accelerating growth in new allocations", reinforce incentive-based approaches, and direct remuneration resources towards high-value creation, thereby continuously improving organisational efficiency and the effectiveness of incentives. Through the implementation of share option scheme, share award scheme and other medium- to long-term incentive schemes, the Group has stimulated the momentum for sustained contributions from key positions.

During the Review Period, the Group formally launched its "country-led" organizational transformation. Under this new framework, the "country head" accountability structure has been horizontally reinforced, regional functional integration has been strengthened, and decision-making authority at the local level has been further empowered, thereby improving country-level operational efficiency and market responsiveness. Looking ahead to the second half of the year, the Group will continue to refine its localized operating systems, strengthen collaboration mechanisms, and comprehensively enhance the operational quality and profitability of the operational units in each country, so as to further consolidate the Group's global governance capabilities.



MANAGEMENT DISCUSSION AND ANALYSIS

To support the global layout as well as the construction and operation of the Group's new factories, the Group accelerated the pace of global talent reserve and systematically built a localized talent development system. The Group initiated the "Gold Medal Plant Manager" talent development program, focusing on empowering core management positions in its global operations. Meanwhile, the "Reserve Plant Manager" special training program was also implemented, strengthening talent mobility and experience transfer among regions, and continuously supplying high-quality management teams through diversified approaches such as job rotation and mentorship. Looking ahead to the second half of the year, the Group will, while continuing to advance existing talent development programs, further enrich and optimize the provision of learning resources to solidify the talent foundation for the sustainable development of the Group's global operations.

During the Review Period, the Group steadily advanced the digital transformation of human resources, achieving data integration and automated flow among multiple business systems, significantly enhancing cross-module operational efficiency. Simultaneously, the Group launched AI-enabled shared services upgrade pilots, applying intelligent solutions such as automated issuance of certain documents, and achieved initial enhancements in intelligent efficiency. Looking forward to the second half of the year, the Group will continue to deepen the global digital transformation of human resources with AI-powered iterative upgrades at its core, fully enhancing the speed of human resources response and the level of intelligent decision-making.

The Group continuously deepened cultural integration under the context of globalization, successfully hosted two sessions of China-Serbia youth international exchange program, cumulatively receiving 344 Serbian youth in China, and established the China-Serbia youth cultural exchange center. During the Review Period, the Group officially launched its new logos and upgraded the corporate visual identity system, further strengthening the Group's brand recognition. Meanwhile, the Group has continued to deepen its core culture based on "Love as the Foundation", expanding the "Overall Wellness" project system to cover activities such as "Emotional Intelligence", "New Health Camp", "Family Drawing Room", "Parenting Inspiration Sessions", "Senior's Center", etc., extending the caring culture to employees' families and their communities. Looking into the second half of the year, the Group will continue to review and optimize the implementation of its core values in practice, and enhance cultural identity through the "Let Excellence Be Seen" project. The Group will also organize "Youth Summer Camps" open to employees' families and the community, and launch innovative health projects such as "Emotional Stress Management" and "Psychological Empowerment". In addition, the Group will strengthen human rights review and training from the perspective of ESG, systematically enhance human rights management standards, and solidify the people-oriented foundation and organizational support for the steady advancement of its global strategies.



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The remuneration policy and package of the Group's employees are periodically reviewed. Apart from statutory benefits and in-house training programmes, discretionary bonuses, share awards and share options may be awarded to employees according to the assessment of individual performance. The total staff costs incurred by the Group during the Review Period were approximately RMB3,006 million (the same period in 2025: approximately RMB2,589 million).

DIRECTORS

During the Review Period, the directors of the Company ("Directors") were as follows:

Executive Directors

Wei Ching Lien (*Chairperson and Chief Executive Officer*)

Zhang Yuxia

William Chin

Xu Hailan (*appointed on 30 June 2026*)

Ye Guo Qiang (*retired on 30 June 2026*)

Non-executive Director

Chin Chien Ya

Independent Non-executive Directors

Mok Kwai Pui Bill

Tatsunobu Sako

Meng Li Qiu

Chan Pak Hung

Hu Ting Wu



SHARE OPTION SCHEME

The 2005 Share Option Scheme was adopted by the Company for a period of 10 years pursuant to a written resolution of all the then shareholders of the Company on 13 November 2005. Such scheme was terminated on 22 May 2012 and the 2012 Share Option Scheme with substantively similar terms to the 2005 Share Option Scheme was adopted on the same day at the 2012 annual general meeting of the Company for 10 years. The 2012 Share Option Scheme had expired on 22 May 2022. On the date of the 2022 annual general meeting of the Company, i.e. 31 May 2022, the Company adopted the 2022 Share Option Scheme for a term of 10 years with salient terms similar to those of the 2012 Share Option Scheme.

The purpose of the 2022 Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contributions to the Group. All Directors, employees of the Group and service providers of the Group whom the Board considers, in its sole discretion, have contributed or will contribute to the Group are eligible to participate in the 2022 Share Option Scheme.

The 2022 Share Option Scheme will remain in force for a period of 10 years after the date on which the scheme was adopted. The total number of Shares which may be allotted and issued upon exercise of all options to be granted under the 2022 Share Option Scheme adopted by the Group must not in aggregate exceed 10% ("General Scheme Limit") of the Shares of the Company in issue on 31 May 2022, the date when the Company adopted the 2022 Share Option Scheme, which were 116,183,579 Shares. The Company may renew the General Scheme Limit with shareholders' approval provided that each such renewal may not exceed 10% of the Shares of the Company in issue as at the date of the shareholders' approval.

Unless approved by shareholders of the Company, the total number of Shares issued and to be issued upon exercise of the options granted under the 2022 Share Option Scheme and any other share option schemes of the Company (including both exercised or outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being ("Individual Limit").

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An option may be accepted by a participant within 28 days from the date of the offer of grant of the option. A nominal consideration of HKD1.00 is payable on acceptance of the grant of an option.

An option may be exercised in accordance with the terms of the 2022 Share Option Scheme at any time during the period to be determined and notified by the Board to each grantee, at the time of making an offer of the grant of an option which shall not expire later than 10 years from the date of grant of the option.

Unless the Board otherwise determined and stated in the offer to the participant, there is no minimum period for which an option granted under the 2022 Share Option Scheme must be held before it can be exercised.

The subscription price for the Shares under the 2022 Share Option Scheme will be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of the offer of grant, which must be a business day; (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Shares.

As at the date of this interim report, the total number of unexercised outstanding Share Options under the 2022 Share Option Scheme is 23,978,600 which represents approximately 2.05% of the issued Shares (excluding treasury shares) as at the date of this interim report. As at the date of this interim report, the total number of Shares available for issue under the 2022 Share Option Scheme is 110,162,179 which represents approximately 9.40% of the issued Shares as at the date of this interim report (excluding treasury shares).

The total number of Share Options available for grant under the scheme mandate of the 2022 Share Option Scheme as at 1 January 2026 and 30 June 2026 were 86,183,579 and 86,183,579 respectively.

As at the date of this interim report, the number of Share Options that could still be granted under the 2022 Share Option Scheme was 86,183,579, representing approximately 7.36% of the 1,171,493,199 Shares in issue (excluding treasury shares) as at 25 August 2026, being the date of this interim report.



MANAGEMENT DISCUSSION AND ANALYSIS

Details are as follows:

Name and category of participants	Number of Share Options (Note 1)						Date of grant	Exercise period	Exercise price of the Share Options (HKD)	Weighted average closing price of Shares immediately before the date(s) on which Share Options were exercised (HKD)
	Outstanding as at 1 January 2026	Granted during the Review Period	Exercised during the Review Period	Cancelled during the Review Period	Lapsed during the Review Period	Outstanding as at 30 June 2026				
							(Note 6)	(Note 7)	(Note 8)	
Directors, chief executives, and substantial Shareholders and their respective connected persons										
Ms. Zhang Yuxia	500,000	—	—	—	—	500,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A
Mr. William Chin (Note 2)	300,000	—	—	—	—	300,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A
Ms. Xu Hailan (Note 3)	500,000	—	—	—	—	500,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A
Ms. Chin Chien Ya (Note 4)	100,000	—	—	—	—	100,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A
Mr. Mok Kwai Pui Bill	50,000	—	25,000	—	—	25,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	34.14
Mr. Tatsunobu Sako	50,000	—	12,700	—	—	37,300	2-5-2024	5-5-2025 to 31-12-2029	14.30	35.38
Professor Meng Li Qiu	50,000	—	—	—	—	50,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A
Mr. Ye Guo Qiang (Note 5)	500,000	—	—	—	—	500,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A
Dr. Wang Ching (Note 5)	50,000	—	—	—	—	50,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A
Subtotal	2,100,000	—	37,700	—	—	2,062,300				
Other participants (Note 9)										
Employee participants (in aggregate)	23,915,000	—	1,648,700	—	290,000	21,976,300	2-5-2024	5-5-2025 to 31-12-2029	14.30	38.59
Related entity participant (in aggregate)	—	—	—	—	—	—	N/A	N/A	N/A	N/A
Service providers (in aggregate)	—	—	—	—	—	—	N/A	N/A	N/A	N/A
Subtotal	23,915,000	—	1,648,700	—	290,000	21,976,300				
Total	26,015,000	—	1,686,400	—	290,000	24,038,600				

MANAGEMENT DISCUSSION AND ANALYSIS

- Note 1: Numbers of Shares over which options were granted under the 2022 Share Option Scheme.
- Note 2: Mr. William Chin, an executive Director and the Chief Strategy Officer of the Group, is the son of Ms. Wei Ching Lien ("Ms. Wei", an executive Director and Chairperson of the Company) and the brother of Ms. Chin Chien Ya ("Ms. Chin", a non-executive Director).
- Note 3: Ms. Xu Hailan ("Ms. Xu") was appointed as executive Director on 30 June 2026.
- Note 4: Ms. Chin Chien Ya, a non-executive Director, is the daughter of Ms. Wei and the sister of Mr. William Chin.
- Note 5: Mr. Ye Guo Qiang ("Mr. Ye") retired as executive Director on 30 June 2026, and Dr. Wang Ching retired as independent non-executive Director on 30 May 2025.
- Note 6: The closing price of the Company's shares immediately before 2 May 2024 on which the share options were granted pursuant to the 2022 Share Option Scheme (the "Share Options"), i.e. on 30 April 2024 was HKD13.44.
- Note 7: The option period for the Share Options granted on 2 May 2024 is for five years seven months and twenty-nine days and the vesting periods of such Share Options are as follows: (i) up to 30% of the Share Options granted to be vested on or after 5 May 2025; (ii) up to a further 30% of the Share Options granted to be vested on or after 5 May 2026; and (iii) all of the remaining Share Options granted to be vested on or after 5 May 2027. There is no performance target attached to the share options granted under the 2022 Share Option Scheme.
- Note 8: The exercise price of the Share Options is subject to adjustment in the case of rights or bonus issues, or other similar changes on the Company's share capital.
- Note 9: There are no (i) participant with Share Options granted and to be granted in excess of the 1% individual limit, and (ii) related entity participant or service provider with Share Options granted and to be granted in any 12-month period exceeding 0.1% of the Shares in issue (excluding treasury shares).

During the Review Period, 1,686,400 Share Options were exercised by the grantees (including two Directors) of the Company's 2022 Share Option Scheme in accordance with the rules and terms thereof, and 290,000 Share Options lapsed as a result of the resignation of grantees.



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The fair values of the granted Share Options are listed as follows:

Share option type	Date of grant	Tranche	Exercise period	Exercise price (HKD)	Fair value at the date of grant (HKD)
2024 (Note)	2-5-2024	A	5-5-2025 to 31-12-2029	14.30	3.98
	2-5-2024	B	5-5-2026 to 31-12-2029	14.30	4.28
	2-5-2024	C	5-5-2027 to 31-12-2029	14.30	4.50
	2-5-2024	E	5-5-2025 to 31-12-2029	14.30	3.98
	2-5-2024	F	5-5-2026 to 31-12-2029	14.30	4.28
	2-5-2024	G	5-5-2027 to 31-12-2029	14.30	4.50

Note: For the Share Options granted in 2024, the tranche A, B and C are granted to Directors, while the tranche E, F and G are granted to other employees (including associates of Directors).

Save as disclosed above, no Share Option was granted, exercised, cancelled or lapsed during the Review Period under the 2022 Share Option Scheme. Particulars of the Company's 2022 Share Option Scheme are set out in note 22 to the condensed consolidated financial statements.

