Huazhong In-Vehicle Holdings Company Limited
華眾車載控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock code: 6830

2026
INTERIM REPORT

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Zhou Minfeng
(Chairman and Chief Executive)
Mr. Liu Genyu

Non-executive Directors

Ms. Lai Cairong
Mr. Guan Xin
Mr. Yu Zhuoping

Independent non-executive Directors

Ms. Xu Li *(Vice-chairman)*
Mr. Wang Dongchen
Mr. Xu Jiali

AUDIT COMMITTEE

Ms. Xu Li *(Chairman)*
Mr. Wang Dongchen
Mr. Xu Jiali

REMUNERATION COMMITTEE

Mr. Wang Dongchen *(Chairman)*
Mr. Zhou Minfeng
Mr. Xu Jiali

NOMINATION COMMITTEE

Mr. Wang Dongchen *(Chairman)*
Ms. Lai Cairong
Mr. Xu Jiali

COMPANY SECRETARY

Ms. Ho Wing Yan *(ACG, HKACG(PE))*

AUTHORISED REPRESENTATIVES

Mr. Zhou Minfeng
Ms. Ho Wing Yan *(ACG, HKACG(PE))*

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS IN CHINA

No. 104 Zhenan Road
Xizhou Town
Xiangshan County
Zhejiang Province
China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 3005-7, 30/F.
Great Eagle Centre
23 Harbour Road
Wanchai, Hong Kong

PRINCIPAL BANKERS

Bank of China
Agricultural Bank of China

LEGAL ADVISER AS TO HONG KONG LAW

Long An & Lam LLP

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor

SHARE REGISTRARS

Principal Share Registrar and Transfer Office in the Cayman Islands

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3,
Building D, P.O. Box 1586,
Gardenia Court, Camana Bay,
Grand Cayman, KY1-1110,
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Union Registrars Limited
Suites 3301-04, 33/F
Two Chinachem Exchange Square
338 King's Road
North Point
Hong Kong

LISTING EXCHANGE INFORMATION

The Stock Exchange of Hong Kong Limited
Main Board

STOCK CODE

6830

COMPANY WEBSITE

www.cn-huazhong.com

BUSINESS AND MARKET REVIEW

The Group is principally engaged in the manufacture and sale of automotive internal and external structural and decorative parts, moulds and tooling, casings and liquid tanks of air conditioners or heaters and other non-automotive products.

For the six months ended 30 June 2026, the Group's revenue was approximately RMB1,114,050,000, representing a increase of approximately 16.6% as compared to approximately RMB955,046,000 for the six months ended 30 June 2025. Profit attributable to the owners of the parent for the six months ended 30 June 2026 was approximately RMB13,070,000, representing an decrease of approximately 49.5% as compared to RMB25,891,000 for the six months ended 30 June 2025.

FINANCIAL REVIEW

Revenue

The revenue of the Group was primarily derived from five categories of products:

(i) automotive interior and exterior structural and decorative parts;

(ii) moulds and tooling;

(iii) casings and liquid tanks of air conditioners and heaters;

(iv) non-automotive products; and

(v) sale of raw materials.

	For the six months ended 30 June			
	2026		2025	
	Revenue (Unaudited) RMB'000	**Gross profit margin %**	Revenue (Unaudited) RMB'000	Gross profit margin %
Automotive interior and exterior structural and decorative parts	**861,046**	**28.3**	735,473	29.4
Moulds and tooling	**91,737**	**20.7**	88,029	19.7
Casings and liquid tanks of air conditioners and heaters	**57,913**	**22.1**	59,780	21.4
Non-automotive products	**17,887**	**53.6**	20,919	37.8
Sale of raw materials	**85,467**	**11.8**	50,845	13.5
Total	**1,114,050**	**26.5**	955,046	27.4

For the six months ended 30 June 2026, the revenue generated from automotive interior and exterior structural and decorative parts was approximately RMB861,046,000 (the six months ended 30 June 2025: approximately RMB735,473,000), accounting for approximately 77.3% of the Group's total revenue for the six months ended 30 June 2026 (the six months ended 30 June 2025: approximately 77.0%). Gross profit margin decreased from approximately 29.4% for the six months ended 30 June 2025 to approximately 28.3% for the six months ended 30 June 2026.

For the six months ended 30 June 2026, revenue from moulds and tooling was approximately RMB91,737,000 (the six months ended 30 June 2025: approximately RMB88,029,000), accounting for approximately 8.2% of the Group's total revenue for the six months ended 30 June 2026 (the six months ended 30 June 2025: approximately 9.2%). Gross profit margin increased from approximately 19.7% for the six months ended 30 June 2025 to approximately 20.7% for the six months ended 30 June 2026.

For the six months ended 30 June 2026, revenue from casings and liquid tanks of air conditioners and heaters was approximately RMB57,913,000 (the six months ended 30 June 2025: approximately RMB59,780,000), accounting for approximately 5.2% of the Group's total revenue for the six months ended 30 June 2026 (the six months ended 30 June 2025: approximately 6.3%). Gross profit margin increased from approximately 21.4% for the six months ended 30 June 2025 to approximately 22.1% for the six months ended 30 June 2026.

For the six months ended 30 June 2026, revenue from non-automotive products was approximately RMB17,887,000 (the six months ended 30 June 2025: approximately RMB20,919,000), accounting for approximately 1.6% of the Group's total revenue for the six months ended 30 June 2026 (the six months ended 30 June 2025: approximately 2.2%). Gross profit margin increased from approximately 37.8% for the six months ended 30 June 2025 to approximately 53.6% for the six months ended 30 June 2026.

