2025
INTERIM REPORT

Xin Point Holdings Limited
信邦控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1571

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive directors

Mr. Ma Xiaoming
Mr. Meng Jun
Mr. Zhang Yumin
Mr. Liu Jun
Mr. He Xiaolu
Mr. Jiang Wei

Independent non-executive directors

Mr. Tang Chi Wai
Mr. Gan Weimin
Prof. Cao Lixin

COMPANY SECRETARY

Mr. Au Wai Keung, *FCPA*

AUDITOR

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Registered Public Interest Entity Auditor
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LEGAL ADVISOR

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HONG KONG SHARE REGISTRAR

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REGISTERED OFFICE

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Cayman Islands

STOCK CODE

Listed on The Stock Exchange of Hong Kong Limited
under the stock code 1571

WEBSITE

http://www.xinpoint.com

FINANCIAL HIGHLIGHTS

- The board (the "**Board**") of directors (the "**Directors**", each a "**Director**") of Xin Point Holdings Limited (the "**Company**") is pleased to present the unaudited condensed consolidated financial statements of the Company and its subsidiaries (the "**Group**" or "**Xin Point**") for the six months ended 30 June 2025 ("**1H 2025**" or the "**Reporting Period**").
- The Group recorded an unaudited revenue of approximately RMB1,557.2 million for 1H 2025, representing a decrease of approximately 5.4% compared to the same period of the previous year (six months ended 30 June 2024 ("**1H 2024**"): approximately RMB1,646.4 million).
- The Group recorded an unaudited profit attributable to the owners of the Company of approximately RMB241.7 million for 1H 2025, which was approximately 25.0% lower than that of the corresponding period in 2024 (1H 2024: approximately RMB322.2 million). The Group also recorded a decrease in consolidated net profit in 1H 2025.
- The basic and diluted earnings per share for 1H 2025 were approximately RMB24.1 cents (1H 2024: RMB32.1 cents).
- Net cash flows from operating activities for 1H 2025 were approximately RMB503.3 million (1H 2024: approximately RMB420.8 million).
- The Directors recommended the payment of an interim dividend of HK20.0 cents per share for 1H 2025 (1H 2024: HK20.0 cents).
- In this report, "we", "us", "our" and "Xin Point" refer to the Company and where the context otherwise requires, the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET REVIEW

In 2024, the global automotive industry recorded subdued growth, with sales volumes rising by just 1.7% year-on-year. This trend is expected to persist in 2025, with forecasted growth of only 1.6% year-on-year. The continued weakness in demand reflects a combination of weaker consumer sentiment, uneven global economic conditions, and elevated geopolitical risks, particularly those stemming from an increasingly uncertain tariff environment.

The U.S. automotive market in 1H 2025 has exhibited mixed dynamics. Modest overall sales growth has been supported by strong demand for SUVs and pickup trucks. However, the sector continues to face headwinds from heightened tariff uncertainty, affordability challenges, and shifting consumer sentiment. Although electric vehicle ("**EVs**") adoption is still increasing, sales in the second quarter declined, falling short of earlier expectations.

China's automotive market expanded by 4.6% in 2024 year-on-year, with momentum building particularly in the second half of 2024 and into early 2025. This growth was supported by targeted government initiatives, including subsidy programs and sales tax exemptions, which stimulated consumer demand. The EV segment continued to grow rapidly, bolstered by a surge in plug-in hybrid electric vehicle adoption.

The strong performance carried into 1H 2025 within the China automotive market, with both vehicle production and sales surpassing 15 million units for the first time. New energy vehicle ("**NEV**") production and sales also experienced substantial growth, underpinned by domestic demand and government incentives promoting trade-ins. However, in light of intensifying competition and aggressive pricing strategies, authorities have called on leading EV manufacturers to exercise caution over price reductions that may destabilize the market.

In Europe, automotive market growth decelerated in 2024 due to weakening demand, ongoing political uncertainty, and the phase-out of key EV subsidies in several major markets. This subdued momentum extended into 2025, with first-quarter sales declining by 0.4% when compared to the last quarter of 2024.

1H 2025 presented a mixed picture for the European automotive sector. While overall vehicle sales declined, EV registrations saw a notable upswing, signaling a continued shift toward electrification. Markets such as Germany and Spain reported strong growth in EV adoption, whereas France experienced a downturn. The broader market is undergoing a structural transformation, marked by increasing demand for electric and hybrid vehicles, alongside a continued decline in internal combustion engine (gasoline and diesel) sales.

BUSINESS REVIEW

Overall, the 1H 2025 has painted a complex picture for the global automotive industry. While total sales have shown modest growth, the market continues to face significant headwinds. Affordability concerns, evolving tariff policies, and varying regional performance have introduced ongoing challenges and heightened uncertainty across the sector.

In the U.S. market, new vehicle sales continued to rise in 1H 2025, reaching 8.1 million units—an increase of 3.2% compared to the same period in 2024. Among leading automakers, Toyota and Ford remained closely matched in sales, with Toyota maintaining a slight lead during the period. Tesla's global deliveries declined by 13% in the first half of 2025, primarily due to delays in the rollout of a new model. Nissan's retail performance showed modest improvement, supported by a strategic emphasis on U.S.-manufactured models.

Vehicle affordability remains a key concern in the U.S. market, with rising prices, extended loan terms, and fluctuating consumer sentiment. A notable dip in confidence observed in early June 2025 may reflect growing geopolitical tensions and market volatility. Uncertainty surrounding potential tariffs has further weighed on affordability-particularly for first-time buyers.

Global EV sales surpassed 9 million units in 1H 2025, reflecting robust growth of 28%. However, recent changes under the U.S. 'Big Beautiful Bill', including tariff reductions introduced by the Trump administration, may hinder overall EV market growth in the United States throughout 2025.

While new vehicle sales remained well ahead of the prior year's pace at the close of 1H 2025, some industry observers believe the market may have passed its near-term peak. The surge in demand earlier this year, driven by consumers seeking to purchase vehicles ahead of the anticipated Trump-era tariff implementation, appears to have subsided.

In 1H 2025, Chinese domestic brands captured 64% of China's automotive market, marking an increase of 7.5 percentage points. Leading automakers such as BYD, Geely Auto, Chery Automobile, and Changan Auto recorded substantial gains, driven by their accelerated transition to NEV and expanding global presence. Their continued investment in electrification, innovation, and export capabilities has positioned them as increasingly competitive players both within China and internationally.

However, mainstream joint ventures in China sold 510,000 passenger vehicles in June 2025, representing a 5% increase. Despite this growth, their overall market share continued to decline. German brands' share fell to 16.1%, down 2.4 percentage points; Japanese brands decreased to 12%, a decline of 2.3 percentage points; while American brands' share dropped to 5.8%.

In the second quarter of 2025, BYD notably outsold Tesla in the global EV market. BYD achieved a 16% increase in sales compared to the same period last year, while Tesla experienced a 13.5% decline. These figures highlight BYD's expanding lead over Tesla in total vehicle sales worldwide. While BYD continues to record strong growth across multiple regions, Tesla faces challenges in certain markets, particularly in Europe.

