



Mint Group

MINTH GROUP LIMITED

敏實集團有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 425



2025
Annual Report



CORE VALUES

- Integrity
- Teamwork
- Trust
- Drive Transformation



VISION

Create beauty in motion with intelligence



MISSION

To make automobiles lighter, smarter, and beautiful



This annual report is printed on environmental paper



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* Should there be any discrepancy between the English and Chinese versions, the English version shall prevail.

CORPORATE INFORMATION

THE BOARD OF DIRECTORS

Executive directors

Wei Ching Lien (*Chairperson and Chief Executive Officer*)
Ye Guo Qiang
Zhang Yuxia
William Chin (*appointed on 30 May 2025*)

Non-executive director

Chin Chien Ya

Independent non-executive directors

Mok Kwai Pui Bill
Tatsunobu Sako
Meng Li Qiu
Chan Pak Hung (*appointed on 30 May 2025*)
Hu Ting Wu (*appointed on 30 May 2025*)
Wang Ching (*retired on 30 May 2025*)

COMPANY SECRETARY

Yi Lei Li

REGISTERED OFFICE

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Grand Cayman KY1-1111
Cayman Islands

GROUP HEADQUARTER

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Postal Code 114065
Website: www.minthgroup.com

REGIONAL HEADQUARTERS

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PRINCIPAL BANKERS

Bank of China
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21 Donghai Road
Ningbo Economic and Technological Development Zone
China

Citibank N.A.
Hong Kong Branch
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Central, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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Gardenia Court
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Grand Cayman, KY1-1100
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35th Floor, One Pacific Place
88 Queensway
Hong Kong

LEGAL ADVISERS TO THE COMPANY

As to Hong Kong Law
Reed Smith Richards Butler LLP
17th Floor, One Island East
Taikoo Place, 18 Westlands Road
Quarry Bay, Hong Kong

As to Cayman Islands Law
Conyers Dill & Pearman
Century Yard, Cricket Square
Hutchins Drive, George Town
Grand Cayman, British West Indies

STOCK CODE

SEHK Code: 0425

SUMMARY OF FINANCIAL INFORMATION

A summary of the results, assets and liabilities of Minth Group Limited (the “Company”) together with its subsidiaries (collectively the “Group”) for the last five financial years is as follows:

	For the year ended 31 December				
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000
Result					
Turnover	13,919,269	17,306,393	20,523,674	23,147,123	25,737,192
Profit before tax	1,845,812	1,779,069	2,315,475	2,806,939	3,295,924
Income tax expense	(266,364)	(248,708)	(351,482)	(431,179)	(525,785)
Profit for the year	1,579,448	1,530,361	1,963,993	2,375,760	2,770,139
Attributable to:					
Owners of the Company	1,496,507	1,500,584	1,903,231	2,319,300	2,692,150
Non-controlling interests	82,941	29,777	60,762	56,460	77,989
	1,579,448	1,530,361	1,963,993	2,375,760	2,770,139
As at 31 December					
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000
Assets and Liabilities					
Total assets	29,644,844	33,273,798	37,547,306	38,758,936	42,299,060
Total liabilities	(13,089,188)	(15,575,679)	(18,407,427)	(17,500,005)	(17,886,584)
	16,555,656	17,698,119	19,139,879	21,258,931	24,412,476
Equity attributable to owners of the Company	16,022,972	16,917,751	18,318,497	20,445,152	23,502,449
Non-controlling interests	532,684	780,368	821,382	813,779	910,027
	16,555,656	17,698,119	19,139,879	21,258,931	24,412,476



CHAIRPERSON'S STATEMENT

“

We are delighted and proud that, over the past two decades, Minth has established a “glocalization” strategy, demonstrating remarkable resilience and unique competitive advantages today.

”



Wei Ching Lien

Chairperson



Dear Shareholders:

We would like to express our heartfelt gratitude for your recognition of Minth Group's performance over the past year, as well as your trust and support for our future prospects!

The dramatic shifts in the global trade landscape in 2025 are reshaping the global economy in profound ways. Adjustments to tariff policies in countries such as the United States and Mexico continue to disrupt the rules governing global trade and commerce. In the face of such geopolitical changes, we see "unique opportunities" for Minth.

