Ningbo Joyson Electronic Corp.

Unaudited Interim Financial Report

for the six months ended

30 June 2025

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE DIRECTORS OF 寧波均勝電子股份有限公司 NINGBO JOYSON ELECTRONIC CORP.

(Incorporated in the People's Republic of China with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 3 to 33 which comprises the consolidated statement of financial position of 寧波均勝電子股份有限公司 Ningbo Joyson Electronic Corp. (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2025 and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months ended 30 June 2025 and explanatory notes. The directors are responsible for the preparation and presentation of the interim financial information in accordance with International Accounting Standard 34 ("IAS 34"), *Interim financial reporting*, issued by the International Accounting Standards Board.

Our responsibility is to express a conclusion, based on our review, on this interim financial information and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* ("HKSRE 2410"), issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG, a Hong Kong (SAR) partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information as at and for the six months ended 30 June 2025 is not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

Other Matter

We draw attention to the fact that the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months ended 30 June 2024 and the relevant explanatory notes disclosed in the interim financial information have not been reviewed in accordance with HKSRE 2410.

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

28 October 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 30 JUNE 2025- UNAUDITED

(Expressed in renminbi)

	Note	Six months ended 30 June	
		2025	2024
		RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Revenue	2(a)	30,347,073	27,078,626
Cost of sales		(24,837,735)	(22,880,080)
Gross profit		5,509,338	4,198,546
Other income	3	103,611	84,746
Selling and marketing expenses		(412,111)	(267,032)
Administrative expenses		(1,734,885)	(1,393,867)
Research and development costs		(1,693,527)	(1,129,722)
Impairment losses on trade and other receivables		(24,534)	(10,952)
Other net gains	4(c)	26,135	16,916
Profit from operations		1,774,027	1,498,635
Finance costs	4(a)	(526,548)	(417,620)
Share of (losses)/profits of equity-accounted investees, net of tax		(539)	55,087
Profit before taxation		1,246,940	1,136,102
Income tax	5	(338,135)	(298,482)
Profit for the period		908,805	837,620
Attributable to:			
Equity shareholders of the Company		707,632	636,770
Non-controlling interests		201,173	200,850
Profit for the period		908,805	837,620
Earnings per share			
Basic (RMB)	6(a)	0.51	0.45
Diluted (RMB)	6(b)	0.51	0.45

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025- UNAUDITED

(Expressed in renminbi)

	Six months ended 30 June	
	2025	**2024**
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Profit for the period	908,805	837,620
Item that will not be reclassified to profit or loss:		
Remeasurement of net defined benefit liability	12,936	26,809
Items that may be reclassified subsequently to profit or loss:		
Share of other comprehensive income of equity-accounted investees	–	(12,498)
Exchange differences on translation of financial statements in foreign companies	918,332	(236,905)
Cash flow hedges – net movement in the hedging reserve	(62,165)	18,907
Other comprehensive income/(loss) for the period, net of tax	869,103	(203,687)
Total comprehensive income for the period	1,777,908	633,933
Attributable to:		
Equity shareholders of the Company	1,354,420	490,802
Non-controlling interests	423,488	143,131
Total comprehensive income for the period	1,777,908	633,933

The notes on pages 11 to 33 form part of this interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 June 2025- UNAUDITED

(Expressed in renminbi)

	Note	As at 30 June 2025	As at 31 December 2024
		RMB'000 (Unaudited)	*RMB'000*
Non-current assets			
Property, plant and equipment	*7*	16,838,610	16,061,449
Investment property		20,013	20,895
Right-of-use assets	*9*	1,688,898	1,657,153
Intangible assets	*8*	5,915,966	5,380,349
Interests in associates		91,910	57,774
Interest in joint venture		109,786	109,786
Goodwill	*10*	7,292,635	7,216,315
Prepayments and other assets	*15*	2,117,606	1,671,264
Trade and other receivables	*14*	340,476	304,029
Other financial assets	*11*	624,330	245,974
Derivative financial instruments		11,398	34,807
Deferred tax assets		1,445,446	1,317,538
		36,497,074	34,077,333
Current assets			
Derivative financial instruments		53,357	55,628
Inventories	*12*	9,543,869	9,091,939
Trade and other receivables	*14*	12,121,312	11,354,548
Prepayments and other assets	*15*	2,176,070	1,955,668
Other financial assets	*11*	813,438	560,482
Restricted cash	*16*	1,207,638	869,892
Cash and cash equivalents	*16*	5,724,006	5,979,070
Assets held for sale	*17*	21,172	221,308
		31,660,862	30,088,535
Current liabilities			
Loans and borrowings	*18*	11,764,157	8,495,857
Derivative financial instruments		30,588	16,146
Trade and other payables	*19*	15,735,500	15,215,428
Contract liabilities	*13*	726,237	733,725
Lease liabilities	*9*	239,436	197,373
Current taxation		318,339	234,931
Provisions	*20*	499,111	752,338
Liabilities directly associated with the assets held for sale	*17*	–	94,031
		29,313,368	25,739,829
Net current assets		2,347,494	4,348,706
Total assets less current liabilities		38,844,568	38,426,039

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 June 2025- UNAUDITED

(Expressed in renminbi)

	Note	As at 30 June 2025	As at 31 December 2024
		RMB'000 (Unaudited)	*RMB'000*
Non-current liabilities			
Loans and borrowings	*18*	14,314,106	15,185,426
Defined benefit plan obligations		1,213,206	1,108,255
Trade and other payables	*19*	506,513	447,680
Lease liabilities	*9*	787,861	771,122
Deferred income		184,519	151,418
Provisions	*20*	288,317	249,318
Deferred tax liabilities		735,646	667,277
		18,030,168	18,580,496
Net assets		20,814,400	19,845,543
CAPITAL AND RESERVES			
Share capital	*21(b)*	1,408,702	1,408,702
Reserves		12,563,802	12,149,380
Total equity attributable to equity shareholders of the Company		13,972,504	13,558,082
Non-controlling interests		6,841,896	6,287,461
TOTAL EQUITY		20,814,400	19,845,543

Approved and authorised for issue by the board of directors on 28 October 2025.