Amid ongoing uncertainties stemming from rapidly evolving U.S. policies and Tesla's global sales decline, Xin Point recorded a period-on-period revenue decline in 1H 2025. The Group's total revenue decreased to approximately RMB1,557.2 million for 1H 2025, representing a 5.4% decline compared to RMB1,646.4 million reported in 1H 2024. Despite revenue declines across all three major markets, the Group achieved an increase in overall average selling price. Further details can be found in the "Revenue" section below.

Although the Group consistently emphasizes cost control and automation initiatives, the decrease in revenue during 1H 2025, combined with under-utilisation of production capacity following expanded investment and higher factory overheads, resulted in a decline in gross profit. For 1H 2025, Xin Point recorded a gross profit of approximately RMB486.0 million, with a gross profit margin of 31.2%, compared to RMB614.8 million and a 37.3% gross profit margin in the same period of 2024. Further details are provided in the "Cost of Sales" section below.

PRODUCTION CAPACITY AND UTILISATION RATE

There were two old electropainting production lines in Huizhou, China, which had stopped operations during 1H 2025 and our annualised electroplating production capacity decreased from approximately 3.6 million sq.m as of 31 December 2024 to approximately 3.0 million sq.m. as of 30 June 2025. The new hexavalent chromium-free electroplating line installed in our Jiujiang production base did not generate significant revenue during the 1H 2025 and such production capacity is still excluded from the above main electroplating facilities.

The utilisation rate of our electroplating production facilities was approximately 83.0% for 1H 2025 as compared with the utilisation rate of approximately 80.5% for 1H 2024, such increase was mainly due to the work transferred to other facilities in relation to the two aged electroplating production lines which stopped operation as discussed above during 1H 2025.

For spray printing production facilities, the utilisation rate was approximately 65.1% for 1H 2025 as compared with the utilisation rate of approximately 71.5% for 1H 2024, such decrease was primarily attributable to a temporary reduction in market demand for spray-painted parts from the Group's customers, which in turn led to lower-than-expected utilisation of the newly installed spray-printing production capacities at our Mexico and Jiujiang production bases.

PRODUCTION YIELD

There was a slight decrease of the average electroplating production yield figure of approximately 93.9% for 1H 2024 to approximately 93.2% for 1H 2025. On the other hand, the average production yield for spray printing operations recorded an increase from approximately 93.4% during 1H 2024 to 94.1% for 1H 2025.

ORDER BOOK

The backlog orders in aggregate of approximately RMB9.7 billion are scheduled to be delivered from the second half of 2025 through the end of 2029.

As at the end of 2024, the Group recorded a backlog of approximately RMB10.1 billion. Taking into account the revenue recognised during the first half of 2025, the overall order book reflected a positive improvement to RMB11.2 billion or approximately 10.9% increase. The Group remains committed to advancing its latest surface treatment technologies and further enhancing operational efficiency. Management remains confident that the automotive market will recover once market conditions stabilize and tariff-related uncertainties ease. In the meantime, the existing backlog provides a solid foundation to support the Group's future growth.

OUTLOOK

The automotive industry in 2025 stands at a critical juncture. Amid escalating trade tensions, varying demand for EVs, and intensifying competition, automotive companies worldwide are navigating a rapidly evolving landscape. Analysts caution that a range of economic headwinds in the second half of 2025—including tariffs, inflationary pressures, elevated interest rates, and diminishing incentives for NEVs—will continue to challenge market growth. As a result, most forecasts anticipate a slowdown or stagnation in year-end sales, underscoring the uncertain outlook for the industry.

The global automotive supplier industry continues to face a challenging environment characterized by stagnant production volumes, geopolitical uncertainties, intensifying competition, and rising cost pressures, all of which are expected to weigh on average profitability. Xin Point has identified several key trends shaping the industry: overcapacity remains a significant challenge, particularly in Europe, exerting downward pressure on the market. In contrast, China and South Asia continue to serve as the primary engines of modest global automotive growth; EV adoption in Europe and North America is progressing more slowly than anticipated, limiting the achievement of expected economies of scale. Geopolitical uncertainties, evolving trade dynamics, tariffs, and subsidies are reshaping global trade flows and supply chains, adding further complexity to the industry landscape.

A recent study by a leading global consulting firm highlights the automobile industry's navigation through a volatile trade environment, significantly influenced by U.S. trade policies and the ongoing exemption of parts compliant with the United States-Mexico-Canada Agreement (USMCA). While near-term challenges persist, the production forecast anticipates a general reduction in tariffs beginning in 2026, which may improve industry conditions moving forward.

North America's light vehicle production outlook remains positive for the remainder of 2025, demonstrating resilience amid ongoing tariff uncertainties. However, projections for 2026 and 2027 have been revised downward, reflecting inventory normalization and the persistent effects of tariff policies. Production of EVs is expected to experience volatility due to evolving subsidy and emissions regulations, resulting in a significant downward adjustment in the outlook for NEV production.

Notably, recent production forecast upgrades have been observed in North America and Greater China, driven by robust supply chain performance and strong vehicle sales. The latest forecast revisions present a mixed picture across regions, underscoring the influence of trade policies and regional market dynamics on global automotive production.

Europe's light vehicle production outlook remains positive, supported by better-than-expected production results. However, inventory reductions are anticipated in the second half of 2025 due to subdued sales activity. The outlook for 2026 is expected to be improved, particularly for internal combustion engine vehicles, which will be benefited from the updated EU Corporate Average Fuel Economy (CAFE) regulations and a reduction in U.S. tariffs.

Despite early momentum, consumer enthusiasm for EVs appears to be declining. Since 2023, the proportion of prospective EV buyers has been decreasing. Key challenges such as high costs, battery performance limitations, and insufficient charging infrastructure continue to impede broader EV adoption.

In contrast to Western automotive markets, which rely heavily on government incentives and established production environments, Greater China's light vehicle production forecast remains positive for both 2025 and 2026. The domestic NEV market is flourishing, driven primarily by local brands, although foreign automakers continue to face significant challenges. Expectations for 2026 production have been revised upward, supported by anticipated extensions of government subsidies and a favorable demand outlook within China.

While Xin Point's revenue decline in the first half of 2025 was impacted by global market uncertainties, particularly related to evolving tariff developments, the latest market indicators suggest a positive outlook ahead. The recent trade agreement between the U.S. and the European Union ("**EU**"), ending a prolonged standoff between two of the world's largest economies, provides a foundation for renewed stability. Coupled with Xin Point's multi-year order book and optimistic market forecasts, the Group remains confident that the automotive business will likely improve in the second half of 2025.