We are delighted and proud that, over the past two decades, Minth has established a "glocalization" strategy, which today demonstrates remarkable resilience and unique competitive advantages. While protectionism erects high walls between nations, we leverage our localized networks across Asia, Europe, and North America to build bridges between these "walls". The efficient synergy among our global manufacturing facilities not only allows us to flexibly navigate tariff barriers but also enables us to stay close to our customers and respond rapidly. We transform challenges into opportunities to consolidate market share and, in doing so, expand business opportunities for other business units, significantly improving investment efficiency; In Europe, our business has expanded from the Body Structure BU and Aluminum BU to include the Plastic BU and the Metal & Trim BU; in North America, our operations have expanded from the original three BUs to include the Body Structure BU (BBU). We have completed the construction of BBU plants in Mexico and Canada and established joint ventures with Toyota Tsusho and Aisin to secure business orders.

In addition to the above breakthroughs, our core automotive components business saw many other highlights in 2025. For example, the efficiency and profitability of our U.S. factories improved significantly; our battery housing business achieved record-high market share, gross margin, and net profit margin in the European market, while securing the trust and orders of major automakers in both the Chinese and North American markets; the recent resumption or extension of EV sales subsidy policies in multiple European countries, coupled with China's stricter EV safety regulations, will undoubtedly accelerate our revenue growth; our transition from a single-component supplier to a diversified, integrated solutions platform will further drive revenue expansion; we have secured a new factory site in Alabama, USA, surrounded by over 10 major client factories, all of which can provide ample potential orders; our cash flow has become even stronger, and so on.

In 2025, we also launched Minth's second growth curve. Building on the deep expertise accumulated over the years in lean manufacturing, process refinement, global supply chain management, and diversified client relationships, we are steadily expanding into multiple new sectors.

In the humanoid robotics sector, Minth's strategy has evolved from conceptual development to active collaboration; we have established multifaceted partnerships with numerous global industry pioneers, including AGIBOT. Our business model has expanded from single-component manufacturing to complete-unit contract manufacturing and distribution, and we are poised to enter the field of industrial application solutions, deeply integrating into the ecosystem of this emerging industry.

In the low-altitude aviation sector, we have signed strategic cooperation agreements with several leading low-altitude aircraft clients, including EHang, and have successfully secured substantial orders, contributing Minth's strength to the future development of the eVTOL industry.

Amid the AI wave, we have also assessed the situation and seized business opportunities. In the fourth quarter of 2025, we successfully secured orders for AI server liquid cooling services from major clients in Taiwan, achieving rapid deployment of production capacity and prompt product delivery. Additionally, several other products are currently undergoing simultaneous certification at the client's site.

In the energy sector, we have secured orders for power system components such as energy storage systems and solid-state transformers, and have invested in the development of related infrastructure. This sector is poised to experience even broader growth opportunities.

None of these breakthroughs were achieved overnight; rather, they are the inevitable result of the rapid response and on-site delivery capabilities honed by our team over many years of global operations. I am proud of the entrepreneurial passion and execution demonstrated by the entire team in 2025. Now, standing at a new starting point of rapid development, we will leverage the Group's unique advantages of globalization and localization to drive business expansion across all sectors to achieve optimal performance in the future!

On behalf of all Minth employees, I would like to once again express our deepest gratitude to our shareholders for their foresight and unwavering support throughout our journey!

Wei Ching Lien / *Chairperson*
23 March 2026



MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

During the year ended 31 December 2025 (the “Review Year”), the global automotive market exhibited slow growth and deep fragmentation within a complex environment. On the one hand, supply chains in major economies gradually stabilised and inventory levels improved; on the other hand, geopolitical uncertainties, uneven economic growth and the phasing out of electric vehicle subsidies in certain regions restrained overall growth momentum. According to GlobalData statistics, global light vehicle sales reached approximately 91.34 million units during the Review Year, representing year-on-year growth of around 3.6%. Among major mature markets, during the Review Year, influenced by various factors such as the expiration of certain provisions of the federal electric vehicle tax credit policy, adjustments to trade tariffs, consumer purchasing intentions, and cost pressures faced by automakers, the U.S. market saw light vehicle sales reached approximately 16.27 million units, marking a year-on-year increase of about 1.9%; Western Europe recorded sales of approximately 11.76 million units, up by about 1.7% year-on-year; while sales in the Japan market reached roughly 4.57 million units, rising by approximately 3.3% year-on-year. Among major emerging markets during the Review Year, Brazil, India and Mexico saw year-on-year growth of approximately 3.5%, 6.7 and 1.2% respectively; and Thailand experienced a marginal decline of about 0.1%.

