京西重工國際有限公司

BEIJINGWEST INDUSTRIES INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2339)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board of directors (the "**Board**") of BeijingWest Industries International Limited (the "**Company**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2026. These interim results have been reviewed by the Company's Audit Committee.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		(unaudited)	(unaudited)
	Notes	***HK$'000***	*HK$'000*
REVENUE	*3*	**1,535,050**	1,627,054
Cost of sales	*4*	**(1,379,094)**	(1,478,401)
Gross profit		**155,956**	148,653
Selling and distribution expenses	*4*	**(13,144)**	(11,515)
Administrative expenses	*4*	**(84,482)**	(86,533)
Research and development expenses	*4*	**(89,178)**	(90,828)
Reversal of/(Provision for) impairment losses on financial assets		**1,763**	(1,153)
Other income	*5*	**26,291**	21,609
Other (losses)/gains – net	*6*	**(7,698)**	11,406
Other expenses		**(9,827)**	(5,285)
OPERATING LOSS		**(20,319)**	(13,646)
Finance costs	*7*	**(12,442)**	(6,685)
LOSS BEFORE TAX		**(32,761)**	(20,331)
Income tax expense	*8*	**(5,882)**	(9,378)
LOSS FOR THE INTERIM PERIOD		**(38,643)**	(29,709)
Attributable to:			
Owners of the Company		**(38,643)**	(29,709)
LOSSES PER SHARE ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY			
Basic and diluted *(HK cents per share)*	*9*	**(3.22)**	(3.45)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
LOSS FOR THE INTERIM PERIOD	**(38,643)**	(29,709)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**19,518**	69,013
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Remeasurement gain/(loss) on defined benefit plans – net of tax	**3,748**	(3,491)
OTHER COMPREHENSIVE INCOME FOR THE INTERIM PERIOD, NET OF INCOME TAX	**23,266**	65,522
TOTAL COMPREHENSIVE (EXPENSE)/INCOME FOR THE INTERIM PERIOD	**(15,377)**	35,813
Attributable to:		
Owners of the Company	**(15,377)**	35,813

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	**30 June 2026 (unaudited) *HK$'000***	31 December 2025 (audited) *HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**511,892**	545,490
Right-of-use assets		**253,428**	254,656
Goodwill		**621**	594
Deferred tax assets		**19,503**	14,209
Other non-current assets		**157,693**	192,853
Total non-current assets		**943,137**	1,007,802
Current assets			
Inventories		**184,177**	267,397
Trade receivables from third parties	*11*	**420,794**	269,046
Trade receivables from related parties	*12*	**162,422**	92,449
Income tax recoverable		**8,453**	14,677
Prepayments, other receivables and other assets	*13*	**132,581**	120,175
Cash and cash equivalents		**656,926**	142,718
Total current assets		**1,565,353**	906,462
Total assets		**2,508,490**	1,914,264
LIABILITIES			
Current liabilities			
Trade payables to third parties	*14*	**379,645**	431,809
Trade payables to related parties	*15*	**24,074**	89,638
Contract liabilities, other payables and accruals	*16*	**235,774**	181,981
Income tax payables		**2,842**	9,184
Defined benefit obligations		**5,096**	4,010
Lease liabilities		**25,634**	43,356
Provisions		**13,222**	9,122
Convertible bonds	*17*	**399,486**	–
Total current liabilities		**1,085,773**	769,100

	Notes	30 June 2026 (unaudited) HK$'000	31 December 2025 (audited) HK$'000
Net current assets		**479,580**	137,362
Total assets less current liabilities		**1,422,717**	1,145,164
Non-current liabilities			
Contract liabilities		**12,850**	31,687
Defined benefit obligations		**107,598**	112,528
Lease liabilities		**230,406**	231,295
Deferred tax liabilities		**158**	-
Total non-current liabilities		**351,012**	375,510
Total liabilities		**1,436,785**	1,144,610
NET ASSETS		**1,071,705**	769,654
EQUITY			
Equity attributable to owners of the Company			
Issued capital	*18*	**129,226**	86,151
Reserves		**942,479**	683,503
Total equity		**1,071,705**	769,654
Total equity and liabilities		**2,508,490**	1,914,264

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1. GENERAL INFORMATION

1.1 CORPORATE AND GROUP INFORMATION

BeijingWest Industries International Limited (the "**Company**") is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of the Cayman Islands. Its registered office address is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

During the period, the Company and its subsidiaries (collectively the "**Group**") were principally involved in the manufacturing, sale and trading of automotive parts and components, and the provision of technical services.

