CHINA TIANRUI AUTOMOTIVE INTERIORS CO., LTD
中國天瑞汽車內飾件有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6162)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

RESULTS HIGHLIGHTS

	For the six months ended 30 June		
	2026	*2025*	
	RMB'000	RMB'000	Change
	(Unaudited)	(Unaudited)	
Revenue	**160,858**	135,362	18.8%
Gross profit	**19,064**	18,224	4.6%
Gross profit margin	**11.9%**	13.5%	-1.6%
Profit/(Loss) attributable to equity shareholders	**4,027**	(5,986)	N/A
Earnings/(Loss) per share			
Basic and diluted (RMB cents)	**0.19**	(0.30)	N/A
Proposed interim dividend (HK$ cents)	**–**	–	N/A

The board (the "**Board**") of directors (the "**Directors**") of China Tianrui Automotive Interiors Co., LTD (the "**Company**") is pleased to announce the unaudited consolidated financial results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 together with the comparative figures for the six months ended 30 June 2025. The interim results have been reviewed by the audit committee of the Company (the "**Audit Committee**").

Condensed Consolidated Statement of Profit or Loss
For the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi ("RMB"))

		Six months ended 30 June	
		2026	*2025*
		Unaudited	Unaudited
	Note	**RMB'000**	RMB'000
Revenue	*4*	**160,858**	135,362
Cost of sales		**(141,794)**	(117,138)
Gross profit	*4(b)*	**19,064**	18,224
Other income and other gains	*5*	**10,659**	3,052
Selling and distribution expenses		**(3,471)**	(4,508)
Administrative expenses		**(17,369)**	(18,653)
Write-back of impairment losses on trade and other receivables		**–**	83
Profit/(Loss) from operations		**8,883**	(1,802)
Finance costs	*6(a)*	**(3,861)**	(4,709)
Profit/(Loss) before taxation	*6*	**5,022**	(6,511)
Income tax (expense)/credit	*7*	**(1,006)**	525
Profit/(Loss) for the period		**4,016**	(5,986)
Profit/(Loss) attributable to:			
Owners of the Company		**4,027**	(5,986)
Non-controlling interests		**(11)**	–
		4,016	(5,986)
Earnings/(Loss) per share attributable to owners of the Company			
Basic and diluted (RMB cents)	*8*	**0.19**	(0.30)

Condensed Consolidated statement of profit or loss and other comprehensive income
For the six months ended 30 June 2026 – Unaudited
(Expressed in RMB)

	Six months ended 30 June	
	2026	*2025*
	Unaudited	Unaudited
	RMB'000	RMB'000
Profit/(Loss) for the period	**4,016**	(5,986)
Other comprehensive income for the period (after tax):		
Item that may be reclassified subsequently to profit or loss:		
– Exchange differences on translation into presentation currency of the Group	**(142)**	(200)
Total comprehensive income for the period	**3,874**	(6,186)
Attributable to:		
Owners of the Company	**3,885**	(6,186)
Non-controlling interests	**(11)**	–
	3,874	(6,186)

Condensed Consolidated statement of financial position
At 30 June 2026 – unaudited
(Expressed in RMB)

	Note	***At 30 June 2026*** **Unaudited RMB'000**	*At 31 December 2025* Audited RMB'000
Non-current assets			
Property, plant and equipment		**152,982**	178,746
Intangible assets		**499**	530
Prepayments and other receivables		**17,653**	7,878
Deferred tax assets		**6,979**	8,006
		178,113	195,160
Current assets			
Inventories		**67,137**	67,643
Trade and bills receivables	*9*	**310,662**	295,478
Prepayments and other receivables		**24,496**	57,321
Cash at bank and on hand		**104,598**	63,441
		506,893	483,883
Current liabilities			
Trade and bills payables	*10*	**186,090**	205,496
Accrued expenses and other payables		**14,680**	26,280
Bank and other loans		**156,307**	179,307
Lease liabilities		**2,677**	3,188
Tax payables		**–**	–
		359,754	414,271
Net current assets		**147,139**	69,612
Total assets less current liabilities		**325,252**	264,772