For the six months ended 30 June 2026, revenue from sale of raw materials was approximately RMB85,467,000 (the six months ended 30 June 2025: approximately RMB50,845,000), accounting for approximately 7.7% of the Group's total revenue for the six months ended 30 June 2026 (the six months ended 30 June 2025: approximately 5.3%). The gross profit margin decreased from approximately 13.5% for the six months ended 30 June 2025 to approximately 11.8% for the six months ended 30 June 2026.

For the six months ended 30 June 2026, the overall gross profit margin decreased to approximately 26.5% (the six months ended 30 June 2025: approximately 27.4%).

Other Income and Gains

Other income and gains of the Group for the six months ended 30 June 2026 amounted to approximately RMB23,856,000 (the six months ended 30 June 2025: approximately RMB22,984,000), representing an increase of approximately 3.8% as compared to the six months ended 30 June 2025.

Selling and Distribution Expenses

The Group's selling and distribution expenses for the six months ended 30 June 2026 amounted to approximately RMB81,276,000, representing an increase of approximately 14.5% as compared to approximately RMB71,008,000 in the six months ended 30 June 2025.

Administrative Expenses

The Group's administrative expenses for the six months ended 30 June 2026 amounted to approximately RMB185,848,000, representing an increase of approximately 1.90% as compared to approximately RMB182,366,000 in the six months ended 30 June 2025. This was mainly attributable to increase of research and development expense during the period.

Share of Losses/Profits of joint ventures

During the six months ended 30 June 2026, the Group recorded approximately RMB2,352,000 of the share of losses of joint ventures, while a share of profits of joint ventures of approximately RMB9,555,000 was recorded for the six months ended 30 June 2025.

Finance Income

The Group's finance income decreased by approximately 4.0% from approximately RMB1,069,000 for the six month ended 30 June 2025 to approximately RMB1,026,000 for the six months ended 30 June 2026.

Finance Costs

The Group's finance costs decreased from approximately RMB11,058,000 for the six months ended 30 June 2025 to approximately RMB10,516,000 for the six months ended 30 June 2026, representing a decrease of approximately 4.9%. The decrease in finance costs was mainly due to the decrease of loan interest rate during the six months ended 30 June 2026.

Taxes

The Group's tax expenses increase by approximately 23.5% from approximately RMB5,436,000 for the six months ended 30 June 2025 to approximately RMB6,712,000 for the six months ended 30 June 2026. The increase was mainly due to the increase of deferred income tax expense and current income tax in the six months ended 30 June 2026 as compared to the six months ended 30 June 2025.

Liquidity and Financial Resources

For the six months ended 30 June 2026, the net cash flows from operating activities amounted to approximately RMB197,127,000 (the six months ended 30 June 2025: net cash flows from operating activities approximately RMB29,384,000).

The net cash used in investing activities amounted to approximately RMB150,001,000 (the six months ended 30 June 2025: net cash used in investing activities of approximately RMB75,481,000) and the net cash flows from financing activities amounted to approximately RMB17,093,000 (the six months ended 30 June 2025: net cash flows from financing activities of approximately RMB4,829,000). The cash used in investing activities was mainly attributable to the payment for purchase of property, plant and machinery.

As a result of the cumulative effect described above, the Group recorded a net cash inflow of approximately RMB64,219,000 for the six months ended 30 June 2026 (the six months ended 30 June 2025: net cash outflow of approximately RMB41,268,000).

As at 30 June 2026, the Group's cash and cash equivalents (including cash and bank deposits) amounted to approximately RMB125,943,000 (31 December 2025: approximately RMB62,496,000).

As at 30 June 2026, the Group's interest-bearing bank borrowings and other borrowings were approximately RMB671,523,000 (31 December 2025: approximately RMB633,112,000), among of which, approximately RMB305,996,000 would be due within one year (31 December 2025: approximately RMB423,967,000). The borrowings of the Group were subject to interests payable at rates ranging from 2.28% to 3.10% per annum. The Board of the Company expects that the bank borrowings will either be repaid by internally generated funds or rolled over upon maturity and will continue to provide funding to the Group's operations.

Capital Commitments

As at 30 June 2026, the Group had capital commitments amounting to approximately RMB261,240,000 (31 December 2025: approximately RMB72,874,000) for the acquisition of property, plant and equipment.

Foreign Exchange Exposure

The sales and purchases of the Group are mainly denominated in Renminbi ("**RMB**"). The cash and cash equivalents of the Group are mainly denominated in RMB and Hong Kong dollars. The borrowings are denominated in RMB. Since the Group's exposure to fluctuations in foreign exchange rates was immaterial, the Group has not implemented any foreign currency hedging policy at the moment. However, the management will closely monitor the foreign exchange exposure of the Group and will consider hedging against any foreign exchange risk if such becomes significant to the Group.

Capital Structure

The total number of issued and fully paid ordinary shares of the Company as at 30 June 2026 was 1,769,193,800.

Contingent Liabilities

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

Pledge of Assets

As at 30 June 2026, the Group's assets of approximately RMB97,946,000 (31 December 2025: approximately RMB96,744,000) were pledged to secure some of the Group's interest-bearing bank and other borrowings. The book values of the pledged assets are set out below:

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Property, plant and equipment	**30,868**	32,724
Leasehold land	**37,078**	34,020
Pledged deposits	**30,000**	30,000
Total	**97,946**	96,744

Gearing Ratio

As at 30 June 2026, the Group's gearing ratio was approximately 64.5% (31 December 2025: approximately 66.9%). The gearing ratio is derived by dividing net liabilities (including interest-bearing and other bank borrowings, trade and notes payables, other payables and accruals less cash and cash equivalents) by total capital (including equity attributable to owners of the parent company) plus net liabilities at the end of the period/year under review.

Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures and Future Plans for Material Investments or Capital Assets

During the six months ended 30 June 2026, the Group did not have any significant investments or material acquisition or disposal of subsidiaries, associates and joint ventures. There was no plan authorised by the Board for any material investments or additions of capital assets as at the date of this report.

Employees and Remuneration Policies

As at 30 June 2026, the Group had 3,519 employees (30 June 2025: 3,656). Total staff costs of the Group (excluding Directors' and chief executive's remuneration) for six months ended 30 June 2026 was approximately RMB209,686,000 (the six months ended 30 June 2025: approximately RMB177,425,000). The Group's remuneration policies were in line with relevant legislation, market conditions and the performance of our employees. Share options would be granted to certain eligible persons with outstanding performance and contributions to the Group.

Events After the Reporting Period

There is no material subsequent event undertaken by the Group after 30 June 2026 and up to the date of this report.

PROSPECT

From January to June in 2026, the manufacturing and sales volumes of automobiles in China reached 14.99 million and 15.02 million, respectively, with a year-on-year decrease of 4.0% and 4.1%, among of which, the manufacturing and sales volumes of new energy automobiles reached 7.44 million and 7.45 million, respectively, with a year-on-year increase of 6.7% and 7.3%, accounted for 49.6% of the market share. China Association of Automobile Manufacturers expects that the total sales volume of new energy vehicles in China will reach 19 million in 2026, representing a growth of about 15.2% as compared with last year.

The Group will actively facilitate its work regarding the deployment of aspects including customers, products and manufacturing to promote overall development. Firstly, we will continue to strive for expanding our cooperation with traditional automotive brands. As we pursue top quality craftsmanship and innovative manufacturing constantly, we will also endeavor to extend the scope of cooperation from traditional automotives to new energy automotives and aim to develop new lightweight products made of new and high-performance plastics together, in substitution for metal automotive parts. Secondly, we will continue to improve our deployment in the new energy market and strengthen our connection with new energy automotive brands. We have successful exploration in the new energy market and has worked with industry leaders in the past. We will fight for more orders and customers on that basis and seek to expand economies of scale. Lastly, we will strengthen our manufacturing deployment comprehensively. We plan to set up new manufacturing facilities in Mexico in order to achieve global business development and compete for orders from overseas manufacturers.

During the coming year, Huazhong In-Vehicle will focus on the improvement of its product mix, to better meet the demand of its automotive brand customers and enhance the cooperation with its customers. We will continue to increase the utilisation rate of our production capacity to maximise the efficiency of mass production; meanwhile, we will strengthen our management on business expenses and take revenue generating and cost control measure, striving for remarkable results of profits during the recovery of the industry.

Forward Looking Statements

This management discussion and analysis contains certain forward looking statements with respect to the financial condition, results of operations and business of the Group. These forward looking statements represent the Company's expectations or beliefs concerning future events and involve known and unknown risks and uncertainty that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

Forward looking statements involve inherent risks and uncertainties. Readers including shareholders and investors should be cautioned that a number of factors could cause actual results to differ, in some instances materially, from those anticipated or implied in any forward looking statement.

CORPORATE GOVERNANCE CODE

The Company has adopted the code provisions prescribed in the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") as the code of the Company.

The Board is of the view that the Company has complied with all applicable code provisions set out in the CG Code throughout the six months ended 30 June 2026, except for the following deviations.

Code Provision C.2.1

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. With the support of the company secretary of the Company, the chairman of the Board (the "**Chairman**") seeks to ensure that all Directors are properly briefed on issues arising at Board meetings and received adequate and reliable information on a timely basis.

Since Mr. Zhou Minfeng now serves as both the Chairman and the chief executive the Company (the "**Chief Executive**"), such practice deviates from code provision C.2.1 of the CG Code. The Board believes that vesting the roles of both the Chairman and the Chief Executive in the same person can facilitate the effective execution of the Group's business strategies and operation. Furthermore, there are various experienced individuals in charge of the daily business operation and the Board comprises one executive Director, three non-executive Directors and three independent non-executive Directors, with a balance of skill and experience appropriate for the Group's further development. The Board will review such deviation from time to time to enhance the best interest of the Group as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (the "**Model Code**") as the code of conduct governing dealings by all the Directors in the securities of the Company. Specific enquiries have been made with all Directors, who have confirmed that, during the six months ended 30 June 2026, they were in compliance with the required provisions set out in the Model Code.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, the Directors and the chief executive of the Company had the following interests or short positions in the shares (the "**Shares**"), underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**") which have been 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 the Directors and the chief executive of the Company are taken or deemed to have under such provisions of the SFO, or which are required to be and are recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

Long Positions in the Company

Name of Director	Capacity/ Nature of interest	Number of Shares	Approximate percentage of the issued Shares
Mr. Zhou Minfeng	Interests of controlled corporation (1)	1,320,000,000	74.61%
	Beneficial owner	900,000	0.05%
	Spouse's interest	1,100,000(2)	0.06%

Notes:

(1) Mr. Zhou Minfeng is deemed to be interested in Shares held by Huayou Holdings Company Limited ("**Huayou Holdings**") by virtue of Huayou Holdings being wholly-owned by Mr. Zhou Minfeng.

(2) Ms. Chen Chun'er, the spouse of Mr. Zhou Minfeng, has interest in 1,100,000 Shares. Therefore, Mr. Zhou Minfeng is deemed to be interested in Ms. Chen Chun'er's Shares.

Save as disclosed above, as at 30 June 2026, none of the Directors or the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which had been recorded in the register maintained by the Company pursuant to Section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code.

At no time was the Company, its holding company, or any of its subsidiaries a party to any arrangements to enable the Directors and the chief executive of the Company (including their spouse and children under 18 years of age) to hold any interest or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO).