Xin Point remains vigilant in monitoring the financial and operational pressures emerging from reduced resilience in the global automotive sector's core U.S. and Chinese markets. This downturn is primarily driven by weakening consumer demand amid price uncertainty and tariff-related risks. In response to escalating tariffs, original equipment manufacturers ("**OEMs**") may increase vehicle prices globally to offset higher costs. However, Xin Point recognizes that not all companies will be able to fully pass these costs onto consumers. As a result, some may be compelled to adjust their production and sales strategies, which may ultimately prove to be insufficient to alleviate cost pressures. This scenario could lead to short-term challenges for automotive parts suppliers such as Xin Point.

REVENUE

Our revenue decreased by approximately RMB89.2 million or approximately 5.4% to approximately RMB1,557.2 million for 1H 2025 comparing to that of 1H 2024.

Xin Point believes a high degree of unpredictability around policy implementation by the U.S. administration and possible responses, specifically with regard to tariffs, and the potential effect on economies, supply chains, and credit conditions around the world have disrupted global trade and caused temporary difficulties for the global automotive industry in 1H 2025.

The imposition of tariffs tends to elevate goods costs, prompting OEMs to explore cost-efficient manufacturing and logistical solutions. This includes reassessing shipping routes, transport modes, and warehousing strategies to optimise both costs and efficiency amidst new tariff structures. By reducing reliance on any single country, especially those with high tariffs, OEMs aim to ensure continuity and stability in production through sourcing components from a wide array of geographic regions.

Other factors, such as weak economic growth, high energy costs, disruption in key supply chains, geopolitical risks, and industrial policies of third countries have been affecting the EU and job cuts and factory closures have been announced in the EU car manufacturing and battery production, fuelled in part by worries about the slowing uptake of EVs in the EU.

In light of these circumstances, the Group's revenue generated from China and EU regions recorded decreases in 1H 2025, which mainly caused the overall revenue decrease as discussed above. Revenue from China decreased to approximately RMB526.2 million for 1H 2025 or declined 8.3% from RMB574.1 million when compared to 1H 2024. Revenue from Europe market decreased by approximately RMB43.8 million or approximately 22.1% as compared with 1H 2024. A slight decrease for the North America region was recorded for 1H 2025. The assembly programme with a tier-one supplier located in Japan which commenced operations during 2024 is still contributing positive revenue growth for 1H 2025.

As we previously explained that Xin Point's product mix has been moving from simple electro-painting process to more complex surface treatment processes, the Group continued to record growth in average selling prices. The average selling price ("**ASP**") increased from RMB8.70 per unit in 1H 2024 to RMB8.97 per unit in 1H 2025, representing an increase of approximately 3.1%. We also recorded an increase of the product average selling price of 2.0% within the U.S. region, however, a 4.2% decrease in ASP was noted for Europe region due to automobile industry downturn within Europe region.

Revenue by geographic segment:

	Six months ended 30 June 2025		Six months ended 30 June 2024	
	RMB'000 (unaudited)	**%**	RMB'000 (unaudited)	%
China	**526,204**	**34%**	574,110	35%
North America	**783,052**	**50%**	794,335	48%
Europe	**154,318**	**10%**	198,138	12%
Others	**93,611**	**6%**	79,782	5%
	1,557,185	**100%**	1,646,365	100%

COST OF SALES

	Six months ended 30 June 2025		Six months ended 30 June 2024	
	RMB'000 (unaudited)	**%**	RMB'000 (unaudited)	%
Direct materials	**313,766**	**29.3%**	328,037	31.8%
Staff costs	**300,854**	**28.1%**	268,522	26.0%
Overheads	**456,533**	**42.6%**	435,025	42.2%
	1,071,153	**100.0%**	1,031,584	100.0%

The overall cost of sales increased by approximately RMB39.6 million or approximately 3.8% from approximately RMB1,031.6 million for 1H 2024 to approximately RMB1,071.2 million for 1H 2025. Such increase was mainly due to the combined effects of the following:

i. based on generally softer domestic and global demand, all major commodity resin and metal prices were relatively steady, there was no significant fluctuation of direct materials figures for the Reporting Period and the decrease basically reflects less consumption of raw materials due to decrease in revenue for 1H 2025. A small decrease in the proportion of raw material cost accounting for the cost of sales to 29.3% for the Reporting Period as there were increases of proportion of staff costs;

ii. during the Reporting Period, staff costs increased by approximately RMB32.3 million or 12.0% as comparing to 1H 2024, whereas our revenue decreased by approximately 5.4%. The increase was due to, inter alia, the following: (i) the basic minimum salary in Huizhou area increased by 7.5% since early 2025; (ii) one-off statutory redundancy payments paid for the staff in relation to the closing down of the two old electropainting production lines in 1H 2025; and (iii) increase in the staff costs for the newly recruited team during 2024 located at our Jiujiang production bases; and

iii. overheads amounted to approximately RMB456.5 million for 1H 2025, representing an increase of approximately RMB21.5 million or approximately 4.9% from approximately RMB435.0 million for 1H 2024. The increase was mainly due to the combined effects of (i) additional air shipment cost borne by Xin Point as our factories were not able to meet the sudden increased product delivery demands from some of our U.S. customers during the early period when additional tariffs were imposed; and (ii) the Group's advance payments of additional tariffs on our U.S. exported products, which are to be recovered from most of our customers in the U.S..

GROSS PROFIT

As discussed above, the staff costs and factory overheads increased, while there was a decline of the Group's revenue recorded due to the auto market fluctuations in 1H 2025, the Group's gross profit margin decreased from 37.3% in 1H 2024 to a gross profit margin of 31.2% for the Reporting Period. The gross profit was approximately RMB486.0 million and approximately RMB614.8 million for 1H 2025 and 1H 2024 respectively, representing a decrease of approximately 20.9%. The decrease was mainly the result of:

i. the Group experienced a decrease in revenue of 5.4% for 1H 2025 as compared with the same period in 2024 mainly due to the U.S. tariffs which are shaking up the global automobile industry. As discussed above, our revenue within local China and EU regions was affected due to the fact that Xin Point has been focusing on local Chinese joint venture customers and the EU automobile market which are still yet to recover;

ii. on the other hand, cost of sales increased: especially, there were increased staff costs and some extra one-off burdens associated with the rapid changing external environment and the tariff headwinds; and

iii. there is slight over-capacity of our Group's spray-painting facilities and under-utilisation of our Mexico and Jiujiang production facilities, as the result of delays in new projects and orders caused by recent trade disputes that pose large uncertainty towards the global automotive market. Xin Point estimates that the headwind is easing with a strong global growth backdrop, a less-than-expected, long-term inflationary impact of the tariffs and a general easing in financial conditions. Our management team is also implementing short term measures, including but not limited to re-organising our work forces, in order to minimise such cost.

OTHER INCOME AND GAINS

Other income and gains mainly represented bank interest income, exchange gains, income from sale of scraps and testing fee income. There was an increase in other income and gains due to the fact that an exchange gain of approximately RMB17.7 million was recorded arising from the fluctuation of Mexican Peso during the Reporting Period (1H 2024: exchange loss of approximately RMB7.5 million accounted for as administrative expenses, see below).

SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses decreased by approximately RMB1.7 million or approximately 3.5% to approximately RMB49.2 million for 1H 2025 from approximately RMB51.0 million for 1H 2024. The decrease was mainly due to tighter controls on business development expenses during the Reporting Period.

ADMINISTRATIVE EXPENSES

No material fluctuation of administrative expenses for 1H 2025 as compared with those for the same period in 2024, such expenses slightly increased by approximately RMB4.1 million or approximately 2.1% to approximately RMB196.0 million for 1H 2025 from approximately RMB191.9 million for 1H 2024. The increase was primarily due to the net effects of the following: (i) an increase in the staff costs in relation to retention of administrative staff; (ii) a slight increase in depreciation and amortization of fixed assets; and (iii) the Group recorded net exchange gain of approximately RMB17.7 million for 1H 2025 (accounted for as other income and gains, see above) whereas a net exchange loss of RMB7.5 million was recorded as administrative expenses in the corresponding period of last year.

PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

Profit attributable to owners of the Company for the Reporting Period decreased by around 25.0% from approximately RMB322.2 million for 1H 2024 to approximately RMB241.7 million for 1H 2025. The decrease was due to the combined effects of the following:

i. a decrease of approximately 5.4% in our revenue for 1H 2025 compared to 1H 2024, as the global auto industry is navigating a volatile trade environment, particularly influenced by U.S. trade tariffs;

ii. Xin Point recorded a decrease of gross profit from approximately RMB614.8 million for 1H 2024 to approximately RMB486.0 million for 1H 2025, as discussed above, the gross profit margin for 2025 was affected by the increased staff costs, payment of logistic costs and certain decreases in operating efficiencies;

iii. increase in other income and gains as there were exchange gains recorded during 1H 2025; and

iv. no withholding tax on dividends in China was incurred during 1H 2025, resulting in a decrease in the effective tax rate for 1H 2025 as compared with that for 1H 2024. RMB20.0 million withholding tax on dividends was paid in respect of one of the Group's wholly owned subsidiaries in China which made dividend payments to its shareholder during 1H 2024 while there were no such dividend payments made for the corresponding period in 2025.

Overall, basic earnings per share attributable to owners of the Company for 1H 2025 was approximately RMB24.1 cents, decreased by 24.9% as compared to that in 1H 2024 (1H 2024: approximately RMB32.1 cents).

TOTAL COMPREHENSIVE INCOME

Total comprehensive income for the Reporting Period attributable to owners of the Company was approximately RMB330.8 million (1H 2024: approximately RMB285.3 million), which comprised (a) profit for the Reporting Period attributable to owners of the Company of approximately RMB241.7 million (1H 2024: RMB322.2 million); and (b) other comprehensive income for the Reporting Period attributable to owners of the Company of approximately RMB89.1 million (1H 2024: comprehensive loss of approximately RMB36.9 million) which included unrealised gain on fair value changes of listed equity investment at fair value through other comprehensive income of approximately RMB17.4 million (1H 2024: loss of approximately RMB1.2 million).

LIQUIDITY AND FINANCIAL RESOURCES

For the Reporting Period, the Group's net cash inflow from operating activities amounted to approximately RMB503.3 million, as compared to approximately RMB420.8 million in 1H 2024.

All bank borrowings were repaid during 1H 2025 and there were no bank borrowings as at 30 June 2025 (31 December 2024: approximately RMB52.9 million).

As at 30 June 2025, gearing ratio was not available as all outstanding bank borrowings were fully repaid (gearing ratio, being total bank borrowing divided by total equity, as at 31 December 2024 was 1.5%).

The annual interest rate of bank borrowing during 1H 2025 was 1.8% (1H 2024: 1.8%).

INTERIM DIVIDEND

The Board resolved to pay an interim dividend of HK$0.2 per ordinary share of the Company ("**Share(s)**") for 1H 2025 (1H 2024: HK$0.2 per Share).

The interim dividend will be distributed on or around 24 October 2025 to shareholders of the Company (the "**Shareholders**") whose names appear on the register of members of the Company as at the close of business on 3 October 2025.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 29 September 2025 to 3 October 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the interim dividend expected to be paid on or around 24 October 2025, all transfers of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share register in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on 26 September 2025.

SHARE-BASED PAYMENTS

(a) Employee share option schemes

The Company has adopted two employee share option schemes, namely, the 2017 Share Option Scheme and the 2025 Share Option Scheme (both as defined below).

(i) The 2017 Share Option Scheme

A share option scheme (the "**2017 Share Option Scheme**") was adopted by written resolutions passed by the then Shareholders on 5 June 2017. Under the 2017 Share Option Scheme, the Directors may grant options to subscribe for the Shares to eligible participants, including without limitation, employees and directors of the Company and its subsidiaries.

Details of the movement in the share options granted under the 2017 Share Option Scheme during 1H 2025 are set out below:

	Outstanding options as at 1 January 2025	Options granted during the Reporting Period (Note 4)	Options exercised during the Reporting Period (Note 1)	Options lapsed or cancelled during the Reporting Period (Note 1)	Outstanding options as at 30 June 2025 (Note 2)	Date of grant	Exercise price (HK$ per share)	Weighted average closing price of the Shares immediately before the date on which the options were exercised (HK$)	Exercise period	Vesting period
Directors										
Mr. Ma Xiaoming	128,000	–	–	–	128,000	14 August 2018	3.45	–	from the respective vesting dates to 13 August 2028	Note 3
Mr. Meng Jun	102,000	–	(102,000)	–	–	14 August 2018	3.45	3.78	from the respective vesting dates to 13 August 2028	Note 3
Mr. Zhang Yumin	107,000	–	–	–	107,000	14 August 2018	3.45	–	from the respective vesting dates to 13 August 2028	Note 3
Mr. Liu Jun	107,000	–	–	–	107,000	14 August 2018	3.45	–	from the respective vesting dates to 13 August 2028	Note 3
Mr. He Xiaolu	96,000	–	(96,000)	–	–	14 August 2018	3.45	3.78	from the respective vesting dates to 13 August 2028	Note 3
Mr. Jiang Wei	38,000	–	–	–	38,000	14 August 2018	3.45	–	from the respective vesting dates to 13 August 2028	Note 3
Employees	11,508,000	–	(31,000)	(241,000)	11,236,000	14 August 2018	3.45	3.78	from the respective vesting dates to 13 August 2028	Note 3
Total	12,086,000	–	(229,000)	(241,000)	11,616,000					

Notes:

1. During 1H 2025, 229,000 share options were exercised, 241,000 share options lapsed and no share options were cancelled.

2. As at 30 June 2025, there were a total of 11,616,000 outstanding share options, of which all of the share options were vested.

3. Subject to individual annual performance target(s) and operational performance target(s) of the Group, the share options were vested in three tranches: 30% of the share options were vested on 26 April 2022; 30% of the share options were vested on 24 April 2023; and 40% of the share options were vested on 29 April 2024. The vesting period of the share options shall be from the date of grant to their respective vesting dates.

