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CHINA TIANRUI AUTOMOTIVE INTERIORS CO., LTD

中國天瑞汽車內飾件有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6162)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

RESULTS HIGHLIGHTS

	<i>For the six months ended 30 June</i>		
	<i>2025</i>	<i>2024</i>	
	RMB'000	RMB'000	Change
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	
Revenue	138,353	98,461	40.52%
Gross profit	19,211	15,796	21.62%
Gross profit margin	13.9%	16.0%	–2.1pts
Loss attributable to equity shareholders	(5,986)	(3,676)	62.84%
Loss per share			
Basic and diluted (RMB cents)	(0.30)	(0.18)	66.67%
Proposed interim dividend (HK\$ cents)	–	–	N/A

The board (the “**Board**”) of directors (the “**Directors**”) of China Tianrui Automotive Interiors Co., LTD (the “**Company**”) is pleased to announce the unaudited consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 together with the comparative figures for the six months ended 30 June 2024. The interim results have been reviewed by the audit committee of the Company (the “**Audit Committee**”).

Consolidated Statement of Profit or Loss
for the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi (“RMB”))

		Six months ended 30 June	
		2025	2024
	<i>Note</i>	RMB’000	RMB’000
Revenue	4	138,353	98,461
Cost of sales		<u>(119,142)</u>	<u>(82,665)</u>
Gross profit	4(b)	19,211	15,796
Other income	5	2,065	1,046
Selling and distribution expenses		(4,508)	(1,697)
Administrative expenses		(18,653)	(15,193)
Impairment losses reversed/(provided for) on trade and other receivables		<u>83</u>	<u>(1,561)</u>
Loss from operations		(1,802)	(1,609)
Finance costs	6(a)	<u>(4,709)</u>	<u>(3,366)</u>
Loss before taxation	6	(6,511)	(4,975)
Income tax	7	<u>525</u>	<u>1,299</u>
Loss attributable to equity shareholders of the Company for the period		<u>(5,986)</u>	<u>(3,676)</u>
Loss per share	8		
Basic and diluted (RMB cents)		<u>(0.30)</u>	<u>(0.18)</u>

**Consolidated statement of profit or loss and other comprehensive income
for the six months ended 30 June 2025 – Unaudited**
(Expressed in RMB)

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	RMB'000	RMB'000
Loss for the period	(5,986)	(3,676)
Other comprehensive income for the period (after tax):		
Items that may be reclassified subsequently to profit or loss:		
– Exchange differences on translation into presentation currency of the Group	<u>(200)</u>	<u>68</u>
Total comprehensive income attributable to equity shareholders of the Company for the period	<u>(6,186)</u>	<u>(3,608)</u>

Consolidated statement of financial position
at 30 June 2025 – unaudited
(Expressed in RMB)

		<i>At 30 June 2025</i>	<i>At 31 December 2024</i>
	<i>Note</i>	RMB'000	RMB'000
Non-current assets			
Property, plant and equipment		170,354	179,028
Intangible assets		613	848
Prepayments for acquisitions of property, plant and equipment		16,761	12,577
Deferred tax assets		8,862	8,898
		196,590	201,351
Current assets			
Inventories		60,971	53,145
Trade and bills receivables	9	222,681	204,890
Prepayments and other receivables		12,486	21,916
Cash at bank and on hand		102,351	142,260
		398,489	422,211
Current liabilities			
Trade and bills payables		132,117	131,137
Accrued expenses and other payables	10	41,805	64,770
Bank and other loans		139,447	135,541
Lease liabilities		3,730	4,441
Current taxation		1,120	2,053
		318,219	337,942
Net current assets		80,270	84,269
Total assets less current liabilities		276,860	285,620

Consolidated statement of financial position
at 30 June 2025 – unaudited (Continued)
(Expressed in RMB)

	<i>At 30 June 2025 RMB'000</i>	<i>At 31 December 2024 RMB'000</i>
Non-current liabilities		
Bank and other loans	26,648	28,148
Leased liabilities	7,212	7,551
Deferred income	1,588	2,323
	<hr/>	<hr/>
	35,448	38,022
	<hr/>	<hr/>
NET ASSETS	241,412	247,598
	<hr/>	<hr/>
CAPITAL AND RESERVES		
Share capital	17,522	17,522
Reserves	223,890	230,076
	<hr/>	<hr/>
TOTAL EQUITY	241,412	247,598
	<hr/>	<hr/>