BWI Company Limited ("**BWI HK**") and BWI (Beijing) Limited ("**京西智行(北京)汽車電子科技有限公司**") ("**BWI Beijing**") are immediate and intermediate holding companies of the Company, which are incorporated in Hong Kong and the People's Republic of China (The "**PRC**") with limited liability, respectively.

In the opinion of the Directors of the Company, the ultimate holding company of the Company is Zhangjiakou Industrial Investment Holding Group Co., Ltd. ("**Zhangjiakou Holding**"), which is a state-owned enterprise established in the PRC.

During the period, Luxshare Precision Industry Co., Limited entered into a sale and purchase agreement with Zhangjiakou Holding and acquired all the shares of the Company held by Zhangjiakou Holding. As of the date of this announcement, the transaction has not yet been completed.

The interim condensed consolidated financial information has been reviewed by the external auditor of the Company.

2. BASIS OF PREPARATION AND SUMMARY OF ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 (the "**interim financial information**") has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 Interim Financial Reporting.

The interim condensed consolidated financial information does not include all of the notes normally included in annual consolidated financial statements. Accordingly, this interim condensed consolidated financial information should be read in conjunction with the Company's annual consolidated financial statements for the year ended 31 December 2025, which have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants.

The interim condensed consolidated financial information are presented in Hong Kong Dollar ("**HK$**") and all values are rounded to the nearest thousand, except when otherwise indicated.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of the amended standards as set out below.

2.2 CHANGES IN ACCOUNTING POLICIES

(a) Amended standards adopted by the Group

The interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with the accounting policies adopted in the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the following amended HKFRS Accounting Standards which are effective as of 1 January 2026.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

The adoption of these amended HKFRS Accounting Standards had no material impact on how the results and financial position of the Group for the current and prior periods have been prepared and presented.

(b) New and amended HKFRS Accounting Standards and interpretations not yet adopted

Certain new and amended HKFRS Accounting Standards as below have been published that are not mandatory for 30 June 2026 reporting period and have not been early adopted by the Group.

	Effective for accounting periods beginning on or after
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to Hong Kong Interpretation 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
HKFRS 19 – Subsidiaries without Public Accountability: Disclosures and related amendments	1 January 2027
Amendments to HKAS 21 – Translation to a Hyperinflationary Presentation Currency	1 January 2027
HKFRS 20 - Regulatory Assets and Regulatory Liabilities	1 January 2029
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

These new and amended HKFRS Accounting Standards and interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions, except that the adoption of HKFRS 18 upon its effective date is expected to have certain pervasive impact on the presentation and disclosures of the Group's consolidated financial statements.

(c) New material accounting policies adopted

Convertible bonds

Convertible bonds that can be converted to share capital at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain both a liability component and an equity component.

Convertible bond issued by the Group that contain both financial liability and equity components are classified separately into respective liability and equity components on initial recognition. On initial recognition, the fair value of the liability component is determined using the prevailing market interest rate for similar non-convertible debts. The difference between the proceeds of the issue of the convertible bond and the fair value assigned to the liability component, representing the call option for conversion of the bond into equity, is included in equity as convertible bond equity reserve.

The liability component is subsequently carried at amortised cost using the effective interest method. The equity component will remain in equity until conversion or redemption of the bond.

When the bond is converted, the equity component of convertible bond and the carrying value of the liability component at the time of conversion are transferred to share capital as consideration for the shares issued. If the bond is redeemed, the convertible bond equity reserve is released directly to retained profits.

3. REVENUE AND SEGMENT INFORMATION

An operating segment is a component of an entity that engages in business activities from which revenues are earned and expenses are incurred, and is identified on the basis of the internal financial reports that are regularly reviewed by the chief operating decision maker (the "**CODM**") in order to allocate resources and assess performance of the segment. The CODM has been identified as the Executive Directors of the Company.

For the periods presented, as the Group's business activities are mainly in the manufacturing, sale and trading of automotive parts and components, and the provision of technical services. The performance of the Group is reviewed by the CODM as a whole, thus it is concluded that the Group has only one single reportable segment. Therefore, no analysis by reportable segment is presented.