4. As at 1 January 2025, the total number of share options available for grant under the 2017 Share Option Scheme was 87,914,000. After the adoption of the 2025 Share Option Scheme and 2025 Share Award Scheme (both defined below) on 18 June 2025, the Company would not grant further options to subscribe for Shares under the 2017 Share Option Scheme. As at 30 June 2025, the total number of share options available for grant under the 2025 Share Option Scheme and share awards available for grant under the 2025 Share Award Scheme was 100,290,500.

(ii) The 2025 Share Option Scheme

A share option scheme (the "**2025 Share Option Scheme**") was adopted by the Company on 18 June 2025 as passed by the Shareholders in an extraordinary general meeting held on 18 June 2025 ("**EGM**"). In respect of the 2025 Share Option Scheme, the Board may, at its discretion, grant options to any eligible participants to subscribe for Shares, subject to the terms and conditions stipulated in its rules. The exercise price must be in compliance with the requirements under the Rules ("**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") and the rules of the 2025 Share Option Scheme.

No share options were granted, exercised, cancelled, or lapsed under the 2025 Share Option Scheme during the Reporting Period. No share options under the 2025 Share Option Scheme were outstanding as at 30 June 2025 and as of the date of this report.

The 2025 Share Option Scheme was adopted on 18 June 2025. As at 30 June 2025, the total number of share options available for grant under the 2025 Share Option Scheme and share awards available for grant under the 2025 Share Award Scheme was 100,290,500.

(b) Employee share award schemes

An employee share award scheme (the "**2025 Share Award Scheme**") was adopted by the Company on 18 June 2025 as passed by the Shareholders in the EGM and is administered by an independent trustee appointed by the Company. The vesting period of the awarded shares shall be determined by the Board pursuant to the rules of the 2025 Share Award Scheme.

No share awards were granted, cancelled, lapsed/forfeited, or vested under the 2025 Share Award Scheme during the Reporting Period. No awarded shares under the 2025 Share Award Scheme were outstanding as at 30 June 2025 and as of the date of this report.

The 2025 Share Award Scheme was adopted on 18 June 2025. As at 30 June 2025, the total number of share awards available for grant under the 2025 Share Award Scheme and share options available for grant under the 2025 Share Option Scheme was 100,290,500. The total number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the six months ended 30 June 2025 divided by the weighted average number of Shares (excluding treasury Shares) in issue for the six months ended 30 June 2025 was nil.

CAPITAL STRUCTURE

As at 30 June 2025, the issued share capital of the Company was approximately RMB87.5 million, equivalent to HK$100.0 million and divided into 1,003,134,000 Shares of HK$0.1 each (31 December 2024: approximately RMB87.5 million, equivalent to HK$100.0 million and divided into 1,002,905,000 Shares of HK$0.1 each).

SIGNIFICANT INVESTMENTS

During the Reporting Period, the Group did not hold any significant investments.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

During the Reporting Period, the principal capital expenditures of the Group were attributable to the additions of equipment at its existing production facilities. As part of the Group's future strategies, the Group's planned capital expenditures for its business operations will be primarily related to the construction and commencement of operations of its new production facilities. The Group anticipates that its capital expenditures will be financed by cash generated from its operations and bank borrowing.

Save as disclosed above, there are no other plans for material investments and capital assets as at the date of this report.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Reporting Period, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures.

PLEDGE OF ASSETS

As at 30 June 2025, certain right-of-use assets with a net book value in aggregate of approximately RMB12.8 million were pledged to financial institutions to secure general banking facilities (31 December 2024: RMB12.8 million).

EXPOSURE TO FOREIGN EXCHANGE RISK

Certain assets of the Group are denominated in foreign currencies such as U.S. dollars, Euros and Hong Kong dollars. The Group has not implemented any foreign currency hedging policy at the moment. However, continuous monitoring on the exposure to foreign exchange risk is being carried out by the management.

TREASURY POLICIES

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluation of the financial conditions of its clients.

To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

There are no important events affecting the Group which have occurred since the end of the Reporting Period and up to the date of this report.

CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

Capital commitments of the Group as at 30 June 2025 and 31 December 2024 were approximately RMB187.6 million and approximately RMB146.4 million, respectively, which were both attributable to the construction and acquisition of our new production bases and facilities. The Group did not have any significant contingent liabilities as at 30 June 2025 and 31 December 2024 respectively.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Notes	Six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
REVENUE	3	**1,557,185**	1,646,365
Cost of sales		**(1,071,153)**	(1,031,584)
Gross profit		**486,032**	614,781
Other income and gains		**51,271**	38,525
Selling and distribution expenses		**(49,225)**	(50,966)
Administrative expenses		**(195,955)**	(191,874)
Finance costs		**(1,917)**	(2,732)
Share of profit of an associate		**1,083**	707
Share of loss of a joint venture		**(488)**	(3,005)
PROFIT BEFORE TAX	4	**290,801**	405,436
Income tax expense	5	**(49,815)**	(84,304)
PROFIT FOR THE PERIOD		**240,986**	321,132
Attributable to:			
Owners of the parent		**241,716**	322,155
Non-controlling interests		**(730)**	(1,023)
		240,986	321,132
OTHER COMPREHENSIVE INCOME/(LOSS)			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**71,721**	(35,667)
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:			
Changes in fair value of a financial asset at fair value through other comprehensive income		**17,382**	(1,190)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**89,103**	(36,857)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**330,089**	284,275
Attributable to:			
Owners of the parent		**330,819**	285,298
Non-controlling interests		**(730)**	(1,023)
		330,089	284,275
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
— Basic	7	**RMB24.1 cents**	RMB32.1 cents
— Diluted	7	**RMB24.1 cents**	RMB32.1 cents

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	**1,828,768**	1,711,199
Right-of-use assets		**82,754**	95,955
Investment in an associate		**9,564**	8,481
Investment in a joint venture		—	488
Financial asset at fair value through other comprehensive income		**21,890**	4,508
Prepayments and deposits		**200,605**	188,464
Deferred tax assets		**13,506**	13,674
Total non-current assets		**2,157,087**	2,022,769
CURRENT ASSETS			
Inventories		**482,574**	556,068
Trade and bills receivables	8	**754,931**	716,839
Prepayments, deposits and other receivables		**210,013**	268,220
Tax recoverable		**7,363**	5,577
Cash and cash equivalents		**1,031,219**	780,876
Total current assets		**2,486,100**	2,327,580
CURRENT LIABILITIES			
Trade payables	9	**393,811**	392,208
Other payables and accruals		**294,822**	257,160
Interest-bearing bank borrowing		—	52,897
Lease liabilities		**28,697**	28,443
Tax payable		**92,227**	97,647
Dividend payable		**274,605**	—
Total current liabilities		**1,084,162**	828,355
NET CURRENT ASSETS		**1,401,938**	1,499,225
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,559,025**	3,521,994

