Shinelong Automotive Lightweight Application Limited

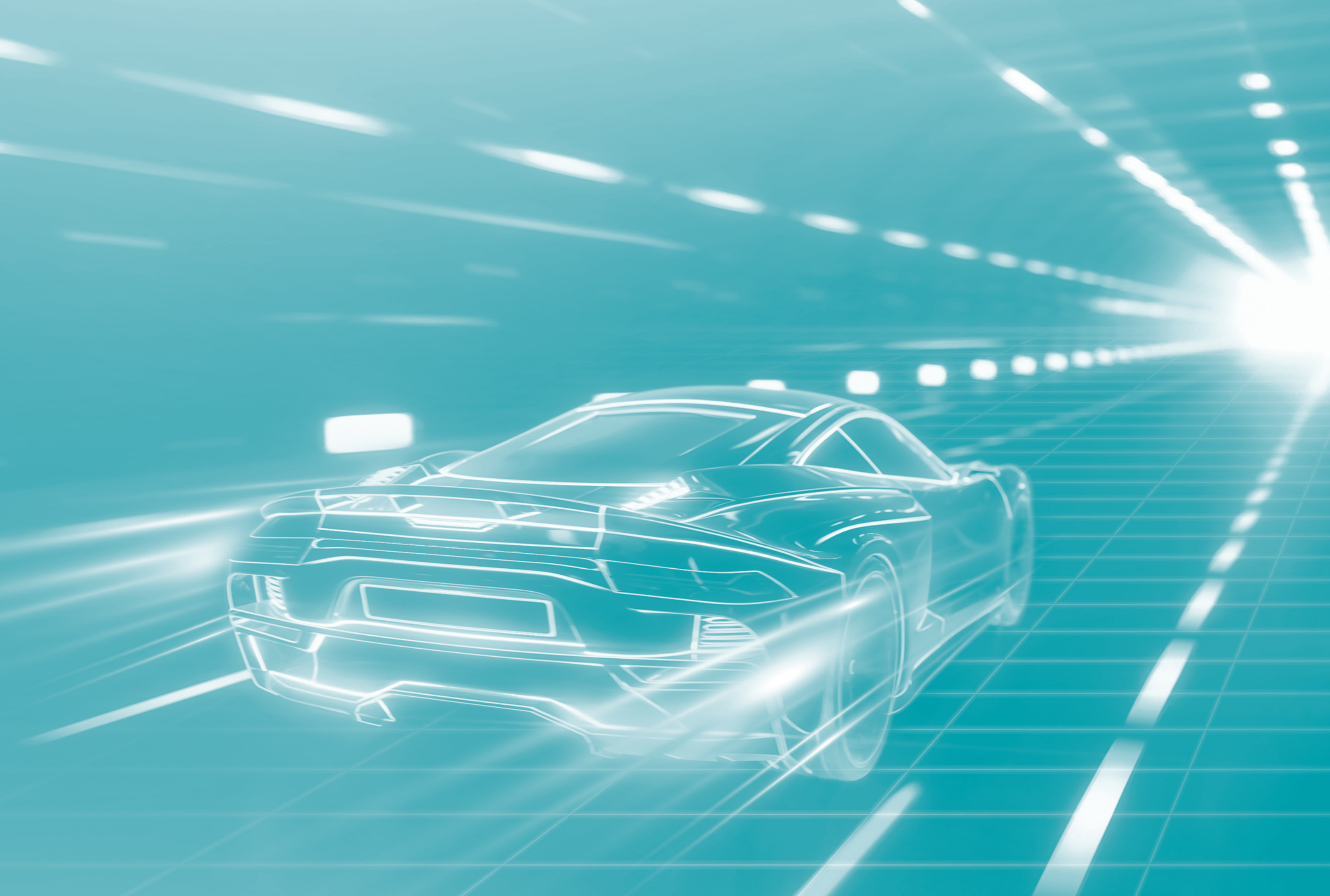
勛龍汽車輕量化應用有限公司

(Incorporated in Cayman Islands with limited liability)

Stock Code : 1930

INTERIM REPORT 2026

Contents



Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Lin Wan-Yi *(Chairman)*
Mr. Yung Chia-Pu
Mr. Cheng Ching-Long
Mr. Lu Jen-Chieh

Non-executive Director

Ms. Hsieh Pei-Chen

Independent Non-executive Directors

Mr. So George Siu Ming
Mr. Lin Lien-Hsing
Mr. Fan Chi Chiu

BOARD COMMITTEES

Audit Committee

Mr. So George Siu Ming *(Committee Chairman)*
Mr. Lin Lien-Hsing
Mr. Fan Chi Chiu

Remuneration Committee

Mr. Lin Lien-Hsing *(Committee Chairman)*
Mr. Lin Wan-Yi
Mr. Fan Chi Chiu

Nomination Committee

Mr. Lin Wan-Yi *(Committee Chairman)*
Mr. So George Siu Ming
Mr. Lin Lien-Hsing
Ms. Hsieh Pei-Chen
Mr. Fan Chi Chiu

Environmental, Social and Governance Committee

Mr. Cheng Ching-Long *(Committee Chairman)*
Mr. Fan Chi Chiu
Mr. Lu Jen-Chieh

COMPANY SECRETARY

Ms. Shen Xuejuan

AUTHORISED REPRESENTATIVES

Mr. Lin Wan-Yi
Ms. Shen Xuejuan

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor

PRINCIPAL BANKER

Bank of China (Hong Kong) Limited

REGISTERED OFFICE

Cricket Square, Hutchins Drive
PO Box 2681, Grand Cayman
KY1-1111 Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN THE PRC

90 Yangongdai Lane
Zhangpu Town, Kunshan City
Jiangsu Province
the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1916, 19/F, Lee Garden One
33 Hysan Avenue, Causeway Bay
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

INVESTOR RELATIONS

Ms. Shen Xuejuan
Email: sophia@shinlone.com.cn
Telephone: (+86) 512-57452666

WEBSITE

www.shinlone.com.cn

STOCK CODE

1930

Corporate Information

LISTING INFORMATION

Equity Securities

The ordinary shares of Shinelong Automotive Lightweight Application Limited (the "**Company**") (the "**Shares**") (stock code: 1930) are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**").

DESPATCH OF CORPORATE COMMUNICATIONS

This interim report (both Chinese and English versions) will be delivered to shareholders of the Company who requested the printed copy. This interim report is also published on the Company's website (www.shinlone.com.cn) and the Hong Kong Stock Exchange's website (www.hkexnews.hk).

For environmental protection reasons, the Company encourage the shareholders of the Company to view this interim report posted on the aforesaid websites where possible.

Financial Summary

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

	For the six months ended 30 June		
	2026	2025	Change
Revenue (RMB'000)	**147,568**	118,163	24.9%
Gross profit (RMB'000)	**26,630**	25,224	5.6%
Gross profit margin	**18.0%**	21.3%	-3.3 percentage points
Net profit attributable to owners of the Company (RMB'000)	**7,248**	8,269	–12.3%
Net profit margin	**4.9%**	7.0%	-2.1 percentage points
Basic earnings per share (RMB cents)	**1.1**	1.3	-15.4%
Diluted earnings per share (RMB cents)	**1.1**	1.3	-15.4%

SUMMARY OF THE INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30 June 2026	As at 31 December 2025	Change
Total assets (RMB'000)	**690,879**	744,899	-7.3%
Cash and cash equivalent (RMB'000)	**19,334**	28,001	-31.0%
Total liabilities (RMB'000)	**320,365**	377,513	-15.1%
Total equity (RMB'000)	**370,514**	367,386	0.9%
Return on equity(Note)	**2.0%**	2.3%	-0.3 percentage points
Return on total assets(Note)	**1.0%**	1.2%	-0.2 percentage points

Note: Return on equity and return on total assets are compared between this reporting period and the corresponding period of last year.