SHARE AWARD SCHEME

On 28 July 2020, the Company adopted a share award scheme (the "Share Award Scheme") to allow share awards (the "Awarded Shares") at the absolute discretion of the Board. The purposes of the Share Award Scheme are to recognise the contributions by certain eligible participants and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group. Selected participants pursuant to the terms of the Share Award Scheme will be notified the number of shares awarded to them.

The total number of Awarded Shares available for grant under the scheme mandate of the Share Award Scheme as at 1 January 2026 and 30 June 2026 were 112,440,229 and 112,533,869 respectively. As at the date of this interim report, the total number of Shares available for issue under the Share Award Scheme is 110,162,179 which represents approximately 9.40% of the issued Shares as at the date of this interim report (excluding treasury shares).



MANAGEMENT DISCUSSION AND ANALYSIS

The total number of Shares that may be issued in respect of Share Options and Awarded Shares granted under all schemes of the Company during the Review Period divided by the weighted average number of Shares in issue (excluding treasury shares) for the Review Period was approximately 2.05%.

During the Review Period, the trustee of the Share Award Scheme did not purchase any award shares on the Stock Exchange, nor did it grant any award shares to grantees under the rules and trust deed of the Share Award Scheme. 895,000 Awarded Shares were vested to the grantees (including two Directors and one then-serving Director) during the Review Period, and 25,000 Awarded Shares lapsed due to the grantees' resignations.

SUMMARY OF THE SHARE AWARD SCHEME RULES

For further details on the rules of the Share Award Scheme, please refer to the announcement of the Company dated 28 July 2020 (the "Announcement") (capitalized terms used below shall have the meanings ascribed therein).

(1) Purposes and Objectives

The purposes of the Share Award Scheme are to recognise the contributions by certain eligible participants and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

(2) Eligible Participants for the Share Award Scheme

Participants who are eligible for the Share Award Scheme include (i) any employee (including but not limited to any executive director) of any member of the Group; (ii) non-executive director or independent non-executive director or officer; and (iii) an individual or employee of a corporate or entity who, pursuant to a contract for services, renders services to a member of the Group as determined by the Board from time to time (other than certain participants who are excluded from participation in the Share Award Scheme by reason of the restrictions under applicable laws and regulations).



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(3) Duration

Subject to any early termination as may be determined by the Board, the Share Award Scheme shall be valid and effective for a term of 10 years commencing on the date of adoption of the Share Award Scheme (i.e. 28 July 2020).

(4) Administration

The Share Award Scheme shall be subject to the administration of the Board and the trustee appointed from time to time (the “Trustee”) in accordance with the Share Award Scheme rules and the trust deed entered into between the Company and the Trustee from time to time (the “Trust Deed”) (as the case may be). The Trustee shall hold the Shares and the income derived from the Trust Fund in accordance with the Share Award Scheme rules and the terms of the Trust Deed.

(5) Share Award Scheme Limit

The Board shall not make any further award of Awarded Shares which will result in the aggregate number of Shares awarded by the Board under the Share Award Scheme exceeding ten per cent. of the issued share capital of the Company from time to time. Further, the maximum number of Shares which may be awarded to a Selected Participant under the Share Award Scheme shall not exceed one per cent. of the issued share capital of the Company from time to time.

(6) Operation

Pursuant to the Share Award Scheme rules, the Company may from time to time,

- (i) issue new Awarded Shares under the general mandate granted and/or renewed by the Shareholders at the annual general meeting of the Company and/or under specific authority granted by its Shareholders to the Trustee to be held on trust for the relevant Selected Participant; or

MANAGEMENT DISCUSSION AND ANALYSIS

- (ii) the Board may select the Selected Participant(s) and determine the Reference Amount for the purchase of the issued Shares for each of them, or otherwise determine from time to time a Reference Amount for the purchase of Shares, and notify the Trustee of its decision. Within such period as may be determined by the Board after receiving the Reference Amount, the Trustee shall apply the same towards the purchase (or subscription, as the case may be) of the maximum number of board lots of Shares at a price which falls within a range to be set by the Board. The Shares so purchased, the Related Income and any balance of the Reference Amount after completion of the purchase shall form part of the Trust Fund.

The Board may, at its discretion and from time to time, determine a Reference Amount in respect of which the Trustee shall purchase Awarded Shares from the market even though no Eligible Participants have yet been designated a Selected Participant, as a reserve for future awards to Selected Participants. The Board shall then cause such Reference Amount to be paid to the Trustee for acquisition of Shares for the purpose of the Awarded Shares under the Share Award Scheme on such terms and conditions as may be determined by the Board.

(7) Restrictions

No Award shall be made by the Board and no new Awarded Shares shall be issued under the Share Award Scheme and no instructions to acquire Shares shall be given to the Trustee under the Share Award Scheme where any director is in possession of unpublished price-sensitive information in relation to the Group or where dealings by Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.



MANAGEMENT DISCUSSION AND ANALYSIS

(8) Grant and Vesting

The Company shall notify each Selected Participant of the number of Awarded Shares granted to each Selected Participant by a Grant Notice which shall set out the respective entitlement of each Selected Participant and specify the additional conditions pursuant to which the Awarded Shares and/or the Related Income shall vest in each respective Selected Participant. The Trustee shall not hold any income of the Trust Fund upon trust for the Selected Participant, who are not entitled to any income or rights attached to or derived from the Awarded Shares (inclusive of any nil-paid rights, options or warrants derived from the Awarded Shares apart from the Related Income) from the date of the grant of the Award until the vesting of the Awarded Shares in the Selected Participant. The Board has the discretions to specify the consideration payable on acceptance of the grant of an award.

Subject to the Scheme Rules and the fulfilment of all vesting conditions as specified in the Grant Notice (such fulfilment shall be confirmed by the Board), the respective Awarded Shares and the Related Income held by the Trustee on behalf of a Selected Participant shall vest in such Selected Participant, and the Trustee shall cause such vested Awarded Shares and the Related Income to be transferred to, or to the order of, such Selected Participant in accordance with the procedure specified in the Scheme Rules.

Except in the circumstances as set out under (9) below, upon the vesting of the Awarded Shares, barring any unforeseen circumstances, unless otherwise agreed between the Board and the Trustee,

- (i) the Board shall send to the relevant Selected Participant a Vesting Notice and for purchase of Awarded Shares, together with such prescribed reply slip which require the Selected Participant to execute to effect the vesting and transfer of the Awarded Shares and the Related Income and,

MANAGEMENT DISCUSSION AND ANALYSIS

- (ii) subject to the receipt by the Trustee of (a) the reply slip prescribed in the Vesting Notice and duly signed by the Selected Participant within the period stipulated in the Vesting Notice, and (b) a confirmation from the Company that all vesting conditions having been fulfilled, the Trustee shall transfer the relevant Awarded Shares (and where applicable, together with the Related Income) to the relevant Selected Participant as soon as practicable after the Vesting Date and in any event not later than such period after the Vesting Date as may be reasonably determined by the Board. The final decision in relation to such transfer shall be subject to the absolute discretion of the Board.

Prior to the Vesting Date, any Award made hereunder shall be personal to the Selected Participant to whom it is made and shall not be assignable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the Awarded Shares and the Related Income referable to him pursuant to such Award.

Unless the Board otherwise determined and stated in the grant notice to the participant, there is no minimum period for which an Awarded Share granted under the Share Award Scheme must be held before it can be vested and no consideration is required to be paid by the participant for the acceptance of the Awarded Share.

The basis of determining the purchase price of Awarded Shares:

Not applicable as there is no purchase price under the Share Award Scheme.

(9) Disqualification of Selected Participants/Lapse of Award

In the event of a Total Lapse, all Awarded Shares and the Related Income which have not vested shall not vest on the relevant Vesting Date and shall become Returned Shares and the income of the Trust.

In the event of a Partial Lapse, subject to the absolute discretion of the Board, the relevant part of an Award made to such Selected Participant shall automatically lapse forthwith and the relevant Awarded Shares and the Related Income which have not vested shall not vest on the relevant Vesting Date but shall become Returned Shares and income of the trust.



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In respect of a Selected Participant who retired, resigned or whose employment/engagement was terminated by agreement with a member of the Group at any time prior to or on the Vesting Date, all the Awarded Shares and the Related Income of the relevant Selected Participant shall immediately lapse. All the Awarded Shares and the Related Income of the relevant Selected Participant shall become Returned Shares and income of the Trust.

In the event of the death of a Selected Participant at any time, the award of the Awarded Shares and the Related Income shall immediately lapse and all the Awarded Shares (or Reference Amount, as the case may be) and the Related Income of the relevant Selected Participant shall become Returned Shares and income of the Trust.

If there occurs an event of change in control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise, all the Awarded Shares and the Related Income shall immediately vest on the date when such change of control event becomes or is declared unconditional and such date shall be deemed to be the Vesting Date. Subject to the receipt by the Trustee of duly executed reply slip to the Vesting Notice within 7 Business Days from the deemed Vesting Date, the Trustee shall transfer the Awarded Shares and the Related Income to the Selected Participant.

The Trustee shall hold the Returned Shares exclusively for the benefit of all or one or more of the Eligible Participants (excluding any Excluded Participant). The Board shall in its absolute discretion have the right to determine whether a proposed awardee is a Selected Participant at the time of award. When Returned Shares have been awarded, the Board shall notify the Trustee accordingly.

(10) Voting Rights

The Trustee shall not exercise the voting rights in respect of any Shares held by it as nominee or under the Trust (if any) (including but not limited to the Awarded Shares, the Returned Shares, any bonus Shares and scrip Shares derived therefrom).



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(11) Termination

- (i) The Scheme shall terminate on the earlier of:
 - (a) on the 10th anniversary date of the Adoption Date; and
 - (b) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant.
- (ii) Upon termination of the Scheme,
 - (a) no further grant of Awarded Shares and the Related Income may be made under the Scheme, these rules of the Scheme shall remain in full force and effect in respect only of Awards which have been granted during the term of the Scheme and which remain unvested or which have vested but not yet been issued to a Selected Participant immediately prior to the termination of the Scheme;
 - (b) all the Awarded Shares and the Related Income of the Selected Participants granted under the Scheme shall become vested on the Selected Participants so referable on such date of termination save in respect of the Total Lapse or otherwise, subject to the receipt by the Trustee of the reply slip to the Vesting Notice prescribed by the Trustee and duly executed by the Selected Participant within the period stipulated by the Trustee;
 - (c) Returned Shares and such non-cash income remaining in the Trust Fund shall be sold by the Trustee, within such period after receiving notice of such termination of the Scheme as may be determined by the Board; and
 - (d) the Residual Cash for the Selected Participants, net proceeds of sale referred to in paragraph (ii)(b) above and such other funds remaining in the Trust Fund (after making appropriate deductions in respect of all disposal costs, liabilities and expenses) shall be remitted to the Company forthwith.



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(12) Alteration

The Scheme may be altered in any respect by a resolution of the Board provided that no such amendment shall operate to affect adversely any subsisting rights of any Selected Participant.