During the Review Year, China’s automotive market hit a record high in production and sales. Driven by the expansion of national and local government consumption-stimulating policies such as the ‘scrappage scheme’, coupled with the intensive launch of new models by manufacturers, sustained demand at the retail level resulted in production and sales growth exceeding expectations for the full year. According to data from the China Association of Automobile Manufacturers (“CAAM”), during the Review Year, China’s passenger vehicle production and sales reached approximately 30.27 million units and 30.10 million units respectively, representing year-on-year increases of around 10.2% and 9.2% respectively. The overall steady growth of the passenger vehicle market provided robust traction for the entire automotive sector. During the Review Year, new energy vehicles (“NEVs”) demonstrated particularly robust performance, with market penetration steadily increasing and continuing to lead the industry’s transformation and upgrading. This was driven by multiple factors including policy support, diversified supply,

and ongoing improvements to infrastructure. Data from CAAM indicates that NEV sales reached approximately 16.49 million units for the year, representing a year-on-year increase of around 28.2%. These vehicles accounted for approximately 47.9% of total new vehicle sales, establishing themselves as the dominant force in China’s automotive market. During the Review Year, Chinese brands leveraged their first-mover advantage in electrification and intelligent technologies to steadily increase their market share to approximately 69.5%, an improvement of approximately 4.3 percentage points compared to the previous year. Joint-venture brands faced market share compression, with all experiencing varying degrees of decline. German, Japanese, American and Korean brands held market shares of approximately 12.1%, 9.7%, 5.9% and 1.5% respectively in China, down by around 2.5, 1.5, 0.5 and 0.2 percentage points year-on-year. During the Review Year, as the competitive edges of Chinese brands in the international markets continued to strengthen, automotive exports delivered impressive performance. Joint venture OEMs also achieved solid export results, with the rapid growth of NEV exports propelling China’s overall automotive exports to a new level. Annual vehicle exports reached approximately 7.1 million units, representing a year-on-year increase of around 21.1%.

COMPANY OVERVIEW

The Group is principally engaged in two major businesses, namely the research and development (“R&D”), production and sale of auto parts, as well as that of the toolings and moulds. The auto parts business of the Group primarily includes metal and trim products, plastic products, aluminium products and battery housing products. The tooling and moulds business principally involves various moulds, gauges and fixtures used in the development, processing and production of automotive exterior components and body structural parts. As a globalized supplier, the Group has established an extensive network for R&D, design, production, and sales across Canada, China, France, Germany, Japan, Mexico, Poland, Serbia, South Korea, Thailand, the Czech Republic, the United Kingdom, and the United States. The Group remains committed to consistently delivering high-quality services and products to its customers.

During the Review Year, the Group's four major business units ("BU"), namely plastic products, aluminium products, metal and trim products, and body structure products (previously known as battery housing BU), continued to refine their organisational structures. Through collaborative efforts with the Group's Account Development Centre, order intake mechanisms were optimised to deliver more flexible and efficient customer service. Concurrently, operational efficiency was further enhanced through effective cross-functional coordination. The Group has deepened its flexible production network of 'hub-and-satellite' factories across global operational regions. By implementing the GLOCAL (global + local) business philosophy, it has progressively established a parallel operational mechanism combining global resource allocation with regional autonomous operations, achieving dual enhancement in global vision and localised deepening. During the Review Year, the Group further integrated its multinational operational experience with localised practices, continuously optimising regional supply chain systems. This not only consolidated its global operational advantages but also established unique competitive barriers in strategic positioning, technological innovation, product portfolio, resource synergy, and talent pipeline development. During the Review Year, the Group continued to establish systematic management processes covering the entire asset lifecycle, thereby achieving a production capacity layout optimally aligned with Minth's global operations. The Group moderately expanded capacity in response to global trade policy shifts and actual business development needs, while rigorously scrutinising the rationality and effectiveness of related investments to minimise non-essential expenditure and continuously enhance capital efficiency. Based on past new business intakes and anticipated future order demand, the Group plans to increase capital expenditure in stages in North America, Europe, and Southeast Asia. This aims to accelerate business growth in these markets and further refine the Group's global localised footprint. These investments are expected to be primarily funded by the Group's operating cash flow.