Management Discussion and Analysis

BUSINESS REVIEW

The Company and its subsidiaries (together, the "**Group**") is a developer and major supplier of customised moulds in the People's Republic of China (the "**PRC**"), with a focus on moulds for the production of automotive parts which cater for the growing trend of automotive lightweight application, as well as electrical appliance parts and other parts. The Group seeks to offer comprehensive moulding services and solutions to the customers, covering product analysis, mould design and development, mould fabrication, assembling, testing and adjustment, trial production and aftersales services.

In the first half of 2026, under the multiple shocks of ongoing geopolitical conflicts, rebounding inflationary pressures and rising trade protectionism, the global economy has generally shown a slowdown in growth, with uncertainties further intensifying. China's economy has maintained steady progress while accelerating the shift from old to new growth drivers, demonstrating strong overall resilience. Against a backdrop of increasing external instability and uncertainty, China's foreign trade has grown against the trend. Nevertheless, the imbalance between insufficient domestic effective demand and excess supply continues to exist.

In the first half of 2026, amid multiple factors, including insufficient domestic demand and fierce market competition, the phase-down of preferential tax policies for new energy vehicles as well as price hikes in power battery raw materials and chips, the domestic automotive market was undergoing profound adjustments. Against this backdrop, many automakers proactively rolled out global expansion strategies. The production and sales of China's automobiles decreased by 4.0% and 4.1% year-on-year, respectively, with the domestic sales of automobiles decreased by 21.1% year-on-year. Sales of new energy vehicles accounted for 49.6% of total new vehicle sales, and automobile export sales surged by 65.3% year-on-year. The Group's mould business remains primarily focused on the domestic market. The weak domestic demand, intensifying industrial competition and rising prices of upstream core raw materials further squeezed profit margins across the automotive sector. Affected by the downstream vehicle market, the automotive mould industry faced intensified competition and mounting profit pressure.

In the first half of 2026, against the backdrop of insufficient effective demand in the domestic market, the challenges faced by the TV and other large household electrical appliance sectors remained, with overall sales declining and becoming increasingly concentrated among leading enterprises. The trade-in policy for household electrical appliances continued to stimulate market vitality, promoting the green and intelligent upgrading of household electrical appliance consumption. The technological innovation and iteration in household electrical appliances such as smart TVs and laser TVs have never stalled, particularly in terms of large screen size, energy efficiency and innovative technologies, which also bring opportunities to upstream and downstream industries. However, competition in both the household electrical appliance and household electrical appliance mould industries is intensifying, while cost pressures are mounting.

The revenue of the Group for the six months ended 30 June 2026 (the "**1H2026**") amounted to approximately RMB147.6 million, representing an increase of approximately RMB29.4 million or 24.9% as compared with that of approximately RMB118.2 million for the six months ended 30 June 2025 (the "**1H2025**"). Such increase was mainly due to the increase in revenue generated from the sales of automotive moulds and electrical appliance moulds. Profit attributable to owners of the Company for 1H2026 amounted to approximately RMB7.2 million, representing a decrease of approximately 12.3% as compared with that of approximately RMB8.3 million for 1H2025. Such decrease was mainly due to the net effect of (i) a decrease in gross profit margin from sales of the Group's automotive moulds during this reporting period, resulting from fierce market competition; (ii) an increase in selling and distribution expenses and general and administrative expenses; (iii) a decrease in other income and gains, net; and (iv) an increase in gross profit as a result of the increase in sales revenue.

Management Discussion and Analysis

OUTLOOK

Looking ahead, against the backdrop of intertwined geopolitical conflicts, inflationary pressures and trade protectionism, the outlook for the global economy has shifted toward slower growth and heightened uncertainties. China's insufficient domestic effective demand remains the core challenge. Despite pressures from both internal and external environments, China's economic growth is expected to remain resilient.

In the second half of 2026, the fierce market competition in the automotive industry will persist, and prices of core raw materials are expected to fluctuate at high levels, putting pressure on industry profitability. Geopolitical conflicts and trade protectionism will also pose multiple challenges to the overseas expansion of the automotive industry, and the overseas development models have shifted from simple finished-vehicle exports to deeply localized operations. Meanwhile, with the continued implementation of domestic trade-in policies and automakers accelerating transformation in electrification and intelligence technologies, policy support and technological innovation will bring new development opportunities for the automotive industry and its upstream and downstream sectors, such as automotive moulds.

The Chinese household electrical appliance industry is confronted with weak domestic demand, rising raw material cost pressures, a shift towards premium, smart, and green products, and both opportunities and challenges in overseas markets. Affected by the household electrical appliances market environment, the household electrical appliance injection mould market is actively seeking new opportunities while still facing intense competition and cost pressures.

Faced with a complex market environment, the Group will proactively address both challenges and opportunities arising from changes in the industry. It will continue to implement various cost-reduction and efficiency-enhancement measures across all production and operation processes to strengthen the Group's comprehensive competitiveness. The Group will actively expand both domestic and overseas markets for automotive moulds and household electrical appliance moulds, and will pursue new business opportunities, so as to enhance its risk resilience and unleash new growth drivers.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

The revenue of the Group amounted to approximately RMB147.6 million for 1H2026, representing an increase of approximately RMB29.4 million or 24.9% as compared with that of approximately RMB118.2 million for 1H2025.

The following table sets forth a breakdown of the revenue of the Group by business segment:

	For the six months ended 30 June		
	2026	2025	Change
	RMB'000	RMB'000	%
Sales of moulds			
Automotive moulds	**114,217**	93,314	22.4%
Electrical appliance moulds	**24,307**	15,025	61.8%
Other moulds	**1,322**	2,302	-42.6%
Sub-total	**139,846**	110,641	26.4%
Parts processing services	**6,564**	6,083	7.9%
Others	**1,158**	1,439	–19.5%
Total	**147,568**	118,163	24.9%

(i) Sales of moulds

The Group principally engages in the design, development, manufacture and sales of customised hot-pressing moulds, hydroforming moulds and injection moulds which are used in auto manufacturing. Apart from automotive moulds, the Group also engages in the design, development, manufacture and sales of customised plastic moulds for the production of electrical appliance parts. Sales of moulds accounted for approximately 94.8% of the Group's revenue for 1H2026.

The revenue generated from sales of automotive moulds for 1H2026 amounted to approximately RMB114.2 million, representing an increase of approximately RMB20.9 million or 22.4% as compared with that of approximately RMB93.3 million for 1H2025. Such increase was primarily due to the net effect of (i) the increase in amount of the final acceptance reports received from four of the Group's new customers; and (ii) the decrease in revenue generated from two of the Group's major customers.

The revenue generated from sales of electrical appliance moulds for 1H2026 amounted to approximately RMB24.3 million, representing an increase of approximately RMB9.3 million or 61.8% as compared with that of approximately RMB15.0 million for 1H2025. Such increase was mainly due to the increase in amount of the final acceptance reports received from one of the Group's major customers during the reporting period, compared with that for the corresponding period of the previous year.

(ii) Parts processing services

Parts processing services principally include services provided to the customers for (i) modification of moulds the Group manufactured and sold; and (ii) processing machine parts that are used in automotive moulds and electrical appliance moulds. The revenue generated from parts processing services for 1H2026 amounted to approximately RMB6.6 million, representing an increase of approximately RMB0.5 million or 7.9% as compared with that of approximately RMB6.1 million for 1H2025.

Cost of sales

The Group's cost of sales primarily consists of direct materials, direct labour, manufacturing overhead and subcontracting expenses. The major raw materials used by the Group in the production of moulds include, among others, mould steel, mould parts, casting parts, hot runner and mould base.

The cost of sales of the Group for 1H2026 amounted to approximately RMB120.9 million, representing an increase of approximately RMB28.0 million or 30.1% as compared with that of approximately RMB92.9 million for 1H2025. Such increase was mainly due to the increase in revenue generated from the sales of automotive moulds and electrical appliance moulds during the reporting period.