Notes to the unaudited interim financial report
(Expressed in RMB unless otherwise indicated)

1 Corporate information

China Tianrui Automotive Interiors Co., LTD (the “**Company**”) was incorporated in the Cayman Islands on 27 April 2017 as an exempted company with limited liability under the Companies Law (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 15 January 2019. The Company and its subsidiaries (together, the “**Group**”) are principally engaged in the manufacture and sale of automotive interior and exterior decorative components and parts.

2 Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange, including compliance with International Accounting Standard (“**IAS**”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (the “**IASB**”). It was authorised for issue on 25 August 2025.

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

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards issued by the IASB.

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2024 are available from the Company’s registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 27 March 2025.

3 Changes in accounting policies

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

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

4 Revenue and segment reporting

(a) Revenue

The Group is principally engaged in the manufacture and sale of automotive interior and exterior decorative components and parts. Further details regarding the Group's principal activities are disclosed in Note 4(b).

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

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products:		
– Sales of heavy trucks' decorative components and parts	98,731	90,942
– Sales of passenger vehicles' decorative components and parts, and related moulds	39,622	7,519
	138,353	98,461

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographic markets is disclosed in Notes 4(b)(i) and 4(b)(iii) respectively.

The Group's customers with which transactions have exceeded 10% of the Group's revenue are set out below:

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	RMB'000	RMB'000
Customer A	33,489	23,148
Customer B	60,931	63,188
Customer C	20,671	*

* The revenue from relevant customer does not account for 10% or more of the total revenue of the Group during the corresponding period.

(b) Segment reporting

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

- Heavy trucks' decorative components and parts: this segment includes primarily the research, development, manufacture and sale of decorative components and parts to be installed in heavy trucks.
- Passenger vehicles' decorative components and parts, and related moulds: this segment includes primarily the research, development, manufacture and sale of decorative components and parts to be installed in passenger vehicles.

(i) Segment results, assets and liabilities

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

Revenue and expenses are allocated to the reportable segments with reference to sales and revenue generated by those segments and direct expenses incurred by those segments. The measure and revenue used for reporting segment result is gross profit. No inter-segment sales have occurred for the six months ended 30 June 2025 and 2024. Assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

The Group's other operating expenses, including other income, selling and administration expenses and finance costs, and assets and liabilities are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning capital expenditure, interest income and interest expenses is presented.

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

	<i>Six months ended 30 June 2025</i>		
	Heavy trucks' decorative components and parts	Passenger vehicles' decorative components and related moulds	Total
	RMB'000	RMB'000	RMB'000
Revenue recognised at a point in time from external customers	98,731	36,631	135,362
Revenue recognised over time from external customers	–	2,991	2,991
	<u>98,731</u>	<u>39,622</u>	<u>138,353</u>
Reportable segment gross profit	<u>15,243</u>	<u>3,969</u>	<u>19,211</u>
	<i>Six months ended 30 June 2024</i>		
	Heavy trucks' decorative components and parts	Passenger vehicles' decorative components and parts	Total
	RMB'000	RMB'000	RMB'000
Revenue recognised at a point in time from external customers	<u>90,942</u>	<u>7,519</u>	<u>98,461</u>
Reportable segment gross profit	<u>15,714</u>	<u>82</u>	<u>15,796</u>

(ii) *Reconciliation of reportable segment profit or loss*

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	RMB'000	RMB'000
Total reportable segment gross profit	19,211	15,796
Other income	2,065	1,046
Selling and distribution expenses	(4,508)	(1,697)
Administrative expenses	(18,653)	(15,193)
Impairment losses reversed/(provided for)		
on trade and other receivables	83	(1,561)
Finance costs	(4,709)	(3,366)
	<u> </u>	<u> </u>
Consolidated loss before taxation	(6,511)	(4,975)
	<u> </u>	<u> </u>

(iii) *Geographic information*

The Group's revenue is substantially generated from the sales of automotive interior and exterior decorative components and parts in the PRC. The Group's business is substantially conducted in the PRC. Accordingly, no segment analysis based on geographical locations of the customers and assets is provided.