Condensed Consolidated statement of financial position
At 30 June 2026 – unaudited (Continued)
(Expressed in RMB)

	Note	***At 30 June 2026*** **Unaudited RMB'000**	*At 31 December 2025* Audited RMB'000
Non-current liabilities			
Bank and other loans		**27,260**	15,880
Lease liabilities		**2,978**	5,141
Deferred income		**1,221**	1,588
		31,459	22,609
NET ASSETS		**293,793**	242,163
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital		**21,000**	17,522
Reserves		**272,605**	224,442
		293,605	241,964
NON-CONTROLLING INTERESTS		**188**	199
TOTAL EQUITY		**293,793**	242,163

Notes to the unaudited condensed interim financial statements

(Expressed in RMB unless otherwise indicated)

1 Corporate information

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

2 Basis of preparation

These consolidated interim financial statements (the "**Interim Financial Statements**") have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange, including compliance with International Accounting Standard ("**IAS**") 34, *Interim Financial Reporting*, issued by the International Accounting Standards Board (the "**IASB**"). It was authorised for issue on 31 August 2026.

The Interim Financial Statements have been prepared under the historical cost convention and are presented in Renminbi ("**RMB**"), which is also the functional currency of the Group and all values are rounded to the nearest thousand, unless otherwise stated.

The Interim Financial Statements have been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

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

These Interim Financial Statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The Interim Financial Statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards issued by the IASB.

The financial information relating to the financial year ended 31 December 2025 that is included in the Interim Financial Statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2025 are available from the Company's registered office. The auditor have expressed an unqualified opinion on those financial statements in their report dated 30 March 2026.

3 Changes in accounting policies

Details of the revised IFRS Accounting Standards that are expected to be reflected in the 2026 annual financial statements are set out below.

New and revised IFRS Accounting Standards adopted by the Group

The Group has adopted the following standards, interpretations or amendments for the first time for the Interim Financial Statements.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards – Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments. The amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date

- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (the "**ESG**") and similar features should be assessed

- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments

- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (the "**OCI**")

The amendments had no impact on the Group's Interim Financial Statements.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The IASB issued Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the 'own-use' requirements for in-scope contracts

- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts

- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows

The amendments had no impact on the Interim Financial Statements.

Annual Improvements to IFRS Accounting Standards – Volume 11

The IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS Accounting Standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments had no impact on the Group's Interim Financial Statements.

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

4 Revenue and segment reporting

(a) Revenue

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

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

	Six months ended 30 June	
	2026	*2025*
	Unaudited	Unaudited
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products:		
– Sales of heavy trucks' decorative components and parts	**111,390**	98,731
– Sales of passenger vehicles' decorative components and parts	**49,468**	36,631
	160,858	135,362

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

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

	Six months ended 30 June	
	2026	*2025*
	Unaudited	Unaudited
	RMB'000	RMB'000
Customer A	**25,441**	33,489
Customer B	*	60,931
Customer C	*	20,671
Customer D	**101,971**	*

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

(b) Segment reporting

The Group manages its businesses by products. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments.

– Heavy trucks' decorative components and parts: this segment includes primarily the research, development, manufacture and sale of decorative components and parts to be installed in heavy trucks.

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

(i) Segment results, assets and liabilities

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

Revenue and cost of sales are allocated to the reportable segments with reference to sales and revenue generated by those segments and direct expenses incurred by those segments. The measurement used for reporting segment result is gross profit. No inter-segment sales have occurred for the six months ended 30 June 2026 and 2025. Assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

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

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

	Six months ended 30 June 2026		
	Heavy trucks' decorative components and parts Unaudited RMB'000	**Passenger vehicles' decorative components and parts Unaudited RMB'000**	**Total Unaudited RMB'000**
Revenue recognised at a point in time from external customers	**111,390**	**49,468**	**160,858**
Reportable segment gross profit	**6,192**	**12,872**	**19,064**