Wang Jianfeng
Director

Li Junyu
Director

The notes on page 11 to 33 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025- UNAUDITED

(Expressed in renminbi)

	Attributable to equity shareholders of the Company									
	Share capital	**Treasury shares**	**Share premium**	**PRC statutory reserves**	**Share-based payment reserve**	**Other reserve**	**Retained earnings**	**Sub-total**	**Non-controlling interests**	**Total equity**
	RMB'000 (Note 21)	*RMB'000 (Note 21)*	*RMB'000 (Note 21)*	*RMB'000 (Note 21)*	*RMB'000 (Note 21)*	*RMB'000 (Note 21)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2025	1,408,702	(419,373)	12,083,584	225,902	128,962	(2,236,977)	2,367,282	13,558,082	6,287,461	19,845,543
Profit for the period	–	–	–	–	–	–	707,632	707,632	201,173	908,805
Other comprehensive income	–	–	–	–	–	646,788	–	646,788	222,315	869,103
Total comprehensive income	–	–	–	–	–	646,788	707,632	1,354,420	423,488	1,777,908
Repurchase of ordinary shares	–	(193,436)	–	–	–	–	–	(193,436)	–	(193,436)
Transactions with non-controlling interests	–	–	–	–	–	(426,751)	–	(426,751)	137,746	(289,005)
Equity-settled share-based transaction	–	78,101	–	–	(41,979)	–	–	36,122	172	36,294
Profit distribution	–	–	–	–	–	–	(360,042)	(360,042)	(9,245)	(369,287)
Others	–	–	–	–	–	4,109	–	4,109	2,274	6,383
Balance at 30 June 2025 (Unaudited)	1,408,702	(534,708)	12,083,584	225,902	86,983	(2,012,831)	2,714,872	13,972,504	6,841,896	20,814,400

	Attributable to equity shareholders of the Company									
	Share capital	Treasury shares	Share premium	PRC statutory reserves	Share-based payment reserve	Other reserve	Retained earnings	Sub-total	Non-controlling interests	Total equity
	RMB'000 (Note 21)	*RMB'000 (Note 21)*	*RMB'000 (Note 21)*	*RMB'000 (Note 21)*	*RMB'000 (Note 21)*	*RMB'000 (Note 21)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2024	1,408,702	(225,264)	12,083,584	189,104	102,388	(1,788,637)	1,809,157	13,579,034	5,547,338	19,126,372
Profit for the period	–	–	–	–	–	–	636,770	636,770	200,850	837,620
Other comprehensive income	–	–	–	–	–	(145,968)	–	(145,968)	(57,719)	(203,687)
Total comprehensive income	–	–	–	–	–	(145,968)	636,770	490,802	143,131	633,933
Repurchase of ordinary shares	–	(112,582)	–	–	–	–	–	(112,582)	–	(112,582)
Transactions with non-controlling interests	–	–	–	–	–	(97,430)	–	(97,430)	336,341	238,911
Equity-settled share-based transaction	–	–	–	–	13,425	–	–	13,425	908	14,333
Profit distribution	–	–	–	–	–	–	(365,547)	(365,547)	(4,240)	(369,787)
Others	–	–	–	–	–	1,349	–	1,349	–	1,349
Balance at 30 June 2024 (Unaudited)	1,408,702	(337,846)	12,083,584	189,104	115,813	(2,030,686)	2,080,380	13,509,051	6,023,478	19,532,529

The notes on page 11 to 33 form part of this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025- UNAUDITED

(Expressed in renminbi)

	Note	Six months ended 30 June	
		2025	2024
		RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Operating activities			
Cash generated from operations		2,191,183	2,147,589
Income tax paid		(284,716)	(278,530)
Net cash generated from operating activities		1,906,467	1,869,059
Investing activities			
Payment for purchases of property, plant and equipment, intangible assets and right-of-use assets		(1,946,071)	(1,830,711)
Proceeds from disposal of property, plant and equipment, and right-of-use assets		31,271	67,884
Net proceeds from disposal of interest in Ningbo JoysonQuin Automotive Systems Holding Co., Ltd.		–	340,000
Net proceeds from disposal of a subsidiary		37,682	–
Payment for acquisition of an associate		(30,000)	–
Payment for purchase of other financial assets		(3,262,307)	(28,537)
Proceeds from disposal of other financial assets		2,691,666	188,452
Other cash flows arising from investing activities		16,274	30,092
Net cash used in investing activities		(2,461,485)	(1,232,820)

The notes on page 11 to 33 form part of this interim financial report.

	Note	Six months ended 30 June	
		2025	2024
		RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Financing activities			
Proceeds from bank loans		8,130,328	8,669,750
Repayment of bank loans		(6,395,157)	(8,336,164)
Payment of capital element and interest element of lease liabilities		(120,444)	(126,833)
Interest of bank loans paid		(671,353)	(612,157)
Payment for the purchase of non-controlling interests in subsidiaries		(298,125)	(469,706)
Proceeds from partial disposal of interests in a subsidiary		–	1,475,000
Dividends paid to equity shareholders of the Company and non-controlling interests		(361,921)	(376,881)
Payment for repurchase of shares		(193,436)	(112,582)
Net change in restricted cash		109,925	301,188
Listing expenses paid		(18,872)	–
Other cash flows arising from financing activities		(15,744)	(28,346)
Net cash generated from financing activities		165,201	383,269
Net (decrease)/increase in cash and cash equivalents		(389,817)	1,019,508
Cash and cash equivalents at the beginning of the period		5,979,070	4,253,515
Effect of foreign exchange rate changes		134,753	(31,419)
Cash and cash equivalents at the end of the period	*16*	5,724,006	5,241,604

The notes on page 11 to 33 form part of this interim financial report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

(Expressed in Renminbi unless otherwise indicated)

1 BASIS OF PREPARATION

In 2004, Ningbo Joyson Electronic Corp. (changed to current name in February 2014, hereinafter referred to as "Joyson Electronics" or "the Company") started automotive components business and since then operated under Joyson Group.

In April 2011, Liaoyuan Deheng, the predecessor of the Company, entered into an agreement for assets purchase by share issue with, among others, Joyson Group, pursuant to which Liaoyuan Deheng agreed to acquire a controlling stake in the operating entities of the Company's business at the time from Joyson Group and other selling shareholders. In December 2011, as approved by China Securities Regulatory Commission (the "CSRC"), the transaction was completed. As a result, the operating entities were consolidated under the Company and the Company became listed on the Shanghai Stock Exchange.

The Company and its subsidiaries (hereinafter collectively referred to as "the Group") are principally engaged in R&D, manufacturing and sales of automotive components, including Human Machine Interface products, Telematics, Automative Safety Systems, and Electronics Products of New Energy Vehicle, etc. The Group mainly carried out its business in China, the United States, Japan, Germany, Mexico, Italy, Romania, Portugal, Poland, Brazil and India.

The interim financial information has been prepared in accordance with IAS 34, *Interim financial reporting*, issued by the International Accounting Standards Board ("IASB"). It was authorised for issue on 28 October 2025.

The interim financial information has been prepared in accordance with the same basis of preparation and presentation and accounting policies adopted in the historical financial information for the years ended 31 December 2022, 2023, 2024 and the four months ended 30 April 2025 (the "Historical Financial Information") as disclosed in Appendix I to the prospectus dated 28 October 2025 (the "Prospectus") issued by the Company.

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

This interim financial information contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 31 December 2024 in the Historical Financial Information as disclosed in Appendix I to the Prospectus. The consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

2 REVENUE AND SEGMENT REPORTING

(a) Revenue

The Company is an intelligent automotive technology solution provider, offering advanced products and solutions across the automotive industry's key areas mainly including automotive electronics and automotive safety.

(i) Disaggregation of revenue

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

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	*RMB'000 (Unaudited)*
Revenue from contracts with customers within the scope of IFRS 15:		
Disaggregated by major products or service lines		
– Sale of automotive components	29,144,194	26,045,213
– Rendering of research and development services	419,513	650,583
– Sale of tooling	327,825	366,154
– Sale of weighing products	435,710	–
Revenue from other sources		
– Rentals	8,969	8,171
– Others	10,862	8,505
	30,347,073	27,078,626

Disaggregation of revenue by the Group's business and by geographic markets is disclosed in Notes 2(b)(ii) and 2(b)(iii).