5 Other income

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	RMB'000	RMB'000
Government grants (including amortisation of deferred income)	1,639	535
Net gain on sales of scrap materials	—	403
Net foreign exchange gains	143	—
Interest income	283	108
	<u> </u>	<u> </u>
	2,065	1,046
	<u> </u>	<u> </u>

6 Loss before taxation

Loss before taxation is arrived at after charging:

(a) Finance costs

Six months ended 30 June

<i>2025</i>	<i>2024</i>
RMB'000	RMB'000

Interest on		
– bank loans and other loans	4,644	3,289
– lease liabilities	65	77
	<u>4,709</u>	<u>3,366</u>

(b) Other items

Six months ended 30 June

<i>2025</i>	<i>2024</i>
RMB'000	RMB'000

Depreciation and amortisation	15,097	16,232
Research and development costs	7,311	3,328
Cost of inventories	119,142	82,665
	<u>119,142</u>	<u>82,665</u>

7 Income tax

Six months ended 30 June

<i>2025</i>	<i>2024</i>
RMB'000	RMB'000

Current taxation

Provision for the period	(146)	–
Over-provision in respect of prior years	707	–

Deferred taxation

– Origination and reversal of temporary differences	<u>(36)</u>	<u>1,299</u>
	<u>525</u>	<u>1,299</u>

Notes:

- (i) The Company incorporated in the Cayman Islands and the subsidiary of the Group incorporated in the British Virgin Islands (the “**BVI**”) are not subject to any income tax pursuant to the rules and regulations of their respective countries of incorporation.
- (ii) The subsidiary of the Group incorporated in Hong Kong is subject to Hong Kong Profits Tax rate of 16.5% for the six months ended 30 June 2025 (six months ended 30 June 2024: 16.5%). The entity did not have assessable profits which is subject to Hong Kong Profits Tax for the six months ended 30 June 2025 (six months ended 30 June 2024: RMB Nil).
- (iii) The subsidiaries of the Group established in the PRC (excluding Hong Kong) are subject to PRC Corporate Income Tax rate at 25% for the six months ended 30 June 2025 (six months ended 30 June 2024: 25%).
- (iv) The PRC Corporate Income Tax Law allows enterprises to apply for certificate of “High and New Technology Enterprise” (“**HNTE**”) which entitles the qualified companies to a preferential income tax rate of 15%, subject to fulfilment of the recognition criteria. Xi’an Tianrui Automotive Interiors Co., Ltd. (“**Xi’an Tianrui**”) is qualified as a HNTE and the qualification was valid for three years from 2022 to 2025.
- (v) Baoji Ruitong Automotive Interiors Co., Ltd., established in the PRC obtained approvals from the tax bureaux in 2021 that they are entitled to tax benefits applicable to entities under the Third Phase of the Western Region Development Plan of the PRC, and enjoy a preferential PRC Corporate Income Tax rate of 15% for the calendar years from 2021 to 2030.
- (vi) According to the relevant tax rules in the PRC, qualified research and development costs, are allowed for bonus deduction for income tax purpose, i.e. an additional 100% (six months ended 30 June 2024: 100%) of such expenses could be deemed as deductible expenses.
- (vii) Certain subsidiaries of the Group enjoy the preferential income tax treatment for Small and Micro Enterprises with the income tax rate of 20% and are eligible to have their tax calculated based on 25% or 50% of their taxable income.

8 Loss per share

(a) Basic loss per share

The calculation of basic loss per share for six months ended in 30 June 2025 is based on the loss attributable to ordinary equity shareholders of the Company of RMB5,986,000 (six months ended 30 June 2024: RMB3,676,000) and the weighted average of 2,000,000,000 (six months ended 30 June 2023: 2,000,000,000) ordinary shares.

(b) Diluted loss per share

There were no dilutive potential shares outstanding during the six months ended 30 June 2025 and 2024.

9 Trade and bills receivables

	<i>At</i> 30 June 2025 RMB'000	<i>At</i> 31 December 2024 RMB'000
Trade receivables, net of loss allowance	202,134	190,842
Bills receivables	20,547	14,048
	222,681	204,890

All of the trade and bills receivables, net of loss allowance for doubtful debts (if any), are expected to be recovered within one year.