	Six months ended 30 June 2025		
	Heavy trucks' decorative components and parts Unaudited RMB'000	Passenger vehicles' decorative components and parts Unaudited RMB'000	Total Unaudited RMB'000
Revenue recognised at a point in time from external customers	98,731	36,631	135,362
Reportable segment gross profit	15,243	2,981	18,224

(ii) Reconciliation of reportable segment profit or loss

	Six months ended 30 June	
	2026	*2025*
	Unaudited	Unaudited
	RMB'000	RMB'000
Total reportable segment gross profit	**19,064**	18,224
Other income and other gains	**10,659**	3,052
Selling and distribution expenses	**(3,471)**	(4,508)
Administrative expenses	**(17,369)**	(18,653)
Write-back of impairment losses on trade and other receivables	**–**	83
Finance costs	**(3,861)**	(4,709)
Consolidated profit/(loss) before taxation	**5,022**	(6,511)

(iii) Geographic information

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

5 Other income

	Six months ended 30 June	
	2026	*2025*
	Unaudited	Unaudited
	RMB'000	RMB'000
Government grants (including amortisation of deferred income)*	**1,841**	1,639
Profit arising from mould development and sales	**2,686**	987
Exchange gains	**–**	143
Interest income	**78**	283
Gain on disposal of property, plant and equipment	**4,698**	–
Others	**1,356**	–
	10,659	3,052

* There are no unfulfilled conditions or contingencies relating to these grants.

6 Profit/(Loss) before taxation

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

(a) Finance costs

	Six months ended 30 June	
	2026	*2025*
	Unaudited	Unaudited
	RMB'000	RMB'000
Interest on		
– bank and other loans	**3,642**	4,644
– lease liabilities	**219**	65
	3,861	4,709

(b) Other items

	Six months ended 30 June	
	2026	*2025*
	Unaudited	Unaudited
	RMB'000	RMB'000
Depreciation and amortisation	**15,198**	15,097
Staff costs	**22,288**	27,590
Research and development costs	**6,266**	7,311
Write-off of trade receivables	**795**	–
Cost of inventories	**141,794**	117,138

7 Income tax (expense)/credit

	Six months ended 30 June	
	2026	*2025*
	Unaudited	Unaudited
	RMB'000	RMB'000
Current tax – Chinese Mainland:		
– Provision for the period	**(5)**	(146)
– Over-provision in respect of prior years	**26**	707
Deferred tax		
– Origination and reversal of temporary differences	**(1,027)**	(36)
Income tax (expense)/credit	**(1,006)**	525

Notes:

(i) The Company incorporated in the Cayman Islands and the subsidiary of the Group incorporated in the British Virgin Islands (the "**BVI**") are not subject to any income tax pursuant to the rules and regulations of their respective countries of incorporation.

(ii) The subsidiaries of the Company incorporated in Hong Kong are subject to Hong Kong Profits Tax rate of 16.5% for the six months ended 30 June 2026 and 2025, except for one subsidiary of the Company which is a qualifying entity under the two tiered profits tax regime. The first HK$2,000,000 of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. No Hong Kong Profits Tax has been provided as the Group did not generate any assessable profits arising in Hong Kong during the six months ended 30 June 2026 and 2025.

(iii) The Corporate Income Tax Law of the Chinese Mainland allows enterprises to apply for certificate of "High and New Technology Enterprise" ("**HNTE**") which entitles the qualified companies to a preferential income tax rate of 15%, subject to fulfilment of the recognition criteria. Xi'an Tianrui Automotive Interiors Co., Limited ("**Xi'an Tianrui**"), a subsidiary of the Company, is qualified as a HNTE and the qualification is valid for three years from 2022 to 2025 which was further renewed for another three years to 2028.

(iv) Baoji Ruitong Automotive Interiors Co., Limited, a subsidiary established in the Chinese Mainland, obtained approval from the tax bureaux in 2021 that it is entitled to tax benefits applicable to entities under the Third Phase of the Western Region Development Plan of the Chinese Mainland, and enjoys a preferential Corporate Income Tax rate of 15% for the calendar years from 2021 to 2030.