(ii) Revenue expected to be recognised in the future arising from contracts in existence at the reporting date

For contracts as defined in IFRS 15 with a term less than one year, the practical expedient under IFRS 15.121(a) is applied and no amounts are shown.

(iii) Contract balances

	Note	As at 30 June	As at 31 December
		2025	2024
		RMB'000 (Unaudited)	*RMB'000*
Trade and bills receivables	*14*	10,005,097	9,510,515
Contract liabilities	*13*	726,237	733,725

Trade and bills receivables are non-interest bearing and are generally on terms of 30 to 90 days from invoice date. As of 30 June 2025, RMB156,731,000 (unaudited) (31 December 2024: RMB152,703,000) was recognised as provision for expected credit losses on trade and bills receivables.

Contract liabilities primarily relate to the advance consideration received from customers for customized products. This will be recognised as revenue when the products are delivered and accepted by the customers, which is expected to occur upcoming 12 months.

(b) **Segment Reporting**

The Group manages its businesses by geographic regions. The Group designs, manufactures and sells its products and services through five divisions: Automotive safety systems, Automotive electronics systems, Automotive components, Weighing apparatus and Others. The Automotive safety systems business mainly includes seatbelts, airbags, intelligent steering wheels and integrated safety solutions related products. The Automotive electronics business mainly includes automotive intelligence solutions, e-mobility and HMI, etc. The Automotive components business includes smart cockpits products and new energy electric charging and distribution products. The Weighing apparatus business includes various electronic weighing products. The Others business includes the Company and its subsidiaries other than those included in Automotive safety systems business, Automotive electronics systems business, Automotive components business and Weighing apparatus business. Prior to the Company obtaining control over Senssun in December 2024, the Group designs, manufactures and sells its products and services through three divisions: Automotive safety systems, Automotive electronics systems and Others.

In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group presented accordingly the five reportable segments. No operating segments have been aggregated to form the reportable segments.

(i) Segment results, assets and liabilities

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

Segment assets include all tangible, intangible assets and current assets with the exception of investments in financial assets, deferred tax assets and other corporate assets. Segment liabilities include loans and borrowings managed directly, trade and other payables attributable to the manufacturing and sales activities of the individual segments and trade and provisions for automotive product warranties.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. However, other than reporting inter-segment sales of automotive product, assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

(ii) Disaggregation of revenue from contracts with customers, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2025 and 30 June 2024 are set out below.

	Six months ended 30 June 2025						
	Automotive safety systems	Automotive electronic systems	Automotive components	Weighing Apparatus	Others	Elimination among segments	Total
	RMB'000 (Unaudited)	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*
Revenue from external customers	18,427,041	8,464,622	2,501,999	435,710	517,701	–	30,347,073
Inter-segment revenue	3,419	421,923	52,043	–	263,491	(740,876)	–
Reportable segment revenue	18,430,460	8,886,545	2,554,042	435,710	781,192	(740,876)	30,347,073
Reportable segment profit/(loss) before taxation	513,187	533,334	75,177	6,833	136,859	(18,450)	1,246,940

	Six months ended 30 June 2024				
	Automotive safety systems	Automotive electronics systems	Others	Elimination among segments	Total
	RMB'000 (Unaudited)	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*
Revenue from external customers	18,270,518	8,296,894	511,214	–	27,078,626
Inter-segment revenue	1,523	327,149	133,354	(462,026)	–
Reportable segment revenue	18,272,041	8,624,043	644,568	(462,026)	27,078,626
Reportable segment profit/(loss) before taxation	592,755	539,036	179,051	(174,740)	1,136,102

	30 June 2025						
	Automotive safety systems	Automotive electronic systems	Automotive components	Weighing Apparatus	Others	Elimination among segments	Total
	RMB'000 (Unaudited)	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*
Reportable segment assets	34,492,083	18,334,472	7,869,424	2,561,032	22,174,031	(17,273,106)	68,157,936
Reportable segment liabilities	24,045,561	10,454,418	4,657,337	1,863,321	9,585,836	(3,262,937)	47,343,536

	31 December 2024						
	Automotive safety systems	Automotive electronic systems	Automotive components	Weighing Apparatus	Others	Elimination among segments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Reportable segment assets	33,219,444	17,399,230	8,127,114	3,323,949	26,396,591	(24,300,460)	64,165,868
Reportable segment liabilities	24,944,381	9,324,128	4,534,819	1,781,712	8,968,534	(5,233,249)	44,320,325

(iii) Geographic information

The following table sets information about the Group's revenue from external customers. The revenue is generated from China and overseas markets, such as North America, Europe, and Asia during the six months ended 30 June 2025 and 2024.

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	*RMB'000 (Unaudited)*
Revenue by location of the customers		
– China	7,717,821	6,098,735
– Overseas	22,629,252	20,979,891
Total	30,347,073	27,078,626

3 OTHER INCOME

	Six months ended 30 June	
	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Government grants	70,086	45,693
Additional deduction for VAT	30,742	37,268
Others	2,783	1,785
Total	103,611	84,746

Note: Government grants mainly represent operating subsidies and amortization of government grants for capital expenditure including development and construction of property, plant and equipment or land use rights. Conditions related to the grants, i.e. job creation, realization of sales, completion of certain tax payments have been fulfilled.

Additional deduction for VAT represents the preferential tax treatment for advanced manufacturing companies that the Group was qualified for since 2023.

4 PROFIT BEFORE TAXATION

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

	Six months ended 30 June	
	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
(a) Finance costs		
Interest on loans and borrowings	551,442	564,688
Less: capitalized interest expense	(2,526)	(21,890)
Interest on lease liabilities	28,055	31,519
Interest income	(49,200)	(62,508)
Net exchange gains	(21,351)	(115,247)
Others	20,128	21,058
Total finance costs	526,548	417,620

	Six months ended 30 June	
	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
(b) Staff costs (including directors' emoluments)		
Contributions to defined contributions plan *(Note)*	126,624	99,682
Expenses recognised in respect of defined benefit plans	13,596	13,259
Equity-settled share-based payment expenses	5,627	14,333
Salaries, wages and other benefits	5,770,796	4,987,554
Total staff costs	5,916,643	5,114,828

Note: Employees of the Group are required to participate in a defined contributions plan administered and operated by the local municipal government. The Group contributes funds which are calculated on certain percentages of the employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	*RMB'000 (Unaudited)*
(c) Other net gains		
Gains/(losses) on disposal of property, plant and equipment and right-of-use assets	826	(863)
Net realized and unrealized gains on financial assets measured at FVPL	20,493	15,158
Donations	(1,559)	(469)
Others	6,375	3,090
Other net gains	26,135	16,916

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	*RMB'000 (Unaudited)*
(d) Expenses by nature		
Cost of inventories *(Note)*	24,183,720	22,502,319
Depreciation of property, plant and equipment and investment property	926,634	906,682
Depreciation of right-of-use assets	147,296	175,900
Amortisation of intangible assets	599,851	483,890
Restructuring expenses	90,279	54,218
Product warranty costs	129,710	110,598
Write-down of inventories	101,038	80,773

Note: Cost of inventories includes staff costs, depreciation and amortisation expenses, which amount is also included in the respective total amounts disclosed separately above or in Note 4(b) for each of these types of expenses.