During the Review Year, the Group continued to deepen the implementation of Minth Operation Excellence System, advance lean management upgrade across the entire value chain, and implement multi-dimensional cost-reduction and efficiency-enhancement initiatives, cementing its industry-leading cost competitiveness, resulting in steady improvement in profitability. Meanwhile the Group continued to boost the overall competitiveness of its products through enhancing processes, manufacturing technologies and production models, and strived for a thorough penetration of these products at customers' end. Through frequent exchange and interaction with its customers, the Group remained committed to the provision of optimal and systematic solutions to customers' internal combustion

engine ("ICE") vehicle models and NEV models by perceiving customer demands in relation to product, technology and material innovation. During the Review Year, the Group maintained its focus on expanding business with Chinese automotive brands and NEV start-ups, while adapting to evolving Chinese market policies concerning automotive safety. Leveraging its GLOCAL business philosophy and global footprint, the Group actively supported Chinese brands' international expansion strategies, securing multiple orders for battery housings, structural components, and other exterior parts. During the Review Year, the Group vigorously pursued new business opportunities with international brands across global markets, securing multiple orders in various regions. Leveraging its diversified customer base, continuously innovative process technology platforms, and expanding modular product offerings, the Group further enhanced the added value of its products. During the Review Year, the Group's body structure BU maintained rapid revenue growth, while traditional exterior products achieved steady growth. This was complemented by the development of sealing systems, bumpers, and energy storage related products in new markets, alongside the cultivation of products in emerging sectors such as humanoid robots, AI server liquid cooling, and eVTOL (electric vertical take-off and landing). Collectively, these initiatives will drive the Group's sustainable development over the medium to long term.

The Group continued to promote digital transformation and is ever-closer to digital operation and decision-making. Through the in-depth application of multiple digital systems, the Group has carried out the design and development of digitalization products covering the entire life cycle in relation to production, fixed assets and R&D data. This has laid a solid foundation for enhancing the digital management of its entire operation process and improving the efficiency of its corporate operations comprehensively. During the Review Year, the Group further forged ahead with the unified deployment of SAP system across its factories around the globe, achieving standardisation and visualisation of operational data. The Group also enhanced the industrial IoT platform to establish a closed-loop data flow across the entire production chain, while prioritising the development of digital model factories to deepen the application of artificial intelligence ("AI") technologies and transparent dashboard management, thereby improving real-time decision-making efficiency. In the meantime, the Group also focused on fostering a digital mindset across its workforce. Through specialised talent development programmes and partner empowerment initiatives, the Group targets at building a collaborative and innovative digital culture. This systematic transformation is designed to provide intelligent support for the Group's global operations, thereby effectively supporting the Group's agile operations and continuously consolidating its industry-leading position.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Year, the Group adhered to the strategic guidance of ‘Green Intelligent Manufacturing, Safe Development’, continuously consolidating the foundational role of its EHS management system. The Group systematically advanced the establishment and refinement of its energy and carbon emissions management systems, deeply embedding its commitments to environmental protection, safety, and occupational health into every operational aspect. This endeavour is dedicated to building an exemplary Minth EHS management system.

During the Review Year, the Group conducted internal audits, management reviews, external surveillance audits and certification for its ISO 45001 Occupational Health and Safety Management System, ISO 14001 Environmental Management System and ISO 50001 Energy Management System. As at the end of the Review Year, the Group has achieved 100% certification coverage for its ISO 45001 and ISO 14001 systems. 38 factories have obtained ISO 50001 certification, with key energy-consuming factories achieving 92% certification coverage. The Group has established energy management organisations, annual performance targets, energy conservation management technical solutions, and routine review systems at the factory, BU, and Group levels. During the Review Year, the Group’s energy conservation and carbon reduction achievements continued to improve, with energy consumption per ten thousand yuan of output value decreasing by approximately 6.0% year-on-year.

During the Review Year, the Group continued to advance the digital and intelligent transformation of its EHS management system. Through the stable operation of six core modules, namely the work injury management system, construction operations management system, EHS risk management system, EHS best practice library system, EHS awards system, and STOP management system (safety training observation program management system), it significantly enhanced risk prevention capabilities and operational management efficiency across its global manufacturing facilities. The Group innovatively introduced AI applications into its work injury management system, and its functions include data filing assistance, in-depth correlation analysis of historical data, automatic identification of risk trends, root cause tracing, and generation of prevention recommendations. This represents a significant endeavour by the Group to actively explore the application of AI technology in the field of EHS digital management and to drive the intelligent upgrading of its management systems.

By the end of the Review Year, four subsidiaries of the Group were awarded the title of ‘National-level Green Factory in China’, three subsidiaries received the awards of ‘National-level Green Supply Chain Management Enterprise in China’, and eighteen subsidiaries were recognised as ‘Provincial/Municipal-level Green Factories in China’.