(v) The other subsidiaries of the Company established in the Chinese Mainland are subject to Corporate Income Tax rate at 25% for the six months ended 30 June 2026 and 2025.

(vi) According to the relevant tax rules in the Chinese Mainland, qualified research and development costs of certain subsidiaries of the Company are allowed for bonus deduction for income tax purpose, i.e. an additional 100% (2025: 100%) of such expenses could be deemed as deductible expenses.

8 Earnings/(loss) per share

(a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share for the six months ended in 30 June 2026 is based on the profit attributable to owners of the Company of approximately RMB4,027,000 (unaudited) (six months ended 30 June 2025 (unaudited): loss of RMB5,986,000) and the weighted average of 2,138,082,192 (unaudited) (six months ended 30 June 2025 (unaudited): 2,000,000,000) ordinary shares in issue during the period.

(b) Diluted earnings/(loss) per share

For the six months ended 30 June 2026 and 2025, no adjustment has been made to the basic earnings/(loss) per share amounts for the respective periods in respect of a dilution as there is no potential dilutive ordinary share in issue for the six months ended 30 June 2026 and 2025.

9 Trade and bills receivables

	At 30 June 2026	*At 31 December 2025*
	Unaudited	Audited
	RMB'000	RMB'000
Trade receivables, net of loss allowance	**245,158**	263,326
Bills receivables	**65,504**	32,152
	310,662	295,478

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

(a) Ageing analysis

At the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

	At 30 June 2026	*At 31 December 2025*
	Unaudited	Audited
	RMB'000	RMB'000
Less than 3 months	**171,440**	209,758
3 to 6 months	**29,148**	41,439
6 to 12 months	**44,570**	12,129
	245,158	263,326

(b) Transfer of financial assets

The Group receives short-term acceptance notes from its customers as a method of settlement of goods sold. These notes entitle the Group to receive the full face values from the issuing entities upon the maturities of these notes, which generally range from 3 to 6 months from the dates of issuance.

At 30 June 2026, the Group had discounted certain of the acceptance notes and endorsed certain of the acceptance notes to its suppliers and other creditors for settlement of the Group's trade and other payables. Upon the above discounting or endorsement, the Group has derecognised the acceptance notes, i.e. the bills receivables. These derecognised acceptance notes have maturity dates of less than six months from the end of the reporting period. In the opinion of the directors ("**Directors**") of the Company, these discounted and endorsed acceptance notes were issued by highly-rated issuing entitles, and the Group has transferred substantially all the risks and rewards of ownership of these notes and has discharged its obligation of the payables to its suppliers and other creditors. At 30 June 2026, the Group's maximum exposure to loss and undiscounted cash outflow should the issuing banks fail to settle the bills on maturity dates amounted to RMB215,758,000 (31 December 2025: RMB128,442,000). The Group assessed that the credit risks were relatively insignificant.

10 Trade and bills payables

	At 30 June 2026	*At 31 December 2025*
	Unaudited	Audited
	RMB'000	RMB'000
Trade payables	**176,090**	183,482
Bills payables	**10,000**	22,014
	186,090	205,496

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

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

	At 30 June 2026	*At 31 December 2025*
	Unaudited	Audited
	RMB'000	RMB'000
Less than 3 months	**153,019**	103,364
3 to 6 months	**19,421**	38,440
6 to 12 months	**2,462**	24,462
over 1 year	**1,188**	17,216
	176,090	183,482

11 Dividends

No dividend was paid or proposed during the six months ended 30 June 2026, nor has any dividend been proposed since the end of the interim reporting period (six months ended 30 June 2025: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