Details of the movement of the Awarded Shares during the Review Period and during the financial year ended 31 December 2025 are set out in the tables as follows:

Name and category of participants	Number of Awarded Shares					Outstanding as at 30 June 2026	Date of grant	Vesting period and performance targets	Fair value of Awarded Shares at the date of grant (HKD)	Weighted average closing price of Shares immediately before the date(s) on which Awarded Shares were vested (HKD)	Grant price of the Awarded Shares (HKD)
	Outstanding as at 1 January 2026	Granted during the Review Period	Vested during the Review Period	Cancelled during the Review Period	Lapsed during the Review Period						
	(Note 1)										
Directors, chief executives, and substantial Shareholders and their respective associates											
Zhang Yuxia	90,000	–	90,000	–	–	–	22-1-2025	(Note 2)	16.00	38.90	0
Xu Haitan (Note 4)	60,000	–	60,000	–	–	–	22-1-2025	(Note 2)	16.00	38.90	0
Ye Guo Qiang (Note 4)	85,000	–	85,000	–	–	–	22-1-2025	(Note 2)	16.00	38.90	0
Participants with Awarded Shares in excess of 1% individual limit											
N/A	–	–	–	–	–	–	N/A	N/A	N/A	N/A	N/A
Related entity participants or service providers with Awarded Shares granted during the Review Period exceeding 0.1% of the total issued Shares											
N/A	–	–	–	–	–	–	N/A	N/A	N/A	N/A	N/A
Other employee participants (in aggregate)	660,000 2,400,000	– –	660,000 –	– –	– 25,000	– 2,375,000	22-1-2025 24-10-2025	(Note 2) (Note 2)	16.00 31.82	38.90 N/A	0 0
Other related entity participants (in aggregate)											
N/A	–	–	–	–	–	–	N/A	N/A	N/A	N/A	N/A
Other service providers (in aggregate)											
N/A	–	–	–	–	–	–	N/A	N/A	N/A	N/A	N/A
Other participants											
N/A	–	–	–	–	–	–	N/A	N/A	N/A	N/A	N/A
Total	3,295,000	–	895,000	–	25,000	2,375,000					



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Name and category of participants	Number of Awarded Shares						Outstanding as at 31 December 2025	Date of grant	Vesting period and performance targets	Fair value of Awarded Shares at the date of grant (HKD)	Weighted average closing price of Shares immediately before the date(s) on which Awarded Shares were vested (HKD)	Grant price of the Awarded Shares (HKD)
	Outstanding as at 1 January 2025	Granted during the year	Vested during the year	Cancelled during the year	Lapsed during the year							
	(Note 1)											
Directors, chief executives, and substantial Shareholders and their respective associates												
Zhang Yuxia	—	90,000	—	—	—	90,000	22-1-2025	(Note 2)		16.00	N/A	0
Ye Guo Qiang	—	85,000	—	—	—	85,000	22-1-2025	(Note 2)		16.00	N/A	0
Participants with Awarded Shares in excess of 1% individual limit												
N/A	—	—	—	—	—	—	N/A		N/A		N/A	N/A
Related entity participants or service providers with Awarded Shares granted during the year exceeding 0.1% of the total issued Shares												
N/A	—	—	—	—	—	—	N/A		N/A		N/A	N/A
Other employee participants	2,032,000	—	1,339,450	—	692,550	—	29-3-2021	(Note 3)		31.25	21.20	0
(in aggregate)	—	720,000	—	—	—	720,000	22-1-2025	(Note 2)		16.00	N/A	0
	—	2,400,000	—	—	—	2,400,000	24-10-2025	(Note 2)		31.82	N/A	0
Other related entity participants (in aggregate)												
N/A	—	—	—	—	—	—	N/A			N/A	N/A	N/A
Other service providers (in aggregate)												
N/A	—	—	—	—	—	—	N/A			N/A	N/A	N/A
Other participants												
N/A	—	—	—	—	—	—	N/A			N/A	N/A	N/A
Total	2,032,000	3,295,000	1,339,450	—	692,550	3,295,000						

MANAGEMENT DISCUSSION AND ANALYSIS

- Note 1: The closing price of the Shares immediately before the date on which the Awarded Shares were granted on 29 March 2021, i.e. on 26 March 2021 was HKD31.05. The closing price of the Shares immediately before the date on which the Awarded Shares were granted on 22 January 2025, i.e. on 21 January 2025 was HKD16.44. The closing price of the Shares immediately before the date on which the Awarded Shares were granted on 24 October 2025, i.e. on 23 October 2025 was HKD31.46.
- Note 2: The Awarded Shares granted on 22 January 2025 shall vest on 23 January 2026. The Awarded Shares granted on 24 October 2025 shall vest in three tranches (This is subject to the fulfilment of certain vesting conditions as specified in the letters of award. The vesting of the Awards is subject to the fulfilment of certain performance targets tailored to the Grantees' individual roles and responsibilities. In particular, vesting is conditional upon the Grantees attaining a minimum performance appraisal score and making satisfactory progress on their individual key contribution plans during the preceding financial year.): (a) 30%, on 26 October 2026; (b) 30%, on 26 October 2027; and (c) 40%, on 26 October 2028.
- Note 3: According to the amended vesting conditions, the vesting of 50% of the Awarded Shares is deferred from the third to the fourth anniversary of the date of grant whereas the remaining 50% of the Awarded Shares will also vest on the fourth anniversary of the date of grant, on the basis of satisfaction of relevant vesting conditions. The vesting of the Awards is subject to the achievement of certain performance targets tailored to each Grantee's individual role and responsibilities. In particular, vesting is conditional upon the Grantees attaining a minimum performance appraisal rating and demonstrating satisfactory progress against their respective key contribution plans over the preceding four financial years.
- Note 4: Ms. Xu Hailan was appointed as executive Director on 30 June 2026, and Mr. Ye Guo Qiang retired as executive Director on 30 June 2026.
- Note 5: There are no (i) participant with Awarded Shares granted and to be granted in excess of the 1% individual limit (as defined in Rule 17.03D(1) of the Listing Rules), and (ii) related entity participant or service provider with Awarded Shares granted and to be granted in any 12-month period exceeding 0.1% of the Shares in issue (excluding treasury shares).

For more details of the Share Award Scheme, please refer to note 22 to the condensed consolidated financial statements.



MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE PROSPECTS AND STRATEGIES

During the Review Period, multiple macro factors continued to suppress consumer demand for car purchases, including global inflation, interest rate hikes in several countries curbing big-ticket consumption, and disruptions in energy prices and supply chain security caused by the Middle East conflicts. Looking ahead to the second half of the year, the global light vehicle market is expected to maintain a moderate contraction trend. Mobility Global forecasts that the global light vehicle sales will decrease to around 90,000,000 units in 2026, representing a year-on-year decline of approximately 2% to 3%.

During the Review Period, the Western European passenger car market bucked the trend and became one of the few key markets to sustain positive growth during the Review Period. Looking ahead to the second half of the year, as entry-level BEV models priced below Euro30,000, such as Citroën e-C3 and Renault 5 E-Tech, are increasingly available, supported by favorable policies and high fuel prices, the penetration rate of NEVs is expected to further increase. Multiple analysis agencies believe that a mild recovery of the European macro economy will further boost new car sales. Mobility Global forecasts Western European passenger car sales will reach approximately 11,680,000 units in 2026, a year-on-year increase of about 1%, with the market expected to remain largely stable in 2027 at levels comparable to 2026.

During the Review Period, sales in the US new car market experienced a downturn under the dual pressures of macroeconomic uncertainty and high vehicle prices. Persistently high oil prices have heightened consumer focus on fuel economy, and hybrid models, with their convenience and cost advantages, are regarded as the optimal solution for the time being, with their market share expected to continue to expand in the second half of the year. Mobility Global forecasts full-year US sales of light vehicles at around 15,800,000 units, representing a year-on-year decline of over 3%.



MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Period, domestic demand in China's passenger car market was under notable pressure, whereas exports exceeded expectations and NEV maintained steady growth with penetration nearing 50%, collectively providing structural support. The market share of Chinese brands increased to 71.8%, while joint venture car makers generally faced pressure, with certain brands seeing noticeable sales declines. Looking ahead to the second half of the year, the Chinese auto market is expected to exhibit a pattern of "weak domestic, strong overseas; back-loaded performance." CAAM anticipates total auto sales in China will reach around 33,000,000 units in 2026, a year-on-year decrease of about 4% to 5%, with NEV penetration likely to break through the 50% historical threshold, while overall growth has shifted from the high-speed phase to a medium-speed phase. Chinese automakers are continuously strengthening their competitiveness in international markets, with total annual exports expected to exceed 10,000,000 units, becoming the core engine to counterbalance the slack in the demand in China.

During the Review Period, tariffs and trade policies have become another major uncertainty continually impacting the auto market trajectory in 2026. The main features of US automotive tariffs in 2026 are "high rates, broad coverage, complex mechanisms and inconsistent enforcement." Although automakers maintain pricing by absorbing costs or offering partial rebates, in the long term, high tariffs will drive up car prices and further exacerbate affordability issues. More critically, tariff costs are not the only pressures facing automakers. Previously, global automakers collectively pushed forward electrification transformation, but electric vehicle sales generally fell short of earlier expectations. Coupled with the US federal government's removal of the up-to-USD7,500-per-vehicle electric vehicle tax credit, automakers had to carry out large-scale business restructuring, spending cuts, and capacity adjustments. The dual squeeze of tariff costs and electrification transformation costs has sharply reduced automakers' profit margins, significantly increasing difficulty in achieving profitability.



MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Period, although EU tariffs temporarily increased the export cost of Chinese NEVs, Chinese automakers achieved growth in the European market through product portfolio adjustments, accelerated overseas production, and high-end strategies. On 4 March 2026, the EU Industrial Accelerator Act (IAA) legislative draft was submitted for consideration, marking the first time local manufacturing requirements, low-carbon standards, and investment conditions were integrated into a unified regulatory framework. For Chinese companies seeking to expand their European business, this signals a structural shift: the traditional “export-first, localization-later” model is rapidly losing feasibility. In the long term, trade barriers are forcing Chinese brands to deepen local operations, shifting from a single model of vehicle exports to a hybrid ecosystem of “European design + Chinese technology + local manufacturing”, while accelerating development of diverse markets in Southeast Asia, the Middle East, and South America to lower reliance on Europe as a single market. Meanwhile, the international market imposes higher requirements on parts quality and certification standards. Enterprises must address multiple challenges in technology, compliance, and localization. Suppliers with “global capabilities and technological barriers” are more likely to succeed. In response to the above changes, the Group has carried out forward-looking planning regarding relevant policies in the European market. Procurement and operations systems are being continuously improved around local manufacturing requirements, supply chain layout, low-carbon and compliance standards, and delivery assurance capability to enhance international customer responsiveness and business development capacity.

At the operational level, the Group is deepening strategic collaboration with its customers, strengthening global localized supply capability, and flexibly adjusting production capacity layouts to match customers’ global business expansion, thus achieving agile response and efficient delivery. Facing tariff policies and geopolitical uncertainties, the Group continues to optimize global production allocation and provides clients with adaptive solutions. Most orders in the Group’s Europe and North America regions have already achieved localized production, and the Group will further increase localization in the future. Meanwhile, the Group will continue to accelerate business diversification and balanced market development, exerting balanced efforts globally and enhancing resilience in complex trade environments to ensure long-term stable growth and risk resistance.



MANAGEMENT DISCUSSION AND ANALYSIS

The Group will actively respond to the challenges and opportunities brought by transformations in the automotive and auto parts industries. With customer demand as the guiding principle, the Group will continuously build comprehensive competitiveness covering technology, quality, cost, delivery, and service, and strive to become the closest global leading supplier to its customers. The Group will maintain sharp insight into industry trends and market changes, and align with directions such as new energy, lightweight, intelligentization, and new materials. Combining R&D perspectives based on terminal markets and complete vehicle demand, as well as its global platform advantages, the Group will continue to advance strategic layout and technological innovation.

In terms of business development, the plastic BU will continue to strengthen its portfolio of high-value-added products and build its capacity for system-level supply, thereby further enhancing customer loyalty and profitability. The aluminum BU, and metal and trim BU will continue to advance global localized layout, cost reduction across the whole value chain, and new business cultivation, gradually improving profitability and business structure; the body structure BU will leverage multi-material platforms and diverse product matrices to continually deepen its footprint in new energy, lightweight, and related structural product directions, consolidating the foundation for global market growth.

In terms of operational enhancement, the Group will further optimise the strategic planning of each BU, continuously improve its operational capabilities, especially the operational capabilities of its international plants, select model plants in different regions for management replication and cost benchmarking, and establish a comprehensive competitive advantage covering technology, cost, efficiency, and resource utilisation. Meanwhile, the Group will continue to refine the global layout of its BUs, strengthen its GLOCAL management capabilities, enhance localisation of supply, and maximise replication and sharing of strengths in technology, management, cost, resources, and talent across its global plants, thereby comprehensively elevating its global competitiveness.

Regarding risk management, the Group will continue to closely monitor global trade policies, geopolitics, raw material prices, and changes in customer regional layouts, flexibly adjust global production and supply chain arrangements, and enhance operational resilience and risk response capabilities. Concurrently, leveraging its comprehensive strengths accumulated over the years in materials, processes, customer relationships, and global teams and deployment, the Group will also continue to focus on and cultivate new business directions with mid- to long-term potential, supporting the Group to establish a more resilient pattern of sustainable development.



MANAGEMENT DISCUSSION AND ANALYSIS

Overall, during the Review Period, the Group maintained steady operations amid a complex and changing external environment, and continued to make progress in globalisation strategy, operational improvement, digitalisation, capital efficiency, and mid- to long-term capability building. Going forward, the Group will continue to advance its global competitiveness and sustainable development capability through synergistic growth in scale, improvement in operational quality, and accumulation of long-term competencies.