Gross profit and gross profit margin

The gross profit of the Group for 1H2026 amounted to approximately RMB26.6 million, representing an increase of approximately RMB1.4 million or 5.6% as compared with that of approximately RMB25.2 million for 1H2025. The gross profit margin decreased from approximately 21.3% for 1H2025 to approximately 18.0% for 1H2026, which was mainly due to (i) the decrease in revenue and gross profit margin from one of the Group's major automotive moulds customers for 1H2026, attributed to intense market competition. As the gross profit margin historically generated from this customer was relatively higher than that from the Group's other automotive moulds customers, the gross profit margin from sales of automotive moulds decreased accordingly; and (ii) the increase in the inventory impairment allowances for finished goods of automotive moulds.

Other income and gains

The other income and gains of the Group mainly consisted of government grants, interest income, gains and losses on disposal of assets and exchange gains and losses. The amount decreased from approximately RMB1.6 million for 1H2025 to approximately RMB0.8 million for 1H2026, which was mainly attributable to (i) the decrease in government grants of approximately RMB0.4 million as compared with the corresponding period of last year; and (ii) the foreign exchange loss of approximately RMB0.6 million recorded in 1H2026 arising from fluctuations in the exchange rates of the US dollar and the euro against the RMB, whereas a foreign exchange gain of approximately RMB0.1 million was recorded in 1H2025.

Selling and distribution expenses

The selling and distribution expenses of the Group mainly consisted of staff costs for sales staff and provision for warranty. The selling and distribution expenses of the Group for 1H2026 amounted to approximately RMB3.3 million, representing an increase of approximately RMB0.7 million or 23.8% as compared with that of approximately RMB2.6 million for 1H2025. Such increase was mainly due to the increase in provision for warranty of approximately RMB0.7 million as compared with the corresponding period of last year.

General and administrative expenses

The general and administrative expenses of the Group for 1H2026 amounted to approximately RMB15.1 million, representing an increase of approximately RMB1.0 million or 6.5% as compared with that of approximately RMB14.1 million for 1H2025. Such increase was mainly attributable to (i) the increase in staff costs of approximately RMB0.5 million; and (ii) the increase in taxes of approximately RMB0.4 million, as compared with the corresponding period of the previous year.

Finance costs

The finance costs of the Group mainly consisted of interest expenses on bank borrowings, lease liabilities and discounted note receivable. The amount decreased from approximately RMB0.4 million for 1H2025 to approximately RMB0.2 million for 1H2026. Such decrease was mainly due to the decrease in interest expenses on bank borrowings and discounted notes receivable of approximately RMB0.2 million as compared with the corresponding period of the previous year, which was attributable to lower amounts of bank borrowings and discounted notes receivable for 1H2026.

Income tax expenses and effective tax rate

The income tax expenses of the Group increased from approximately RMB1.5 million for 1H2025 to approximately RMB1.7 million for 1H2026. The effective tax rate, representing income tax expense divided by profit before taxation, were 15.3% and 19.5% for 1H2025 and 1H2026, respectively. The increase in the effective tax rate was primarily attributable to additional tax expenses arising from tax adjustments in connection with the annual tax settlement during the reporting period.

Net profit and net profit margin

The Group recorded net profit attributable to owners of the Company of approximately RMB8.3 million and approximately RMB7.2 million for 1H2025 and 1H2026, with a net profit margin of approximately 7.0% and 4.9%, respectively. The decrease in net profit for 1H2026 was mainly due to (i) the decrease in gross profit margin from the sales of the automotive moulds due to intensified competition within the industry; (ii) the increase in the inventory impairment allowances for finished goods of automotive moulds; (iii) the decrease in other income and gains, net; and (iv) the increase in selling and distribution expenses, general and administrative expenses.

Liquidity and Financial Resources

For 1H2026, the Group' s operations were primarily financed through cash generated from its operating activities. The Group derived its cash inflow from operating activities primarily through the receipt of payments from the customers in relation to the sales of moulds and parts processing services. The Group's cash outflows from operating activities primarily comprised payments for purchases of raw materials, direct labour costs, subcontracting fees to third-party contractors and operating expenses such as staff costs.

As at 30 June 2026, the Group's total current assets and current liabilities were approximately RMB510.8 million (31 December 2025: approximately RMB558.2 million) and approximately RMB315.2 million (31 December 2025: approximately RMB372.5 million), respectively, while the current ratio was approximately 1.6 times (31 December 2025: approximately 1.5 times). The decrease in total current assets as at 30 June 2026 as compared to that as at 31 December 2025 was mainly due to (i) the decrease in the amount of sales orders obtained during the reporting period as compared with the second half of 2025, resulting in the decrease in inventory of work-in-process; and (ii) the decrease in trade and notes receivables. The decrease in total current liabilities as at 30 June 2026 as compared to that as at 31 December 2025 was mainly due to the decrease in trade and notes payables, contract liabilities and interest-bearing bank and other borrowings.

As at 30 June 2026, the Group had cash and bank balances amounting to approximately RMB20.7 million (31 December 2025: approximately RMB30.5 million), among which restricted bank deposits were approximately RMB1.4 million (31 December 2025: approximately RMB2.5 million).

As at 30 June 2026, the Group's balance of interest-bearing bank and other borrowings were approximately RMB7.0 million (31 December 2025: approximately RMB16.2 million), comprising short-term bank borrowings of RMB2.0 million, which bore interest at a rate of 2.5% per annum and will be repayable in January 2027; and short-term bank borrowings of RMB5.0 million, which bore interest at a rate of 2.3% per annum and will be repayable in February 2027. The Group's borrowings are all working capital borrowings. As at 30 June 2026, the Group's gearing ratio was approximately 2.7% (31 December 2025: approximately 4.8%), which was calculated based on interest-bearing liabilities (including lease liabilities) divided by total equity.

Going forward, the Group expects to fund its future operations and expansion plans primarily with cash generated from operations and borrowings.

Reserves and Capital Structure

As at 30 June 2026, the Group's total equity was approximately RMB370.5 million (31 December 2025: approximately RMB367.4 million), which represented share capital of approximately RMB5.8 million (31 December 2025: approximately RMB5.8 million) and reserves of approximately RMB363.6 million (31 December 2025: approximately RMB360.4 million), treasury shares of approximately RMB0.1 million (31 December 2025: approximately RMB0.1 million) and non-controlling interests of approximately RMB1.2 million (31 December 2025: approximately RMB1.3 million). The increase in total equity was primarily due to the net profit recorded for 1H2026.

Capital Expenditure and Commitments

The Group's capital expenditure in 1H2026 primarily comprised expenditure on plant and equipment and amounted to a total of approximately RMB1.5 million (31 December 2025: approximately RMB15.0 million).

As at 30 June 2026, the Group had capital commitments of approximately RMB0.3 million (31 December 2025: approximately RMB0.5 million).

Management Discussion and Analysis

Property, Plant and Equipment

The Group's property, plant and equipment mainly comprised buildings, machinery, furniture, fixtures and equipment, leasehold improvements and motor vehicles. As at 30 June 2026, the Group's property, plant and equipment amounted to approximately RMB160.0 million (31 December 2025: approximately RMB167.5 million).

Inventories

The Group's inventories comprised (i) raw materials and low-value consumables used in production; (ii) work-in-progress for products being manufactured in the production plants; and (iii) finished goods which comprised moulds that had only passed the customers' initial inspection for which the Group had not received their final acceptance reports. As at 30 June 2026, the Group's inventories amounted to approximately RMB368.5 million (31 December 2025: approximately RMB381.3 million). Such decrease was mainly due to the decrease in the amount of sales orders obtained during the reporting period as compared with the second half of 2025, resulting in the decrease in inventory of work-in-process manufactured in the production plants.

Trade and notes receivables

The Group's trade and notes receivables represented amounts receivable from customers in relation to the sales of moulds and parts processing services. The Group's notes receivables were issued by the customers with which the Group could receive the amount at a fixed future date, or could readily be discounted into cash at an expense of finance charge. As at 30 June 2026, the Group's trade and notes receivables amounted to approximately RMB116.4 million (31 December 2025: approximately RMB139.3 million). Such decrease was mainly due to the decrease in notes receivable on hand issued by customers at the end of the reporting period, as compared with that at the end of the previous year.