In the first half of 2026, overall demand in the automotive market remained strong, with significant room for further expansion. The Company is currently undergoing a period of substantial structural transformation, characterized by an overall rapid business growth in the automobile market. Our heavy truck segment grew by approximately 12.8% during the six months ended 30 June 2026 but the sales mix decreased from approximately 72.9% for the six months ended 30 June 2025 to approximately 69.2% for the six months ended 30 June 2026 of the Group's consolidated sales, reflecting the management's efforts in maintaining its market position while managing market risks such as saturation, intensified competition, and cyclical downturns in our traditional core areas. Meanwhile, the passenger vehicle segment grew by approximately 35.0% during the six months ended 30 June 2026, becoming the primary driver of the Company's growth. By strategically focusing on the passenger vehicle business, the Company effectively offset the market challenges in the traditional heavy truck business, achieving significant overall growth.

BUSINESS REVIEW

The Group is principally engaged in the manufacture and sales of automotive interior and exterior decorative components and parts.

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

Progressing from a regional leader to a key player in the global supply chain, the Group has met the stringent procurement standards of major passenger vehicle customers. Leveraging our strengths in process quality, delivery capability, and management systems, we have provided solid assurance to our customers, completing a crucial leap from a regional enterprise to a national and internationally recognized supplier.

The breakdown of our revenue by product category for the six months ended 30 June 2026 and 2025 is as follows:

	Six months ended 30 June			
	2026		*2025*	
	RMB'000	**%**	RMB'000	%
Heavy trucks' decorative components and parts	**111,390**	**69.2**	98,731	72.9
Passenger vehicles' decorative components and parts	**49,468**	**30.8**	36,631	27.1
Total	**160,858**	**100.0**	135,362	100.0

Revenue from sales of heavy trucks' decorative components and parts

The revenue generated by the sale of heavy trucks' decorative parts increased from approximately RMB98.7 million for the six months ended 30 June 2025 to approximately RMB111.4 million for the six months ended 30 June 2026, representing an increase of approximately 12.8%.

Given the Group's established market position, the Group managed a modest increase in sales in this segment despite the market saturation and intensified competition.

Revenue from sales of passenger vehicles' decorative components and parts

Revenue generated from the sale of passenger vehicles' decorative components and parts increased by approximately 35.0% from RMB36.6 million for the six months ended 30 June 2025 to RMB49.5 million for the corresponding period ended 30 June 2026. The increase was mainly attributable to our adjusted business strategy, namely the expansion into the passenger cars sector in recent years; and the smooth operation and delivery of the decorative parts of passenger cars production line from 2025. As a result, our revenue from sale of decorative components and parts of passenger cars increased.

FINANCIAL REVIEW

Revenue

Revenue increased from approximately RMB135.4 million for the six months ended 30 June 2025 to approximately RMB160.9 million for the six months ended 30 June 2026, representing an increase of approximately 18.8%. This increase was primarily due to the increase in sales of both heavy trucks' and passenger vehicles' decorative components and parts.

Gross profit and gross profit margin

Gross profit increased from approximately RMB18.2 million for the six months ended 30 June 2025 to approximately RMB19.1 million for the six months ended 30 June 2026, representing an increase of approximately 4.6%. Gross profit margin decreased from approximately 13.5% for the six months ended 30 June 2025 to approximately 11.9% for the six months ended 30 June 2026, which was mainly due to the decrease in gross profit margin from the heavy truck segment.

Other income and other gains

Other income and other gains increased by approximately 249.2% from approximately RMB3.1 million for the six months ended 30 June 2025 to approximately RMB10.7 million for the six months ended 30 June 2026. The growth was mainly due to the gain on disposal of certain items of property, plant and equipment and more profit was derived from mould development and sales during the period.

Selling and distribution expenses

Selling and distribution expenses decreased from approximately RMB4.5 million for the six months ended 30 June 2025 to approximately RMB3.5 million for the six months ended 30 June 2026, representing a decrease of approximately 23.0%. This decrease is mainly due to the decrease in number of employees and related salaries and the decrease of product market expenses.

Administrative expenses

The administrative expenses decreased from approximately RMB18.7 million in the six months ended 30 June 2025 to approximately RMB17.4 million for the six months ended 30 June 2026, representing a decrease of 6.9%, which was mainly due to the decrease of research and development costs.