DIVIDEND

The Directors do not declare the payment of an interim dividend for the six months ended 30 June 2026 (the same period in 2025: nil).

CHANGES IN THE INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES

During the Review Period and up to the date of this report, there were the following changes in the information of Directors:

- (1) Mr. Ye Guo Qiang retired as an executive Director with effect from the conclusion of the annual general meeting of the Company held on 30 June 2026;
- (2) Ms. Xu Hailan has been appointed as an executive Director and a member of the remuneration committee of the Board with effect from the conclusion of the annual general meeting of the Company held on 30 June 2026; and
- (3) Mr. Chan Pak Hung, an independent non-executive Director, resigned as company secretary of Shanghai Dongzheng Automotive Finance Co., Ltd.* (上海東正汽車金融股份有限公司) on 31 May 2026 and has been appointed as chief consultant of Merit Corporate Services Company Limited with effect from 1 June 2026.

Save as disclosed above, the Company is not aware of any change in the information of the Directors or chief executives of the Company which would otherwise be required for disclosure under Rule 13.51(B)(1) of the Listing Rules during the Review Period and up to the date of this report.



OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2026, the interests or short positions of substantial Shareholders, other than the Directors or the chief executives of the Company, in the Shares and underlying shares of the Company as recorded in the register of substantial Shareholders maintained by the Company pursuant to Section 336 of the SFO are as follows:

Name of Substantial Shareholder	Capacity	Long/ Short Position	Total Number of Ordinary Shares	Percentage of the Company's Issued Share Capital (Note 1)
Chin Jong Hwa	Interest of controlled corporations	Long position	450,072,000	38.03%
	Interest of spouse	Long position	1,850,000 (Note 2)	0.16%
Minth Holdings Limited ("Minth Holdings")	Beneficial owner	Long position	450,072,000 (Note 3)	38.03%
JPMorgan Chase & Co.	Beneficial owner	Long position	10,029,426	0.85%
		Short position	11,303,003 (Note 4)	0.95%
	Investment Manager	Long position	33,403,540	2.82%
		Short position	1,500	0.0001%
	Person having a security interest in shares	Long position	5,083,056	0.43%
	Trustee	Long position	1,040	0.0001%
	Approved lending agent	Long position	24,175,018	2.04%



OTHER INFORMATION

Note 1: The percentage of the Company's issued share capital of 1,183,563,199 Shares (including treasury Shares) as at 30 June 2026.

Note 2: As at 30 June 2026, Minth Holdings and Ms. Wei were beneficially interested in 450,072,000 Shares and 1,850,000 Shares respectively. Minth Holdings was wholly-owned by Mr. Chin Jong Hwa and he was therefore deemed to be interested in the entire 450,072,000 Shares held by Minth Holdings. Since Mr. Chin Jong Hwa is the spouse of Ms. Wei, he is deemed to be interested in the 1,850,000 Shares in which Ms. Wei is interested.

Note 3: As at 30 June 2026, Minth Holdings, a company wholly-owned by Mr. Chin Jong Hwa, was beneficially interested in 450,072,000 Shares.

Note 4: As at 30 June 2026, according to the information disclosed to the Company under Division 2 and Division 3 of Part XV of the SFO, these Shares were held by corporations controlled directly or indirectly as to 100% by JPMorgan Chase & Co.

Other than as disclosed above, as at 30 June 2026, the Company had not been acknowledged by any person of any interests or short positions in any Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).



OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2026, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or which would otherwise have to be notified to the Company and the Stock Exchange pursuant to Division 7 and Division 8 of Part XV of the SFO (including interests and short positions, if any, which they are taken or deemed to have under such provisions of the SFO) and the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), were as follows:

Name of Directors, chief executives and their respective associates	Company/ Name of Associated Corporation	Long/ Short Position	Capacity	Total Number of Ordinary Shares	Percentage of the Company's Issued Share Capital (Note 1)
Wei Ching Lien	Company	Long position	Beneficial owner	1,850,000	0.16%
		Long position	Interest of spouse	450,072,000 (Note 2)	38.03%
Zhang Yuxia ("Ms. Zhang")	Company	Long position	Beneficial owner	740,000 (Note 3)	0.06%
William Chin	Company	Long position	Beneficial owner	300,000 (Note 4)	0.03%
Xu Hailan	Company	Long position	Beneficial owner	560,000 (Note 5)	0.05%
Chin Chien Ya	Company	Long position	Beneficial owner	100,000 (Note 4)	0.01%
Mok Kwai Pui Bill ("Mr. Mok")	Company	Long position	Beneficial owner	25,000 (Note 4)	0.002%
Tatsunobu Sako ("Mr. Sako")	Company	Long position	Beneficial owner	45,000 (Note 6)	0.004%
Meng Li Qiu ("Professor Meng")	Company	Long position	Beneficial owner	50,000 (Note 4)	0.004%
Ye Guo Qiang ("Mr. Ye")	Company	Long position	Beneficial owner	585,000 (Note 7)	0.05%



OTHER INFORMATION

- Note 1: The percentage of the Company's issued share capital is based on the 1,183,563,199 Shares (including treasury Shares) issued as at 30 June 2026.
- Note 2: As at 30 June 2026, Ms. Wei and Minth Holdings were beneficially interested in 1,850,000 Shares and 450,072,000 Shares respectively. Minth Holdings is wholly-owned by Mr. Chin Jong Hwa and he is therefore deemed to be interested in the entire 450,072,000 Shares held by Minth Holdings. Since Ms. Wei is the spouse of Mr. Chin Jong Hwa, Ms. Wei is deemed to be interested in the 450,072,000 Shares in which Mr. Chin Jong Hwa is deemed to be interested.
- Note 3: This figure represents (i) 500,000 Share Options granted to Ms. Zhang under the 2022 Share Option Scheme that are exercisable and (ii) 240,000 Shares held by Ms. Zhang. Upon exercise of the 500,000 Share Options, Ms. Zhang will own 740,000 Shares.
- Note 4: These figures represent the number of Share Options granted to Mr. William Chin, Ms. Chin, Mr. Mok and Professor Meng under the 2022 Share Option Scheme that are exercisable. Upon exercise of the Share Options, Mr. William Chin, Ms. Chin, Mr. Mok and Professor Meng will own 300,000 Shares, 100,000 Shares, 25,000 Shares and 50,000 Shares, respectively.
- Note 5: This figure represents (i) 500,000 Share Options granted to Ms. Xu under the 2022 Share Option Scheme that are exercisable and (ii) 60,000 Shares held by Ms. Xu. Upon exercise of the 500,000 Share Options, Ms. Xu will own 560,000 Shares. Ms. Xu was appointed as executive Director on 30 June 2026.
- Note 6: This figure represents (i) 37,300 Share Options granted to Mr. Sako under the 2022 Share Option Scheme that are exercisable and (ii) 7,700 Shares held by Mr. Sako. Upon exercise of the 37,300 Share Options, Mr. Sako will own 45,000 Shares.
- Note 7: This figure represents (i) 500,000 Share Options granted to Mr. Ye under the 2022 Share Option Scheme that are exercisable and (ii) 85,000 Shares held by Mr. Ye. Upon exercise of the 500,000 Share Options, Mr. Ye will own 585,000 Shares. Mr. Ye retired as executive Director on 30 June 2026.

Save as disclosed above, as at 30 June 2026, none of the Directors, chief executives and their associates had any interests or short positions in any Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).



OTHER INFORMATION

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

During the Review Period, 1,686,400 Share Options were exercised by the grantees (including two Directors) of the Company's 2022 Share Option Scheme in accordance with the rules and terms thereof, and 290,000 Share Options lapsed as a result of the resignation of grantees.

During the Review Period, the trustee of the Share Award Scheme did not purchase any Awarded Shares on the Stock Exchange, nor did it grant any Awarded Shares to grantees under the rules and trust deed of the Share Award Scheme. 895,000 Awarded Shares were vested to the grantees (including two Directors and one then-serving Director) during the Review Period, and 25,000 Awarded Shares lapsed due to the grantees' resignations.

During the Review Period, the Company repurchased a total of 1,000,000 shares of the Company on the Stock Exchange with details as below, all of which are held as treasury shares.

Date of repurchase of Shares	Number of Shares repurchased	Lowest repurchase price per Share (HKD)	Highest repurchase price per Share (HKD)	Aggregate price paid (HKD)
June 2026	1,000,000	29.06	30.00	29,799,790.00
Total	1,000,000	29.06	30.00	29,799,790.00

Save as disclosed above, there was no issue of any equity securities and no purchase, sale or redemption by the Company or any of its subsidiaries of any listed securities of the Company (including sale or transfer of treasury shares) during the Review Period.

As at 30 June 2026, the Company held a total of 12,130,000 treasury shares. The Company intended to determine whether and when these treasury shares so repurchased are to be cancelled or sold at market price based on market conditions and the capital management needs of the Group from time to time, or to be utilised for share grants under the share schemes of the Company in compliance with the Listing Rules, the Memorandum and Articles of the Company and applicable laws of Cayman Islands.



OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE AND THE MODEL CODE

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code (the "Corporate Governance Code") set out in Appendix C1 to the Listing Rules. Save as disclosed below, none of the Directors is aware of any information that would reasonably indicate that the Company did not comply with the Corporate Governance Code at any time during the Review Period.

Code Provision C.1.6 stipulates that the independent non-executive directors and other non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. Mr. Tatsunobu Sako (independent non-executive Director) attended the Company's annual general meeting held on 30 June 2026 by electronic means; Mr. Mok Kwai Pui Bill (independent non-executive Director) and Mr. Chan Pak Hung (independent non-executive Director) attended the meeting in person; Ms. Chin Chien Ya (non-executive Director), Professor Meng Li Qiu (independent non-executive Director), and Mr. Hu Ting Wu (independent non-executive Director) were unable to attend the meeting due to other business commitments.

As provided in the code provision C.2.1, the roles of the chairman and the chief executive officer ("CEO") should be separate and should not be performed by the same individual. As announced on 13 June 2022, the Company has been in search for a new chief executive officer following the resignation of the then CEO and, in the meantime, Ms. Wei Ching Lien (an executive Director and the Chairperson) assumed (and remained as at the date of this interim report) the role of CEO. Taking into account Ms. Wei's in-depth understanding of the Group's business and that major decisions are being made in consultation with members of the Board and relevant Board committees, the Board considers that the deviation from code provision C.2.1 is appropriate in such circumstances and allows for more effective planning and execution of long-term business strategies and enhances efficiency in decision-making during the interim period prior to the next appointment of CEO.

Notwithstanding the above, the Board is of the view that the Group has an effective management structure for its operations and sufficient checks and balances are in place. The Board will continue to review its corporate governance practices in order to enhance its corporate governance standard and to comply with regulatory requirements.



OTHER INFORMATION

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules as the Company’s code of conduct and the code for dealing in the Company’s securities by all Directors. Having made specific enquiries to all Directors, the Directors confirmed that they had strictly complied with the standards stipulated under the Model Code during the Review Period.

MATERIAL LITIGATION AND ARBITRATION

The Group was not engaged in any litigation or arbitration of material importance during the Review Period and up to the date of this interim report.

EVENTS AFTER THE REVIEW PERIOD

There are no material events that are required to be disclosed by the Group during the Review Period and up to the date of this interim report.

AUDIT COMMITTEE AND AUDITOR

The Audit Committee of the Company comprises five independent non-executive Directors, namely Mr. Mok Kwai Pui Bill (chairperson of the Audit Committee), Mr. Tatsunobu Sako, Professor Meng Li Qiu, Mr. Chan Pak Hung and Mr. Hu Ting Wu. The Committee reviews the Group’s internal control systems, the completeness and accuracy of the Group’s financial statements and liaises on behalf of the Directors with the external auditor. Members of the committee will meet regularly with the management and external auditor to review the audit reports as well as the interim and annual financial reports of the Group. The Audit Committee has reviewed the unaudited condensed consolidated financial statements for the six months ended 30 June 2026 and this interim report, and recommended its adoption by the Board.

OTHER INFORMATION

The unaudited interim financial report for the six months ended 30 June 2026 has been reviewed by the Company's auditor, Deloitte Touche Tohmatsu, 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. Based on the review, nothing has come to attention that causes the auditor to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

SUPPLEMENTAL INFORMATION TO THE 2025 ANNUAL REPORT

Each of Mr. William Chin, an executive Director, Mr. Chan Pak Hung, an independent non-executive Director, and Mr. Hu Ting Wu, an independent non-executive Director was appointed on 30 May 2025, and each of them has received legal advice referred to under Rule 3.09D of the Listing Rules on 28 May 2025. Each of them has confirmed that he understood his obligations as a Director.