During the Review Year, the Group strictly adhered to the “Minth Group Internal Control and Risk Management System” and the “Minth Group Internal Control and Risk Management Guidelines”. Centred on its development strategy and operational priorities, the Group coordinated the advancement of internal control, risk management and audit management mechanisms underpinned by digitalisation and intelligent applications, continuously enhancing governance effectiveness and risk prevention capabilities. The Group iterated its intelligent risk management platform, systematically optimising risk identification, assessment, and early warning mechanisms by integrating external policy environment information with internal management requirements. All business divisions and functional departments routinely conducted risk assessments, dynamically updated risk databases, and concurrently established tiered, categorised management and differentiated risk response arrangements. This embedded risk management within daily operational processes, effectively implementing risk visualisation and real-time dynamic monitoring. Regarding internal control management, the Group continuously strengthens its organisational governance structure with clearly defined authority boundaries. Centred on business processes as the primary control thread, it drives process re-engineering and digital integration, promoting standardisation, traceability, and supervisability of key processes. This further enhances operational efficiency and resilience against risks. Leveraging its global strategic footprint, the Group systematically advances comprehensive audit coverage across Asia-Pacific, Europe, and North America. Adopting a goal-oriented approach with enhanced data-driven tools and standardised methodologies, it prioritises cross-border operational risk control, operational efficiency gains, and business quality enhancement. This drives the implementation of management improvement measures, supporting sustained elevation in operational management standards. The Company’s subsidiaries, namely Jiaying Minhui Automotive Parts Co., Ltd., Ningbo Shintai Machines Co., Ltd., and Zhejiang Minneng Technology Co., Ltd., successfully passed the annual surveillance audit for the ISO 37001 Anti-Bribery Management System. Furthermore, in accordance with regulatory documents such as the “Minth Group Code of Business Conduct and Ethics”, the Group continuously optimised its whistleblowing response mechanisms and expanded internal and external information collection channels, thereby safeguarding the establishment of a fair and transparent business environment. During the Review Year, the Group completed updates to the “Minth Group Internal Audit Management System” and the “Minth Group Audit Qualitative and Accountability Procedures”, thereby continuously refining institutional safeguards and operational mechanisms. Building upon these measures, the Group shall continue to uphold integrity as core values, innovate risk control approaches, and dynamically optimise its audit oversight, internal control, and risk management systems. This ensures operational risks remain within acceptable limits, safeguarding and promoting the Group’s sustained and robust development.



BUSINESS AND OPERATION LAYOUT

During the Review Year, the Group's revenue amounted to approximately RMB25,737,192,000, representing an increase of approximately 11.2% compared to the approximately RMB23,147,123,000 in 2024. The Group's global revenue maintained robust growth, with its overall operations demonstrating good resilience amidst complex market conditions.

During the Review Year, by ultimate geographical delivery destinations of the customers, the Group's revenue from China amounted to approximately RMB9,405,393,000, representing an increase of approximately 0.9% from approximately RMB9,323,157,000 in 2024. Although the joint venture OEM business in China was impacted by fluctuations in their production and sales, robust demand from Chinese brand clients, coupled with the Group's proactive engagement with the rapidly expanding NEV market in China, effectively offset downward pressures and ensured overall revenue stability in the Chinese market. The Group's revenue from international markets amounted to approximately RMB16,331,799,000, representing an increase of approximately 18.1% compared to the approximately RMB13,823,966,000 in 2024. This growth was primarily attributable to the Group's successful capitalisation on expansion opportunities within the European electric vehicle market. Leveraging localised capacity deployment and the rapid release of customer orders, this effectively drove an overall increase in the Group's revenue. In addition, the Group maintained steady growth in its traditional product operations in the Americas markets, continuing to demonstrate the Group's strong competitiveness in localization and core products.

During the Review Year, the Group adjusted its business strategy in a timely manner to ensure balanced and robust operations, responding to the varying performance of major automakers across key global markets, with significant breakthroughs achieved particularly in battery housing and body and chassis structural parts businesses. Following the business intake of Toyota's battery housing business in Japan during 2024, the Group further secured Toyota's structural component business in Europe. Furthermore, the Group obtained chassis structural parts orders from multiple Chinese automakers including Great Wall Motor and Geely; it entered Chery's battery housing business for the first time and secured new orders of battery housings from BYD, thereby expanding its cooperation scope with both automakers. The Group obtained the first energy storage battery housing order in North America. Additionally, it continued to expand its market share in battery housing products for Volkswagen. Furthermore, the Group secured orders for Changan Group's next-generation battery housing platform, establishing itself as a strategic powertrain supplier to Changan Group.