At the end of reporting period, the ageing analysis of trade and bills receivables, based on the invoice date (or date of revenue recognition, if earlier) and net of loss allowance, is as follows:

	<i>At</i> 30 June 2025 RMB'000	<i>At</i> 31 December 2024 RMB'000
Less than 3 months	102,521	99,747
3 to 6 months	69,907	49,081
6 to 12 months	50,253	56,062
	222,681	204,890

10 Trade and bills payables

	<i>At</i> 30 June 2025 RMB'000	<i>At</i> 31 December 2024 RMB'000
Trade payables	132,117	97,314
Bills payables	<u>—</u>	<u>33,823</u>
	<u>132,117</u>	<u>131,137</u>

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

At the end of reporting period, the ageing analysis of trade and bills payables, based on the invoice date, is as follows:

	<i>At</i> 30 June 2025 RMB'000	<i>At</i> 31 December 2024 RMB'000
Less than 3 months	72,747	72,966
3 to 6 months	31,575	29,663
6 to 12 months	20,423	15,322
over 1 year	<u>7,372</u>	<u>13,186</u>
	<u>132,117</u>	<u>131,137</u>

11 Dividends

No dividend was paid or proposed during the six months ended 30 June 2025, nor has any dividend been proposed since the end of the interim reporting period (six months ended 30 June 2024: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

In the first half of 2025, the automotive industry showed an overall growth trend, with a slight increase in heavy truck market sales and a steady growth in passenger car market sales. However, the enterprises in the industry were facing significant operational pressure amidst keen industry competition and slowed domestic consumption growth.

BUSINESS REVIEW

We are the largest heavy truck interior decorative components and parts manufacturer in North West China with a market-leading position. Our products primarily comprise a wide array of automotive interior decorative components and parts and to a lesser extent exterior decorative components and parts, which are designed to be installed on heavy trucks or passenger vehicles. We offer design and development solutions tailored to meet our customers' specific requirements of automotive interior decorative products including functional specifications and appearance.

The Group is principally engaged in the manufacture and sale of automotive interior and exterior decorative components and parts. Set forth below is the breakdown of our revenue by product category for the six months ended 30 June 2025 and 2024:

	<i>Six months ended 30 June</i>			
	<i>2025</i>		<i>2024</i>	
	RMB'000	%	RMB'000	%
Heavy truck decorative components and parts	98,731	71.4	90,942	92.4
Passenger vehicles' decorative components and parts, and related moulds	39,622	28.6	7,519	7.6
Total	138,353	100.0	98,461	100.0

Revenue from sales of heavy truck decorative components and parts

The revenue generated by the sale of heavy truck decorative parts increased from approximately RMB90.9 million in the six months ended 30 June 2024 to approximately RMB98.7 million in the six months ended 30 June 2025, an increase of approximately 8.6%, due to the increase in sales volume of heavy trucks.

Revenue from sales of passenger vehicle decorative components and parts, and related moulds

Revenue generated from the sale of passenger vehicle decorative components and parts, and related moulds increased by approximately 428.0% from RMB7.5 million for the six months ended 30 June 2024 to RMB39.6 million for the corresponding period ended 30 June 2025. This significant growth primarily results from the mass production of our newly developed products during the current fiscal year.

FINANCIAL REVIEW

Revenue

Revenue increased from approximately RMB98.5 million for the six months ended 30 June 2024 to approximately RMB138.4 million for the six months ended 30 June 2025, representing an increase of approximately 40.5%. This increase was primarily due to mass production of components for our passenger vehicle business.

Gross profit and gross profit margin

Gross profit increased from approximately RMB15.8 million for the six months ended 30 June 2024 to about RMB19.2 million for the six months ended 30 June 2025, representing a growth of approximately 21.5%. This increase aligns with the corresponding revenue growth during the same period. Our overall gross profit margin decreased from about 16.0% in the six months ended 30 June 2024 to about 13.9% in the six months ended 30 June 2025, which was mainly caused by the increase in labor costs and the decrease in the prices of some products.