All other information and contents set out in the Company's 2025 Annual Report remain unchanged.

By order of the Board
Minth Group Limited
Wei Ching Lien
Chairperson

Hong Kong, 25 August 2026



REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF MINTH GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Minth Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 67 to 112, which comprise the condensed consolidated statement of financial position as at 30 June 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, 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” issued by the HKICPA. A review of these condensed consolidated financial statements 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.



REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

25 August 2026



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
	Notes	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Revenue	3	13,408,353	12,286,969
Cost of sales		(9,567,878)	(8,813,909)
Gross profit		3,840,475	3,473,060
Investment income	4	108,446	107,686
Other income	5	167,491	125,212
Impairment losses under expected credit loss model, net of reversal	14	(16,455)	(19,060)
Other gains and losses	6	55,038	94,231
Distribution and selling expenses		(530,212)	(512,241)
Administrative expenses		(894,289)	(804,519)
Research expenditures		(820,866)	(726,299)
Interest expenses		(162,110)	(178,487)
Share of results of joint ventures		15,434	21,845
Share of results of associates		(19,029)	(10,816)
Profit before tax		1,743,923	1,570,612
Income tax expense	7	(279,015)	(251,428)
Profit for the period	8	1,464,908	1,319,184



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Note	Six months ended 30 June	
		2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Other comprehensive (expense) income:			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of financial statements of foreign operations		(661,433)	600,436
Fair value loss on debt instruments measured at fair value through other comprehensive income		(306)	(1,078)
Other comprehensive (expense) income for the period (net of income tax)		(661,739)	599,358
Total comprehensive income for the period		803,169	1,918,542
Profit for the period attributable to:			
Owners of the Company		1,434,144	1,276,562
Non-controlling interests		30,764	42,622
		1,464,908	1,319,184
Total comprehensive income for the period attributable to:			
Owners of the Company		788,767	1,840,864
Non-controlling interests		14,402	77,678
		803,169	1,918,542
Earnings per share	10		
Basic		RMB1.235	RMB1.120
Diluted		RMB1.220	RMB1.115

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Non-current assets			
Property, plant and equipment	11	16,812,246	16,529,665
Right-of-use assets	11	966,519	972,765
Goodwill		98,030	98,030
Other intangible assets	11	144,888	148,768
Interests in joint ventures		259,808	274,693
Interests in associates		97,516	116,546
Deferred tax assets		682,932	601,429
Prepayment for acquisition of property, plant and equipment		540,128	550,609
Contract assets	13	1,094,403	1,079,246
Contract costs		57,223	69,239
Financial assets at fair value through profit or loss	15	2,090,249	2,355,566
Plan assets		–	2,659
Time deposits		1,902,486	1,515,407
Derivative financial assets	16	23,930	4,473
		24,770,358	24,319,095
Current assets			
Inventories		5,227,485	4,598,225
Loan receivables		48,055	69,403
Trade and other receivables	12	7,851,936	7,232,817
Contract assets	13	286,813	289,582
Derivative financial assets	16	19,144	23,471
Debt instruments at fair value through other comprehensive income		120,009	460,622
Pledged bank deposits and time deposits		1,074,391	1,532,737
Cash and cash equivalents		4,524,594	3,751,454
Financial assets at fair value through profit or loss	15	–	21,654
		19,152,427	17,979,965



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Current liabilities			
Trade and other payables	17	9,212,687	7,881,010
Tax liabilities		376,875	362,291
Borrowings	18	6,848,981	7,034,917
Lease liabilities		20,263	19,975
Contract liabilities		195,181	190,140
Derivative financial liabilities	16	2,348	6,262
Other long-term liabilities due within one year	21	46,600	46,600
		16,702,935	15,541,195
Net current assets		2,449,492	2,438,770
Total assets less current liabilities		27,219,850	26,757,865
Capital and reserves			
Share capital	19	118,230	118,081
Share premium and reserves		23,434,720	23,384,368
Equity attributable to owners of the Company		23,552,950	23,502,449
Non-controlling interests		1,070,410	910,027
Total equity		24,623,360	24,412,476
Non-current liabilities			
Borrowings	18	2,102,036	1,917,866
Deferred tax liabilities		243,232	178,898
Lease liabilities		76,554	68,638
Contract liabilities		140,396	147,505
Deferred income	20	34,272	32,482
		2,596,490	2,345,389
		27,219,850	26,757,865

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Share capital	Share premium	Treasury stock	Special reserve (note i)	Other reserve (note ii)	Statutory surplus reserve fund (note iii)	Enterprise expansion fund	FVTOCI reserve (note iv)	Exchange reserve	Share-based payment reserve	Retained profits	Attributable to owners of the Company	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025 (audited)	116,269	4,153,086	(382,649)	276,199	87,931	1,073,376	430,651	(2,358)	(179,432)	318,192	14,553,888	20,445,152	813,779	21,258,931
Profit for the period	-	-	-	-	-	-	-	-	-	-	1,276,562	1,276,562	42,622	1,319,184
Other comprehensive (expense) income for the period	-	-	-	-	-	-	-	(1,078)	565,380	-	-	564,302	35,056	599,358
Total comprehensive (expense) income for the period	-	-	-	-	-	-	-	(1,078)	565,380	-	1,276,562	1,840,864	77,678	1,918,542
Recognition of equity-settled share-based payments	-	-	-	-	-	-	-	-	-	32,045	-	32,045	-	32,045
Dividends declared to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	(11,464)	(11,464)
Dividends recognised as distribution (note 9)	-	-	4,572	-	-	-	-	-	-	-	(465,211)	(460,639)	-	(460,639)
Exercise of share options and vested of restricted shares	38	(3,926)	35,187	-	-	-	-	-	-	(25,568)	-	5,731	-	5,731
Recognition of equity-settled share-based payment in a subsidiary (note 22)	-	-	-	-	-	-	-	-	-	134	-	134	234	368
Treasury stock (note v)	-	-	(15,610)	-	-	-	-	-	-	-	-	(15,610)	-	(15,610)
At 30 June 2025 (unaudited)	116,307	4,149,159	(358,500)	276,199	87,931	1,073,376	430,651	(3,436)	385,948	324,803	15,365,239	21,847,677	880,227	22,727,904

	Share capital	Share premium	Treasury stock	Special reserve (note i)	Other reserve (note ii)	Statutory surplus reserve fund (note iii)	Enterprise expansion fund	FVTOCI reserve (note iv)	Exchange reserve	Share-based payment reserve	Retained profits	Attributable to owners of the Company	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2026 (audited)	118,081	4,632,595	(358,500)	276,199	87,931	1,073,376	430,651	(3,282)	260,930	257,500	16,780,968	23,502,449	910,027	24,412,476
Profit for the period	-	-	-	-	-	-	-	-	-	-	1,434,144	1,434,144	30,764	1,464,908
Other comprehensive expense for the period	-	-	-	-	-	-	-	(306)	(645,071)	-	-	(645,377)	(16,362)	(661,739)
Total comprehensive (expense) income for the period	-	-	-	-	-	-	-	(306)	(645,071)	-	1,434,144	788,767	14,402	803,169
Recognition of equity-settled share-based payments	-	-	-	-	-	-	-	-	-	27,185	-	27,185	-	27,185
Dividends declared to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	(18,609)	(18,609)
Dividends recognised as distribution (note 9)	-	-	6,153	-	-	-	-	-	-	-	(777,331)	(771,178)	-	(771,178)
Exercise of share options and vested of restricted shares	149	25,438	15,073	-	-	-	-	-	-	(18,618)	-	22,042	-	22,042
Capital contribution from non-controlling shareholders (note vi)	-	-	-	-	7,195	-	-	-	-	-	-	7,195	160,302	167,497
Recognition of equity-settled share-based payment in a subsidiary (note 22)	-	-	-	-	-	-	-	-	-	2,263	-	2,263	4,288	6,551
Treasury stock (note v)	-	-	(25,773)	-	-	-	-	-	-	-	-	(25,773)	-	(25,773)
At 30 June 2026 (unaudited)	118,230	4,658,033	(363,047)	276,199	95,126	1,073,376	430,651	(3,588)	(438,141)	268,330	17,437,781	23,552,950	1,070,410	24,623,360



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

Notes:

- (i) The special reserve of the Group represents the difference between the nominal amount of the shares issued by the Company and the aggregate amount of the paid-in capital of subsidiaries acquired pursuant to the group reorganisation in June 2005.
- (ii) The other reserve of the Group consists of: (i) contributions from the single largest shareholder Mr. Chin Jong Hwa ("Mr. Chin") in connection with the Group's acquisition of an associate from Mr. Chin pursuant to the group reorganisation, (ii) reserve arising from acquisition of additional interest in a subsidiary, (iii) revaluation reserve recognised upon acquisition of businesses from interests in joint ventures, (iv) reserve transferred from share options reserve for share options forfeited after the vesting date, and (v) contributions from the non-controlling shareholders in subsidiaries.
- (iii) As stipulated by the relevant laws and regulations for foreign investment enterprise in the People's Republic of China (the "PRC"), the PRC subsidiaries are required to maintain a statutory surplus reserve fund which is non-distributable. Appropriations to such reserves are made out of profit after taxation of the statutory financial statements of the PRC subsidiaries. The amount and basis of allocation are decided by its respective board of directors annually. The statutory surplus reserve fund can be used to make up its prior year losses, if any, and can be applied in conversion into capital by means of capitalisation issue. The enterprise expansion funds are also appropriated out of profit after taxation of the statutory financial statements of the PRC subsidiaries subject to the approval by its respective board of directors annually, for the use of development and expanding the capital base of the PRC subsidiaries.
- (iv) The financial instruments measured at fair value through other comprehensive income ("FVTOCI") reserve represents the changes in fair value of bill receivables which was measured as debt instruments at FVTOCI in the condensed consolidated financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

- (v) On 21 August 2024, the board of directors of the Company decided to repurchase up to 116,199,359 shares of the Company, representing 10% of the total number of issued shares. Such repurchase will be conducted in the open market from time to time, in accordance with prevailing market conditions, and will utilize a maximum amount of HK\$500,000,000 for the Proposed Share Repurchase. The actual repurchase price for each share shall be no more than 5% higher than the average closing market price for the Shares over the five trading days immediately preceding each repurchase. During the current interim period, the Group repurchased a total of 1,000,000 shares at an aggregate cost amounting to RMB25,773,000 (the prior interim period: the Group repurchased a total of 886,000 shares at an aggregate cost amounting to RMB15,610,000).
- (vi) In January 2026, United Alloy-Tech. (BVI) Company LTD. ("UATC"), a subsidiary of the Group, initiated a public offering for 21,000,000 new issued ordinary shares with a subscription price of New Taiwan Dollar ("NTD") 50 per share, under which 6,094,667 shares and 983,761 shares were subscribed by the Group and Mr. Chin, respectively. Upon completion of the public offering, the Group received capital contributions from non-controlling shareholders amounting to NTD745,267,000 (equivalent to RMB158,965,000), and the equity shares held by the Group and Mr. Chin have been diluted to 34.54% and 5.57%, respectively. Besides, the Group also received the capital contribution from the non-controlling shareholder amounting to RMB8,532,000 for the subsidiary of UATC, which was established during the current interim period.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
NET CASH FROM OPERATING ACTIVITIES	1,648,930	2,236,847
NET CASH USED IN INVESTING ACTIVITIES:		
Proceeds from redemption of other financial assets and derivative financial instruments	6,174,083	2,587,271
Investment in other financial assets and derivative financial instruments	(6,122,047)	(2,478,108)
Receipt of government subsidies related to assets	18,284	185,751
Interest received	190,459	91,885
Dividends received from joint ventures	30,319	25,731
Proceeds on disposal of property, plant and equipment	1,932	21,005
Proceeds on disposal of right-of-use assets	–	15,430
Placement of pledged bank deposits and time deposits	(1,242,479)	(879,801)
Withdrawal of pledged bank deposits and time deposits	1,280,166	1,359,307
Purchases of property, plant and equipment	(1,620,892)	(902,056)
Repayment from an associate	19,434	–
Acquisition of a subsidiary, net of cash acquired	–	33,945
Loan to associates	–	(36,511)
Purchases of other intangible assets	(21,420)	(84,776)
Acquisition of financial assets at fair value through profit or loss	–	(100,038)
Dividend received from financial assets at fair value through profit or loss	21,003	–
Proceeds from disposal of financial assets at fair value through profit or loss	182,854	–
	(1,088,304)	(160,965)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
NET CASH FROM (USED IN) FINANCING ACTIVITIES:		
Repayment of borrowings	(10,635,512)	(11,593,004)
Dividends paid to owners of the Company	–	(460,639)
Dividends paid to non-controlling shareholders	(6,000)	(11,464)
Interest paid	(161,392)	(178,888)
New borrowings raised	11,030,933	11,912,264
Payment on repurchase shares as treasury stock	(25,773)	(15,610)
Repayment of long-term liability due within one year	–	(800,000)
Repayment of lease liabilities	(13,623)	(7,710)
Proceeds from exercise of share options	22,042	5,731
Capital contributions from non-controlling shareholders	167,497	–
	378,172	(1,149,320)
Net increase in cash and cash equivalents	938,798	926,562
Cash and cash equivalents at the beginning of the period	3,751,454	2,440,779
Effect of foreign exchange rate changes	(165,658)	45,362
Cash and cash equivalents at the end of the period	4,524,594	3,412,703



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with HKAS 34 “Interim Financial Reporting” issued by the HKICPA as well as the applicable disclosure requirements of the Listing Rules.