SHARE OPTION SCHEMES

2011 Share Option Scheme

The Company adopted a share option scheme (the "**2011 Share Option Scheme**") on 15 December 2011 for the purpose of giving certain eligible persons an opportunity to have a personal stake in the Company and motivating them to optimize their future performance and efficiency to the Group and/or rewarding them for their past contributions, and attracting and retaining, or otherwise maintaining on-going relationships with, such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group.

The 2011 Share Option Scheme was terminated by the shareholders of the Company (the "**Shareholders**") at the annual general meeting of the Company held on 2 June 2021. Outstanding share options granted under the 2011 Share Option Scheme prior to such termination shall continue to be valid and, subject to the vesting schedule, exercisable in accordance with the 2011 Share Option Scheme.

There were no outstanding options, and there were no options granted, exercised, lapsed or cancelled pursuant to the 2011 Share Option Scheme during the six months ended 30 June 2026 and as at the date of this report.

The number of share options available for grant under the scheme mandate of the 2011 Share Option Scheme as at 1 January 2026 and 30 June 2026 is 0.

The number of shares that may be issued in respect of options granted under 2011 Share Option Scheme of the Company during the six months ended 30 June 2026 is nil, representing 0% of the weighted average number of shares of the relevant class in issue of the Company for the six months ended 30 June 2026.

2021 Share Option Scheme

The adoption of a new share option scheme (the "**2021 Share Option Scheme**") was approved by the Shareholders at the annual general meeting of the Company held on 2 June 2021. The purpose of the 2021 Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group and to encourage participants to work towards enhancing value of the Company and its shares for the benefits of the Company and the Shareholders as a whole. The 2021 Share Option Scheme was adopted for a period of 10 years commencing from 2 June 2021. No share option has been granted, exercised, lapsed or cancelled under the 2021 Share Option Scheme up to the date of this report.

The number of share options available for grant under the scheme mandate of the 2021 Share Option Scheme as at 1 January 2026 and 30 June 2026 is 176,919,380.

The number of shares that may be issued in respect of options granted under 2021 Share Option Scheme of the Company during the six months ended 30 June 2026 is nil, representing 0% of the weighted average number of shares of the relevant class in issue of the Company for the six months ended 30 June 2026.

ARRANGEMENT FOR DIRECTORS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in "Share Option Schemes" above, at no time during the six months ended 30 June 2026 were rights to acquire benefits by means of the acquisition of Shares or debentures of the Company granted to any Director or their respective spouses or minor children, or were such rights exercised by them, or was the Company, its holding company or any of its subsidiaries a party to any arrangements which enable the Directors to acquire benefits by means of the acquisition of Shares in, or debt securities (including debentures) of the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

So far as is known to any Director or the chief executive of the Company, as at 30 June 2026, the persons or corporations (other than Director or the chief executive of the Company) who had interests or short positions in the Shares and underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO were as follows:

Long Positions in the Company

Name	Capacity/Nature of Interest	Number of Shares	Approximate percentage of the issued Shares
Huayou Holdings [1]	Beneficial owner	1,320,000,000	74.61%
Zhou Minfeng	Beneficial owner	900,000	0.05%
Ms. Chen Chun'er [2]	Beneficial owner	1,100,000	0.06%
	Spouse's interest	1,320,000,000[3]	74.61%

Notes:

(1) Huayou Holdings is wholly-owned by Mr. Zhou Minfeng.

(2) Ms. Chen Chun'er is the spouse of Mr. Zhou Minfeng.

(3) Shares held by Huayou Holdings, in which Mr. Zhou Minfeng is deemed to be interested by virtue of Huayou Holdings being wholly-owned by Mr. Zhou Minfeng.

Save as disclosed above, as at 30 June 2026, the Directors and the chief executive of the Company are not aware of any other person or corporation having an interest or short position in the Shares and underlying Shares which would require disclosure to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Direct or indirect interests in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name	Shareholder	Approximate percentage of shareholding
Shanghai Huaxin*	Shanghai Automobile Air Conditioner Factory* (上海汽車空調器廠)	30%
Shanghai Huaxin*	Shanghai Beicai Industrial Co., Ltd. (上海北蔡工業有限公司)	19%
Changxing Huaxin [(1)]	Shanghai Automobile Air Conditioner Factory* (上海汽車空調器廠)	30%
Changxing Huaxin [(1)]	Shanghai Beicai Industrial Co., Ltd. (上海北蔡工業有限公司)	19%
Ningbo Hualete*	Roekona Textilwerk GmbH & Co. KG ("**Roekona Textilwerk**")	10%
Ningbo Hualete*	zwissTEX Germany GmbH ("**zwissTEX Germany**")	10%
Texline Investment Co., Limited ("**Texline Investment**") [(2)]	Roekona Textilwerk	10%
Texline Investment [(2)]	zwissTEX Germany	10%
Ningbo Hualuote [(2)]	Roekona Textilwerk	10%
Ningbo Hualuote [(2)]	zwissTEX Germany	10%

Notes:

(1) Shanghai Automobile Air Conditioner Factory*（上海汽車空調器廠）and Shanghai Beicai Industrial Co., Ltd.（上海北蔡工業有限公司）directly hold 30% and 19% interests in Shanghai Huaxin, respectively. Changxing Huaxin is wholly-owned by Shanghai Huaxin and as a result, Shanghai Automobile Air Conditioner Factory*（上海汽車空調器廠）and Shanghai Beicai Industrial Co., Ltd.（上海北蔡工業有限公司）also indirectly hold 30% and 19% interests in Changxing Huaxin, respectively.

(2) Roekona Textilwerk and zwissTEX Germany directly hold 10% and 10% interests in Ningbo Hualete, respectively. Texline Investment is wholly-owned by Ningbo Hualete and Ningbo Hualuote is wholly-owned by Texline Investment. As a result, Roekona Textilwerk indirectly holds 10% interests in Texline Investment and Ningbo Hualuote respectively, while zwissTEX Germany indirectly holds 10% interests in Texline Investment and Ningbo Hualuote respectively.