(a) Revenue from contracts with customers

i. Products and services

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Sale of industrial products and others	**1,465,613**	1,527,434
Technical service income	**69,437**	99,620
	1,535,050	1,627,054

The revenue as presented above is net of any volume rebates or discounts offered to customers as estimated based on the terms as set out in the respective sales contracts.

ii. Timing of revenue recognition

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Revenue recognised		
at a point of time	**1,533,169**	1,623,985
over time	**1,881**	3,069
	1,535,050	1,627,054

(b) Geographical information

(i) Revenue from external customers

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Germany	**437,765**	455,294
United Kingdom	**386,501**	366,093
United States	**209,999**	327,707
Mainland China	**16,106**	114,960
Other countries	**484,679**	363,000
	1,535,050	1,627,054

The revenue information above is based on the locations of the customers.

(ii) Non-current assets

	30 June	31 December
	2026	2025
	(unaudited)	(audited)
	HK$'000	*HK$'000*
Poland	**819,422**	833,407
Czech	**–**	64,914
Other countries	**104,212**	95,272
	923,634	993,593

The non-current assets' information above is based on the locations of the assets and excludes deferred tax assets.

(c) Information about major customers

During the reporting period, the revenues which were generated from two (six months ended 30 June 2025: two) of the Group's external customers and were individually accounted for more than 10% of the Group's total revenue are as follows:

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Customer A	**289,121**	284,160
Customer B	**232,270**	238,350
	521,391	522,510

4. EXPENSES BY NATURE

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Costs of raw materials sold and consumed	**1,027,183**	950,732
Employee benefit expense	**285,690**	392,276
Provisions and losses arising from the planned closure of the Czech Plant	**–**	73,636
Utility fees	**41,258**	56,909
Depreciation expense	**55,219**	54,502
Freight (including inbound costs, customs duties and brokerage fee)	**33,806**	30,574
Technical service fee	**30,244**	30,168
Development and trial expense	**31,542**	22,852
Tax and surcharges	**5,824**	8,284
Travelling and entertainment expenses	**7,571**	8,106
Warranty expense	**8,087**	5,025
Others	**39,474**	34,213
	1,565,898	1,667,277

5. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Profit from sales of scrap materials, prototypes and samples	**18,537**	15,696
Bank interest income	**4,184**	172
Others	**3,570**	5,741
	26,291	21,609

6. OTHER (LOSSES)/GAINS – NET

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Foreign exchange differences, net	**(7,880)**	12,254
Gain/(Loss) on disposal of property, plant and equipment, net	**182**	(848)
	(7,698)	11,406

7. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Interest on defined benefit plans	**1,879**	2,400
Interest on lease liabilities	**4,540**	4,285
Interest on convertible bonds	**6,023**	–
	12,442	6,685

8. INCOME TAX

No provision for Hong Kong profits tax has been made for the six months ended 30 June 2026 as the Group did not generate any assessable profits arising in Hong Kong during the period (six months ended 30 June 2025: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates. The rates of tax prevailing in the countries in which the Group operates include:

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
Luxembourg	**23.87%**	24.94%
Poland	**19.00%**	19.00%
France	**25.00%**	25.00%
Germany	**30.53%**	30.53%
Italy	**27.90%**	27.90%
Czech	**21.00%**	21.00%

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Current income tax expense	**11,278**	12,560
Deferred tax	**(5,396)**	(3,182)
Total tax charge for the period	**5,882**	9,378

9. LOSSES PER SHARE

The calculation of the basic losses per share amounts is based on the loss for the period attributable to ordinary shareholders of the Company, and the weighted average number of ordinary shares of 1,198,932,804 (six months ended 30 June 2025: 861,508,602) in issue during the period.

For the period ended 30 June 2026, the calculation of diluted losses per share does not assume the conversion of outstanding convertible bonds because the assumed conversion of those convertible bonds would have anti-dilutive effect on the basic losses per share.

10. DIVIDEND

The Board did not declare an interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

11. TRADE RECEIVABLES FROM THIRD PARTIES

	30 June 2026 (unaudited)	31 December 2025 (audited)
	HK$'000	*HK$'000*
Trade receivables	**422,381**	272,352
Less: provision for impairment losses	**(1,587)**	(3,306)
	420,794	269,046

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one to three months for the customers. Each third party customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has control to minimise the credit risk. Overdue balances are reviewed regularly by senior management. Concentrations of credit risk are managed by analysis of customer. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.

An ageing analysis of the trade receivables from third parties as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
	HK$'000	*HK$'000*
Within 3 months	**420,794**	269,046

12. TRADE RECEIVABLES FROM RELATED PARTIES

An ageing analysis of the trade receivables from related parties as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
	HK$'000	*HK$'000*
Within 3 months	**115,152**	83,942
3 months to 1 year	**47,270**	8,507
	162,422	92,449

The Group's trading terms with its related parties are mainly on credit. The Group does not hold any collateral or other credit enhancements over its trade receivable balances from related parties.

13. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	30 June 2026 (unaudited) *HK$'000*	31 December 2025 (audited) *HK$'000*
Input value-added tax	**61,242**	74,519
Prepayments	**29,575**	6,028
Deposits, other receivables and others	**19,841**	13,376
Contract fulfillment cost – current	**21,923**	26,252
	132,581	120,175

14. TRADE PAYABLES TO THIRD PARTIES

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

	30 June 2026 (unaudited) *HK$'000*	31 December 2025 (audited) *HK$'000*
Within 3 months	**373,698**	426,840
3 months to 1 year	**1,511**	4,343
Over 1 year	**4,436**	626
	379,645	431,809

The trade payables are non-interest-bearing and are normally settled on 30 to 90 days' terms.

15. TRADE PAYABLES TO RELATED PARTIES

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

	30 June 2026 (unaudited) *HK$'000*	31 December 2025 (audited) *HK$'000*
Within 1 year	**23,622**	39,976
Over 1 year	**452**	49,662
	24,074	89,638

16. CONTRACT LIABILITIES, OTHER PAYABLES AND ACCRUALS

	30 June 2026 (unaudited)	31 December 2025 (audited)
	HK$'000	*HK$'000*
Contract liabilities *(Note (a))*	**44,070**	31,687
Accrual of rebates *(Note (c))*	**19,736**	28,574
Other creditors and accruals *(Note (d))*	**89,672**	44,041
Other tax payables	**7,063**	20,898
Accrued salaries, wages, severances and benefits	**88,083**	88,468
	248,624	213,668
Non-current portion of contract liabilities	**(12,850)**	(31,687)
Current portion of contract liabilities, other payables and accruals	**235,774**	181,981

Note:

(a) Liabilities related to contracts with customers:

	30 June 2026 (unaudited)	31 December 2025 (audited)
	HK$'000	*HK$'000*
Contract liabilities in respect of engineering technical service to be delivered	**44,070**	31,687

(b) Revenue recognised in relation to contract liabilities

Contract liabilities include short-term and long-term advances received before delivering of technical services.

Revenue recognised during the six months ended 30 June 2026 that was included in the contract liability balance at the beginning of the period amounted to HK$1,881,000 (six months ended 30 June 2025: HK$2,536,000).

(c) The balance represents the accrual of volume rebates payable to the customers which are estimated based on the terms as set out in the relevant sales contracts and the amount will be settled with the customers on a regular basis.

(d) Other creditors are unsecured, non interest-bearing and repayable on demand.

17. CONVERTIBLE BONDS

	30 June 2026 (unaudited)	31 December 2025 (audited)
	HK$'000	*HK$'000*
Current		
Convertible bonds	**399,486**	–

The interest-free convertible bonds were issued on 9 February 2026. The bond is denominated in HK$, with an aggregate principal amount of HK$409,388,887 and were fully subscribed by BWI HK.

The bonds are convertible into ordinary shares of the Company at the discretion of the bondholders at any time between three months after the date of issue of the bonds and up to five business days before the maturity date. The bondholder has the right to convert the convertible bonds into ordinary shares of the Company at a conversion price of HK$0.704 per share, subject to adjustments clauses under the terms of the convertible bonds. The conversion is subject to the listing rules governing the exercise of convertible bonds and the public float requirement.

If the bonds have not been converted, they will be redeemed on the 360th day from the date of issue at a price of HK$0.704 per share.

The Group has engaged an independent external valuation specialist to assist the management to measure the fair value of the liability component of the convertible bond. On initial recognition, the fair value of the liability component, included in the convertible bonds, was calculated using a market interest rate of 3.98% for an equivalent non-convertible bond. The residual amount of the fair value of the proceeds received, representing the value of the equity conversion component, is included in equity heading "convertible bond equity reserve".

The carrying amount of the convertible bonds recognised in the consolidated statement of financial position is calculated as follows:

	As at 30 June 2026
	HK$'000
Fair value of convertible bonds	409,389
Equity component	(15,926)
Liability component on initial recognition	393,463
Interest expense	6,023
Liability component (classified as current liabilities) at 30 June 2026	399,486

Interest expense on the bonds is calculated using the effective interest method by applying the effective interest rate of 3.98% to the liability components.