During the Review Year, the Group also continuously strengthened new business intake for both intelligent exterior components and traditional products. Cooperation was further enhanced with multiple Chinese automotive brands including BYD, Geely, GAC, SAIC, and NEV start-ups, while strategically expanding its market share with Japanese brands in international markets, achieving significant progress in multiple products. Continuous breakthroughs were made in the automotive door electronic control unit business, securing orders for Chery's Luxeed brand. Multiple orders for roof rack assemblies from Japanese brands were also secured. Meanwhile, legacy product orders for various models from clients including BYD, Chery, Li Auto, Geely, and Great Wall Motor were obtained. During the Review Year, the Group achieved its first breakthroughs in bumper assembly business with Renault in Europe and Ford in North America, while securing orders for roof racks on several popular vehicle models in North America. During the Review Year, the Group deepened its forward-looking insights into global customer technology trends. Capitalising on the ongoing optimisation of the North American trim market landscape, it successfully consolidated and expanded its supply share with a leading North American electric vehicle manufacturer, further cementing its strategic position as a core global trim supplier to this customer. Moreover, leveraging mature experience and product advantages accumulated in sealing systems in China, the Group steadily expanded its market share of this product in Europe. The diversified product portfolio and balanced customer mix not only enhanced the Group's market competitiveness but also strengthened its resilience against market risks, providing robust safeguards for its sustained and stable development.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Year, the Group continued to implement the GLOCAL philosophy in its operational practices by further enhancing its global operational capabilities through global resource coordination and local market cultivation. During the Review Year, ongoing effort in global resources integration and cross-regional talent delegation and development from the Group had helped facilitate the rapid replication of best practices, while its cross-functional teams comprising core talents from various disciplines were also mobilised to address emergent requirements with agility.

With the rapid growth of international revenue, the Group made strategic and continuous improvements to the production capacity layout and localisation rate in North America and Europe, and a majority of the orders for these regions had been locally produced during the Review Year. This has helped to keep the impact and uncertainties caused by tariffs and geopolitical factors within manageable limits. The Group continued to enhance the management skills of its factories globally, built benchmark factories and promoted their management models, and employed the experience from the benchmark factories in terms of operation, technology and innovation to empower its global operations. During the Review Year, the Group's global factories made comprehensive use of the advantageous resources of various locations to pursue local excellence, prioritizing to improve the process planning, production efficiency, product yield, and capacity utilisation rate for products with more complex processes, so as to achieve a comprehensive improvement in technology, quality, and processes. During the Review Year, the Group further optimised its organisational structure by integrating certain R&D and business development functions into respective BU. This initiative has enabled enhanced synergy in efficient order processing, product design and mass production. During the Review Year, the Group continued to improve operational efficiency of its factories across the globe. Through systematic optimisation and technological innovation, it attained significant enhancements in both production efficiency and quality management. Regarding cost-reduction and efficiency-enhancement initiatives, the Group successively implemented the "on-site cost saving" programme across multiple factories located in, amongst others, Huaian, Jiaxing, Huzhou, Guangzhou and Qingyuan in China, as well as Serbia and North America. Through its various efforts including but not limited to scrap material recycling, process efficiency improvements, reasonable increases in automation, and production line benchmarking for efficiency enhancement, the Group delivered steady growth in per capita output. Regarding quality management, the Group achieved consistent product quality improvements, with particularly notable improvements

in the results of international factories, through targeted enhancement projects for high-defect processes and stringent controls over core processes. Meanwhile, the Group further reinforced its culture of continuous improvement through adopting digitized operational monitoring and encouraging all employees to put forward improvement proposals, thereby pursuing ever more efficient operations.