5 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

(a) Taxation in the consolidated statements of profit or loss represents:

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	*RMB'000 (Unaudited)*
Current tax		
Provision for the period	368,124	330,414
Under/(over)-provision in respect of prior years	4,107	(12,775)
Deferred tax		
Origination and reversal of temporary differences	(34,096)	(19,157)
	338,135	298,482

Notes:

(i) According to the Corporate Income Tax Law of China (the "Tax Law"), the Group's subsidiaries in the PRC are subject to statutory income tax rate of 25%, except for those which are entitled to a preferential tax rate applicable to advanced and new technology enterprises of 15%.

(ii) Income tax on profits arising from other jurisdictions has been calculated on the estimated assessable profit for the period at the respective rates prevailing in the relevant jurisdictions for the six months ended 30 June 2025 and 2024.

6 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to ordinary equity shareholders of the Company by the weighted average number of ordinary shares in issue as follows:

	Six months ended 30 June	
	2025	2024
	(Unaudited)	*(Unaudited)*
Profit attributable to all equity shareholders of the Company (RMB'000)	707,632	636,770
Allocation of profit attributable to holders of unvested shares under the 2021 Joyson Employee Stock Ownership Plan (RMB'000)	(3,649)	(4,071)
Profit attributable to ordinary equity shareholders of the Company for the purpose of basic earnings per share (RMB'000)	703,983	632,699
Weighted average number of ordinary shares at 30 June ('000)	1,381,988	1,398,846
Basic earnings per share (expressed in RMB per share)	0.51	0.45

Weighted average number of ordinary shares:

	Six months ended 30 June	
	2025	2024
	(Unaudited)	*(Unaudited)*
Issued ordinary shares at 1 January *(Note 21)*	1,408,702	1,408,702
Effect of Treasury Shares *(Note 21(c))*	(26,714)	(9,856)
Weighted average number of ordinary shares at 30 June	1,381,988	1,398,846

(b) Diluted earnings per share

During the six months ended 30 June 2025, the unvested shares under the 2021 Joyson Employee Stock Ownership Plan were not included in the calculation of diluted earnings per share because their effect would have been anti-dilutive. Accordingly, diluted earnings per share were the same as basic earnings per share.

7 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired items of property, plant and equipment with a cost of RMB978,710,000 (six months ended 30 June 2024: RMB1,238,834,000). Items of property, plant and equipment with a net book value of RMB34,362,000 were disposed of during the six months ended 30 June 2025 (six months ended 30 June 2024: RMB235,770,000).

As at 30 June 2025, property, plant and equipment with a net book value of RMB4,069,649,000 were mortgaged as securities for bank loans (31 December 2024: RMB3,791,888,000).

8 INTANGIBLE ASSETS

During the six months ended 30 June 2025, the Group acquired items of intangible assets with a cost of RMB831,737,000 (six months ended 30 June 2024: RMB625,778,000). Items of intangible assets with a net book value of RMB4,515,000 were disposed of during the six months ended 30 June 2025 (six months ended 30 June 2024: RMB49,107,000).

As at 30 June 2025, Intangible assets with a net book value of RMB609,836,000 were pledged as securities for bank loans (31 December 2024: RMB582,909,000).

9 LEASE

The Group leases assets including land use rights, buildings and building improvements, machinery and equipment, motor vehicles and others. Information about leases for which the Group is a lessee is presented below.

	As at 30 June	As at 31 December
	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Lease liabilities:		
Current	239,436	197,373
Non-current	787,861	771,122
Total	1,027,297	968,495

During the six months ended 30 June 2025, the Group entered into a number of lease agreements for use of buildings and building improvements and other properties and therefore recognised the additions to original value of right-of-use assets of RMB111,008,000 (six months ended 30 June 2024: RMB428,765,000).

The Group leases houses and buildings as offices and production plants, with lease terms ranging from 2 to 20 years. In addition, the Group also leases machinery and transport for the production and manufacture of automotive parts, with lease terms ranging from 2 to 5 years.

10 GOODWILL

	As at 30 June	As at 31 December
	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Cost	9,559,814	9,492,933
Accumulated impairment loss	(2,267,179)	(2,276,618)
	7,292,635	7,216,315

A CGU to which goodwill has been allocated is tested for impairment by the management annually, and whenever there is an indication that the unit may be impaired. As at 30 June 2025, the management has considered and assessed all available internal and external sources of information and has not identified any indications that an impairment loss of goodwill may have occurred during the six months ended 30 June 2025. Therefore the management did not make a formal estimate of the recoverable amounts of each CGU as at 30 June 2025.

11 OTHER FINANCIAL ASSETS

	As at 30 June 2025	As at 31 December 2024
	RMB'000 (Unaudited)	*RMB'000*
Non-current financial assets measured at FVPL		
Equity instruments		
– Listed equity securities	13,822	22,173
– Unlisted equity instruments	251,216	170,933
Reinsurance of defined benefit plan	57,012	52,868
Negotiable certificates of deposit	302,280	–
	624,330	245,974
Current financial assets measured at FVPL		
Financial products *(Note (ii))*	376,698	70,932
Listed equity securities	96,369	75,900
Current financial assets measured at amortised cost *(Note (i))*		
Term deposits	340,371	413,650
	813,438	560,482

Notes:

(i) Term deposits of RMB340,371,000 (unaudited) as at 30 June 2025 (31 December 2024: RMB413,650,000) are with the term more than 3 months, which are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest. These financial products are measured at amortized cost.

(ii) The Group invested some financial products issued by banks and other financial institutions with its idle funds. These wealth management products usually have a preset maturity period and expected return, covering a wide range of investments, including government and corporate debentures, central bank bills, currency market funds, and other Chinese listed and unlisted equity securities. These financial products are classified as financial assets at fair value through profit or loss.

12 INVENTORIES

	As at 30 June 2025	As at 31 December 2024
	RMB'000 (Unaudited)	*RMB'000*
Raw materials	6,318,310	5,875,174
Work in progress	2,281,662	1,988,080
Finished goods	1,595,535	1,773,126
	10,195,507	9,636,380
Less: Provision for diminution in value of inventories	(651,638)	(544,441)
	9,543,869	9,091,939

13 CONTRACT LIABILITIES

	As at 30 June 2025	As at 31 December 2024
	RMB'000 (Unaudited)	*RMB'000*
Advances from sales of automotive components	46,758	66,569
Advances on tooling and R&D services	679,479	667,156
	726,237	733,725

Note: Contract liabilities primarily relate to the advance payments received from customers for deliveries of goods and for services to be performed. In the case for which contract liabilities are recognised, the customer has already paid the consideration or part of the consideration, but the Group has generally not yet satisfied its performance obligation or has done so only to a limited extent.