Other income

Other income increased by approximately 110.0% from approximately RMB1.0 million for the six months ended 30 June 2024 to approximately RMB2.1 million for the six months ended 30 June 2025.

Selling and distribution expenses

Sales and distribution expenses increased from approximately RMB1.7 million for the six months ended 30 June 2024 to approximately RMB4.5 million for the six months ended 30 June 2025, with an increase of approximately 164.7%. This growth is mainly due to the increase in number of employees and related salaries and the increase of product market expenses.

Administrative expenses

The administrative expenses increased from about RMB15.2 million in the six months ended 30 June 2024 to about RMB18.7 million in the six months ended 30 June 2025, with an increase of 23.0%, which was mainly due to the increase of research and development costs.

Finance costs

Financial costs increased from approximately RMB3.4 million for the six months ended 30 June 2024 to approximately RMB4.7 million for the six months ended 30 June 2025, representing an increase of approximately 38.2%. This growth was primarily due to an increase in our bank and other loan amounts during the six months ended 30 June 2025.

Income tax

The income tax credit for the six months ended 30 June 2025 was approximately RMB0.5 million, compared to approximately RMB1.3 million for the six months ended 30 June 2024. The income tax credit mainly comes from the adjustment of the difference between the annual settlement and payment of income tax during the period.

Loss for the period

For the six months ended 30 June 2025, the loss was approximately RMB6.0 million, compared with a loss of approximately RMB3.7 million for the six months ended 30 June 2024.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's operating funds primarily originate from cash generated through business operations, along with bank loans and other financing instruments. As of 30 June 2025 and 31 December 2024, the Group maintained cash and cash equivalents of approximately RMB83.6 million and RMB95.5 million respectively.

Through regular monitoring of cash flows and balances, the Group strives to optimize its liquidity management. This approach ensures operational capital requirements are met while supporting sustainable business growth and the implementation of strategic expansion initiatives.

Bank and other loans

Bank and other loans increased from approximately RMB163.7 million as of 31 December 2024 to about RMB166.1 million by 30 June 2025. Among them, the loans guaranteed by a third party, the ultimate controlling party of the Company, or a subsidiary of the Company amounted to approximately RMB125.4 million (2024: RMB92 million), and the secured bank and other loans in the amounts of approximately RMB36.9 million (2024: RMB63.7 million) were secured by trade and bills receivables, property, plant and equipment, and cash at bank of the Group, and the bank and other loans in the amounts of approximately RMB3.8 million (2024: RMB8.0 million) were guaranteed by the ultimate controlling party of the Company and secured by trade and bills receivables, and property, plant and equipment.

Gearing ratio

The gearing ratio was 66.1% and 68.8% on 31 December 2024 and 30 June 2025 respectively.

Gearing ratio equals total debts divided by total equity as at the end of the respective year or period. Total debts include all interest-bearing bank and other loans.

Secured assets

Certain of the Group's bank and other loans are secured by the following assets of the Group:

	<i>As at</i> 30 June 2025 RMB'000	<i>As at</i> 31 December 2024 RMB'000
Property, plant and equipment	22,255	85,071
Trade and bills receivables	8,041	14,096
Cash at bank	11,128	10,880
	41,424	110,047

Capital expenditure

For the six months ended 30 June 2025, capital expenditure was approximately RMB7.13 million (for the six months ended 30 June 2024: approximately RMB9.41 million). The capital expenditure incurred for the six months ended 30 June 2025 was primarily related to the construction of new plant buildings and the acquisition of new machinery and equipment.

Capital commitments

As at 30 June 2025, the capital commitments for the contracted property, plant and equipment of the Group were: RMB35.8 million (31 December 2024: approximately RMB25.5 million).

Contingent liabilities

As at 30 June 2025, the Group did not have any material contingent liabilities (31 December 2024: Nil).

FLUCTUATION OF RMB EXCHANGE RATE AND FOREIGN EXCHANGE RISKS

The majority of the Group's business and all bank borrowings are denominated and accounted for in RMB. Therefore, the Group does not have significant exposure to foreign exchange fluctuation.