The Group has stringent internal control measures in place to assess expected credit losses on trade receivables, reviewed the trade receivables ageing regularly and assessed the customers individually for provision for expected credit loss allowance which take into account the historical settlement pattern, communications with the customers, and evidence from external sources including the relevant public search results relating to the financial circumstances of the relevant customers.

Trade and notes payables

The Group's trade and notes payables primarily consisted of payable to the suppliers in relation to the purchase of the raw materials for the manufacture of moulds, and subcontracting fees payable to third-party contractors. As at 30 June 2026, the Group's trade and notes payables amounted to approximately RMB86.1 million (31 December 2025: approximately RMB125.5 million). Such decrease was mainly due to the decrease in the amount of raw material purchases during the reporting period as compared with the second half of 2025 and the decrease in the outstanding notes receivable endorsed to suppliers.

Contract liabilities

The Group's contract liabilities consisted of the short-term advances received to deliver moulds. Pursuant to the contract, the Group generally requires the customers to pay around 30% of the total fee when they place a purchase order and around 30% to 50% of the total fee when the moulds have been fabricated and are ready for delivery to the customers. Such payments from the customers were recorded as contract liabilities and the moulds related to these contract liabilities were recorded as work-in-progress for products being manufactured in production plants and finished goods in the Group's inventories.

After the moulds have passed the customers' final inspection and examination, the customers would issue final acceptance reports to the Group, at which time, the Group would recognise the sales and reverse the related contract liabilities and record the remaining balance of around 20% to 40% of the total fee as trade receivables.

As at 30 June 2026, the Group's contract liabilities amounted to approximately RMB189.7 million (31 December 2025: approximately RMB199.0 million), most of which represented payments from the customers for moulds that had passed their initial inspection but for which the Group had not received their final acceptance reports.

EMPLOYEES, TRAINING AND REMUNERATION POLICIES

As at 30 June 2026, the Group had 379 employees (31 December 2025: 379 employees). To promote employees' knowledge and technical expertise, the Group offers training programmes to employees from time to time according to their job duties. Employees' remuneration packages are determined with reference to the market information and individual performance and will be reviewed on a regular basis. In addition to basic remuneration, the Group also makes contributions to mandatory social security funds for the benefit of the PRC employees that provide for retirement insurance, medical insurance, unemployment insurance, maternity insurance, occupational injury insurance and housing funds. The Company also maintains a share option scheme and a share award scheme, which aim to providing incentives to employees to contribute to the Group's development.

The total staff cost including remuneration, other benefits and contributions to retirement schemes for the directors of the Company (the "**Directors**") and other staff of the Group for 1H2026 amounted to approximately RMB30.7 million (1H2025: approximately RMB25.0 million). The increase in staff cost was mainly due to the increase in direct labor cost.

MATERIAL ACQUISITIONS AND DISPOSALS

During 1H2026, the Group had no material acquisitions or disposals of subsidiaries, associated companies or joint ventures.

CONTINGENT LIABILITIES

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

Management Discussion and Analysis

PLEDGES OVER GROUP'S ASSETS

In October 2022, the Group entered into a ten-year comprehensive credit agreement with a maximum credit limit of RMB80.0 million with Jiangsu Kunshan Rural Commercial Bank Co., Ltd. Zhangpu Sub-branch, which was raised to approximately RMB89.6 million in January 2024. The comprehensive credit was secured by the mortgages over the Group's leasehold land with a net carrying value at 30 June 2026 of approximately RMB6.1 million (31 December 2025: approximately RMB6.2 million), together with the plant on the leasehold land with a net carrying value at 30 June 2026 of approximately RMB71.5 million (31 December 2025: approximately RMB72.7 million). As at 30 June 2026, the Group had bank borrowings of approximately RMB2.0 million in aggregate under the comprehensive credit agreement, which is a working capital loan with a term of one year at an interest rate of 2.5% per annum and will be repayable in January 2027.

SIGNIFICANT INVESTMENTS HELD AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group did not have any significant investments held, nor did it have any future plan for material investments or capital assets as at 30 June 2026.

FOREIGN CURRENCY EXPOSURE

Since the Group generated most of the revenue and incurred most of the costs in Renminbi for 1H2026, there was no significant exposure to foreign exchange rate and the Group did not maintain any hedging policy against foreign exchange risk. The management will consider hedging significant currency exposure should the need arise.

Corporate Governance

CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders of the Company, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") as the basis of the Company's corporate governance practices.

The Board is of the view that, during 1H2026 and up to the date of this report, the Company has complied with all the code provisions as set out in the CG Code, except for code provision C.2.1 as set out below:

Pursuant to code provision C.2.1 of the CG Code, the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. However, the Group does not have a separate chairman and chief executive officer and Mr. Lin Wan-Yi currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. Given that (i) all material decisions are approved by the Board, which currently comprises four executive Directors (including Mr. Lin Wan-Yi), one non-executive Director and three independent non-executive Directors; and (ii) the Directors proactively participate in all the board meetings and the relevant board committee meetings, and the chairman cum chief executive officer ensures all the Directors are duly informed of all the matters to be approved at the meetings, the Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

The Company has also put in place certain recommended best practices as set out in the CG Code.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION

As at 30 June 2026, the interests or short positions of the Directors in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (the "**SFO**")), which (i) were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be recorded in the register therein; or (iii) were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 of the Listing Rules (the "**Model Code**"), were as follows:

(i) Interests in the Company

Name of Director	Nature of interest	Number of ordinary shares held (Note 1)	Approximate Percentage of shareholding
Mr. Lin Wan-Yi ("**Mr. Lin**")	Interest in a controlled Corporation (Note 2)	324,225,000 (L)	49.125%
Mr. Lin	Beneficial Owner	1,822,000 (L)	0.28%
Mr. Cheng Ching-Long	Beneficial Owner	704,000 (L)	0.11%
Mr. Lu Jen-Chieh	Beneficial Owner	344,000 (L)	0.05%

Notes:

1. The letter "L" denotes the person's long position in the shares.

2. The Company was directly owned as to 49.125% by Shine Art International Limited ("**Shine Art**") which was directly held as to 58.312% by Mr. Lin. Accordingly, by virtue of the SFO, Mr. Lin is deemed to be interested in the same number of shares of the Company held by Shine Art.

(ii) Interests in the associated corporation

Name of Director	Name of associated corporation	Nature of interest	Number of ordinary shares held	Approximate percentage of shareholding in the associated corporation	Approximate percentage of shareholding in the Company
Mr. Lin	Shine Art	Beneficial Owner	29,156	58.312%	28.646%
Mr. Yung Chia-Pu	Shine Art	Beneficial Owner	7,712	15.424%	7.577%
Mr. Cheng Ching-Long	Shine Art	Beneficial Owner	7,468	14.936%	7.337%
Mr. Lu Jen-Chieh	Shine Art	Beneficial Owner	467	0.934%	0.459%
Ms. Hsieh Pei-Chen	Shine Art	Beneficial Owner	454	0.908%	0.446%

Save as disclosed above, as at 30 June 2026, none of the Directors or chief executive of the Company had or was deemed to have any other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

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

As at 30 June 2026, according to the register of interests maintained by the Company pursuant to section 336 of the SFO, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of substantial shareholder	Nature of interest	Number of ordinary shares held (Note 1)	Approximate percentage of shareholding
Shine Art	Beneficial Owner	324,225,000 (L)	49.125%
Friendly Holdings (HK) Co., Limited ("**Friendly Holdings**")	Beneficial Owner	91,080,000 (L)	13.80%
Mr. Liu Fang Jung ("**Mr. Liu**")	Interest in a controlled corporation (Note 2)	91,080,000 (L)	13.80%
Ms. Su Su-Mei ("**Ms. Su**")	Interest of spouse (Note 3)	326,047,000 (L)	49.40%

Notes:

1. The letter "L" denotes the person's long position in the shares.

2. The Company was directly owned as to 13.80% by Friendly Holdings which was directly held as to 100% by Mr. Liu. Accordingly, by virtue of the SFO, Mr. Liu is deemed to be interested in the same number of shares of the Company held by Friendly Holdings.