The amount of RMB245,233,000 included in contract liabilities at 31 December 2024 has been recognised as revenue in the six months ended 30 June 2025.

14 TRADE AND OTHER RECEIVABLES

	As at 30 June 2025	As at 31 December 2024
	RMB'000 (Unaudited)	*RMB'000*
Trade receivables		
– Third parties	9,234,979	8,812,749
– Related parties	11,667	18,194
Bills receivable *(Note)*	853,884	720,182
Receivables to be factored	61,298	112,093
Less: allowance for doubtful debts	(156,731)	(152,703)
Trade and bills receivables	10,005,097	9,510,515
Other receivables		
– Tax recoverable and refund receivable	1,553,441	1,380,344
– Deposits and prepayments	213,836	173,908
– Staff advance	82,832	78,714
– Receivable on disposal of a subsidiary	33,701	–
– Others	232,405	211,067
Other receivables	2,116,215	1,844,033
Current	12,121,312	11,354,548
Other receivables		
– Compensation receivables	62,590	56,586
– Overpayment of tax in previous years by overseas subsidiaries	276,419	243,501
– Others	1,467	3,942
Non-current	340,476	304,029

Note: As at 30 June 2025, bills receivable of RMB673,851,000 (unaudited) (31 December 2024: RMB469,511,000), compose of bank acceptance bills, whose fair values approximate to their carrying values were classified as financial assets at FVOCI under IFRS 9. The fair value changes of these bills receivable measured at FVOCI were insignificant during the year.

As at 30 June 2025, other bills receivable of RMB180,033,000 (unaudited) (31 December 2024: RMB250,671,000) are measured at amortised cost, including bank and commercial acceptance bills.

Bills receivable mainly represent short-term bank acceptance receivable that entitle the Group to receive the full face amount from the banks at maturity, which generally ranges from 3 to 6 months from the date of issuance. Historically, the Group had experienced no credit losses on bills receivable. The Group from time to time endorses bills receivable to suppliers in order to settle trade payables.

Ageing analysis:

As at the end of each reporting period, the ageing analysis of trade debtors, based on the revenue recognition date, is as follows:

	As at 30 June	As at 31 December
	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Within 1 year	9,147,256	8,742,035
More than 1 year but within 2 years	88,978	78,469
More than 2 years but within 3 years	9,418	7,481
More than 3 years	994	2,958
	9,246,646	8,830,943
Less: Provision for bad and doubtful debts	(156,731)	(152,703)
	9,089,915	8,678,240

15 PREPAYMENTS AND OTHER ASSETS

	As at 30 June	As at 31 December
	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Payment to OEM	596,433	496,678
Prepayment for long-term assets	241,775	165,589
Contract costs and others *(Note)*	1,279,398	1,008,997
Non-current	2,117,606	1,671,264
Purchase of raw materials	119,793	112,302
Purchase of tooling	122,303	83,259
Deferred expense	215,551	207,914
Contract costs and others *(Note)*	1,718,423	1,552,193
Current	2,176,070	1,955,668
	4,293,676	3,626,932

Note: Contract costs and others mainly include costs incurred in the initial activities carried out by the Group for the fulfillment of the contract, which are costs and expenses incurred by the Group for the fulfillment of contractual obligations prior to the formal delivery of the relevant products after the signing of supply agreements with certain OEMs, and such costs and expenses will be recovered in subsequent supply orders. Accordingly, the costs and expenses incurred by the Group are capitalised and amortised when anticipated future vendor purchases occur.

16 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

	As at 30 June 2025	As at 31 December 2024
	RMB'000 (Unaudited)	*RMB'000*
Cash at bank	6,931,644	6,848,962
Less: Restricted cash *(Note)*	(1,207,638)	(869,892)
Cash and cash equivalents in the consolidated statement of financial position and the consolidated cash flow statement	5,724,006	5,979,070

Note: Restricted cash of RMB1,207,638,000 (unaudited) as at 30 June 2025 (31 December 2024: 869,892,000), mainly was pledged for loans and bank acceptance bills.

17 DISPOSAL GROUP HELD FOR SALE

As at 30 June 2025, the disposal group was stated at the lower of their carrying amounts and fair value less costs to sell and comprised the following assets and liabilities:

In 2024, the Group plans to sell two of its subsidiaries (Plant A and Plant B). As of 31 December 2024, the relevant transactions have been approved by the shareholders or board of directors of the subsidiaries and agreements have been signed. The transaction for Plant A has been completed on 18 February 2025 and the transaction for Plant B is expected to be completed in 2025.

As of 30 June 2025, the related assets of the subsidiaries held for sale have been written down to their net fair value minus estimated disposal costs and are classified as "assets held for sale".

(a) Assets held for sale:

	As at 30 June 2025				
	Cost	Provision for impairment	Carrying amount	Fair value	Expected expense for disposal
	RMB'000 (Unaudited)	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*	*RMB'000 (Unaudited)*
Plant B disposal project	21,172	–	21,172	28,100	562

	As at 31 December 2024				
	Cost	Provision for impairment	Carrying amount	Fair value	Expected expense for disposal
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Plant A disposal project	248,327	(46,470)	201,857	201,857	–
Plant B disposal project	19,451	–	19,451	25,168	503
Total	267,778	(46,470)	221,308	227,025	503

(b) Liabilities directly associated with the assets held for sale:

	As at 30 June 2025	As at 31 December 2024
	Carrying amount	Carrying amount
	RMB'000 (Unaudited)	*RMB'000*
Plant A disposal project	–	94,031
Plant B disposal project	–	–
Total	–	94,031

As at 30 June 2025, there were no liabilities directly associated with the assets held for sale.

18 LOANS AND BORROWINGS

The short-term loans and borrowings were as follows:

	As at 30 June 2025	As at 31 December 2024
	RMB'000 (Unaudited)	*RMB'000*
Pledged loans *(Note (i))*	239,977	212,824
Loans secured by mortgages *(Note (ii))*	–	515,418
Guaranteed loans *(Note (iii))*	492,861	–
Unsecured short-term loans *(Note (iv))*	5,373,434	4,235,561
Add: Current portion of long-term loans and borrowings	5,657,885	3,532,054
	11,764,157	8,495,857

As at 30 June 2025, the annual interest rates of major short-term loans borrowings range from 2.05% to 5.13% (unaudited) (31 December 2024: from 1.65% to 8.70%).

(i) As at 30 June 2025, the pledged loans mainly include multiple short-term loan principal of RMB210,000,000 (unaudited), borrowed from China Construction Bank through pledge of patent (31 December 2024: RMB156,000,000).

(ii) As at 30 June 2025, the mortgage loans are mainly the principal of Nil, borrowed from the Postal Savings Bank of China with the Company's real estate as collateral (31 December 2024: RMB500,000,000).

(iii) As at 30 April 2025, guaranteed loans mainly include the principal of RMB492,500,000 borrowed from Industrial and Commercial Bank of China guaranteed by Joyson Group collateral (31 December 2024: Nil).