** For identification purposes only*

Save as disclosed above, as at 30 June 2026, the Directors and the chief executive of the Company are not aware of any other person or corporation who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

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 during the six months ended 30 June 2026.

INTERIM DIVIDENDS

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2026 (the six months ended 30 June 2025: Nil).

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") consists of three members, namely Ms. Xu Li (chairman), Mr. Wang Dongchen and Mr. Xu Jiali, all of them were the independent non-executive Directors. The primary duties of the Audit Committee are to review and supervise the financial reporting process, risk management and internal control systems of the Group.

Disclosure of financial information in this report complies with Appendix D2 of the Listing Rules. The Audit Committee has provided supervision over the Group's financial reporting process. The Audit Committee has reviewed the accounting standards and practices adopted by the Group and discussed the auditing and financial reporting matters, including the review of the interim results of the Group for the six months ended 30 June 2026. The Audit Committee has reviewed the interim results of the Group for the six months ended 30 June 2026 and is of the view that the announcement of interim results for the six months ended 30 June 2026 is prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been duly made.

APPRECIATION

The chairman of the Board would like to take this opportunity to thank his fellow Directors for their invaluable advices and guidance, and to each and everyone of the staff of the Group for their hard work and loyalty to the Group.

On behalf of the Board
Zhou Minfeng
Chairman and Chief Executive

Zhejiang, the PRC, 29 August 2026

** For identification purposes only*

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	For the six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
REVENUE	5	**1,114,050**	955,046
Cost of sales		**(819,067)**	(693,747)
Gross profit		**294,983**	261,299
Other income and gains	5	**23,856**	22,984
Selling and distribution expenses		**(81,276)**	(71,008)
Administrative expenses		**(185,848)**	(182,366)
Impairment losses on financial assets, net		**(11,318)**	1,389
Other expenses		**(6,743)**	(2,185)
Finance income		**1,026**	1,069
Finance costs		**(10,516)**	(11,058)
Share of profits and losses of:			
joint ventures		**(2,352)**	9,555
associates		**(60)**	(200)
PROFIT BEFORE TAX	6	**21,752**	29,479
Income tax expense	7	**(6,712)**	(5,436)
PROFIT FOR THE PERIOD		**15,040**	24,043
Attributable to:			
Owners of the parent		**13,070**	25,891
Non-controlling interests		**1,970**	(1,848)
		15,040	24,043
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	9		
Basic and diluted			
— For profit for the period		**RMB0.0074**	RMB0.0146

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	**15,040**	24,043
OTHER COMPREHENSIVE LOSS		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent period:		
Exchange differences:		
Exchange differences on translation of foreign operations	**60**	(145)
Net other comprehensive income/(loss) may be reclassified to profit or loss in subsequent periods:	**60**	(145)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	**(25,208)**	(8,475)
Income tax effect	**6,302**	2,119
Net other comprehensive loss that will not be reclassified profit or loss in subsequent periods	**(18,906)**	(6,356)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	**(18,846)**	(6,501)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	**(3,806)**	17,542
Attributable to:		
Owners of the parent	**(5,776)**	19,390
Non-controlling interests	**1,970**	(1,848)
	(3,806)	17,542

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**30 June 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	**1,159,974**	1,105,403
Investment properties		**21,272**	22,714
Right-of-use assets		**236,660**	246,975
Intangible assets		**10,775**	11,806
Investments in joint ventures		**126,471**	146,058
Investments in associates		**7,072**	7,132
Advance payments for property, plant and equipment		**190,163**	151,662
Equity investments designated at fair value through other comprehensive income		**84,213**	109,421
Pledged deposits		**30,000**	30,000
Deferred tax assets		**31,956**	32,067
Other non-current assets		**—**	375
Total non-current assets		**1,898,556**	1,863,613
CURRENT ASSETS			
Inventories		**808,814**	807,278
Trade and notes receivables	11	**1,031,453**	1,368,780
Financial assets at fair value through profit or loss		**19,730**	19,947
Prepayments, other receivables and other assets		**271,656**	295,670
Pledged deposits		**105,018**	115,066
Cash and cash equivalents		**125,943**	62,496
Total current assets		**2,362,614**	2,669,237
CURRENT LIABILITIES			
Trade and notes payables	12	**1,664,471**	1,938,533
Other payables and accruals		**325,009**	339,789
Interest-bearing bank and other borrowings		**305,996**	423,967
Tax payable		**29,907**	35,797
Total current liabilities		**2,325,383**	2,738,086
NET CURRENT ASSETS/(LIABILITIES)		**37,231**	(68,849)
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,935,787**	1,794,764

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	**365,527**	209,145
Government grants	**15,326**	15,714
Deferred tax liabilities	**18,015**	24,765
Total non-current liabilities	**398,868**	249,624
Net assets	**1,536,919**	1,545,140
EQUITY		
Equity attributable to owners of the parent		
Issued capital	**142,956**	142,956
Reserves	**1,255,385**	1,265,576
	1,398,341	1,408,532
Non-controlling interests	**138,578**	136,608
Total equity	**1,536,919**	1,545,140