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT LIABILITIES			
Deferred tax liabilities		**101**	15
Lease liabilities		**26,040**	39,869
Total non-current liabilities		**26,141**	39,884
Net assets		**3,532,884**	3,482,110
EQUITY			
Equity attributable to owners of the parent			
Issued capital	11	**87,506**	87,485
Reserves		**3,452,417**	3,400,934
		3,539,923	3,488,419
Non-controlling interests		**(7,039)**	(6,309)
Total equity		**3,532,884**	3,482,110

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

		Attributable to owners of the parent										
	Notes	Issued capital RMB'000	Share option reserve RMB'000	Fair value reserve of a financial asset at fair value through other comprehensive income RMB'000	Capital reserve RMB'000	Merger reserve RMB'000	Exchange fluctuation reserve RMB'000	Surplus reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2025		87,485	21,012	(37,421)	577,892	828	30,124	187,657	2,620,842	3,488,419	(6,309)	3,482,110
Profit for the period		–	–	–	–	–	–	–	241,716	241,716	(730)	240,986
Other comprehensive income for the period:												
Changes in fair value of a financial asset at fair value through other comprehensive income		–	–	17,382	–	–	–	–	–	17,382	–	17,382
Exchange differences on translation of foreign operations		–	–	–	–	–	71,721	–	–	71,721	–	71,721
Total comprehensive income for the period		–	–	17,382	–	–	71,721	–	241,716	330,819	(730)	330,089
Issue of shares upon the exercise of share options	11	21	(394)	–	1,108	–	–	–	–	735	–	735
Final 2024 dividend	6	–	–	–	–	–	–	–	(280,050)	(280,050)	–	(280,050)
Transfer of share option reserve upon the forfeiture of share options		–	(614)	–	–	–	–	–	614	–	–	–
At 30 June 2025 (unaudited)		87,506	20,004	(20,039)	579,000	828	101,845	187,657	2,583,122	3,539,923	(7,039)	3,532,884

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

		Attributable to owners of the parent										
	Note	Issued capital RMB'000	Share option reserve RMB'000	Fair value reserve of a financial asset at fair value through other comprehensive income RMB'000	Capital reserve RMB'000	Merger reserve RMB'000	Exchange fluctuation reserve RMB'000	Surplus reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2024		87,485	23,293	(38,051)	577,892	828	169,308	181,431	2,477,570	3,479,756	(4,498)	3,475,258
Profit for the period		–	–	–	–	–	–	–	322,155	322,155	(1,023)	321,132
Other comprehensive loss for the period:												
Changes in fair value of a financial asset at fair value through other comprehensive income		–	–	(1,190)	–	–	–	–	–	(1,190)	–	(1,190)
Exchange differences on translation of foreign operations		–	–	–	–	–	(35,667)	–	–	(35,667)	–	(35,667)
Total comprehensive income for the period		–	–	(1,190)	–	–	(35,667)	–	322,155	285,298	(1,023)	284,275
Final 2023 dividend	6	–	–	–	–	–	–	–	(233,364)	(233,364)	–	(233,364)
Transfer of share option reserve upon the forfeiture of share options		–	(2,061)	–	–	–	–	–	2,061	–	–	–
At 30 June 2024 (unaudited)		87,485	21,232	(39,241)	577,892	828	133,641	181,431	2,568,422	3,531,690	(5,521)	3,526,169

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Net cash flows from operating activities	**503,314**	420,768
Purchases of items of property, plant and equipment	**(143,785)**	(81,050)
Deposits paid for purchase of items of property, plant and equipment	**(39,005)**	(24,297)
Proceeds from disposal of items of property, plant and equipment	**2,077**	12,072
Investment in a joint venture	**—**	(3,759)
Net cash flows used in investing activities	**(180,713)**	(97,034)
Repayment of bank loans	**(51,377)**	(7,800)
Interest paid	**(494)**	(644)
Principal portion of lease payments	**(16,006)**	(15,432)
Proceeds from issue of shares upon exercise of share options	**735**	—
Net cash flows used in financing activities	**(67,142)**	(23,876)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**255,459**	299,858
Cash and cash equivalents at beginning of period	**780,876**	667,162
Effect of foreign exchange rate changes, net	**(5,116)**	10,996
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**1,031,219**	978,016

1. CORPORATE INFORMATION

Xin Point Holdings Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (2010 Revision) of the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

During the Reporting Period, the Company and its subsidiaries (collectively referred to as the "**Group**") were principally engaged in the manufacture and sale of automotive and electronic components.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("**HKAS 34**") as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period's financial information.

Amendments to HKAS 21	*Lack of Exchangeability*

The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

3. REVENUE

An analysis of revenue is as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue from contracts with customers		
Sale of automotive decorative components	**1,557,185**	1,646,365

Disaggregated revenue information for revenue from contracts with customers

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Type of goods		
Sale of goods	**1,557,185**	1,646,365
Total	**1,557,185**	1,646,365
Geographical markets		
China	**526,204**	574,110
North America	**783,052**	794,335
Europe	**154,318**	198,138
Other countries	**93,611**	79,782
Total	**1,557,185**	1,646,365
Timing of revenue recognition		
Goods transferred at a point in time	**1,557,185**	1,646,365
Total	**1,557,185**	1,646,365
Revenue from contracts with customers		
External customers	**1,557,185**	1,646,365
Total	**1,557,185**	1,646,365

4. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	**1,071,153**	1,031,584
Depreciation of property, plant and equipment	**112,199**	105,726
Depreciation of right-of-use assets	**15,637**	15,692
Impairment of trade and bills receivables	**1,551**	2,597
Write-down of inventories to net realisable value	**287**	551
Gain on disposal of items of property, plant and equipment, net*	**(939)**	(5,167)
Foreign exchange differences, net*	**(17,666)**	7,547

* These gains are included in "Other income and gains" and the losses are included in "Administrative expenses", as appropriate, in the interim condensed consolidated statement of profit or loss and other comprehensive income.

5. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (six months ended 30 June 2024: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (six months ended 30 June 2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (six months ended 30 June 2024: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, except for two subsidiaries of the Group which qualified as High and New Technology Enterprise in Mainland China and a lower corporate income tax rate of 15% (six months ended 30 June 2024: 15%) has been applied for the period.

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current:		
Charge for the period		
Hong Kong	**19,358**	24,969
Elsewhere	**30,163**	62,493
Overprovision in prior years	**(116)**	(975)
Deferred	**410**	(2,183)
Total tax charge for the period	**49,815**	84,304

6. DIVIDENDS

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
2024 final dividend declared - HK$0.30 (2023 final dividend declared: HK$0.25) per ordinary share	**280,050**	233,364

On 28 August 2025, the board of directors declared an interim dividend of HK$0.20 (six months ended 30 June 2024: HK$0.20) per ordinary share, amounting to a total of approximately RMB184,056,000 (six months ended 30 June 2024: RMB182,873,000).

7. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

Basic earnings per share are calculated by dividing the profit attributable to the ordinary equity holders of the parent by the weighted average number of shares outstanding during the six months ended 30 June 2025 and 2024 respectively.