3. Ms. Su is the spouse of Mr. Lin. Under the SFO, Ms. Su is deemed to be interested in the same number of shares of the Company in which Mr. Lin is interested.

Save as disclosed above, as at 30 June 2026, according to the register of interests required to be kept by the Company under Section 336 of the SFO, there was no other person or corporation who had any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

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

During 1H2026 and up to the date of this report, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

SHARE OPTION SCHEME

The Company has adopted a share option scheme (the "**Share Option Scheme**") on 6 June 2019. The principal terms of the Share Option Scheme were summarised in the section headed "Share Option Scheme" in Appendix IV of the prospectus of the Company dated 17 June 2019. The purpose of the Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group.

From 1 January 2023, the Company relies on the transitional arrangements provided for the share schemes and complies with the new Chapter 17 accordingly (effective from 1 January 2023).

No share options were granted, exercised, cancelled or lapsed by the Company under the Share Option Scheme during 1H2026 and there were no outstanding share options under the Share Option Scheme as at 1 January 2026 and 30 June 2026.

As of 1 January 2026 and 30 June 2026, the number of share options available to be granted under the Share Option Scheme was 66,000,000 Shares and 66,000,000 Shares on each respective date.

SHARE AWARD SCHEME

The Company has adopted a share award scheme (the "**Share Award Scheme**") on 18 May 2021 (the "**Adoption Date**"), pursuant to which the Company may grant awarded shares to the selected participants. The purposes of the Share Award Scheme are: (i) to recognise and reward the contributions of certain eligible persons (including Director(s), senior management and/or employee(s), whether full-time or part-time, of the Group from time to time), and to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group. The Share Award Scheme shall be valid and effective for ten (10) years from the Adoption Date unless early terminated by the Board in accordance with the scheme rules.

From 1 January 2023, the Company relies on the transitional arrangements provided for the share schemes and complies with the new Chapter 17 accordingly (effective from 1 January 2023).

No share awards were granted, vested, cancelled or lapsed during 1H2026, and there were no unvested share awards under the Share Award Scheme as at 1 January 2026 and 30 June 2026.

The number of share awards available for grant under the scheme mandate as at 1 January 2026 and 30 June 2026 was 57,775,200 on each respective date. Service provider sublimit is not applicable under the Share Award Scheme as the eligible participants of the Share Award Scheme do not include service providers.

As no share options and share awards were granted under the Share Option Scheme and the Share Award Scheme during 1H2026, the disclosure requirement under Rule 17.07(3) of the Listing Rules is not applicable to the Company for the purpose of this interim report.

AUDIT COMMITTEE

The Company has an Audit Committee with written terms of reference in compliance with Rule 3.22 of the Listing Rules and code provision D.3.3 of the CG Code. The Audit Committee consists of three independent non-executive Directors, namely Mr. So George Siu Ming, Mr. Lin Lien-Hsing and Mr. Fan Chi Chiu. The Group's unaudited consolidated interim results for 1H2026 have been reviewed by the Audit Committee. The Audit Committee has no disagreement with the accounting treatment adopted by the Company.

Ernst & Young, the Company's auditor, has reviewed the unaudited consolidated interim results of the Group for 1H2026 in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND EMPLOYEES

The Company has adopted the Model Code and specific enquiry has been made of all the Directors and they have confirmed that they have complied with the Model Code during 1H2026 and up to the date of this report.

The Company has also adopted Model Code for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Model Code by the employees was noted by the Company during 1H2026 and up to the date of this report.

UPDATES ON DIRECTORS' INFORMATION

As required under Rule 13.51B(1) of the Listing Rules, the change in Directors' biographical details since the date of 2025 annual report and up to the date of this report are set out below:

Mr. Lin Wan-Yi, an executive Director, Chairman and chief executive officer of the Company, was appointed as the director of Shinesheng Intelligent Equipment Technology (Suzhou) Company Limited (勛盛智能裝備科技(蘇州)有限公司), a subsidiary of the Company, with effect from 24 March 2026.

Mr. Lu Jen-Chieh, an executive Director of the Company, obtained a master degree in business administration from National Taipei University of Technology in June 2026.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for 1H2026 (1H2025: Nil).

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

	Notes	**2026 (Unaudited) RMB'000**	2025 (Unaudited) RMB'000
REVENUE	4	**147,568**	118,163
Cost of sales		**(120,938)**	(92,939)
Gross profit		**26,630**	25,224
Other income and gains, net		**791**	1,633
Selling and distribution expenses		**(3,270)**	(2,641)
General and administrative expenses		**(15,061)**	(14,137)
Finance costs		**(203)**	(409)
PROFIT BEFORE TAX	5	**8,887**	9,670
Income tax expense	6	**(1,731)**	(1,477)
PROFIT FOR THE PERIOD		**7,156**	8,193
Attributable to:			
Owners of the Company		**7,248**	8,269
Non-controlling interests		**(92)**	(76)
		7,156	8,193
OTHER COMPREHENSIVE INCOME			
Changes in fair value of debt investments at fair value through other comprehensive income		**68**	–
Exchange differences on translation of foreign operations		**(63)**	235
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods		**5**	235
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**7,161**	8,428

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income *(Continued)*

For the six months ended 30 June 2026

	Notes	**2026 (Unaudited) RMB'000**	2025 (Unaudited) RMB'000
Attributable to:			
Owners of the Company		**7,253**	8,504
Non-controlling interests		**(92)**	(76)
		7,161	8,428
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY (in Renminbi ("**RMB**") cents per share)	8		
Basic			
— For profit for the period		**1.1**	1.3
Diluted			
— For profit for the period		**1.1**	1.3

Interim Condensed Consolidated Statement of Financial Position

30 June 2026

	Notes	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	**159,982**	167,454
Right-of-use assets	10	**8,917**	7,272
Intangible assets		**1,364**	1,542
Prepayments, other receivables and other assets	13	**–**	656
Deferred tax assets		**7,923**	8,153
Net investments in subleases		**475**	217
Restricted bank deposits	14	**1,390**	1,390
Total non-current assets		**180,051**	186,684
CURRENT ASSETS			
Inventories	11	**368,452**	381,267
Trade and notes receivables	12	**116,378**	139,268
Prepayments, other receivables and other assets		**6,664**	8,075
Net investments in subleases		**–**	497
Restricted bank deposits		**–**	1,107
Cash and cash equivalents	14	**19,334**	28,001
Total current assets		**510,828**	558,215
CURRENT LIABILITIES			
Trade and notes payables	15	**86,055**	125,458
Other payables and accruals	16	**23,588**	24,655
Government grants		**1,096**	997
Contract liabilities	17	**189,661**	199,034
Interest-bearing bank and other borrowings	18	**7,000**	16,159
Dividends payable	7	**4,033**	–
Lease liabilities		**1,719**	966
Income tax payable		**2,053**	5,221
Total current liabilities		**315,205**	372,490
NET CURRENT ASSETS		**195,623**	185,725
TOTAL ASSETS LESS CURRENT LIABILITIES		**375,674**	372,409

Interim Condensed Consolidated Statement of Financial Position *(Continued)*

30 June 2026

	Notes	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
NON-CURRENT LIABILITIES			
Government grants		**3,811**	4,073
Deferred tax liabilities		**215**	449
Lease liabilities		**1,134**	501
Total non-current liabilities		**5,160**	5,023
Net assets		**370,514**	367,386
EQUITY			
Equity attributable to the owners of the Company			
Share capital	19	**5,806**	5,806
Treasury shares		**(43)**	(43)
Reserves		**363,586**	360,366
		369,349	366,129
Non-controlling interests		**1,165**	1,257
Total equity		**370,514**	367,386