18. ISSUED CAPITAL

	30 June 2026 (unaudited) *HK$'000*	31 December 2025 (audited) *HK$'000*
Authorised:		
2,000,000,000 ordinary shares of HK$0.10 each	**200,000**	200,000
Issued and fully paid:		
At 1 January:	**86,151**	86,151
Issuance of shares *(Note)*	**43,075**	–
At 30 June/31 December	**129,226**	86,151
1,292,262,903 ordinary shares of HK$0.10 each (2025: 861,508,602 ordinary shares of HK$0.10 each)	**129,226**	86,151

Note:

During the period ended 30 June 2026, 430,754,301 ordinary shares of HK$0.10 each were issued and a total consideration of HK$301,502,000 received with HK$258,427,000 share premium included.

19. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	30 June 2026 (unaudited) *HK$'000*	31 December 2025 (audited) *HK$'000*
Contracted, but not provided for:		
Plant and machinery	**122,139**	103,272

20. EVENTS AFTER THE REPORTING PERIOD

As at the approval date of the interim condensed consolidated financial information, the Group had no significant events after the reporting period which need to be disclosed.

INTERIM DIVIDEND

The Board did not declare an interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATIONAL REVIEW

The Group involves in manufacturing, sale and trading of automotive parts and components and provision of technical services. The core products of the Group are suspension products.

The Group's automotive suspension products are mainly utilised on premium passenger vehicles, which are manufactured by our plants in Europe. There is one major plants in Poland, which manufactures and assembles suspension products for their customers.

The Group develops and maintains strong relationships with its customers, who are mainly well-known European automobile manufacturers, therefore the Group well understood the technical requirements of our customers and has the expertise on the manufacturing process for premium passenger vehicles.

The Group purchases its raw materials and components mainly from the suppliers in Europe, which are selected based on certain factors, including the history of relationship with the Group, quality and price of the products, delivery time, and after-sales services. The Group maintains stable relationships with its major suppliers and does not rely on any single supplier for any type of raw materials and components.

Revenue

For the period ended 30 June 2026, the Group recorded revenue of HK$1,465.6 million from manufacture and sale of suspension products (period ended 30 June 2025: HK$1,527.4 million). The decrease in revenue for the period ended 30 June 2026 is mainly due to price reduction and decrease in the number of orders in the plants in Poland.

For the period ended 30 June 2026, the Group also recorded revenue of HK$69.4 million in provision of technical services (period ended 30 June 2025: HK$99.6 million).

Gross Profit and Gross Profit Margin

For the period ended 30 June 2026, the gross profit and gross profit margin of the Group were HK$156.0 million and 10.2% respectively. While for the period ended 30 June 2025, the gross profit and gross profit margin were HK$148.7 million and 9.1% respectively. Gross profit and gross profit margin both increased as compared with the same period last year. This improvement was primarily driven by two factors: first, the complete transfer of the Czech plant's production lines to Poland in the first quarter, which enhanced overall capacity utilization through integration; second, the lower profit base in the same period last year due to the recognition of provisions and losses arising from the planned closure of the Czech Plant during the period ended 30 June 2025.

Selling and Distribution Expenses

Selling and distribution expenses of the Group for the period ended 30 June 2026 was HK$13.1 million (period ended 30 June 2025: HK$11.5 million). Selling and distribution expenses mainly consisted of salary and welfare for sales personnel.

Administrative Expenses

Administrative expenses of the Group for the period ended 30 June 2026 was HK$84.5 million (period ended 30 June 2025: HK$86.5 million). Administrative expenses mainly consisted of salaries for administrative staff and management services fees paid to related companies.

Research and Development Expenses

Research and development expenses of the Group for the period ended 30 June 2026 decreased by 1.8% to HK$89.2 million (period ended 30 June 2025: HK$90.8 million). Research and development expenses mainly consisted of salaries for technical staff and technical services fees paid to related companies.

Other Income

Other income of the Group for the period ended 30 June 2026 increased by 21.7% to HK$26.3 million (period ended 30 June 2025: HK$21.6 million). Other income increased mainly due to increase in profit from sale of scrap materials, prototypes and samples.

Other Losses/Gains – Net

The net other losses of the Group for the period ended 30 June 2026 was HK$7.7 million, whereas, for the period ended 30 June 2025, the net other gain was HK$11.4 million. The changes between the two periods were mainly due to the increase in net foreign exchange loss during the period.

Finance Costs

Finance costs of the Group for the period ended 30 June 2026 was HK$12.4 million (period ended 30 June 2025: HK$6.7 million). Finance costs mainly represented interest on lease liabilities, interest cost on defined benefit obligations and convertible bonds.