Finance costs

Finance costs decreased from approximately RMB4.7 million for the six months ended 30 June 2025 to approximately RMB3.9 million for the six months ended 30 June 2026, representing a decrease of approximately 18.0%. This decrease was primarily due to the decrease in our bank and other loan amounts during the six months ended 30 June 2026.

Income tax expense/(credit)

The income tax expense for the six months ended 30 June 2026 was approximately RMB1.0 million, compared to income tax credit of approximately RMB0.5 million for the six months ended 30 June 2025. The income tax expense mainly comes from the profit generated during the period while the Group recorded a loss of approximately RMB6.0 million for the six months ended 30 June 2025.

Profit/(loss) for the period

For the six months ended 30 June 2026, the profit was approximately RMB4.0 million, as compared with a loss of approximately RMB6.0 million for the six months ended 30 June 2025.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The operating capital of the Group was mainly from cash from operating activities and bank and other loans. As at 30 June 2026 and 31 December 2025, cash and cash equivalents, excluding restricted bank deposits of the Group, were approximately RMB91.0 million and RMB40.9 million, respectively.

The Group monitors the cash flows and cash balance on a regular basis and seeks to maintain optimal level of liquidity that can meet the working capital needs while supporting a healthy level of business and its various growth strategies.

Bank and Other Loans

Bank and other loans decreased from approximately RMB195.2 million as at 31 December 2025 to approximately RMB183.6 million as at 30 June 2026.

Charged Assets

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

	As at 30 June 2026	*As at 31 December 2025*
	RMB'000	RMB'000
Carrying value of secured assets:		
Property, plant and equipment	**62,855**	71,621
Trade and bills receivables	**7,153**	7,081
Cash at bank	**11,129**	11,129
	81,137	89,831

Gearing Ratio

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

The gearing ratio as at 31 December 2025 and 30 June 2026 were at 80.6% and 62.5%, respectively. The decrease was mainly due to the decrease in bank and other loans and increase in total equity following the completion of the placing of new shares in May 2026.

Inventories

Inventories slightly decreased from approximately RMB67.6 million as at 31 December 2025 to approximately RMB67.1 million as at 30 June 2026.

Non-current Prepayments and other receivables

Our deposits for acquisitions of property, plant and equipment increased from approximately RMB7.9 million as at 31 December 2025 to approximately RMB17.7 million as at 30 June 2026, representing an increase of approximately 124.1%. The increase was mainly due to the increase in deposits paid for the Group's procurement of moulds and machinery in 2026.

Capital Expenditures

For the six months ended 30 June 2026, the capital expenditures were approximately RMB1.76 million (six months ended 30 June 2025: approximately RMB7.13 million). The capital expenditure incurred for the six months ended 30 June 2026 primarily related to the purchase of new machinery and equipment.

Capital Commitments

As at 30 June 2026, the capital commitments in respect of property, plant and equipment contracted for was approximately RMB27.6 million (31 December 2025: approximately RMB24.7 million).

Contingent Liabilities

Save as the litigations arising from commercial disputes in the normal course of business and the Group's maximum exposure to loss and undiscounted cash outflow related to discounted bills and endorsed bills in Note 9(b) to the Interim Financial Statements in this announcement, there were no material contingent liabilities as at 30 June 2026 and 2025.

FOREIGN EXCHANGE RISKS

The majority of the Group's business and all bank borrowings are denominated and accounted for in RMB.

The Group is exposed to currency risk primarily through receivables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currency giving rise to this risk is primarily HK$. At the end of the reporting period, the related risk of the Group is not material.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS

Save for disclosed elsewhere in this interim results announcement, the Group had no significant investments held or material acquisitions and disposals of subsidiaries and associated companies during the six months ended 30 June 2026.