The Board does not expect the fluctuation of RMB exchange rate and other foreign exchange fluctuations will have material impact on the business operations or financial results of the Group. The Group will closely monitor the foreign exchange market and take appropriate and effective measures from time to time to reduce any negative impact from exchange-rate risk to the furthest extent.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS

The Group had no significant investments held or material acquisitions and disposals of subsidiaries and associated companies during the six months ended 30 June 2025.

INTERIM DIVIDEND

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

EMPLOYEE AND REMUNERATION POLICIES

As of 30 June 2025, the Group had 396 full-time employees (30 June 2024: 357). For the six months ended 30 June 2025, the Group's total employee costs amounted to approximately RMB27.59 million (for the six months ended 30 June 2024: approximately RMB18.7 million).

The remuneration policy of our Group to reward its employees and executives is based on their performance, qualifications and competence displayed and market comparable. A remuneration package is typically comprised of salaries, discretionary bonuses, retirement scheme contributions, and other benefits.

In order to retain and develop the knowledge, skill level and quality of our employees, the Group places a strong emphasis on training our employees. In addition, the Group offers a competitive remuneration package to retain elite employees, and reviews the package annually according to industry benchmark and financial results as well as the individual performance of employees.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

For the six months ended 30 June 2025 and up to the date of this announcement, neither our Company, nor its subsidiary have purchased, redeemed or sold any of the Company's listed securities (including the sale of treasury shares).

IMPORTANT EVENTS AFTER THE END OF THE FINANCIAL PERIOD

There were no important events affecting the Group which have occurred after the end of the financial period ended 30 June 2025 and up to the date of this announcement.

FUTURE PROSPECTS

Looking forward to the future, amid increasingly fierce competition, the reshuffling of the automotive industry is accelerating. Under the dual drive of domestic and foreign demand, the automotive industry is expected to maintain a sustained growth trend this year. The Group will take this opportunity to continue to strengthen its cooperation with existing customers in the development of new products and actively expand new customers from the passenger vehicles industry, so as to continuously expand its product portfolio and enhance its core competitiveness.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Our Company has committed to delivering and maintaining a higher standard of corporate governance to meet business needs and shareholders' expectation. Our Company has adopted the principles and code provisions of the Corporate Governance Code (the “**Corporate Governance Code**”) set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as the basis of our Company's corporate governance practices. Our Company has complied with all code provisions of the Corporate Governance Code for the six months ended 30 June 2025, save for the following deviation:

Pursuant to code provision C.2.1 of the Corporate Governance Code, the role of chairman and the chief executive should be segregated and should not be performed by the same individual. However, Mr. Hou Jianli currently performs the roles as the chairman and general manager. The Board believes that vesting the roles of both chairman and chief executive in the same person has the benefit of ensuring consistent leadership within our Group and enables more efficient overall strategic planning for our Group. The Board considers that the balance of power and authority will not be impaired by the present arrangement and this structure will enable our Company to make and implement decisions promptly and effectively. In addition, other Board members and independent non-executive directors continue to scrutinise important decisions of the Company and monitor the chairman and chief executive's power. The Board will continue to review and consider whether the duties of the chairman and general manager should be separated after taking into account the overall circumstances of our Group.

MODEL CODE FOR SECURITIES TRANSACTIONS

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 regarding Directors' and employees' securities transactions. Upon specific enquiries, all Directors and members of the senior management confirmed that they have complied with the relevant provisions of the Model Code throughout the six months ended 30 June 2025.

AUDIT COMMITTEE

The Audit Committee had reviewed the accounting principles and policies adopted by the Group and discussed internal control and financial reporting matters including a review of the interim results for the six months ended 30 June 2025.

**PUBLICATION OF THE CONSOLIDATED INTERIM RESULTS AND 2025 INTERIM
REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

This interim results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.trqns.com and the interim report for the six months ended 30 June 2025 containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and published on the aforesaid websites of the Stock Exchange and the Company in due course.

By Order of the Board
China Tianrui Automotive Interiors Co., LTD
Hou Jianli
Chairman

Xi'an, the PRC, 25 August 2025

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Hou Jianli, and Ms. Zhang Jingrong, and three independent non-executive Directors, namely Mr. Zhu Hongqiang, Mr. Zhou Genshu and Mr. Chen Geng.