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Attributable to the owners of the Company										
	Share capital RMB'000	Treasury shares RMB'000	Share premium* RMB'000	Merger reserve* RMB'000	Statutory reserve* RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income* RMB'000	Exchange reserve* RMB'000	Retained profits* RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
As at 1 January 2026 (Audited)	5,806	(43)	101,394	52,302	27,632	(171)	509	178,700	366,129	1,257	367,386
Profit for the period	–	–	–	–	–	–	–	7,248	7,248	(92)	7,156
Other comprehensive income for the period:											
Changes in fair value of debt investments at fair value through other comprehensive income, net of tax	–	–	–	–	–	68	–	–	68	–	68
Currency translation differences	–	–	–	–	–	–	(63)	–	(63)	–	(63)
Total comprehensive income for the period	–	–	–	–	–	68	(63)	7,248	7,253	(92)	7,161
Final 2025 dividend (Note 7)	–	–	–	–	–	–	–	(4,033)	(4,033)	–	(4,033)
As at 30 June 2026 (Unaudited)	5,806	(43)	101,394	52,302	27,632	(103)	446	181,915	369,349	1,165	370,514

Interim Condensed Consolidated Statement of Changes in Equity *(Continued)*

For the six months ended 30 June 2026

	Attributable to the owners of the Company										
	Share capital RMB'000	Treasury shares RMB'000	Share premium* RMB'000	Merger reserve* RMB'000	Statutory reserve* RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income* RMB'000	Exchange reserve* RMB'000	Retained profits* RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
As at 1 January 2025 (Audited)	5,806	(43)	101,394	52,302	26,019	(190)	206	169,581	355,075	1,414	356,489
Profit for the period	–	–	–	–	–	–	–	8,269	8,269	(76)	8,193
Other comprehensive income for the period:											
Currency translation differences	–	–	–	–	–	–	235	–	235	–	235
Total comprehensive income for the period	–	–	–	–	–	–	235	8,269	8,504	(76)	8,428
Final 2024 dividend declared (Note 7)	–	–	–	–	–	–	–	(4,375)	(4,375)	–	(4,375)
As at 30 June 2025 (Unaudited)	5,806	(43)	101,394	52,302	26,019	(190)	441	173,475	359,204	1,338	360,542

* These reserve amounts comprise the reserves of approximately RMB363,586,000 (six months ended 30 June 2025: RMB353,441,000) in the condensed consolidated statement of financial position as at 30 June 2026.

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Notes	**2026 (Unaudited) RMB'000**	2025 (Unaudited) RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**8,887**	9,670
Adjustments for:			
Depreciation of property, plant and equipment	9	**8,450**	9,058
Amortization of intangible assets	5	**237**	254
Write-down of inventories to net realizable value	5	**1,107**	543
Impairment losses for trade and notes receivables, net	5	**231**	104
Depreciation of right-of-use assets	10	**757**	783
Net foreign exchange differences	5	**(42)**	(97)
Government grants		**(564)**	(494)
Interest income		**(208)**	(316)
Finance costs		**203**	409
Loss on disposal of items of property, plant and equipment		**35**	302
		19,093	20,216
Decrease/(Increase) in inventories		**11,708**	(57,814)
Decrease in trade and notes receivables		**15,915**	14,024
Decrease/(Increase) in prepayments, other receivables and other assets		**557**	(142)
(Decrease)/Increase in trade and notes payables		**(39,403)**	14,860
Decrease in other payables and accruals		**(1,127)**	(1,853)
(Decrease)/Increase in contract liabilities		**(9,373)**	23,050
Decrease in restricted bank deposits		**1,107**	–
Cash (used in)/generated from operations		**(1,523)**	12,341
Income tax paid		**(4,903)**	(4,475)
Net cash flows (used in)/from operating activities		**(6,426)**	7,866

Interim Condensed Consolidated Statement of Cash Flows *(Continued)*

For the six months ended 30 June 2026

	Notes	**2026 (Unaudited) RMB'000**	2025 (Unaudited) RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		**(318)**	(1,783)
Purchases of items of intangible assets		**(59)**	(645)
Proceeds from disposal of items of property, plant and equipment		**21**	357
Receipt of government grants for property, plant and equipment		**401**	455
Receipt of principal portion of finance lease payments arising from the subleases		**239**	223
Interests received		**1,062**	597
Net cash flows from/(used in) investing activities		**1,346**	(796)
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		**7,000**	–
Repayment of short-term and long-term bank borrowings		**(9,362)**	(4,000)
Principal portion of lease payments		**(1,017)**	(855)
Interest portion of lease payments		**(57)**	(45)
Payment of interest on long-term bank borrowings		**(111)**	(260)
Payment of interest on discounted notes receivable		**(23)**	(16)
Net cash flows used in financing activities		**(3,570)**	(5,176)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(8,650)**	1,894
Cash and cash equivalents at beginning of period	14	**28,001**	31,034
Effect of foreign exchange rate changes, net		**(17)**	332
CASH AND CASH EQUIVALENTS AT END OF PERIOD	14	**19,334**	33,260
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents as stated in the interim condensed consolidated statement of financial position	14	**19,334**	33,260
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows		**19,334**	33,260

Notes to the Interim Financial Information

30 June 2026

1. GENERAL INFORMATION

Shinelong Automotive Lightweight Application Limited (the "**Company**") is an exempted company with limited liability incorporated in the Cayman Islands on 2 October 2018. The registered address of the Company is Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively "**the Group**") are involved in the provision of comprehensive moulding services and solutions, covering product analysis, mould design and development, mould fabrication, assembling, testing and adjustment, trial production and aftersales services.

The holding company of the Company is Shine Art International Limited ("**Shine Art**"), a company incorporated in the British Virgin Islands. The ultimate controlling shareholder of the Company is Mr. Lin Wan-Yi.

The Company's shares have been listed on the Main Board of the Stock Exchange of Hong Kong Limited ("**Hong Kong Stock Exchange**") since 28 June 2019.

The Interim Financial Information comprises the condensed consolidated statement of financial position as at 30 June 2026, the related condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes (the "**Interim Financial Information**").

The Interim Financial Information is presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

1. GENERAL INFORMATION *(Continued)*

Information about subsidiaries

Particulars of the Company's major subsidiaries are as follows:

Company name	Place of incorporation/ registration and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company Direct	Percentage of equity attributable to the Company Indirect	Principal activities
Shinelong Intellectual Manufacture Precision Applied Materials (Suzhou) Company Limited ("**Shinelong (Suzhou)**") (Note (a))	People's Republic of China ("**PRC**")/ Chinese mainland	RMB170,000,000	99.9	0.1	Design, Manufacture and sale of moulds
Qingdao Xunzhan Molding Technology Company Limited ("**Xunzhan**") (Note (b))	PRC/Chinese mainland	RMB6,000,000	–	100	Design, Manufacture and sale of moulds
Kunshan Longjun Management Consulting Company Limited ("**Kunshan Longjun**") (Note (b))	PRC/Chinese mainland	United States Dollar ("**USD**") 50,000	100	–	Inactive
Xunhou Laser Technology (Suzhou) Company Limited ("**Xunhou**") (Note (c))	PRC/Chinese mainland	RMB4,250,000	–	82.4	Design, manufacture and sale of laser devices
Shinejie Automotive Component (Suzhou) Company Limited ("**Shinejie**") (Note (d))	PRC/Chinese mainland	RMB5,000,000	–	60	Design, Manufacture and sale of moulds and parts
Shinesheng Intelligent Equipment Technology (Suzhou) ("**Shinesheng**") (Note (e))	PRC/Chinese mainland	RMB2,000,000	–	51	Design, Manufacture and sale of equipment

(a) Shinelong (Suzhou) was established on 8 January 2002 under the name of Shinlone Precision Moulds (Kunshan) Company Limited as a limited liability company under the law of the PRC, which was converted into a company limited by shares on 29 March 2016 and renamed as Shinlone Intellectual Manufacture Precision Applied Materials (Suzhou) Company Limited ("**Shinlone (Suzhou)**"). It was further renamed as Shinelong (Suzhou) on 28 December 2018. Shinelong (Suzhou) is a wholly owned subsidiary of the Company.