During the Review Year, the body structure BU achieved sustained improvements in the profitability of key projects through global capacity coordination and technological upgrades. Facilities in Serbia and the Czech Republic enhanced the profitability of multiple mass production projects by innovating upstream processes and optimising production line efficiency. New mass-production plants in Poland and France, meanwhile, leveraged highly localised operations and supply chain integration to effectively control costs and respond swiftly to customer needs, thereby driving improvements in gross margins. In addition, the technical center of the body structure BU achieved cost reductions and shortened development cycles for mass-production projects through material and process innovation, and its participation in concurrent design further consolidated the collaboration with and recognition from its customers. Moving forward, the body structure BU will deepen global coordination and intelligent transformation to support the Group's strategic implementation. The plastic BU continues to refine its global capacity footprint, with new production lines in Europe and North America now ready for mass production. Comprehensive cost-reduction and efficiency-improvement strategies have yielded significant results across multiple fronts for this BU: optimising core material procurement costs, consolidating resources of accessories and packaging materials, and enhancing production and operational efficiency, thereby effectively controlling overall costs. The plastic BU is advancing full-process digitalisation across its operations and piloting AI applications in selected plants. Process monitoring and foolproof early-warning systems are reducing scrap rates and boosting customer satisfaction. Moving forward, digital technologies will be applied to drive the Group towards 'data-driven' operations, particularly in high-cost regions, to continuously optimise efficiency. The metal & trim BU and aluminium BU achieved stable operations through end-to-end cost reduction and efficiency improvements, including collaborative procurement cost savings, dedicated technical cost reduction initiatives, and enhanced asset efficiency. Both BUs comprehensively promoted benchmarking and monthly performance management across their factories. On the technical front, they drove design optimisation and lean production; on the supply chain front, they strengthened



procurement coordination and asset utilisation. Cost reduction was achieved through quality improvement initiatives. Moreover, organisational efforts from the two aforementioned BUs enhanced talent development and project management so as to offer solid support for their business quotations and customer relations, ultimately driving the achievement of all annual operational targets. Moving forward, the metal & trim BU and aluminium BU will continue optimising global capacity allocation, deepening end-to-end cost and expense control across materials, labour, manufacturing costs, selling, administrative expenses and R&D. Through technological innovation and lean operations, they will consolidate long-term competitiveness.

During the Review Year, the Group continued to implement its asset-light strategy with stringent control over its capital expenditures. It rigorously assessed the rationality and necessity of new capacity investments, while also reducing dedicated production lines, enhancing production line flexibility and implementing global production capacity allocation and conducting investment return calculations. These measures improved capacity utilisation and, as a result, reduced overall investments. Meanwhile, the Group reduced its investment requirements through technological transformation and further minimised its investment by studying the feasibility of purchasing second-hand equipment and investing in stages for certain necessary investments. Given the volatility of the global economy and business environment, the Group has swiftly adjusted its investment pace in pursuit of enhanced investment efficiency and steady growth in operating results. These practices have not only effectively controlled capital expenditure during the Review Year, but also advanced the full life cycle management of the Group's assets to support long-term lean operations. During the Review Year, the Group intensified efforts to recycle and reuse waste materials, including aluminium, stainless steel, plastics, and chemicals used in surface treatment production lines, repurposing them wherever feasible. Furthermore, the Group continued to implement energy conservation and carbon reduction measures, utilised residual energy, and vigorously advanced photovoltaic installations to increase the proportion of green energy usage.

The global macro environment and the development of the automobile industry are undergoing constant changes. During the Review Year, tariff imposition on various countries around the world by the US government and its frequent policy changes have had a profound impact on the global trade landscape. On one hand, tariff barriers have raised the cost of imported goods, and weakened their price competitiveness, resulting in an unstable supply chain. In this regard, the US government has implemented intervention measures including subsidies and other means of adjustment in order to mitigate the overall impact on the US local consumer market. On the other hand, trade frictions have

escalated market uncertainties, urging companies to adjust their global layout, driving up both operational and compliance costs. Despite this challenge, the Group has leveraged its relatively well-established global presence to further optimise its localised operations and continues to increase the proportion of local supply. During the Review Year, the Group achieved localised production for most of its orders in North America. At the same time, the Group maintained real-time communication with customers on issues such as tariff impacts and continued to develop optimal risk response strategies. In addition, the Group has always been committed to business and market diversification, with balanced development in China, Europe, North America, Asia-Pacific and other regions. This approach ensures that the impact and uncertainty caused by tariffs and geopolitical factors are kept within manageable limits, and enables the Group to maintain competitiveness amid the complex trading environment. During the Review Year, the Group achieved solid growth in its results despite various uncertainties. The Group has always been committed to creating stable returns for its shareholders and other stakeholders, building a sustainable development path, and at the same time striving to minimise operational risks.