Loss for the Period Attributable to Owner of the Company

In summary of the above, for the period ended 30 June 2026, the loss attributable to owner of the Company is HK$38.6 million (period ended 30 June 2025: Loss of HK$29.7 million).

Liquidity and Financial Resources

Our business requires a significant amount of working capital, which is primarily used to finance the purchase of raw materials, remuneration of employees, capital spending, R&D and other expenses. The working capital and other capital requirements were satisfied principally by cash generated from daily operations, and moderate level of bank loans (if necessary) as well.

The Group was running in a net cash inflow position for the period ended 30 June 2026, in which net cash outflow from operating activities amounted to HK$160.3 million (period ended 30 June 2025: net cash outflow of HK$2.9 million), net cash outflow in investing activities amounted to HK$12.3 million (period ended 30 June 2025: net cash outflow of HK$24.4 million) and those cash outflow were netting off against the net cash generated from financing activities amounted to HK$688.1 million (period ended 30 June 2025: net cash outflow of 15.2 million). As at 30 June 2026, the Group maintained cash and cash equivalents of HK$656.9 million (as at 31 December 2025: HK$142.7 million).

Indebtedness

The Group did not have any balance of bank or other borrowings as at 30 June 2026 and 31 December 2025.

The Group's gearing ratio (measured as total bank or other borrowings over total assets) as at 30 June 2026 was 0% (as at 31 December 2025: 0%). The Company would keep monitoring the financial and liquidity position of the Group closely, and carry out appropriate financing strategy for the Group in accordance with the change of the financial market from time to time.

Convertible Bonds

On 16 November 2025, the Company entered into a subscription agreement ("**CB Agreement**") with BWI HK (the controlling shareholder of the Company), pursuant to which the Company has agreed to issue, and BWI HK has agreed to subscribe for, the convertible bonds with an aggregate principal amount of HK$409,388,887 (the "**Convertible Bonds**") convertible into the Company's shares at the initial conversion price of HK$0.704 per conversion share. The Company completed the issue of the Convertible Bonds on 9 February 2026. Details of the CB Agreement and issue of the Convertible Bonds are disclosed in the Company's announcements dated 17 November 2025 and 9 February 2026, circular dated 19 December 2025, and Note 17 to the interim financial information.

Pledge of Assets

As at 30 June 2026 and 31 December 2025, there were no assets of the Group being pledged.

Foreign Exchange Exposure

The Group's transactions are mainly denominated in Euro, US Dollar and the local currencies of our operations located, which include Polish Zloty and Czech Koruna. 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.

Capital and Other Commitments

Save as disclosed in note 19 to the interim financial information, the Group and the Company had no other commitments as at 30 June 2026 and 31 December 2025.

Contingent Liabilities

As at 30 June 2026 and 31 December 2025, the Group and the Company did not have any significant contingent liabilities.

USE OF PROCEEDS FROM THE ISSUE OF CONNECTED SUBSCRIPTION SHARES, SUBSCRIPTION SHARES AND CONVERTIBLE BONDS

On 16 November 2025, the Company entered into the connected subscription agreements ("**Connected Subscription Agreements**") with BWI HK (the controlling shareholder of the Company) and Mr. Liu Xihe (the Executive Director of the Company) ("**Mr. Liu**") respectively, pursuant to which the BWI HK and Mr. Liu respectively subscribed for 236,914,866 shares and 64,613,145 shares of the Company at the connected subscription price ("**Connected Subscription Price**") of HK$0.704 per share. (collectively, the "**Connected Subscription Shares**"). The aggregate nominal value of the Connected Subscription Shares is HK$30,152,801.1.

On 16 November 2025, the Company entered into the subscription agreements ("**Subscription Agreements**") with Ms. Xu Anpan (an Independent Third Party) ("**Ms. Xu**") and Ms. Yao Lianfang (an Independent Third Party) ("**Ms. Yao**") respectively. Each of Ms. Xu and Ms. Yao subscribed for 64,613,145 shares of the Company at the subscription price ("**Subscription Price**") of HK$0.704 (collectively, the "**Subscription Shares**"). The aggregate nominal value of the Subscription Shares is HK$12,922,629.

On 16 November 2025, the Company entered into the CB Agreement with BWI HK, pursuant to which the Company agreed to issue, and the BWI HK agreed to subscribe for, the Convertible Bonds in the principal amount of HK$409,388,887 at the conversion price ("**Conversion Price**") of HK$0.704 per share, subject to adjustments clauses under the terms of the Convertible Bond. Based on the initial Conversion Price, an aggregate of 581,518,305 conversion shares will be allotted and issued by the Company upon the exercise in full of the conversion rights attaching to the Convertible Bonds. The aggregate nominal value of 581,518,305 conversion shares is HK$58,151,830.5.