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

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2026 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 9 and
HKFRS 7

Amendments to HKFRS 9 and
HKFRS 7

Amendments to HKFRS Accounting
Standards

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3A. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue

Six months ended 30 June 2026 (unaudited)			
	Automobile body parts RMB'000	Moulds RMB'000	Total RMB'000
Types of goods			
Sales of goods	12,763,304	645,049	13,408,353
Geographical markets			
The PRC	3,963,675	317,617	4,281,292
Europe, the Middle East and Africa ("EMEA")	4,807,896	128,683	4,936,579
Americas	3,157,647	151,181	3,308,828
Japan & Korea ("JP & KR")	632,185	40,719	672,904
Others	201,901	6,849	208,750
Total	12,763,304	645,049	13,408,353



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

	Six months ended 30 June 2025 (unaudited)		
	Automobile		
	body parts	Moulds	Total
	RMB'000	RMB'000	RMB'000
Types of goods			
Sales of goods	11,634,570	652,399	12,286,969
Geographical markets			
The PRC	4,007,449	298,824	4,306,273
EMEA	4,115,212	141,839	4,257,051
Americas	2,873,834	175,490	3,049,324
JP & KR	416,405	35,779	452,184
Others	221,670	467	222,137
Total	11,634,570	652,399	12,286,969

All the revenue of the Group has been recognised at a point in time.

During the six months ended 30 June 2026, to better reflect the ultimate locations of customers' operations, the Group refined the revenue classification of geographical markets from other countries to EMEA, Americas and JP & KR, and comparative information has been restated.

3B. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered.

No operating segments have been aggregated in arriving at the reportable segments of the Group.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

The following is an analysis of the Group's revenue and results by reportable segments:

For the six months ended 30 June 2026 (unaudited)

	Body Structure (formerly known as Battery- housing)	Plastic	Metal & Trim	Aluminum	Others	Elimination	Consolidated
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue	4,512,813	3,231,656	2,738,608	2,398,873	1,719,898	(1,193,495)	13,408,353
Segment profit	997,193	942,362	854,944	785,849	269,111	(8,984)	3,840,475
Investment income							108,446
Other unallocated income and gains and losses							206,074
Unallocated expenses							(2,245,367)
Interest expenses							(162,110)
Share of results of joint ventures							15,434
Share of results of associates							(19,029)
Profit before tax							1,743,923
Income tax expense							(279,015)
Profit for the period							1,464,908



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

For the six months ended 30 June 2025 (unaudited)

	Body Structure RMB'000	Plastic RMB'000	Metal & Trim RMB'000	Aluminum RMB'000	Others RMB'000	Elimination RMB'000	Consolidated RMB'000
Segment revenue	3,581,923	2,867,481	2,660,040	2,469,038	1,669,679	(961,192)	12,286,969
Segment profit	824,188	749,299	748,193	805,449	350,670	(4,739)	3,473,060
Investment income							107,686
Other unallocated income and gains and losses							200,383
Unallocated expenses							(2,043,059)
Interest expenses							(178,487)
Share of results of joint ventures							21,845
Share of results of associates							(10,816)
Profit before tax							1,570,612
Income tax expense							(251,428)
Profit for the period							1,319,184

4. INVESTMENT INCOME

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Interest on bank balance	107,144	106,529
Interest on loan receivables	1,302	1,157
Total	108,446	107,686

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

5. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Government grants (note i)	86,396	46,908
Tax incentives	26,516	34,041
Service and consultation income (note ii)	14,775	13,656
Sales of scrap and raw materials (note iii)	17,599	18,099
Property rental income, net of outgoings	10,217	8,329
Others	11,988	4,179
Total	167,491	125,212

Notes:

- (i) The amounts represent the various subsidies granted by the PRC and other countries' local government authorities to group entities as incentives for their good performance in quality control or environmental protection, or involvement in the hi-tech know-how industry and product development activities. The government grants were unconditional and had been approved by the PRC and other countries' local government authorities.
- (ii) The Group provides certain maintenance, repairing and technical consultation services to customers, which are recognised as a performance obligation satisfied over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. As a practical expedient, the Group has not disclosed the information of unsatisfied performance obligation since the performance obligation has an original expected duration of one year or less. The amounts shown in note 5 for the period have been offset by the relevant costs for service and consultation income of RMB21,472,000 (for the six months ended 30 June 2025: RMB2,174,000).
- (iii) Revenue for sales of scrap and raw materials is recognised when control of the materials has been transferred to the buyer, being at the point the goods are delivered to the buyer. As a practical expedient, the Group has not disclosed the information of unsatisfied performance obligation since the performance obligation has an original expected duration of one year or less. The amounts shown in note 5 for the period have been offset by the relevant costs for sales of scrap and raw materials of RMB83,743,000 (for the six months ended 30 June 2025: RMB182,829,000).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

6. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Net foreign exchange gains (losses)	70,023	(23,385)
Losses on disposal of property, plant and equipment	(10,424)	(10,452)
Impairment losses recognised on property, plant and equipment	–	(32,117)
Gains on fair value changes of derivative financial instruments	71,428	101,964
(Losses) Gains on fair value changes of other financial assets at fair value through profit or loss (“FVTPL”) (note 15(iii)(iv))	(107,463)	34,007
Gains on disposal of other financial assets at FVTPL	2,203	–
Dividend income from other financial assets at FVTPL (note 15(iii))	33,407	–
Gain on bargain purchase recognised in acquisition of a subsidiary (note)	–	27,452
Others	(4,136)	(3,238)
Total	55,038	94,231

Note:

During the prior interim period, the Group entered into an agreement with the shareholder of a joint venture of the Group, to acquire the remaining 50% interest in the joint venture. Upon the completion of the equity transfer, the Group recognised a gain on bargain purchase of RMB27,452,000 as the fair value of the net assets acquired was higher than the consideration, and the joint venture became a wholly owned subsidiary of the Group.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Current tax:		
PRC Enterprise Income Tax	188,248	246,130
Other jurisdictions	114,424	54,443
	302,672	300,573
Over provision in prior years:		
PRC Enterprise Income Tax	(6,488)	(6,723)
Deferred tax:		
Current period	(17,169)	(42,422)
	279,015	251,428

The Group has applied the temporary exception issued by the HKICPA in July 2023 from the accounting requirements for deferred taxes in HKAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes, and accounts for such taxes as current tax when incurred.

The Organization for Economic Co-operation and Development (“OECD”) published Pillar Two Rules in December 2021, with the effect that a jurisdiction may enact domestic tax laws (“Pillar Two legislation”) to implement the Pillar Two Rules on a globally agreed common approach. Pillar Two legislation applies to a member of a multinational group within the scope of the Pillar Two Rules, which the Group is reasonably expected to fall into. It imposes a top-up tax on profits arising in a jurisdiction whenever the effective tax rate determined by the Pillar Two Rules on a jurisdictional basis is below a minimum rate of 15%.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

The Group is operating in certain jurisdictions where the Pillar Two Rules are effective. The Group has reviewed its corporate structure in light of the introduction of Pillar Two Rules in various jurisdictions. While such new rules introduce complexity into the Group's calculation of income tax expense, the Group has recognised a current tax expense related to the Pillar Two Rules for the six months ended 30 June 2026. Due to the novelty and complexity of Pillar Two Rules, the Group continues to monitor for advancements and further guidance on Pillar Two Rules, considering impacts of such developments on its tax expense.

8. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging (crediting) the following items:

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Directors' remuneration	3,866	5,156
Other staff's salaries and allowances	2,573,743	2,232,596
Other staff's related welfares and benefits	167,814	156,930
Other staff's retirement benefits scheme contributions	227,644	164,654
Other staff's share-based payments	32,792	29,787
Total staff costs	3,005,859	2,589,123
Depreciation of property, plant and equipment	837,443	788,380
Depreciation of right-of-use assets	17,521	21,318
Amortisation of other intangible assets	24,524	23,056
Amortisation of contract costs	10,624	9,582
Total depreciation and amortisation	890,112	842,336
Cost of inventories recognised	9,567,878	8,813,909
Write-down of inventories	51,905	51,301
Reversal of inventories provision	(19,902)	(4,629)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

9. DIVIDENDS

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Dividends recognised as distribution during the period:		
2025 Final dividend – HK\$0.764 (2024:		
Final dividend – HK\$0.435) per share	777,331	465,211

On 25 June 2025, a dividend of HK\$0.435 per share was paid to shareholders as the final dividend for 2024.

On 30 June 2026, the proposal for the payment of a final dividend of HK\$0.764 per share to shareholders was approved at the Company's annual general meeting.

The Directors of the Company have determined that no dividend will be proposed in respect of the interim period for both current and last periods.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

10. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Earnings		
Earnings for the purpose of calculating basic earnings per share	1,434,144	1,276,562
Effect of dilutive potential ordinary shares:		
Adjustment to the share of profit of subsidiaries based on dilution of their earnings per share	–	(55)
Earnings for the purpose of calculating diluted earnings per share	1,434,144	1,276,507
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (note i)	1,160,893	1,139,903
Effect of dilutive share options and restricted shares (note ii)	14,869	5,433
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	1,175,762	1,145,336

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Notes:

- (i) The weighted average number of ordinary shares for the purpose of calculating basic earnings per share has been adjusted by the number of unvested ordinary shares held by the Trustee for the 2020 Share Award Scheme and the number of shares repurchased as of 30 June 2026.
- (ii) For the six months ended 30 June 2026, all the outstanding share options and unvested restricted shares of the Company were included in the computation of diluted earnings per share. While for the six months ended 30 June 2025, certain outstanding share options of the Company were excluded from the diluted earnings per share calculation, as the exercise prices of these options were higher than the average market prices of the Company's shares during the prior interim period, and these options had no dilutive effect on earnings per share.

11. PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND OTHER INTANGIBLE ASSETS

During the current interim period, the Group spent RMB1,620,892,000 (RMB902,056,000 for the six months ended 30 June 2025) on the construction of the manufacturing plant and acquisitions of property, plant and equipment in the PRC, the United States of America, Thailand, Britain, Czech Republic, Germany, Mexico, Poland, Japan, France, Korea, Canada and Republic of Serbia, in order to upgrade its manufacturing capabilities.

During the last interim period, due to the change of business plan, the management of the Group identified certain idle machinery and equipment while the Group assessed that they had no alternative plan to use them since these assets were all customised machinery and equipment for its certain customers. Accordingly, the Group recognised an impairment in respect of these idle machinery and equipment in full with carrying amounts of RMB32,117,000 for the six months ended 30 June 2025, and no impairment was recognised during the current interim period.

During the current interim period, the Group entered into several new lease agreements with lease terms ranging from 1 to 30 years. The Group is required to make fixed monthly payments during the contract period. On lease commencement, the Group recognised right-of-use assets of RMB26,787,000 (for the six months ended 30 June 2025: RMB19,292,000) and lease liabilities of RMB26,787,000 (for the six months ended 30 June 2025: RMB19,292,000).



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During the current interim period, the Group spent RMB21,420,000 (RMB84,776,000 for the six months ended 30 June 2025) on software and patents in the PRC, in order to upgrade its digital manufacturing capabilities.