The calculation of the diluted earnings per share amount for the six months ended 30 June 2025 is based on the profit attributable to the ordinary equity holders of the parent and the total of (i) the weighted average number of ordinary shares as used in the basic earnings per share calculation, and (ii) the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

No adjustment had been made to the basic earnings per share amounts presented for the six months ended 30 June 2024 in respect of a dilution as the impact of share options outstanding had no dilutive effect on the basic earnings per share amount presented.

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Profit for the period attributable to the ordinary equity holders of the parent for the purpose of basic and diluted earnings per share calculation	**241,716**	322,155

	Number of shares	Number of shares
Weighted average number of ordinary shares outstanding during the period used in the basic earnings per share calculation	**1,002,920,182**	1,002,905,000
Effect of dilution - weighted average number of ordinary shares:		
Share options	**1,607,217**	—
Weighted average number of ordinary shares outstanding during the period used in the diluted earnings per share calculation	**1,004,527,399**	1,002,905,000

8. TRADE AND BILLS RECEIVABLES

An ageing analysis of the trade and bills receivables as at the end of each reporting period, based on the invoice date and net of provision, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 month	**469,988**	311,909
1 to 2 months	**168,532**	222,945
2 to 3 months	**84,476**	126,791
Over 3 months	**31,935**	55,194
	754,931	716,839

The Group's trading terms with its customers are mainly on credit. The credit period is generally one to four months. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade and bills receivables relate to a large number of customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade and bills receivable balances. Trade and bills receivables are non-interest-bearing.

9. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of each reporting period, based on the invoice date, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 month	**249,161**	215,418
1 to 2 months	**63,945**	73,366
2 to 3 months	**39,518**	14,615
Over 3 months	**41,187**	88,809
	393,811	392,208

Trade payables are non-interest-bearing and are normally settled on terms of 30 to 60 days.

Included in trade payables is an amount due to an associate of RMB10,089,000 (31 December 2024: RMB8,901,000), which is unsecured, interest-free and repayable on demand.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired items of property, plant and equipment at costs of RMB182,790,000 (six months ended 30 June 2024: RMB91,465,000).

Items of property, plant and equipment with an aggregate net book value of RMB10,343,000 (six months ended 30 June 2024: RMB6,905,000) were disposed of by the Group during the six months ended 30 June 2025.

In addition, there was no impairment for items of property, plant and equipment (six months ended 30 June 2024: Nil) for six months ended 30 June 2025.

11. ISSUED CAPITAL

	Number of shares	Nominal value of ordinary shares in HK$'000	Nominal value of ordinary shares in RMB'000
Authorised:			
At 30 June 2025 and 31 December 2024	20,000,000,000	2,000,000	1,737,619

	Number of shares in issue	Share capital RMB'000
Issued and fully paid:		
At 1 January 2024, 31 December 2024 and 1 January 2025	1,002,905,000	87,485
Share options exercised (note)	229,000	21
At 30 June 2025	1,003,134,000	87,506

Note: During the six months ended 30 June 2025, 229,000 share options (six months ended 30 June 2024: Nil) were exercised at the exercise price of HK$3.45 (six months ended 30 June 2024: Nil) per share, resulting in the issue of 229,000 (six months ended 30 June 2024: Nil) new ordinary shares of HK$0.1 each for a total cash consideration of HK$790,000 (RMB735,000).

12. COMMITMENTS

The Group had the following capital commitments at the end of the Reporting Period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Contracted but not provided for:		
Plant and equipment	21,572	146,420
Capital contributions to a joint venture	31,201	31,201
	52,773	177,621

13. RELATED PARTY TRANSACTIONS

(a) The Group had the following transactions with a related party during the period:

		Six months ended 30 June	
	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Purchase of tooling:			
Wuxi JingXing Precision Mould Company Limited	(i), (ii)	14,560	9,623

Notes:

(i) The transactions were conducted in accordance with the terms and conditions mutually agreed by both parties.

(ii) Wuxi JingXing Precision Mould Company Limited is an associate of the Group.

(b) Compensation of key management personnel of the Group:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Short term employee benefits	15,052	12,610
Post-employment benefits	335	254
Total compensation paid to key management personnel	15,387	12,864

14. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each of the reporting periods are as follows:

As at 30 June 2025

Financial assets

	Financial asset at fair value through other comprehensive income	Financial assets at amortised cost	Total
	Equity investment RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Trade and bills receivables	—	754,931	754,931
Financial assets included in prepayments, deposits and other receivables	—	31,100	31,100
Financial asset at fair value through other comprehensive income	21,890	—	21,890
Cash and cash equivalents	—	1,031,219	1,031,219
	21,890	1,817,250	1,839,140

Financial liabilities

	Financial liabilities at amortised cost RMB'000 (Unaudited)
Trade payables	393,811
Financial liabilities included in other payables and accruals	70,625
Lease liabilities	54,737
Dividend payable	274,605
	793,778

14. FINANCIAL INSTRUMENTS BY CATEGORY *(continued)*

As at 31 December 2024

Financial assets

	Financial asset at fair value through other comprehensive income Equity investment RMB'000 (Audited)	Financial assets at amortised cost RMB'000 (Audited)	Total RMB'000 (Audited)
Trade and bills receivables	—	716,839	716,839
Financial assets included in prepayments, deposits and other receivables	—	44,960	44,960
Financial asset at fair value through other comprehensive income	4,508	—	4,508
Cash and cash equivalents	—	780,876	780,876
	4,508	1,542,675	1,547,183

Financial liabilities

	Financial liabilities at amortised cost RMB'000 (Audited)
Trade payables	392,208
Financial liabilities included in other payables and accruals	41,314
Interest-bearing bank borrowing	52,897
Lease liabilities	68,312
	554,731

15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)	**30 June 2025 RMB'000 (Unaudited)**	31 December 2024 RMB'000 (Audited)
Financial asset				
Financial asset at fair value through other comprehensive income	**21,890**	4,508	**21,890**	4,508
Financial liability				
Interest-bearing bank borrowing	**—**	52,897	**—**	52,897

Management has assessed that the fair values of cash and cash equivalents, trade and bills receivables, trade payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, dividend payable, and interest-bearing bank borrowing approximate to their carrying amounts were largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included in the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of a financial asset at fair value through other comprehensive income is based on quoted market prices.

The fair values of other financial assets and financial liabilities carried at amortised cost are approximated to their carrying amounts.

15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 June 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Financial asset at fair value through other comprehensive income	**21,890**	**—**	**—**	**21,890**

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000 (Audited)	Significant observable inputs (Level 2) RMB'000 (Audited)	Significant unobservable inputs (Level 3) RMB'000 (Audited)	Total RMB'000 (Audited)
Financial asset at fair value through other comprehensive income	4,508	—	—	4,508

During the six months ended 30 June 2025, there were no transfers of fair value measurement between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (31 December 2024: Nil).

16. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 28 August 2025.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2025, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of the associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**"), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules are as follows:

Long positions in the Shares and underlying Shares:

Name of Directors	Capacity and nature of interest	Total number of Shares and underlying Shares	Approximate percentage of the total issued share capital of the Company (%)
Mr. Ma Xiaoming ("**Mr. Ma**")	Interest of controlled corporation	737,186,750 (Note 1)	
	Beneficial owner	14,635,000 (Note 2)	
	Total	751,821,750	74.95
Mr. Meng Jun	Beneficial owner	482,000	0.05
Mr. Zhang Yumin	Beneficial owner	507,000 (Note 3)	0.05
Mr. Liu Jun	Beneficial owner	107,000 (Note 4)	0.01
Mr. He Xiaolu	Beneficial owner	96,000	0.01
Mr. Jiang Wei	Beneficial owner	38,000 (Note 4)	0.01

Long positions in the shares of associated corporation:

Name of Director	Name of associated corporation	Percentage of interest (%)
Mr. Ma	Green Pinnacle Holdings Limited ("**Green Pinnacle**") (Note 1)	100

Notes:

1. The 737,186,750 Shares are beneficially held by Green Pinnacle which is wholly owned by Mealth (PTC) Limited ("**Mealth PTC**"). Both Green Pinnacle and the Shares owned by it form part of the trust assets of the Mealth Discretionary Trust, which was established by Mr. Ma as settlor and whose trustee is Mealth PTC. The Mealth Discretionary Trust is a discretionary trust and its discretionary objects include Mr. Ma, Mr. Ma's family members, certain Directors, namely, Mr. He Xiaolu, Mr. Meng Jun, Mr. Liu Jun and Mr. Zhang Yumin and the other beneficiaries. By virtue of the SFO, Mr. Ma is deemed to be interested in the 737,186,750 Shares and the shares in Green Pinnacle held by Mealth PTC in his capacity of settlor of the Mealth Discretionary Trust.
2. Among the 14,635,000 Shares and underlying Shares, 14,507,000 Shares are beneficially held by Mr. Ma. The remaining 128,000 underlying Shares represent the maximum number of Shares which may be allotted and issued to Mr. Ma upon the exercise of the share options granted to him under the 2017 Share Option Scheme.
3. Among the 507,000 Shares and underlying Shares, 400,000 Shares are beneficially held by Mr. Zhang Yumin. The remaining 107,000 underlying Shares represent the maximum number of Shares which may be allotted and issued to Mr. Zhang Yumin upon the exercise of the share options granted to him under the 2017 Share Option Scheme.
4. These represent the maximum number of Shares which may be allotted and issued to such Directors upon the exercise of the share options granted to each of them under the 2017 Share Option Scheme.

Save as disclosed above and to the best knowledge, information and belief of the Directors, as at 30 June 2025, none of the Directors or the chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

During the Reporting Period, none of the Company, any of its subsidiaries and associated corporations was a party to any arrangement to enable the Directors and the chief executive of the Company (including their respective close associates) to acquire benefits by means of the acquisition of the shares or underlying shares in, or debentures of, the Company or any of its associated corporations.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2025, so far as are known to the Board, the following persons or parties (other than any Directors or chief executive of the Company) held interests or short position in the Shares and underlying Shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in the Shares and underlying Shares:

Name of Shareholders	Capacity and nature of Interest	Total number of Shares and underlying Shares	Approximate percentage of the total issued share capital of the Company (%)
Green Pinnacle (Note 1)	Beneficial owner	737,186,750	73.49
Mealth PTC (Note 1)	Interest of a controlled corporation and trustee	737,186,750	73.49
Zhu Junhua (Note 2)	Interest of spouse	751,821,750	74.95

Notes:

1. 737,186,750 Shares are beneficially held by Green Pinnacle, which is wholly owned by Mealth PTC. Both Green Pinnacle and the Shares owned by it form part of the trust assets of the Mealth Discretionary Trust, which was established by Mr. Ma as settlor and whose trustee is Mealth PTC. By virtue of the SFO, Mealth PTC is deemed to be interested in the 737,186,750 Shares held by Green Pinnacle.

2. Ms. Zhu Junhua is the spouse of Mr. Ma and accordingly she is deemed to be interested in the aggregate of 751,821,750 Shares and underlying Shares in which Mr. Ma is interested by virtue of the SFO.

Save as disclosed above, as at 30 June 2025, the Directors were not aware that any persons/entities (other than any Directors or chief executive of the Company) had an interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which had recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had 5,201 employees (31 December 2024: 5,212 employees), among which 4,221, 8, 21, 9, 921, 19 and 2 staff members were employed in Mainland China, Hong Kong, the US, Germany, Mexico, Malaysia and United Arab Emirates, respectively. The remuneration and staff costs for the Reporting Period were approximately RMB417.5 million (1H 2024: approximately RMB382.6 million).

The salaries of the Group's employees largely depend on their type and level of work as well as their length of service with the Group. They receive social welfare benefits and other benefits including social insurance. As required by the relevant laws and regulations on social insurance in relevant jurisdictions, the Company participates in the social insurance schemes operated by the relevant local government authorities which include retirement pension, medical insurance, unemployment insurance, industrial injuries insurance and maternity insurance in the countries where the Group operates.

The Directors and senior management of the Company receive compensation in the form of salaries, benefits in kind and/or discretionary bonuses relating to the performance of the Group. The Company also reimburses them for expenses which are necessarily and reasonably incurred for providing services to the Company or executing their functions in relation to its operations. The Company regularly reviews and determines the remuneration and compensation packages of the Directors and senior management.

Further, the remuneration committee of the Board reviews the remuneration and compensation packages of the Directors and senior management with reference to salaries paid by comparable companies, time commitment and responsibilities of the Directors and senior management and performance of the Group.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company or any of its subsidiaries did not purchase, sell or redeem any of its listed securities (including sale of treasury shares) during the Reporting Period.

As at 30 June 2025, the Company did not hold any treasury shares.

COMPLIANCE WITH THE CG CODE

The Board and the Company's management are committed to maintaining high standards of corporate governance. The Board firmly believes that conducting the Group's business in a transparent and responsible manner and following good corporate governance practices serve the Group's long-term interests and those of the Shareholders. The Board considers that the Company has complied with all the code provisions of the Corporate Governance Code (the "**CG Code**") as contained in Part 2 of Appendix C1 to the Listing Rules for the Reporting Period.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors. In response to a specific enquiry made by the Company, all Directors confirmed that they had complied with the Model Code for the Reporting Period.

REVIEW BY AUDIT COMMITTEE

The Company has established an audit committee of the Board (the "**Audit Committee**") with written terms of reference in compliance with the CG Code. The Audit Committee comprises all three independent non-executive Directors, namely Mr. Tang Chi Wai (committee chairman), Mr. Gan Weimin and Prof. Cao Lixin. The Audit Committee has reviewed the Group's unaudited interim condensed consolidated financial information for 1H 2025. Based on such review and discussions with the management, the Audit Committee was satisfied that the financial information was prepared in accordance with applicable accounting standards and fairly presented the Group's financial position and results for 1H 2025.