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the parent									
	Share capital RMB'000	Share premium* RMB'000	Statutory reserve funds* RMB'000	Merger reserve* RMB'000	Fair value reserve of equity investments designated at fair value through other comprehensive income* RMB'000	Exchange fluctuation reserve* RMB'000	Retained earnings* RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
As at 1 January 2026 (audited)	**142,956**	**8,744**	**118,667**	**88,278**	**54,560**	**65**	**995,262**	**1,408,532**	**136,608**	**1,545,140**
Total comprehensive income for the period	**—**	**—**	**—**	**—**	**(18,906)**	**60**	**13,070**	**(5,776)**	**1,970**	**(3,806)**
Final dividends	**—**	**—**	**—**	**—**	**—**	**—**	**(4,415)**	**(4,415)**	**—**	**(4,415)**
As at 30 June 2026 (unaudited)	**142,956**	**8,744**	**118,667**	**88,278**	**35,654**	**125**	**1,003,917**	**1,398,341**	**138,578**	**1,536,919**
As at 1 January 2025 (audited)	142,956	8,157	118,667	88,278	66,286	256	964,285	1,388,885	176,345	1,565,230
Total comprehensive income for the period	—	—	—	—	(6,356)	(145)	25,891	19,390	(1,848)	17,542
Acquisition of non-controlling interests	—	587	—	—	—	—	—	587	(37,314)	(36,727)
Dividends paid to a non-controlling shareholder	—	—	—	—	—	—	—	—	(2,450)	(2,450)
Final dividends	—	—	—	—	—	—	(5,000)	(5,000)	—	(5,000)
As at 30 June 2025 (unaudited)	142,956	8,744	118,667	88,278	59,930	111	985,176	1,403,862	134,733	1,538,595

* These reserve accounts comprise the consolidated reserves of RMB 1,255,385,000 (30 June 2025: RMB1,260,906,000) in the interim condensed consolidated statement of financial position.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Notes	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Cash flows from operating activities			
Profit before tax		**21,752**	29,479
Adjustments for:			
Foreign exchange fluctuation		**3,399**	(1,415)
Finance costs		**10,516**	11,058
Share of losses/(profits) of a joint venture		**2,352**	(9,555)
Share of losses of an associate		**60**	200
Finance income		**(1,026)**	(1,069)
Dividend income from equity investments at fair value through other comprehensive income		**(1,811)**	—
Fair value losses on financial assets at fair value through profit or loss		**217**	53
Gain on disposal of items of property, plant and equipment	5	**(45)**	(90)
Loss on disposal of intangible assets		**80**	—
Amortisation of government grants		**(388)**	(693)
Depreciation of property, plant and equipment		**79,413**	61,829
Depreciation of right-of use assets		**11,293**	10,845
Depreciation of investment properties		**1,442**	1,446
Amortisation of intangible assets		**1,219**	299
Amortisation of non current assets		**—**	450
Write-down of inventories to net realisable value		**243**	3,488
Impairment of financial assets, net	6	**11,318**	(1,389)
		140,034	104,936
Increase in inventories		**(1,779)**	(118,952)
Decrease in trade and notes receivables		**333,453**	1,226
Decrease in prepayments, other receivables and other assets		**13,239**	2,393
(Decrease)/increase in trade and bills payables		**(268,653)**	80,245
Decrease in other payables and accruals		**(16,279)**	(8,348)
(Decrease)/increase in pledged deposits		**10,048**	(20,749)
Cash generated from operations		**210,063**	40,751
Income tax paid		**(12,936)**	(11,367)
Net cash flows from operating activities		**197,127**	29,384

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Cash flows from investing activities		
Interest received	**3,726**	1,069
Purchases of items of property, plant and equipment	**(182,054)**	(115,312)
Purchases of items of leasehold land	**—**	—
Purchases of items of intangible assets	**(268)**	(726)
Proceeds from disposal of items of property, plant and equipment	**9,549**	6,834
Addition of investments in joint ventures	**(2,500)**	—
Proceeds from disposal of financial assets at fair value through profit or loss	**—**	10,000
Dividends received from joint ventures	**19,735**	22,654
Dividends received from equity investment designated at fair value through other comprehensive income	**1,811**	—
Net cash flows used in investing activities	**(150,001)**	(75,481)
Cash flows from financing activities		
New bank loans	**678,799**	401,000
Repayment of bank loans	**(632,600)**	(337,950)
Principal portion of lease payment	**(8,766)**	(8,425)
Dividends paid	**(4,415)**	—
Dividends paid to non-controlling shareholders	**—**	(2,450)
Interest paid	**(10,516)**	(10,619)
Acquisition of non-controlling interests	**(5,409)**	(36,727)
Net cash flows from financing activities	**17,093**	4,829
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**64,219**	(41,268)
Cash and cash equivalents at beginning of the period	**62,496**	161,143
Effect of foreign exchange rate changes, net	**(772)**	(54)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**125,943**	119,821
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	**125,943**	119,821
Cash and cash equivalents as stated in the interim condensed consolidated statement of financial position	**125,943**	119,821
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows	**125,943**	119,821

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1. CORPORATE INFORMATION

Huazhong In-Vehicle Holdings Company Limited (the "**Company**") is a limited liability company incorporated in the Cayman Islands on 3 December 2010. The registered office address of the Company is Cricket Square, Hutchins Drive, PO BOX 2681, Grand Cayman, KY1-1111, Cayman Islands. The shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 12 January 2012 (the "**Listing Date**").

The Company is an investment holding company. During the six months ended 30 June 2026, the Company and its subsidiaries (collectively referred to as the "**Group**") were involved in the manufacture and sale of internal and external structural and decorative parts of automobiles, moulds and tooling of automobiles, casing and liquid tanks of air-conditioning or heater units and other non-automobile products, such as top cowl covers and office chairs.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with International Accounting Standard ("**IAS**") 34 *Interim Financial Reporting*. 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 2025.

3 CHANGES IN ACCOUNTING POLICIES

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 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

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

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

3 CHANGES IN ACCOUNTING POLICIES *(Continued)*

Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.

Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

Annual Improvements to IFRS Accounting Standards – Volume 11 set out narrow scope amendments to IFRS 1, IFRS 7(and the accompanying Guidance on implementing IFRS 7), IFRS 9, IFRS 10 and IAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding IFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into one single business unit that is primarily the manufacture and sale of internal and external decorative and structural automobile parts, moulds and tooling, casing and liquid tanks of air conditioning or heater units and other non-automobile products. Management monitors the consolidated results for the purpose of making decisions about resources allocation and the Group's performance assessment. Accordingly, no segment analysis is presented.

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Chinese mainland	**1,095,787**	918,078
Overseas	**18,263**	36,968
	1,114,050	955,046

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

(b) Non-current assets

	30 June	31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Chinese mainland	**1,727,310**	1,695,167
Overseas	**25,077**	26,958
Total	**1,752,387**	1,722,125

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

5. REVENUE, OTHER INCOME AND GAINS

The disaggregation of the Group's revenue from contracts with customers, including sales of goods and rendering of services below, for the six months ended 30 June 2026 and 30 June 2025 is as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**1,114,050**	955,046
Disaggregated revenue information for revenue from contracts with customers		
Type of goods or service		
Sales of plastic parts and automotive parts	**1,022,313**	867,017
Sales of moulds and tooling	**91,737**	88,029
Total	**1,114,050**	955,046
Geographical markets		
Chinese mainland	**1,095,787**	918,078
Overseas	**18,263**	36,968
Total	**1,114,050**	955,046
Timing of revenue recognition		
Goods transferred at a point in time	**1,114,050**	955,046

5. REVENUE, OTHER INCOME AND GAINS *(Continued)*

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Rental income	**6,659**	5,057
Government grants	**7,123**	7,127
Management fee	**2,217**	2,649
Value-added tax preferences	**2,472**	4,274
Gain on disposal of items of property, plant and equipment	**45**	90
Gain on sales of scrap materials	**2,350**	659
Foreign exchange difference, net	**—**	1,469
Others	**2,990**	1,659
Total	**23,856**	22,984

6. PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of inventories recognised	**819,067**	693,747
Depreciation of property, plant and equipment	**79,413**	61,829
Depreciation of right-of-use assets	**11,293**	10,845
Depreciation of investment properties	**1,442**	1,446
Amortisation of intangible assets	**1,219**	299
Lease payments under short-term leases	**2,807**	6,653
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Wages, salaries and other benefits	**209,686**	177,425
Rental income, net	**(6,659)**	(5,057)
Foreign exchange difference, net	**2,627**	(1,469)
Impairment/(reversal of impairment) of financial assets	**11,318**	(1,389)
Write-down of inventories to net realisable value*	**243**	3,488
Gain on disposal of items of property, plant and equipment	**(45)**	(90)

* The write-down of inventories to net realisable value is included in "Cost of sales" in the consolidated statement of profit or loss.

7. INCOME TAX

The major components of the income tax expense of the Group during the period are analysed as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax		
— Charge for the period	**7,050**	6,166
Deferred income tax	**(338)**	(730)
Total tax charge for the period	**6,712**	5,436

8. DIVIDENDS

On 3 June 2026, a final dividend for the year ended 31 December 2025 of HK$0.2826 cents per ordinary share, amounting to approximately RMB4,415,000, has been approved by the shareholders at the annual general meeting for the Company.

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2026 (the six months ended 30 June 2025: Nil).

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

The calculation of basic earnings per share for the period is based on the consolidated net profit attributable to owners of the parent and the weighted average number of ordinary shares of 1,769,193,800 outstanding during the six months ended 30 June 2026 (the six months ended 30 June 2025: 1,769,193,800).

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT *(Continued)*

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to owners of the parent used in the basic and diluted earnings per share calculation	**13,070**	25,891

	For the six months ended 30 June Number of shares	
	2026	2025
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	**1,769,193,800**	1,769,193,800

The Group had no potentially dilutive ordinary shares in issue during the period.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired property, plant and equipment at a total cost of RMB143,553,000 (the six months ended 30 June 2025: RMB85,377,000). No asset is transferred from investment properties to property, plant and equipment (30 June 2025: Nil).

No asset is transferred from property, plant and equipment to investment properties (30 June 2025: Nil). Assets with a net book value of RMB9,504,000 were disposed of by the Group during the six months ended 30 June 2026 (30 June 2025: RMB6,744,000), resulting in a net gain on disposal of RMB45,000 (30 June 2025: net gain on disposal RMB90,000).

11. TRADE AND NOTES RECEIVABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables	**894,649**	1,245,787
Notes receivable	**242,930**	217,593
	1,137,579	1,463,380
Impairment of trade receivables	**(106,126)**	(94,600)
Net carrying amount	**1,031,453**	1,368,780

An ageing analysis of the trade receivables as at the end of the reporting period, based on the transaction dates and net of loss allowance, is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 3 months	**681,889**	991,862
3 to 6 months	**67,959**	120,715
6 months to 1 year	**35,924**	36,097
Over 1 year	**2,751**	2,513
Total	**788,523**	1,151,187

12. TRADE AND NOTES PAYABLES

An ageing analysis of the trade and bills payables of the Group as at 30 June 2026, based on the invoice date, is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 3 months	**1,332,685**	1,259,340
3 to 12 months	**317,121**	672,096
1 to 2 years	**9,283**	1,232
2 to 3 years	**645**	1,143
Over 3 years	**4,737**	4,722
Total	**1,664,471**	1,938,533

Certain bills payable was secured by pledged deposits of the Group with a carrying value of RMB96,688,000 as at 30 June 2026 (31 December 2025: RMB69,277,000).