1. GENERAL INFORMATION *(Continued)*

Information about subsidiaries *(Continued)*

(b) Registered as a limited liability company under the PRC law.

(c) Xunhou was established on 7 April 2020 with registered share capital of RMB10,000,000 as a limited liability company under the law of the PRC, which is a 70%-owned subsidiary of Shinelong (Suzhou). As at 30 June 2026, Xunhou received capital contributions of RMB3,500,000 from Shinelong (Suzhou) and RMB750,000 from the non-controlling shareholder, Yinwei Laser Technology (Kunshan) Company Limited. Xunhou changed its registered share capital from RMB10,000,000 to RMB4,250,000 on 2 January 2025.

(d) Shinejie was established on 30 March 2026 with registered share capital of RMB5,000,000 as a limited liability company under the law of the PRC. As at 30 June 2026, Shinejie received capital contributions of RMB1,800,000 from Shinelong (Suzhou).

(e) Shinesheng was established on 24 March 2026 with registered share capital of RMB2,000,000 as a limited liability company under the law of the PRC. As at 30 June 2026, Shinesheng received capital contributions of RMB450,000 from Shinelong (Suzhou).

2. BASIS OF PREPARATION

The Interim Financial Information for the six months ended 30 June 2026 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The Interim 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 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*
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

3. CHANGES IN ACCOUNTING POLICIES *(Continued)*

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

a. 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.

b. 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.

c. 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. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Sales of moulds		
Automotive moulds	**114,217**	93,314
Electrical appliance moulds	**24,307**	15,025
Other moulds	**1,322**	2,302
Sub-total	**139,846**	110,641
Parts processing services	**6,564**	6,083
Others	**1,158**	1,439
Total	**147,568**	118,163
Represented by:		
Goods and services transferred at a point in time	**147,568**	118,163
Represented by:		
Geographic markets		
Mainland China	**128,799**	102,634
Overseas	**18,769**	15,529
Total	**147,568**	118,163

5. PROFIT BEFORE TAX

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Raw materials consumed	**50,624**	36,686
Direct labor cost	**20,301**	15,050
Subcontracting expenses	**29,045**	24,722
Depreciation of property, plant and equipment (Note 9)	**8,450**	9,058
Depreciation of right-of-use assets (Note 10)	**757**	783
Amortization of intangible assets	**237**	254
Research and development costs	**5,263**	5,316
Auditor's remuneration	**530**	519
Employee benefit expenses (including directors' and chief executive's remuneration)		
Salaries and bonuses	**9,100**	9,038
Pension scheme contributions	**1,249**	960
	10,349	9,998
Accrual of impairment losses on trade and notes receivables, net	**231**	104
Provision for warranty	**998**	250
Write-down of inventories to net realizable value	**1,107**	543
Foreign exchange differences, net	**(574)**	97

6. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax in the Cayman Islands. Tax on profits assessable in the PRC has been calculated at the applicable PRC corporate income tax ("**CIT**") rate of 25%. During the six months ended 30 June 2026 and 2025, Shinelong (Suzhou) was qualified as a high and new technology enterprise and enjoyed a preferential income tax rate of 15%. Xunzhan, Xunhou, Shinejie, Shinesheng and Kunshan Longjun were certified as small and micro-sized enterprises ("**SME**") and enjoyed an 75% reduction in taxable income and the preferential income tax rate of 20% for the six months ended 30 June 2026 and 2025, as their respective estimated annual taxable incomes were below RMB1 million.

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Current — PRC	**1,332**	3,570
Deferred — PRC	**399**	(2,093)
Total tax charge for the period	**1,731**	1,477

7. DIVIDENDS

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
At beginning of the period	**–**	–
Final declared		
— RMB0.611 cents (2025: RMB0.663 cents) per ordinary share	**4,033**	4,375
At end of the period	**4,033**	4,375

On 24 March 2026, the directors proposed a final dividend of RMB0.611 cents per ordinary share totalling approximately RMB4,032,600 for the year ended 31 December 2025, which was approved by the Company's shareholders at the annual general meeting on 11 June 2026.

The directors did not recommend the payment of an interim dividend for the six months ended 30 June 2026 and 2025.

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the six months ended 30 June 2026 attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares of 659,864,800 (six months ended 30 June 2025: 659,864,800) outstanding during the period.

The calculation of the diluted earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential ordinary shares.

No adjustment has been made to the basic earnings per share amount presented for the six months ended 30 June 2026 in respect of a dilution as the Group had no potentially dilutive ordinary shares outstanding during the six months ended 30 June 2026.

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

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic and diluted earnings per share calculation:	**7,248**	8,269

	Number of shares For the six months ended 30 June	
	2026	2025
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic earnings per share calculation	**659,864,800**	659,864,800
Weighted average number of ordinary shares used in the diluted earnings per share calculation	**659,864,800**	659,864,800

9. PROPERTY, PLANT AND EQUIPMENT

	Buildings RMB'000	Machinery RMB'000	Furniture, fixtures and equipment RMB'000	Leasehold improvements RMB'000	Motor vehicles RMB'000	Total RMB'000
Cost						
At 1 January 2026	93,902	161,530	10,177	1,551	2,649	269,809
Additions	150	757	127	–	–	1,034
Disposals	–	(230)	(34)	–	–	(264)
At 30 June 2026	94,052	162,057	10,270	1,551	2,649	270,579
Accumulated depreciation						
At 1 January 2026	8,486	85,079	5,448	1,542	1,800	102,355
Depreciation charges for the period	2,015	5,790	505	9	131	8,450
Disposals	–	(178)	(30)	–	–	(208)
At 30 June 2026	10,501	90,691	5,923	1,551	1,931	110,597
Net carrying amount						
At 30 June 2026 (Unaudited)	83,551	71,366	4,347	–	718	159,982

9. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

	Buildings RMB'000	Machinery RMB'000	Furniture, fixtures and equipment RMB'000	Leasehold improvements RMB'000	Motor vehicles RMB'000	Total RMB'000
Cost						
At 1 January 2025	93,902	164,916	10,035	1,551	2,790	273,194
Additions	–	120	153	–	133	406
Disposals	–	(2,515)	(255)	–	(274)	(3,044)
At 30 June 2025	93,902	162,521	9,933	1,551	2,649	270,556
Accumulated depreciation						
At 1 January 2025	4,316	76,366	4,712	1,279	1,789	88,462
Depreciation charges for the period	2,157	6,112	530	132	127	9,058
Disposals	–	(1,913)	(226)	–	(246)	(2,385)
At 30 June 2025	6,473	80,565	5,016	1,411	1,670	95,135
Net carrying amount						
At 30 June 2025 (Unaudited)	87,429	81,956	4,917	140	979	175,421

As at 30 June 2026, the Group's buildings with a net carrying amount of approximately RMB71,490,000 (31 December 2025: RMB72,731,000) were mortgaged to secure the general bank facility granted to the Group (Note 18).

10. RIGHT-OF-USE ASSETS

	Leasehold land RMB'000	Factories and venues RMB'000	Total RMB'000
At 1 January 2026	**6,228**	**1,044**	**7,272**
Additions	**–**	**2,402**	**2,402**
Depreciation charges for the period	**(119)**	**(638)**	**(757)**
At 30 June 2026 (Unaudited)	**6,109**	**2,808**	**8,917**

	Leasehold land RMB'000	Factories and venues RMB'000	Total RMB'000
At 1 January 2025	6,467	2,371	8,838
Depreciation charges for the period	(119)	(664)	(783)
At 30 June 2025 (Unaudited)	6,348	1,707	8,055

As at 30 June 2026, the Group had lease contracts for factories and venues and a piece of state-owned industrial construction leasehold land in its operation. Leases of factories and venues generally have lease terms of 3 years. The lease of the land has a lease term of 30 years.