12. TRADE AND OTHER RECEIVABLES

	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Trade receivables		
– associates	10,194	10,229
– joint ventures	12,437	14,641
– other related parties*	987	386
– third parties	5,642,735	5,239,599
Less: Allowance for credit losses	(79,480)	(68,291)
	5,586,873	5,196,564
Bills receivables	1,618	14,263
Other receivables	188,575	93,676
Less: Allowance for credit losses	–	–
	188,575	93,676
	5,777,066	5,304,503
Prepayments to suppliers (note)	1,171,030	920,735
Utilities and rental prepayments	48,909	42,151
Prepaid value-added tax recoverable and refundable	700,748	728,690
Interest receivable	154,183	236,738
Total trade and other receivables	7,851,936	7,232,817

* The companies are those in which Mr. Chin, the single largest shareholder of the Company, and his family have control.

Note: As at 30 June 2026, the increase of prepayments to suppliers is mainly related to aluminium purchase in advance for strategic reserve purpose.

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The Group normally grants a credit period of 60 days to 90 days to customers effective from the invoice date. The following is an aged analysis of trade receivables net of allowance for credit losses presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates:

	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Age		
0-90 days	5,016,316	4,653,799
91-180 days	358,734	366,446
181-365 days	155,575	128,855
1-2 years	50,607	42,188
Over 2 years	5,641	5,276
	5,586,873	5,196,564

13. CONTRACT ASSETS

	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Moulds development	1,389,232	1,376,844
Less: Allowance for credit losses	(8,016)	(8,016)
	1,381,216	1,368,828
Analysed for reporting purposes as:		
Current	286,813	289,582
Non-current	1,094,403	1,079,246
	1,381,216	1,368,828



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The contract assets are in relation to the Group's rights to consideration for moulds development work which are fully completed and accepted by the customers but not billed yet. The contract assets are transferred to trade receivables at the time the rights to consideration become unconditional as stipulated in the relevant contracts.

14. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS AND OTHER ITEMS SUBJECT TO EXPECTED CREDIT LOSSES ("ECL") MODEL

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Impairment losses recognised in respect of		
Trade receivables	16,455	19,060
Other receivables	–	–
	16,455	19,060

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2025.

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15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Listed equity investments	15,146	37,713
– Equity shares in a PRC A share listed entity (note i)	–	21,654
– Equity shares in a non-PRC listed entity (note ii)	15,146	16,059
Unlisted equity investments (note iii)	1,091,193	1,182,958
Structured deposit (note iv)	983,910	1,156,549
	2,090,249	2,377,220
Analysed for reporting purposes as:		
Current	–	21,654
Non-current	2,090,249	2,355,566
	2,090,249	2,377,220

Notes:

As at 30 June 2026 and 31 December 2025, the financial assets at FVTPL held by the Group were composed of:

- (i) The above listed equity investments represent ordinary shares of an entity listed in PRC A share stock market which are held for trading and measured at FVTPL. During the current interim period, the Group disposed of all the ordinary shares of the entity.
- (ii) The above listed equity investments represent ordinary shares of an entity listed in Finland NASDAQ HELSINKI ("NASDAQ") stock market which is established in Finland and primarily engaged in the production and sales of nano-material. The Group made an initial investment of EUR3,000,000 in 2022 in the entity when it was a private entity. During the year ended 31 December 2024, the Group disposed partially of its equity share in the entity before it became listed in NASDAQ and continuously measures the remaining shares at FVTPL.



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- (iii) During the year ended 31 December 2025, the Group made an investment amounting to Japanese Yen ("JPY") 26,096,000,000 (equivalent to approximately RMB1,182,958,000) in a trust whose underlying asset is the Global Headquarters Building of Nissan Motor Co., Ltd. with a long-term lease arrangement. Pursuant to the related agreements, the Group has neither significant influence nor control over such investment and recognised the investment as the financial asset measured at FVTPL. During the current interim period, the Group recognised a fair value loss of RMB85,642,000 and dividend income of RMB33,407,000. To manage foreign exchange and interest rate risk exposures arising from such JPY denominated investments, the Group utilised foreign currency financing and cross-currency swap instruments, and such cross-currency swap contracts recorded a gain of RMB19,457,000 during the current interim period as included in gains on fair value changes of derivative financial instruments in note 6.
- (iv) During the year ended 31 December 2024, the Group entered into structured deposit agreements with two banks with an amount of USD150,000,000 (equivalent to approximately RMB1,073,015,000). During the current interim period, the Group disposed of an amount of USD22,124,000 (equivalent to approximately RMB150,813,000). The Group continuously measures the remaining deposit at FVTPL and losses on fair value changes of RMB21,821,000 were recognised during the current interim period (gains on fair value changes of RMB30,338,000 were recognised during the prior interim period).

Details of the fair value measurement of the financial assets at FVTPL are set out in note 26.



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16. DERIVATIVE FINANCIAL ASSETS/DERIVATIVE FINANCIAL LIABILITIES

	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Derivative financial assets		
Foreign exchange forward contracts (note a)	19,001	17,915
Foreign exchange structural option contracts (note b)	143	164
Cross-currency swap contracts (note c)	23,930	9,865
	43,074	27,944
Derivative financial liabilities		
Foreign exchange forward contracts (note a)	2,289	845
Foreign exchange structural option contracts (note b)	59	388
Cross-currency swap contracts (note c)	–	5,029
	2,348	6,262



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	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Analysed for reporting purposes as:		
Current assets	19,144	23,471
Non-current assets	23,930	4,473
	43,074	27,944
Current liabilities	2,348	6,262
	2,348	6,262

Notes:

a. Foreign exchange forward contracts

As at 30 June 2026, the Group had a number of outstanding foreign exchange forward contracts. Derivative financial assets of RMB19,001,000 (31 December 2025: RMB17,915,000), and derivative financial liabilities of RMB2,289,000 (31 December 2025: RMB845,000) have been recognised in accordance with the fair value of the above foreign exchange forward contracts, respectively.

b. Foreign exchange structural option contracts

As at 30 June 2026, the Group had a number of outstanding foreign exchange structural option contracts. Derivative financial assets of RMB143,000 (31 December 2025: RMB164,000), and derivative financial liabilities of RMB59,000 (31 December 2025: RMB388,000) have been recognised in accordance with the fair value of the above option contracts, respectively.

c. Cross-currency swap contracts

As at 30 June 2026, the Group had a number of outstanding cross-currency swap contracts. Derivative financial assets of RMB23,930,000 (31 December 2025: RMB9,865,000), and derivative financial liabilities of Nil (31 December 2025: RMB5,029,000) have been recognised in accordance with the fair value of the above cross-currency swap contracts, respectively.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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17. TRADE AND OTHER PAYABLES

	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Trade payables		
– associates	15,268	11,958
– joint ventures	35,116	50,840
– other related parties*	4,747	5,926
– third parties	5,337,249	4,279,884
	5,392,380	4,348,608
Bills payables	509,658	764,693
Other payables		
– associates	33	33
– joint ventures	359	359
– non-controlling shareholders of subsidiaries	–	1,217
– other related parties*	357	264
	749	1,873
	5,902,787	5,115,174
Payroll and welfare payables	663,868	850,256
Consideration payable for acquisition of property, plant and equipment	723,810	699,033
Technology support services fees payable	7,320	6,434
Freight payable	159,535	126,129
Other tax payable	115,200	153,630
Deposits received	20,782	12,404
Dividend payables	807,876	17,936
Others	811,509	900,014
Total trade and other payables	9,212,687	7,881,010

* The companies are those in which Mr. Chin and his family have control.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Age		
0-90 days	4,457,205	3,403,338
91-180 days	581,076	586,264
181-365 days	273,002	273,028
1-2 years	63,473	69,951
Over 2 years	17,624	16,027
	5,392,380	4,348,608

18. BORROWINGS

During the current interim period, the Group obtained new borrowings amounting to RMB11,030,933,000 (RMB11,912,264,000 for the six months ended 30 June 2025). The loans bear interest at variable market rates and fixed rates. The proceeds were used to provide additional working capital for the Group. Repayments of borrowings amounting to RMB10,635,512,000 (RMB11,593,004,000 for the six months ended 30 June 2025) were made during the current interim period in line with the relevant repayment terms.

In respect of non-current bank loans with a carrying amount of RMB1,343,139,000 as at 30 June 2026 (31 December 2025: RMB1,306,175,000), the Group is required to comply with certain financial covenants which are tested on an annual basis as long as the loans are outstanding.

The Group has complied with these covenants at each test date before the end of the reporting period and has classified the balance of the relevant bank loans as non-current liabilities.

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19. SHARE CAPITAL

	Number of shares '000	Share capital HK\$'000
Ordinary shares of HK\$0.1 each		
Authorised:		
As at 1 January 2025 (audited), 30 June 2025 (unaudited), 1 January 2026 (audited) and 30 June 2026 (unaudited)	5,000,000	500,000
	Number of shares '000	Share capital RMB'000
Issued and fully paid:		
As at 1 January 2025 (audited)	1,161,994	116,269
Exercise of share options	409	38
As at 30 June 2025 (unaudited)	1,162,403	116,307
Exercise of share options	19,474	1,774
As at 1 January 2026 (audited)	1,181,877	118,081
Exercise of share options	1,686	149
As at 30 June 2026 (unaudited)	1,183,563	118,230



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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20. DEFERRED INCOME

	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Government grants received		
– non-current liabilities	34,272	32,482

21. OTHER LONG-TERM LIABILITIES DUE WITHIN ONE YEAR

During the year ended 31 December 2019, the Group entered into an agreement with local government funds in the PRC to establish a partnership Jiaying Minh Equity Investment Partnership Enterprise (Limited Partnership)* (嘉興敏實定向股權投資合夥企業(有限合夥)) (“Jiaying Partnership”) with an operation period of 5 years, whose only investment target was Jiaying Minhua Automotive Parts Co., Ltd.* (嘉興敏華汽車零部件有限公司) (“Jiaying Minhua”), a subsidiary of the Group. Pursuant to the agreement, the local government funds contributed capital amounting to RMB800,000,000 into the Jiaying Partnership. The local government funds would neither participate in Jiaying Partnership’s nor Jiaying Minhua’s operation and management. The local government funds required the Group and the Group was obligated to redeem RMB800,000,000 of the capital contributed by the local government funds together with interest calculated based on the market interest rate, no later than the expiry of the operation period of Jiaying Partnership. The interest could be recognised as a reduction of interest expenses incurred under the terms of the agreement when certain conditions were fulfilled during the operation period of Jiaying Partnership. During the year ended 31 December 2025, the Group repaid the principal to local government funds in full, and as at 30 June 2026 and 31 December 2025, the outstanding amount of RMB46,500,000 was related to interest payable.

* The English names are for identification purposes only.

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For the six months ended 30 June 2026

22. SHARE-BASED PAYMENTS

Share options

For the primary purpose of providing incentives to directors and eligible employees, the Company adopted a share option scheme (the “2022 Share Option Scheme”), which was approved at the annual general meeting held on 31 May 2022. Such scheme will be valid for 10 years from the date of its adoption.

The Group has granted a series of share options under the 2022 Share Option Scheme. For details, please refer to the relevant published announcements of the Company.

The Group granted 30,000,000 share options to certain directors of the Company and employees of the Group under the 2022 Share Option Scheme on 2 May 2024 with the weighted average fair value at the grant date of HK\$4.28 per share option, pursuant to which, 30% of the granted options can be exercised on or after 5 May 2025, an additional 30% of the granted options can be exercised on or after 5 May 2026 and the remaining 40% of the granted options can be exercised on or after 5 May 2027, at the exercise price of HK\$14.30 per share.



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For the six months ended 30 June 2026

The table below discloses the movement of the Company's share options held by the Group's directors and employees:

	Number of share options
Outstanding as at 1 January 2025 (audited)	47,450,600
Granted during the period	–
Exercised during the period	(409,400)
Forfeited during the period	(827,200)
Outstanding as at 30 June 2025 (unaudited)	46,214,000

	Number of share options
Outstanding as at 1 January 2026 (audited)	26,015,000
Granted during the period	–
Exercised during the period	(1,686,400)
Forfeited during the period	(290,000)
Outstanding as at 30 June 2026 (unaudited)	24,038,600

The closing price of the Company's shares immediately before 2 May 2024, the date of grant, was HK\$13.44. The weighted average fair value of the options on the grant date was HK\$4.28, which was calculated using the Binomial model. The inputs into the model were as follows:

	2024 options
Grant date share price	HK\$14.30
Exercise price	HK\$14.30
Expected volatility	48%
Option life	5.66 years
	From HK\$0.73 to
Expected dividend yield	HK\$1.50
Risk-free interest rate	3.71%

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The Binomial model had been used to estimate the fair value of a series of share options granted under the 2022 Share Option Scheme. The variables and assumptions used in computing the fair value of the share options were based on the Directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

The Group recognised total expenses of RMB11,955,000 for the current interim period (RMB25,523,000 for the six months ended 30 June 2025) in relation to share options granted by the Company.