13. COMMITMENTS

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

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Property, plant and equipment	**261,240**	72,874

14. RELATED PARTY TRANSACTIONS AND BALANCES

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

	Notes	**For the six months ended 30 June**	
		2026	2025
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Sales of goods to:	(i)		
A joint venture		**16,811**	23,997
Entities with significant influence by Mr. Zhou's brother		**13,861**	3,647
		30,672	27,644
Purchases of goods from:	(ii)		
A joint venture		**572**	78
Entities with significant influence by Mr. Zhou's brother		**5,866**	3,480
An entity with significant influence by the key management personnel		**3,901**	2,423
An entity collectively controlled by Mr. Zhou's parents		**299**	889
		10,638	6,870
Gross rental income from:	(iii)		
A joint venture		**4,909**	4,975
Management fee from:	(iv)		
A joint venture		**2,217**	3,181
Rental expenses from:	(v)		
An entity with significant influence by the key management personnel		**263**	–

Notes:

(i) The sales of goods to the related parties were made according to the prices and terms agreed between the related parties.

(ii) The purchases of goods from the related parties were made according to the prices and terms offered by the related parties.

(iii) The gross rental income from related parties were made in accordance with the terms and conditions agreed between the related parties through lease agreements.

(iv) The management fee from the related party was in accordance with the terms agreed between the related parties through management fee agreements.

(v) The research and development fee from the related party was in accordance with the terms agreed between the related parties through research and development fee agreements.

14. RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

(b) Outstanding balances with related parties

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Amounts due from related parties:		
A joint venture	**41,800**	42,641
An entity collectively controlled by Mr. Zhou's parents	**–**	–
Entities with significant influence by Mr. Zhou's brother	**16,461**	1,976
An entity with significant influence by the key management personnel	**60,023**	60,023
	118,284	104,640
Amounts due to related parties:		
Entities with significant influence by Mr. Zhou's brother	**5,895**	1,803
An entity collectively controlled by Mr. Zhou's parents	**123**	200
Entities with significant influence by the key management personnel	**11,045**	10,589
	17,063	12,592

(c) Compensation of key management personnel of the Group

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Short term employee benefits	**2,546**	3,120
Pension scheme contributions	**21**	21
Total compensation paid to key management personnel	**2,567**	3,141

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 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)	**30 June 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
Financial assets				
Fair value through at fair value through profit or loss	**19,730**	19,947	**19,730**	19,947
Equity investments designated at fair value through other comprehensive income	**84,213**	109,421	**84,213**	109,421
Notes receivable at fair value through other comprehensive income	**223,635**	150,197	**223,635**	150,197
Total	**327,578**	279,565	**327,578**	279,565

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, trade and notes receivables, trade and bills payables, financial assets included in prepayments, other receivables and other assets, financial liabilities included in other payables and accruals, amounts due from/to related parties, and the current portion of interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at 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 of those financial assets and liabilities measured at fair value:

The fair value of the non-current portion of interest-bearing bank and other borrowings has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The differences between the carrying amounts and fair values of those financial liabilities are not significant.

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

The fair values of certain of unlisted equity investments designated at fair value through other comprehensive income, have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors to determine comparable public companies (peers) based on industry, size, leverage and strategy, and calculates an appropriate price multiple, such as price to earnings ("**P/E**") multiple, for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by an earnings measure. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding earnings measure of the unlisted equity investments to measure the fair value. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

The Group's notes receivable are managed with a business model under which notes receivable are both held to collect contractual cash flows and endorsed to suppliers prior to their expiry date. Accordingly, these notes receivable are measured as fair value through other comprehensive income. The Group has estimated the fair value of these notes receivable by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

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

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 30 June 2026 and 31 December 2025:

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input (RMB'000)
Unlisted equity investment				
Investment A	Valuation multiples	Forward average P/E multiples of peers	30 June 2026: 16.19 to 42.30	10% increase/(decrease) in multiple would result in increase/(decrease) in fair value by 200/(200)
		Discount for lack of marketability	30 June 2026: 15.64%	10% increase/(decrease) in discount rate would result in (decrease)/increase in fair value by (100)/100
Investment A	Valuation multiples	Forward average P/E multiples of peers	31 Dec 2025: 16.19 to 42.30	10% increase/(decrease) in multiple would result in increase/(decrease) in fair value by 200/(200)
		Discount for lack of marketability	31 Dec 2025: 15.64%	10% increase/(decrease) in discount rate would result in (decrease)/increase in fair value by (100)/100

15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS
(Continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value

As at 30 June 2026

		Fair value measurement using		
	Total RMB'000 (Unaudited)	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)
Fair value through at fair value through profit or loss				
Unlisted investments	19,730	–	–	19,730
Equity investments designated at fair value through other comprehensive income				
Listed investments	82,213	82,213	–	–
Unlisted investments	2,000	–	–	2,000
Notes receivable at fair value through other comprehensive income	223,635	–	223,635	–
Total	327,578	82,213	223,635	21,730

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

Fair value hierarchy *(Continued)*

Assets measured at fair value (Continued)

As at 31 December 2025

		Fair value measurement using		
	Total RMB'000 (Audited)	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)
Fair value through at fair value through profit or loss				
Unlisted investments	19,947	–	–	19,947
Equity investments designated at fair value through other comprehensive income				
Listed investments	107,421	107,421	–	–
Unlisted investments	2,000	–	–	2,000
Notes receivable at fair value through other comprehensive income	150,197	–	150,197	–
Total	279,565	107,421	150,197	21,947

The Group did not have any financial liabilities measured at fair value as at 30 June 2026 (31 December 2025: Nil).

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (six months ended 30 June 2025: Nil).

16. EVENTS AFTER THE REPORTING PERIOD

There is no material subsequent event undertaken by the Group after 30 June 2026.

17. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The unaudited interim condensed consolidated financial statements were approved and authorised for issue by the Board of Directors on 28 August 2026.