(iv) As at 30 June 2025, the unsecured loans mainly include multiple short-term loan principal of RMB612,230,000 (unaudited) (31 December 2024: RMB250,000,000), borrowed from China Merchants Bank; multiple short-term loan principal of RMB480,000,000 (31 December 2024: RMB531,800,000), borrowed from Bank of Communication; multiple short-term loan principal of RMB396,700,000 (31 December 2024: RMB251,500,000), borrowed from Industrial Bank; multiple short-term loan principal of RMB144,500,000 (31 December 2024: RMB208,000,000), borrowed from Bank of China; multiple short-term loan principal of RMB100,000,000 (31 December 2024: nil), borrowed from Export-Import Bank of China; the principal of EUR60,000,000, equivalent to RMB504,144,000 (31 December 2024: EUR60,000,000, equivalent to RMB451,542,000), borrowed from Unicredit Bank; the principal of EUR6,323,000, equivalent to RMB53,130,000 (31 December 2024: EUR18,930,000, equivalent to RMB142,460,000), borrowed from BNP Paribas Bank Polska; the principal of

EUR254,510,000, equivalent to RMB2,138,497,000 (31 December 2024: EUR221,960,000, equivalent to RMB1,670,402,000), borrowed from Commerzbank; short-term loan principal of RMB500,000,000 (31 December 2024:Nil), borrowed from the Postal Savings Bank of China.

The long-term loans and borrowings were as follows:

	As at 30 June 2025	As at 31 December 2024
	RMB'000 (Unaudited)	*RMB'000*
Pledged loans *(Note (i))*	8,097,792	8,187,658
Loans secured by mortgages *(Note (ii))*	1,593,942	484,844
Guaranteed loans *(Note (iii))*	3,746,439	3,630,000
Unsecured long-term loans *(Note (iv))*	6,533,818	6,414,978
Less: Current portion of long-term loans and borrowings	(5,657,885)	(3,532,054)
	14,314,106	15,185,426

As at 30 June 2025, the annual interest rates of major long-term loans borrowings range from 1.15% to 7.00% (unaudited) (31 December 2024: from 1.15% to 8.41%).

(i) As at 30 June 2025, pledged loans mainly include multiple long-term loans from Deutsche Bank, including the principal of EUR240,876,000, equivalent to RMB2,032,451,000 (unaudited) (31 December 2024: EUR282,926,000, equivalent to RMB2,107,116,000); USD168,550,000, equivalent to RMB1,206,586,000 (31 December 2024: USD212,631,000, equivalent to RMB1,389,450,000); JPY24,024,714,000, equivalent to RMB1,194,080,000 (31 December 2024: JPY19,875,932,000, equivalent to RMB908,130,000) and the principal of RMB1,619,591,000 (31 December 2024: RMB1,747,778,000); the principal of RMB1,092,219,000 (31 December 2024: RMB1,144,728,000), borrowed from China Merchants Bank expiring on 12 July 2027; the principal of RMB616,059,000 (31 December 2024: RMB635,000,000), borrowed from China Construction Bank expiring on 31 December 2027; the principal of RMB268,000,000 (31 December 2024: RMB270,000,000), borrowed from Industrial Bank Co., Ltd. expiring on 26 December 2028. The above-mentioned loans are mainly secured by substantial assets of Joyson Safety Systems and shares of Joyson Quin.

(ii) As at 30 June 2025, mortgage loan mainly includes multiple long-term loan principal of RMB547,145,000 (unaudited) (31 December 2024: RMB261,221,000), borrowed from China Construction Bank expiring from 2 January 2028 to 30 December 2029; long-term loan principal of EUR14,107,000, equivalent to RMB118,532,000 (31 December 2024: EUR16,224,000, equivalent to RMB122,096,000), borrowed from Unicredit Bank expiring from 30 September 2025 to 31 December 2028; long-term loan principal of RMB819,000,000 (31 December 2024: RMBNil), borrowed from the Export-Import Bank of China expiring from 9 July 2026 to 21 February 2035. The loans mentioned above is mortgaged by real estate.

(iii) As at 30 June 2025, guaranteed loans mainly include multiple long-term loans from China Construction Bank with a total principal of RMB1,097,500,000 (unaudited) (31 December 2024: RMB1,498,520,000); multiple long-term loan principal of RMB900,000,000 (31 December 2024: RMB902,150,000) borrowed from Bank of China; long-term loan principal of RMBNil (31 December 2024: RMB350,000,000) borrowed from the Export-Import Bank of China; and multiple long-term loan principal of RMB1,218,950,000 (31 December 2024: RMB333,950,000) borrowed from Agricultural Bank of China and long-term loan principal of RMB499,900,000 (31 December 2024: RMB500,000,000) borrowed from Industrial Bank. The above borrowings will expire from 16 February 2026 to 29 May 2028, which are all guaranteed by Joyson Group.

(iv) As at 30 June 2025, the unsecured loans mainly include multiple long-term loans from the Export-Import Bank of China with a total principal of RMB1,245,127,000 (unaudited) (31 December 2024: RMB1,322,422,000); multiple long-term loans from Industrial and Commercial Bank of China with a total principal of RMB1,156,000,000 (31 December 2024: RMB1,203,600,000); multiple long-term loans from Agricultural Bank Of China with a total principal of RMB285,500,000 (31 December 2024: RMB590,000,000); multiple long-term loans from China Construction Bank with a total principal of RMB799,800,000 (31 December 2024: RMB249,900,000); multiple long-term loans from Bank of China with a total principal of RMB564,172,000 (31 December 2024: RMB578,500,000); multiple long-term loans from Industrial Bank with a total principal of RMB259,900,000 (31 December 2024: RMB260,000,000); multiple long-term loans from Postal Savings Bank of China with a total principal of RMB198,467,000 (31 December 2024: RMB445,000,000) and multiple long-term loans from Commerzbank with a principal of EUR194,875,000, equivalent to RMB1,637,418,000 (31 December 2024: EUR179,063,000, equivalent to RMB1,347,571,000). The expire date is from 18 July 2025 to 29 August 2034.

19 TRADE AND OTHER PAYABLES

	As at 30 June 2025	As at 31 December 2024
	RMB'000 (Unaudited)	*RMB'000*
Trade and bills payables	11,518,340	10,945,151
Accrual expenses	467,661	543,652
Sales discounts	857,018	646,185
Accrued payroll, welfare and bonus	1,650,616	1,600,075
Other tax payables	504,628	678,290
Dividends payable	13,671	15,615
Others	723,566	786,460
Current	15,735,500	15,215,428
Claim liabilities	193,665	185,909
Other long-term employee benefits payable	280,267	240,610
Others	32,581	21,161
Non-current	506,513	447,680

As at 30 June 2025, there was no significant single item of accounts payable with ageing of more than one year (31 December 2024: Nil).