Restricted Shares of the Company

The Company adopted a share award scheme (the "Scheme") on 28 July 2020, of which the purpose is to recognise the contributions by certain eligible participants (the "Scheme Participants") and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

Pursuant to the Scheme, the Board of Directors shall select the Scheme Participants and determine the number of shares to be awarded (the "Restricted Shares"). An independent trustee appointed by the Board (the "Trustee") shall purchase from the market such number of issued ordinary shares to be awarded as specified by the Board.

In September 2020, the Group purchased 8,520,000 issued ordinary shares from the market through the Trustee for a consideration amounted to approximately HK\$251,265,000 (equivalent to approximately RMB222,075,000). In March 2022, the Group purchased an additional 3,000,000 issued ordinary shares from the market through the Trustee, the consideration for which amounted to approximately HK\$57,944,000 (equivalent to approximately RMB46,731,000). These ordinary shares are held in trust for the relevant Scheme Participants until such shares vest in the Scheme Participants in accordance with the provisions of the Scheme. Pursuant to the Scheme, in any event, the aggregate number of Shares held by the Trustee (whether directly or indirectly through other controlled corporations) as a whole would not exceed 2% of the issued share capital of the Company at any time (on an actual basis as well as on a fully diluted basis).



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The Group has granted a series of batches of Restricted Shares in accordance with the Scheme. As of 30 June 2026, the related batches were as below:

i) Restricted Shares 2025-A

On 22 January 2025, the Board resolved to approve the grant of 895,000 Restricted Shares ("Restricted Shares 2025-A") under the Scheme to the Scheme Participants at the grant price of zero per Restricted Share with a vesting period of one year.

The fair value of Restricted Shares 2025-A with service conditions is based on the fair market value of the underlying ordinary shares on the date of grant, taking into account the terms and conditions upon which the shares were granted.

The closing price of the Company's shares at the date of grant was HK\$16.00.

As of 30 June 2026, 895,000 Restricted Shares had fully vested.

ii) Restricted Shares 2025-B

On 24 October 2025, the Board resolved to approve the grant of 2,400,000 Restricted Shares ("Restricted Shares 2025-B") under the Scheme to 139 employees who are the Scheme Participants at the grant price of zero per Restricted Share, and vest over a three-year period that 30%, 30% and 40% of the awards vesting on 26 October 2026, 26 October 2027 and 26 October 2028, respectively.

The fair value of Restricted Shares 2025-B with service conditions or performance conditions is based on the fair market value of the underlying ordinary shares on the date of grant, taking into account the terms and conditions upon which the shares were granted.

The closing price of the Company's shares at the date of grant was HK\$31.82.



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The table below discloses the movement of the Company's Restricted Shares held by the Group's directors and employees:

Restricted Shares 2025-A

	Number of Restricted Shares
Outstanding as at 1 January 2025 (audited)	–
Granted during the period	895,000
Outstanding as at 30 June 2025 (unaudited)	895,000

	Number of Restricted Shares
Outstanding as at 1 January 2026 (audited)	895,000
Granted during the period	–
Vested during the period	(895,000)
Outstanding as at 30 June 2026 (unaudited)	–

Restricted Shares 2025-B

	Number of Restricted Shares
Outstanding as at 1 January 2026 (audited)	2,400,000
Forfeited during the period	(25,000)
Outstanding as at 30 June 2026 (unaudited)	2,375,000

The Group recognised total expenses of RMB15,230,000 for the current interim period (RMB6,522,000 for the six months ended 30 June 2025) in relation to Restricted Shares granted by the Company.



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Restricted Shares of United Alloy-Tech. (BVI) Company LTD.

UATC, a subsidiary of the Group, announced a share award scheme (the “UATC Scheme”) on 8 June 2022, the purpose of which is to recognise the contributions by corresponding eligible participants (the “UATC Scheme Participants”) and to provide them with incentives in order to retain them for the continual operation and development of UATC.

Pursuant to the UATC Scheme, UATC issued 1,500,000 ordinary shares with a nominal value of NTD10 in 2022, and such shares expired in 2025.

On 31 October 2025, the board of UATC resolved to issue an additional 3,200,000 new shares (the “UATC Restricted Shares”) and approve the grant of corresponding shares to the UATC Scheme Participants at the grant price of zero per UATC Restricted Share, and vest over a two-and-a-half year period, whereby 30%, 30% and 40% of the awards vest at the end of 0.5 years, 1.5 years and 2.5 years from the grant date, respectively.

The fair value of UATC Restricted Shares with service conditions or performance conditions is based on the fair market value of the underlying ordinary shares on the date of grant, taking into account the terms and conditions upon which the shares were granted.

The closing price of the UATC’s shares at the date of grant was NTD54.10.



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The following table summarised the UATC Restricted Shares activity for the current interim period:

	Number of Restricted Shares
Outstanding as at 1 January 2025 (audited)	1,064,530
Granted during the period	–
Vested during the period	–
Forfeited during the period	(216,580)
Outstanding as at 30 June 2025 (unaudited)	847,950

	Number of Restricted Shares
Outstanding as at 1 January 2026 (audited)	3,200,000
Granted during the period	–
Vested during the period	(852,000)
Forfeited during the period	(283,000)
Outstanding as at 30 June 2026 (unaudited)	2,065,000

UATC recognised total expenses of RMB6,551,000 for the current interim period (RMB368,000 for the six months ended 30 June 2025) in relation to UATC Restricted Shares granted.



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23. RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

Save as disclosed elsewhere, the Group has the following significant transactions with related/connected parties during the period:

Relationship with related/ connected party	Nature of transactions	Six months ended 30 June	
		2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Joint ventures, in which the Group has 30% and 50% equity interests (note)	Sales of raw materials	266	1,380
	Sales of finished goods	1,442	14,138
	Sales of moulds	–	246
	Purchases of raw materials	6,102	31,053
	Purchases of finished goods	51,965	103,505
	Purchases of moulds	4,179	667
	Other operating expense	277	541
	Property rentals income	3,494	4,096
	Property rentals expense	–	634
	Other operating income	6,270	6,089
	Proceeds from disposal of property, plant and equipment	3	2,626
	Consulting services income	367	3,355
Associates, in which the Group has 10%, 30%, 35%, 40% and 49% equity interests	Sales of finished goods	2	8
	Sales of raw materials	1,462	1,405
	Purchases of raw materials	132,297	34,473
	Purchases of moulds	1,481	–
	Purchases of finished goods	2,754	2,581
	Property rentals income	2,814	3,336
	Consulting services income	2,530	–
	Other operating income	932	6,487
	Other operating expense	42	–
Companies in which Mr. Chin and his family have control	Sales of raw materials	296	–
	Purchases of raw materials	2,676	868
	Purchases of finished goods	6,479	4,525
	Property rentals expense	14,255	4,836
	Property rentals income	520	3
	Technology support services charge	–	343
	Other operating income	1,127	1,740
	Other operating expense	3,258	15,588
	Purchases of property, plant and equipment	7	78

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Note:

During the prior interim period, a joint venture of the Group became a wholly-owned subsidiary of the Group. Therefore, such entity was no longer a related party of the Group from the acquisition date of 30 May 2025.

The directors represented that they considered the above transactions were carried out in the Group's ordinary and usual course of business and in accordance with the terms of agreements governing these transactions.

The remuneration of directors and other members of key management during the period was as follows:

Six months ended 30 June		
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Short-term benefits	4,595	3,441
Post-employment benefits	97	23
Share-based payments	1,853	2,952
	6,545	6,416

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



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24. PLEDGE OF OR RESTRICTIONS ON ASSETS

Pledge of assets

Certain borrowings and bill payables of the Group were secured by the pledge of the Group's assets and the carrying amounts of the respective assets are as follows:

	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Pledged bank deposits	203,594	275,997
Pledged debt instruments at fair value through other comprehensive income	974	97,724
Pledged property, plant and equipment	20,426	21,115
Pledged right-of-use assets	5,917	5,976
	230,911	400,812



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

25. COMMITMENTS

As at the end of the current interim period, the Group's capital expenditure commitment is shown below:

	At 30 June 2026 (Unaudited) RMB'000	At 31 December 2025 (Audited) RMB'000
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of:		
Acquisition of property, plant and equipment	456,998	417,595



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For the six months ended 30 June 2026

26. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and input(s) used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

- Level 1 fair value measurements are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

Financial assets/financial liabilities	Fair value as at		Fair value hierarchy	Basis of fair value measurement/valuation technique(s) and key input(s)
	30 June 2026 (unaudited)	31 December 2025 (audited)		
1) Foreign exchange forward contracts	Assets – RMB19,001,000 Liabilities – RMB2,289,000	Assets – RMB17,915,000 Liabilities – RMB845,000	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contracted forward rates, discounted at a rate that reflects the credit risk of various counterparties.
2) Cross-currency swap contracts	Assets – RMB23,930,000	Assets – RMB9,865,000 Liabilities – RMB5,029,000	Level 2	Discounted cash flow. Future cash flows are estimated based on applicable yield curves derived from quoted interest rates, contracted interest rates on each maturity date and forward exchange rate and contracted forward rate at the end of the final maturity date, discounted at a rate that reflects the credit risk of various counterparties.
3) Foreign exchange structural option contracts	Assets – RMB143,000 Liabilities – RMB59,000	Assets – RMB164,000 Liabilities – RMB388,000	Level 3	Fair value is derived using binomial tree computation method. The key parameters used include forward exchange rates (from observable forward exchange rates at the end of the reporting period), contracted exchange rates, discount rate, risk-free rate, time to maturity, and volatility.
4) Debt instruments at FVTOCI	Assets – RMB120,009,000	Assets – RMB460,622,000	Level 2	Discounted cash flow. Future cash flows are estimated based on discount rate observed in the available market.
5) Financial assets at FVTPL	Assets – RMB15,146,000	Assets – RMB37,713,000	Level 1	Calculated based on active market quoted transaction price.
6) Financial assets at FVTPL	Assets – nil	Assets – RMB1,182,958,000	Level 2	Calculated based on recent transaction price in the non-active market.
7) Financial assets at FVTPL	Assets – RMB1,091,193,000	Assets – nil	Level 3	Discounted at a rate that reflects the credit risk and volatility. Future cash flows are estimated based on estimated return.
8) Financial assets at FVTPL	Assets – RMB983,910,000	Assets – RMB1,156,549,000	Level 3	Discounted at a rate that reflects the credit risk and volatility. Future cash flows are estimated based on estimated return.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

The Directors of the Company consider that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the condensed consolidated financial statements approximate their fair values.

Reconciliation of Level 3 fair value measurement:

	Assets			Liabilities	
	Foreign exchange structural option contracts RMB'000	Financial assets at FVTPL RMB'000	Forward commodity contracts RMB'000	Foreign exchange structural option contracts RMB'000	Forward commodity contracts RMB'000
Balance as at 1 January					
2025 (audited)	1,671	1,060,669	–	(5,994)	–
Fair value changes	788	30,338	812	(4,108)	(810)
Settlements	(1,671)	–	–	5,994	–
Exchange adjustments	–	23,189	–	–	–
Balance as at 30 June					
2025 (unaudited)	788	1,114,196	812	(4,108)	(810)
Balance as at 1 January					
2026 (audited)	164	1,156,549	–	(388)	–
Transfer from level 2	–	1,182,958	–	–	–
Fair value changes	143	(107,463)	–	(59)	–
Settlements	(164)	(156,941)	–	388	–
Balance as at 30 June					
2026 (unaudited)	143	2,075,103	–	(59)	–

Of the total gains or losses for the period included in profit or loss, unrealised loss of RMB107,379,000 (six months ended 30 June 2025: unrealised gain of RMB27,020,000) relates to foreign exchange structural option contracts and financial assets at FVTPL held at the end of the current interim period. Fair value gains or losses on foreign exchange structural option contracts and financial assets at FVTPL are included in “other gains and losses”.