11. INVENTORIES

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Finished goods	**278,090**	265,165
Work in progress	**88,922**	114,767
Raw materials and low value consumables	**1,440**	1,335
Total	**368,452**	381,267

12. TRADE AND NOTES RECEIVABLES

An ageing analysis of the Group's trade and notes receivables as at the end of the reporting period, based on the date of the final acceptance report and net of loss allowance, was as follows:

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Within 30 days	**19,772**	38,047
31–60 days	**12,457**	17,184
61–90 days	**13,919**	19,078
91–180 days	**23,305**	33,428
181–365 days	**36,843**	22,514
Over 365 days	**10,082**	9,017
Total	**116,378**	139,268

13. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Non-current		
Prepayments	**–**	656
Current		
Deposits and other receivables	**4,611**	4,712
Prepayments	**1,526**	2,007
Interest receivables	**268**	1,122
Input value added tax ("**VAT**") to be deducted	**259**	234
Total	**6,664**	8,075

14. CASH AND CASH EQUIVALENTS

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Cash and bank balances	**20,724**	30,498
Less: Restricted bank deposits (Note)	**(1,390)**	(2,497)
Cash and cash equivalents	**19,334**	28,001

Note:

As at 30 June 2026, the Group had placed restricted bank deposits in a bank with an aggregate amount of approximately RMB1,390,000 (31 December 2025: RMB1,390,000) relating to performance guarantees issued by the bank to Zhangpu Town People's Government of Kunshan Municipality for the acquisition of a parcel of leasehold land. As at 31 December 2025, the Group also has a short-term performance bond provided for the fulfilment of a sales contract amounting to approximately RMB1,107,000, which has been collected in March 2026.

As at 30 June 2026 and 31 December 2025, the Group's cash and bank balances denominated in RMB were held in Mainland China amounting to RMB14,381,000 and RMB27,094,000, respectively. RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks that are authorized to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

15. TRADE AND NOTES PAYABLES

An ageing analysis of the Group's trade and notes payables as at the end of the reporting period, based on the invoice date, was as follows:

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Within 30 days	**26,445**	34,978
31–60 days	**17,167**	28,120
61–90 days	**13,831**	24,529
91–120 days	**20,985**	22,862
Over 120 days	**7,627**	14,969
Total	**86,055**	125,458

16. OTHER PAYABLES AND ACCRUALS

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Payables for construction of buildings and acquisitions of property, plant and equipment	**5,855**	5,795
Staff cost and welfare accruals	**8,434**	10,895
Other tax payables	**4,591**	2,730
Provision for warranty	**1,924**	1,715
Professional service fee payables	**746**	954
Other payables	**2,038**	2,566
Total	**23,588**	24,655

Other payables are non-interest-bearing and repayable on demand.

17. CONTRACT LIABILITIES

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Contract liabilities	**189,661**	199,034

Contract liabilities include advances received to deliver moulds.

18. INTEREST-BEARING BANK AND OTHER BORROWINGS

	As at 30 June 2026			As at 31 December 2025		
	Effective Interest Rate (%)	**Maturity**	**(Unaudited) RMB'000**	Effective Interest Rate (%)	Maturity	(Audited) RMB'000
Current						
Short-term bank borrowings (Note (a))	**2.50**	**2027**	**2,000**	2.50	2026	2,000
Short-term bank borrowings (Note (b))	**2.30**	**2027**	**5,000**	–	–	–
Current portion of long-term bank borrowings — secured (Note (a))			**–**	3.00	2026	7,362
Other Borrowing			**–**	0.68	2026	6,797
Total — current			**7,000**			16,159

18. INTEREST-BEARING BANK AND OTHER BORROWINGS *(Continued)*

	As at 30 June 2026 (Unaudited) RMB'000	As at 31 December 2025 (Audited) RMB'000
Analysed into:		
Other borrowings repayable:		
Within one year	–	6,797
Interest-Bearing bank borrowings repayable:		
Within one year	**7,000**	9,362
Total	**7,000**	16,159

Notes:

(a) As at 30 June 2026, the Group had a ten-year general facility agreement with a maximum credit limit of RMB89,581,000 with Jiangsu Kunshan Rural Commercial Bank Co., Ltd. Zhangpu Sub-branch (the "**Rural Commercial Bank**"). The general facility was secured by the mortgages over the Group's leasehold land with a net carrying value at the end of the reporting period of approximately RMB6,109,000 (31 December 2025: RMB6,228,000), together with the plant on the leasehold land with a net carrying value at the end of the reporting period of approximately RMB71,490,000 (31 December 2025: RMB72,731,000). As at 30 June 2026, the Group had borrowings of RMB2,000,000 in aggregate under the general facility agreement, which bore interest at a rate of 2.50% p.a. and repayable in January 2027.

(b) As at 30 June 2026, the Group had a short-term borrowing of RMB5,000,000 which bore interest at a rate of 2.30% p.a. and repayable in February 2027.

(c) All borrowings are denominated in RMB.

19. SHARE CAPITAL

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Issued and fully paid/credited as fully paid 660,000,000 ordinary shares of HK$0.01 each	**5,806**	5,806

20. RELATED PARTY TRANSACTIONS

(a) The Group's related parties and relationships with them:

Name	**Relationship**
Shine Art International Limited	Controlling Shareholder
Friendly Holdings (HK) Co., Limited	Shareholder
High Chance Limited	Shareholder
Lin Wan-Yi	Ultimate controlling shareholder, Chairman, Executive Director and chief executive officer

(b) There was no transaction with related parties during the reporting period.

20. RELATED PARTY TRANSACTIONS *(Continued)*

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

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Fees	**142**	158
Salaries, allowances, and benefits in kind	**858**	996
Performance related bonuses	**215**	215
Pension scheme contributions	**40**	51
Total compensation paid to key management personnel	**1,255**	1,420

The key management personnel of the Group for the six months ended 30 June 2026 included three directors and one chief executive of the Group (six months ended 30 June 2025: three directors and two chief executives) whose total compensation was approximately RMB1,255,000 (six months ended 30 June 2025: RMB1,420,000).

21. COMMITMENTS

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

	30 June 2026	31 December 2025
	(Unaudited)	(Audited)
	RMB'000	RMB'000
Contracted, but not provided for:		
Plant construction	**318**	338
Machinery	**–**	164
Total	**318**	502

22. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amount and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair value, 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				
Notes receivable	**29,793**	54,444	**29,793**	54,444

Management has assessed that the fair values of cash and cash equivalents, restricted bank deposits, trade receivables, financial assets included in prepayments, other receivables and other assets, trade payables, financial liabilities included in other payables and accruals, contract liabilities and short-term borrowings approximate to their carrying amounts largely due to the short-term maturities of these instruments. The carrying amount of long-term borrowings approximate their fair values since they bear interest rates which approximate market interest rates.

The Group's finance management center is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the end of each of the reporting period, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation.

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:

The fair values of notes receivable have been estimated using a discounted cash flow valuation model based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors to make estimates about the expected future cash flows of the notes receivable. The directors believe that the estimated fair values resulting from valuation technique, which are recorded in the condensed consolidated statement of financial position, and the related changes in fair values, which are recorded in the condensed consolidated statement of profit or loss and other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

22. 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			
	Quoted Price in active markets (Level 1) (Unaudited) RMB'000	**Significant observable inputs (Level 2) (Unaudited) RMB'000**	**Significant unobservable inputs (Level 3) (Unaudited) RMB'000**	**Total (Unaudited) RMB'000**
Notes receivable	–	**29,793**	–	**29,793**

As at 31 December 2025

	Fair value measurement using			
	Quoted price in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Notes receivable	–	54,444	–	54,444

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 for both financial assets and financial liabilities (six months ended 30 June 2025: Nil).

23. EVENTS AFTER THE REPORTING PERIOD

As at the date of approval of the unaudited Interim Financial Information, the Group did not have any significant event subsequent to 30 June 2026.

24. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The unaudited Interim Financial Information was approved and authorized for issue by the Board on 25 August 2026.