20 PROVISIONS

	As at 30 June 2025	As at 31 December 2024
	RMB'000 (Unaudited)	*RMB'000*
Product Warranties and claims	616,342	565,762
Restructuring Provision	161,576	426,508
Environmental Recovery Obligations	9,510	9,386
	787,428	1,001,656
Less: current	(499,111)	(752,338)
Non-current	288,317	249,318

21 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

Dividends payable to equity shareholders attributable to the previous financial year, approved and paid during the interim period:

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	*RMB'000 (Unaudited)*
Final dividend in respect of the previous financial year, approved and paid during the following interim period, of RMB2.6 per 10 ordinary share (six months ended 30 June 2024: RMB2.6 per 10 ordinary share)	360,042	363,207

(b) Issued share capital

	As at 30 June	As at 31 December
	2025	2024
	RMB'000 (Unaudited)	*RMB'000*
Ordinary shares of RMB1 each, issued and fully paid	1,408,702	1,408,702

(c) Treasury shares

During the six months ended 30 June 2025, the Company repurchased 11,434,380 treasury shares amounting to approximately RMB193,436,000 (unaudited) (30 June 2024: 7,227,275 shares, RMB112,582,000). As at 30 June 2025, these shares had not been cancelled.

The balances as of 30 June 2025 included the value of the 24,098,395 (unaudited) treasury shares to be cancelled and the value of 5,879,600 treasury shares granted to the 2021 Joyson Employee Stock Ownership Plan.

(d) Nature and purposes of reserves

(i) Share premium

The share premium represents the excess of capital injections made by the equity shareholders over the par value of the shares issued.

(ii) PRC statutory reserve

According to the PRC Company Law, the Company's PRC subsidiaries are required to transfer 10% of their profit after taxation, as determined under the PRC accounting regulations, to statutory reserve until the reserve balance reaches 50% of the registered capital. For the purpose of calculating the transfer to reserve, the profit after taxation shall be the amount determined based on the statutory financial statements prepared in accordance with PRC accounting standards. The transfer to this reserve must be made before distribution of dividend to shareholders.

Statutory reserve fund can be used to cover previous years' losses, if any, and may be converted into share capital by the issue of new shares to shareholders in proportion to their existing shareholdings or by increasing the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital.

(iii) Share-based payment reserve

The share-based payment reserve represents the portion of the grant date fair value of the restricted shares of the Company, granted to the employees of the Group that has been recognized in accordance with the accounting policy adopted for share-based payments.

(iv) Other reserve

Other reserve mainly includes:

(a) hedging reserve which comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition of the hedged cash flow in accordance with the accounting policy adopted for cash flow hedges, as well as the effective portion of the cumulative changes in the value of the hedging instruments used in CNY net investment hedges in accordance with the accounting policy adopted for net investment hedges;

(b) fair value reserve which comprises remeasurements arising from defined benefit retirement plans obligations including comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability (asset)). The reserve is dealt with in accordance with the accounting policies;

(c) exchange reserve which comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations; and

(d) reserve arising from transactions with non-controlling interest in Note 25.

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group's overall strategy remains unchanged throughout the six months ended 30 June 2025. The Group monitors its capital structure with reference to its debt position. The Group's strategy is to maintain the equity and debt in a balanced position and ensure there are adequate working capital to service its debt obligations. The Group's debt to asset ratio, being the Group's total liabilities over its total assets, as at 30 June 2025 was 69.5% (unaudited) (31 December 2024: 69.1%).

22 FINANCIAL FAIR VALUES OF FINANCIAL INSTRUMENTS

(a) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

	As at 30 June 2025 (Unaudited)			
	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Fair value measured on a recurring basis				
Financial assets measured at FVPL *(Note 11)*				
– Listed equity securities	110,191	–	–	110,191
– Financial products	–	376,698	–	376,698
– Equity instruments	–	–	251,216	251,216
– Reinsurance of defined benefit plan	–	–	57,012	57,012
– Negotiable certificates of deposit	–	302,280	–	302,280
Derivative financial instruments				
– Foreign currency forward contracts	–	9,509	–	9,509
– Interest rate swaps	–	55,246	–	55,246
Financial assets measured at FVOCI				
– Bills receivable	–	–	673,852	673,852
– Receivables to be factored	–	–	61,298	61,298
	110,191	743,733	1,043,378	1,897,302
Derivative financial liabilities.	–	30,588	–	30,588

	As at 31 December 2024			
	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Fair value measured on a recurring basis				
Financial assets measured at FVPL *(Note 11)*				
– Listed equity securities . . .	98,073	–	–	98,073
– Financial products	–	70,932	–	70,932
– Equity instruments	–	–	170,933	170,933
– Reinsurance of defined benefit plan	–	–	52,868	52,868
Derivative financial instruments				
– Interest rate swaps	–	90,435	–	90,435
Financial assets measured at FVOCI				
– Bills receivable	–	–	469,511	469,511
– Receivables to be factored .	–	–	112,093	112,093
	98,073	161,367	805,405	1,064,845
Derivative financial liabilities.	–	16,146	–	16,146

The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the end of the reporting period, taking into account current interest rates, the current creditworthiness and foreign exchange rate of the swap counterparties.

The fair value of foreign forward exchange contracts in Level 2 is determined by discounting the contractual forward price and deducting the current spot rate. The discount rate used is derived from the relevant government yield curve as at the end of the reporting period plus an adequate constant credit spread.

The fair value of financial instruments traded in an active market is determined at the quoted market price; and the fair value of those not traded in an active market is determined by the Group using valuation technique. The valuation models used mainly comprise discounted cash flow model and market comparable company model. The major inputs of the valuation model include expected rate of return and discount of lack of market liquidity.

During the six months ended 30 June 2025, there were no transfers, or transfers into or out of Level 3 (six months ended 30 June 2024: Nil). The Group's policy is to recognize transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The changes in Level 3 assets are analyzed below:

	Financial assets at FVOCI	Financial assets at FVPL	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2024	304,464	213,590	518,054
Additions	252,727	–	252,727
Disposals/settlements	(304,464)	(2,942)	(307,406)
Changes in fair value recognized in other comprehensive income.	–	–	–
Changes in fair value recognized in profit or loss.	–	–	–
Currency translation differences	–	(1,656)	(1,656)
As at 30 June 2024 (Unaudited)	252,727	208,992	461,719

	Financial assets at FVOCI	Financial assets at FVPL	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2025	581,604	223,801	805,405
Additions	735,150	80,658	815,808
Disposals/settlements	(581,604)	(1,034)	(582,638)
Changes in fair value recognized in other comprehensive income	–	–	–
Changes in fair value recognized in profit or loss	–	–	–
Currency translation differences	–	4,803	4,803
As at 30 June 2025 (Unaudited)	735,150	308,228	1,043,378

The following table summarizes the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of material financial assets and the sensitivity analysis of fair value to the inputs:

	Fair value					
	As at 30 June 2025	As at 31 December 2024	Valuation technique(s)	Significant unobservable input(s)	Range of inputs (probability weighted average)	Sensitivity of fair value to the input(s)
	RMB'000 (Unaudited)	*RMB'000*				
Financial assets at FVPL						
– Unlisted equity instruments	251,216	170,933	Recent transaction price	N/A	N/A	N/A
Financial assets at FVOCI						
– Bills receivable	673,852	469,511	Discounted cash flow model	Lack of marketability discount	0%	N/A
– Receivables to be factored	61,298	112,093	Discounted cash flow model	Lack of marketability discount	0%	N/A

(b) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at amortised cost are not materially different from their fair values as at 30 June 2025 because of the short-term maturities of all these financial instruments.