The Company completed the Issue of Connected Subscription Shares, Subscription Shares and Convertible Bonds on 9 February 2026.

Upon the completion, (i) 236,914,866 and 64,613,145 Connected Subscription Shares have been duly allotted and issued to the BWI HK and ClearBay Investment Limited (the nominee of the Mr. Liu) respectively; (ii) 64,613,145 and 64,613,145 Subscription Shares have been duly allotted and issued to VistaLink Capital Limited (the nominee of the Ms. Xu) and WaveBridge Capital Limited (the nominee of the Ms. Yao) respectively; and (iii) the Convertible Bonds in the principal amount of HK$409,388,887 have been duly issued to BWI HK. The net proceeds raised from the Issue of Connected Subscription Shares, Subscription Shares and Convertible Bonds (after deducting expenses) are approximately HK$710.4 million. On this basis, the net price of each of the Connected Subscription Share and the Subscription Share is approximately HK$0.701; and the net issue price of each of the Conversion Share is approximately HK$0.702.

The Connected Subscription Price, Subscription Price and the Conversion Price represented a discount of approximately 34.21% to the closing price of HK$1.07 per share as quoted on the Stock Exchange on 13 November 2025, being the last full trading day for the shares on the Stock Exchange immediately prior to the signing of the Connected Subscription Agreements, the Subscription Agreements and the CB Subscription Agreement.

For the details of the issue of Connected Subscription Shares, Subscription Shares and Convertible Bonds, please refer to the announcements of the Company dated 17 November 2025 and 9 February 2026 and circular of the Company dated 19 December 2025.

As at 30 June 2026, the intended use and actual use of the net proceeds from the Issue of Connected Subscription Shares, Subscription Shares and Convertible Bonds, as well as the unutilized net proceeds therefrom are as follows:

	Intended use of proceeds from the Issue of Connected Subscription Shares, Subscription Shares and Convertible Bonds *HK$'million*	**Actual use of net proceeds as at 30 June 2026** *HK$'million*	**Unutilized net proceeds as at 30 June 2026** *HK$'million*	**Expected timeline of full utilization of remaining proceeds**
Construction and upgrade of production lines at the production plants of the Group in Poland	284.2	27.6	256.6	By 31 December 2028
Working capital of the production plants of the Group in Poland	213.1	138.1	75.0	By 31 December 2026
Working capital of the technical centres in Poland, Italy and France	177.6	36.1	141.5	By 31 December 2028
Working capital of the headquarters of the Company in Hong Kong	35.5	4.0	31.5	By 31 December 2028
Total	710.4	205.8	504.6	

The proceeds were used in accordance with the original intention disclosed in the circular of the Company dated 19 December 2025 in relation to the Connected Subscription Shares, Subscription Shares and Convertible Bonds.

OTHER INFORMATION

Environmental, Health and Safety

The Group is dedicated to protecting the health of people, natural resources and the global environment, and has adopted the hazardous material control programs and chemical material assessment procedures. The Group has obtained all necessary permits under applicable environmental protection laws for its production facilities.

The Group strictly complies with the laws and regulations that exert great influence on the Group such as various environmental protection laws relating to emissions to land, air and water and waste production from its production facilities. Various hazardous material control programs and chemical material assessment procedures have also been adopted to meet the applicable legal requirements.

The Group also emphasizes the health and safety of its employees and is committed to providing a safe and healthy working environment for the benefits of its staff. In order to reduce the contact with occupational hazard factors of employees, the Group provides training of occupational health and safety and prevention and control of occupational disease for all relevant employees. The Group also adopted human resources policies, which provide the health and safety initiatives such as: (i) identifying and communicating health and safety initiatives; (ii) monitoring trends in statistics for occupational injuries or illnesses; (iii) complying with health and safety regulations; and (iv) promoting incident reduction through investigation, assessments, corrective actions and proactive intervention. The Group has also complied with applicable social, health and work safety laws and regulations in all material aspects.

The Group also emphasizes continuous learning and hopes employees can grow together with the Group. Diversified training and development opportunities are provided for all employees to help them reach their full potential.

Prospects

The Group involved in the manufacturing, sale and trading of automotive parts and components and provision of related technical services in Europe. The core products are suspension products.