INTERIM DIVIDEND

The board of directors of the Company does not recommend the payment of any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

USE OF PROCEEDS FROM THE PLACING OF NEW SHARES UNDER GENERAL MANDATE

References are made to the announcements of the Company dated 17 April 2026 and 6 May 2026 (the "**Announcements**"), respectively in related to the allotment and issue of 400,000,000 new shares of the Company to not less than six placees at a placing price of HK$0.138 per placing share (the "**Placing**").

The net proceeds from the Placing were approximately HK$54.9 million (approximately RMB47.7 million). As at 30 June 2026, the net proceeds from the Placing had been applied as follows:

Intended use of net proceeds	Net proceeds from the Placing *RMB million*	Amount utilized during the six months ended 30 June 2026 *RMB million*	Amount unutilized as at 30 June 2026 *RMB million*	Expected timeline for full utilization of the balance
Meeting with the Group's upcoming loan repayment obligations	34.3	10.0	24.3	31 December 2026
General working capital of the Group, including procurement of raw materials and supporting the Group's daily operations	13.4	1.3	12.1	31 December 2026
Total	47.7	11.3	36.4	

Note:

For the unutilised net proceeds from the Placing up to 30 June 2026, the Company intends to use them for the same intended purposes as the Announcements.

EMPLOYEE AND REMUNERATION POLICIES

As at 30 June 2026, the Group had a total of 282 full time employees (30 June 2025: 396). For the six months ended 30 June 2026, the Group incurred total staff costs of approximately RMB22.3 million (six months ended 30 June 2025: approximately RMB27.6 million).

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

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

For the six months ended 30 June 2026 and up to the date of this announcement, neither our Company, nor its subsidiary have purchased, redeemed or sold any of the Company's listed securities.

EVENTS AFTER THE END OF THE FINANCIAL PERIOD

There are no significant events affecting the Group which have occurred after the end of the financial period ended 30 June 2026 and up to the date of this announcement.

TREASURY SHARES

As at 30 June 2026, the Company did not hold treasury shares (30 June 2025: Nil).

FUTURE PROSPECTS

Looking forward to the future, the Group will continue its strategy, moving from a "single-driver" to a "dual-driver" model. With continued growth in domestic automotive demand, we aim to capitalize on the strategic opportunity presented by the rapid expansion of the passenger vehicle segment. This approach will allow us to address the challenges associated with adjustments in the truck segment. The Group plans to quickly convert the scale advantage of our passenger vehicle business into technological and brand advantages, while decisively pursuing scenario-driven and energy-oriented transformation in the truck business. Ultimately, we aim to secure a strong position within the new "dual domestic-international circulation" (國內國際雙循環) framework.

IN COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Our Company has committed to delivering and maintaining a higher standard of corporate governance to meet business needs and shareholders' expectation. Our Company has adopted the principles and code provisions of the Corporate Governance Code (the "**Corporate Governance Code**") set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as the basis of our Company's corporate governance practices. Our Company has complied with all code provisions of the Corporate Governance Code for the six months ended 30 June 2026.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 of the Listing Rules as the Company's code of conduct regarding Directors' and employees' securities transactions. Upon specific enquiries, all Directors and members of the senior management confirmed that they have complied with the relevant provisions of the Model Code throughout the six months ended 30 June 2026.

AUDIT COMMITTEE

The Audit Committee had reviewed the accounting principles and policies adopted by the Group and discussed internal control and financial reporting matters including a review of the interim results for the six months ended 30 June 2026.

PUBLICATION OF THE CONSOLIDATED INTERIM RESULTS AND 2026 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.trqcns.com and the interim report for the six months ended 30 June 2026 containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and published on the aforesaid websites of the Stock Exchange and the Company in due course.

By Order of the Board
China Tianrui Automotive Interiors Co., LTD
Zhang Jingrong
Executive Director

Xi'an, the PRC, 31 August 2026

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Zou Weidong, and Ms. Zhang Jingrong, one non-executive Director, namely Mr. Fan Haobing, and three independent non-executive Directors, namely Mr. Zhu Hongqiang, Mr. Zhou Genshu and Mr. Chen Geng.

In case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.