23 COMMITMENTS

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

	As at 30 June 2025	As at 31 December 2024
	RMB'000 (Unaudited)	*RMB'000*
Contracted for acquisition of property, plant and equipment, intangible assets and other long-term assets	668,459	529,035

24 MATERIAL RELATED PARTY TRANSACTIONS

(a) Names and relationships of the related parties that had material transactions with the Group

The directors of the Company are of the view that the following parties/companies were significant related parties that had transactions with the Group during the six months ended 30 June 2025 and 2024, or had balances as at 30 June 2025 and 31 December 2024.

Name of party	Relationship with the Group
Joyson Holding Co., Ltd.	Parent company
Ningbo PIA Automation Holding Co., Ltd.	Under common control of ultimate controlling party
Ningbo Sci-Tech Park Joyson Property Management Co., Ltd.	Under common control of ultimate controlling party
Ningbo Junya Hotel Management Co., Ltd.	Under common control of ultimate controlling party
Ningbo Joyson Real Estate Development Co., Ltd.	Under common control of ultimate controlling party
PIA Automation Amberg GmbH	Under common control of ultimate controlling party
PIA Automation Bad Neustadt GmbH	Under common control of ultimate controlling party
PIA Automation USA Inc.	Under common control of ultimate controlling party
PIAMEX AUTOMATION, S. de R.L. de C.V.	Under common control of ultimate controlling party
Joyson Europe Holding GmbH	Under common control of ultimate controlling party
Shanghai PIA Medical Technology Co., Ltd.	Under common control of ultimate controlling party
Ningbo PIA Artificial Intelligence and Humanoid Robotics Research Institute Co., Ltd.	Under common control of ultimate controlling party
Ningbo Junyun Hotel Management Co., Ltd.	Under common control of ultimate controlling party
Shanghai Youzhong Technology Co., Ltd.	Under common control of ultimate controlling party
Ningbo Hanling international Cultural and Art Exchange Center Co., Ltd.	Under common control of ultimate controlling party
Suzhou SME-CQ AUTOMOTIVE Safety TECHNOLOGY Co., Ltd.	Associates
Yanfeng KSS (Shanghai) Automotive Safety Systems Co., Ltd.	A joint venture of subsidiaries
Ningbo JoysonQuin Automotive Systems Holding Co., Ltd.	Associates (before 18 December 2024)
Ningbo JoysonQuin Automotive Trim Co., Ltd.	A subsidiary of associates (before 18 December 2024)
Shanghai Joyson Benyuan Automotive Components Co., Ltd.	A subsidiary of associates (before 18 December 2024)
JoysonQuin Automotive Systems GmbH	A subsidiary of associates (before 18 December 2024)
JoysonQuin Automotive Systems Mexico S.A. de C.V.	A subsidiary of associates (before 18 December 2024)
JoysonQuin Automotive Systems Polska Sp. z o.o.	A subsidiary of associates (before 18 December 2024)
JoysonQuin Automotive Systems North America LLC	A subsidiary of associates (before 18 December 2024)
Ningbo JoysonQuin Intelligent Technology Co., Ltd.	A subsidiary of associates (before 18 December 2024)
Ningbo Joyson Automotive Trim Technology Co., Ltd.	A subsidiary of associates (before 18 December 2024)
Ningbo Junyue Cloud New Energy Technology Co., Ltd.	An associate of subsidiaries
Ningbo Hengdagao Electronics Co., Ltd.	Others
Zhu Xuesong	Vice-chairman
Cai Zhengxin	Director
Chen Wei	Director, Executive
Li Junyu	Director, Executive
Liu Yuan	Director, Executive (Resigned)
Hua Muwen	Executive
Zhou Xingyou	Supervisor (Resigned)

Name of party	Relationship with the Group
Weng Chunyan	Supervisor (Resigned)
Wang Xiaowei	Supervisor (Resigned)
Guo Jishun	Executive (Resigned)
Yu Zhaohui	Executive
Dai Shenjun	Supervisor (Resigned)
Liu Jinlin	Supervisor
Guo Feier	Supervisor
Wang Yude	Supervisor
Zhou Xingyou	Director

* The official names of these entities are in Chinese. The English names are for identification purpose only.

In addition to the related party information disclosed elsewhere in the financial statements, the Group entered into the following material related party transactions.

(b) Key management personnel remuneration

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	*RMB'000 (Unaudited)*
Salaries, wages and other benefits	19,099	12,297
Equity-settled share-based payment	1,439	2,324
	20,538	14,621

Total remuneration is included in "staff costs" (see Note 4(b)).

(c) Related parties transactions

In addition to those related party transactions disclosed elsewhere in this Accountants' Report, the Group entered into the following material related party transactions for the six months ended 30 June 2025 and 30 June 2024:

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	*RMB'000 (Unaudited)*
Purchase of goods/receiving of services		
– Under common control of ultimate controlling party	92,715	53,681
– Associates	53,547	91,772
Sale of goods/rendering of services		
– Under common control of ultimate controlling party	1,650	1,447
– Associates	252	14,316
– Joint venture	120	2,316
Leases		
– The Group as the lessor:	7,646	7,100
– The Group as the lessee:	4,043	—
Guarantee *(Note (i))*		
– The Company as the guarantee holder	5,614,150	3,180,650

(d) Balance with related parties

As at 30 June 2025 and 31 December 2024, the Group had the following balances with related parties:

	As at 30 June 2025	As at 31 December 2024
	RMB'000 (Unaudited)	*RMB'000*
Trade in nature		
Trade receivables	11,667	15,230
Prepayments	110,343	49,595
Trade payables	247,535	295,259
Non-trade in nature		
Other payables *(Note (ii))*	10,000	10,000

Notes:

(i) The management have no current plan to release all the outstanding guarantees provided by Joyson Group prior to the initial listing of H Shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited as the Directors believe that the early discharge of the guarantees is not in the best interests of the Group and its shareholders as a whole.

(ii) The management do not plan to fully settle all amounts due to related parties that are non-trade in nature prior to the initial listing of H Shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

25 TRANSACTIONS WITH NON-CONTROLLING INTERESTS

During the six months ended 30 June 2025, material transactions with non-controlling interests were as follows:

(a) On 15 January 2025, the Board of Directors of the Company passed a proposal to increase the capital of Joyson Auto Safety Holdings S.A (hereinafter referred to as "JASH"), by about USD195 million in the form of converting debt to shares. The transaction was completed on 16 January 2025, and the Group's effective interest of JASH increased from 56.50% to 59.46%. The Group recognized a decrease in other reserves of RMB260,466,000 and an increase in non-controlling interests of RMB260,466,000.

(b) After obtaining control over Senssun in December 2024, the Company has further acquired 7,584,600 shares of Senssun during the six months ended 30 June 2025 from the secondary market, representing 5.7426% of its total issued share capital. Upon completion of these transactions, the Company recognized decreases in other reserves of RMB161,750,000 and decreases in non-controlling interests of RMB99,457,000.

26 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

As at the date of this report, the Directors consider the immediate parent and ultimate controlling party of the Group to be Mr. Wang Jianfeng, the Company's chairman and legal representative.