During the period under review, the geopolitical situation remained tense, with the Russian-Ukrainian war that has been ongoing for over four years, coupled with tariff threats from a second Trump administration, considerable uncertainty is expected for the future global political and economic landscape. Regarding US interest rates, the previous market consensus that the US would soon enter a rate-cutting cycle has reversed. As hawkish sentiment within the Federal Reserve intensifies, the likelihood of resuming rate hikes this year has increased significantly. Under the dual pressure of stubborn inflation and persistently high interest rates, whether businesses can benefit from the current macroeconomic environment remains to be seen.

The customers of the Group are mainly premium passenger vehicle manufacturers, as such, the business of the Group largely depends on the performance of the automotive industry, especially in Europe. Passenger vehicle production in Europe in 2025 was approximately 14,520,000, which is a 1.6% decrease as compared to 2024, but still a 19.9% decrease as compared to the pre-pandemic level of 2019, indicating that there is still further room for improvement for the recovery of the automotive industry in Europe. The European automotive industry is navigating a complex landscape characterized by fierce competition from Chinese EV brands, aggressive electrification mandates, and rising production costs driven by geopolitical tensions and energy supply shocks. However, the outlook is stabilizing. Supported by renewed government subsidies for electric vehicles in key markets like Germany and the UK, European passenger car registrations rebounded by 2.4% in 2025, reaching 13.27 million units, with further steady growth observed in the first half of 2026. Despite the International Monetary Fund (IMF) forecasting a modest Eurozone GDP growth of 0.9% for 2026 amid macroeconomic headwinds, the Group remains well-positioned. By strategically optimizing its manufacturing footprint and integrating production capacities across Europe, the Group is effectively mitigating regional cost pressures and enhancing operational resilience to ensure long-term business stability.

The Group has accumulated extensive technical knowledge and developed a high degree of technical expertise with a consistent focus on research and development for many years. We believe that our technical expertise, the long-term relationship with different vehicle manufacturers, as well as the well understanding of the requirements of the vehicle manufacturers will enable us to capture more market opportunities and develop products that meet the technical requirements of the vehicle manufacturers. It would be a strong support for the Group's long-term development.

The Group believes that the continuing investment on research and development as well as engineering activities is vitally significant for the Group to maintain and improve its leadership position in the industry. It would contribute greatly to the improvement of the Group's competitiveness over other competitors. Meanwhile, the automotive industry keeps evolving. To keep pace with our customers, the Group will endeavor to collaborate closely with the vehicle manufacturers and develop innovative solutions to better serve our customers.

The Group will aim to maintain a solid and healthy growth and development. Despite the continued pricing pressure from customers and the increase in commodity prices, the Group is capable of maintaining its gross profit margin at a reasonable level. While the future prospects remain challenging, the Group is confident that it will be able to maintain a sustainable business development in the long run. With a view to improve long-term profitability and shareholders' value, the Company will seriously evaluate and review the business of the Group, and optimize the business structure of the Group.

Employees and Remuneration Policy

As at 30 June 2026, the Group had approximately 1,878 (30 June 2025: 2,013) employees. During the period ended 30 June 2026, the total employees' cost was HK$285.7 million (period ended 30 June 2025: HK$392.3 million). Remuneration packages of the employees are determined by reference to the qualifications and experience of the employee concerned and are reviewed annually by the management with reference to market conditions and individual performance. The Group offers a comprehensive and competitive remuneration, retirement scheme and benefit package to its employees. Discretionary bonus is offered to the Group's staff depending on their performance. The Group has defined benefit pension plans covering substantially all of its qualified employees in Poland, France and Germany. The Group has also adopted a mandatory provident fund scheme as required under the Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong) for its employees in Hong Kong.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (whether on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") or otherwise) during the period under review.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange during the six months ended 30 June 2026.

APPRECIATION

On behalf of the Board, I would like to extend our sincere thanks to our customers, suppliers and shareholders for their continuous support to the Group. I would also extend my gratitude and appreciation to all management and staff for their hard work and dedication throughout the period.

By Order of the Board
BeijingWest Industries International Limited
Dong Xiaojie
Chairman

Hong Kong, 28 August 2026

As at the date of this announcement, the Board comprises Mr. Dong Xiaojie (Chairman), Mr. Liu Xihe (Executive Director), Dr. Xi Jianpeng (Executive Director), Mr. Wong Foreky (Independent Non-executive Director), Mr. Lo, Gordon (Independent Non-executive Director) and Ms. Peng Fan (Independent Non-executive Director).