RESEARCH AND DEVELOPMENT

R&D and innovation are important pillars to corporate development and the Group attaches great importance to R&D planning. The Group had actively responded to the changes and developments in the automobile industry by laying down an innovation-driven strategy, optimising the structure of R&D organisations, strengthening the in-house R&D and innovative research capability in respect of basic materials, products and technologies, and continuing its investments in R&D. Through in-depth exchange with customers such as traditional OEMs, NEV start-ups and battery makers, the Group strived to deeply understand the differences in product and technology requirements of various customers and the development trend; and through proactive self-innovation and cooperation with leading enterprises globally, to promote technical breakthrough of processing technology. The Group prospectively improved the R&D capability and management efficiency as a whole to further solidify its presence in core components for NEVs and ICE vehicles and to promote the integration of intelligent products and exterior decorative parts, thus consolidating its position as a core strategic partner to OEM customers. The Group will continue to engage in innovative R&D and deployment, devote itself to the business development of products including battery housings, body and chassis structural parts and intelligent integrated exterior decorative parts, and contribute to the evolution of the automobile industry towards low carbon and intelligence. The Group has achieved tremendous milestones in these fields, which lays a solid foundation for the Group's future sustainable development.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Year, the Group continued to secure project awards from traditional automakers, NEV start-ups and battery makers, further consolidating its leading position as one of the world's largest suppliers of battery housings. The Group has persistently advanced R&D and innovation in battery housing technology, delivering multi-material, lightweight product solutions that integrate body structure, battery cell adaptation, and battery safety protection requirements. These solutions meet the standards for cell-to-body (CTB) and the latest safety requirements for power batteries in electric vehicles, continually providing clients with innovative solutions. The Group achieved significant breakthroughs in roll-forming and high-frequency welding as well as aluminium extrusion for battery cell cases. Meanwhile, the Group prioritises the business development of battery housings for Chinese OEMs and cell structural components in international markets, which is emerging as another growth driver for the Group. The Group has actively expanded into peripheral parts to battery housings, successfully developing front and rear crash management systems, subframes, die-cast structural components, electronic control housings, and motor brackets, securing orders for these products. This initiative supports the Group's integration of battery housings with vehicle chassis structures while substantially increasing its content value per vehicle.

Within the intelligent interior and exterior trim sector, the Group focuses on product development and expansion for intelligent front and rear fascia systems, intelligent door systems, intelligent interior systems, and full-set sealing systems for vehicles, comprehensively achieving intelligent upgrades for both interior and exterior components. The Group has proactively developed an integrated intelligent front fascia solution, incorporating functions such as illumination, heating, radio wave transmission, and automatic cleaning. This solution possesses industry-leading patented technology and is applicable to Level 4 and above autonomous driving scenarios. The Group witnessed its market penetration for front and rear fascia products continue to rise, securing orders for multiple bumper assemblies from European and American automotive brands. Breakthroughs have also been achieved in projects for a renowned Chinese brand, including full-width light bars and position lamps. The Group is actively expanding into intelligent door systems, including smart access and automatic opening applications, enabling automated opening upon contactless biometric recognition. Its proprietary developed electromechanical modules, such as electric side doors and electric sliding doors, have entered the order intake phase, securing contracts from multiple Chinese NEV manufacturers and progressing towards mass production. The Group prioritises anticipating clients' future technological requirements, and has

signed a cooperation agreement with a Chinese automotive brand to jointly develop forward-looking intelligent door solutions. Significant breakthroughs have been achieved in composite material lightweighting for door systems. Leveraging proprietary VarinTech® technology, these product solutions have gained recognition from multiple NEV clients. Pre-research projects are progressively underway to accelerate the commercial application and promotion of composite materials within the automotive industry. The Group is also actively expanding into intelligent interior systems, focusing on the R&D of high-value-added interior assembly products. By deepening expertise in intelligent surface technologies to maintain its leading position, it has secured breakthroughs in multiple interior projects, including an intelligent dashboard for a European brand. Meanwhile, the Group is proactively pursuing opportunities in the European and American markets for vehicle sealing systems. It has successfully secured vehicle model orders from an OEM in North America and multiple OEMs in Europe, with mass production and delivery set to commence progressively.

The Group is also actively exploring new sectors and products, concentrating efforts on developing a second growth curve. It is focusing on the R&D and expansion into emerging fields such as artificial intelligence, robotics, low-altitude economy, and intelligent mobility. Building upon advancements in autonomous driving and future charging technologies, the Group has proactively positioned itself in wireless charging systems for electric vehicles. It has initiated joint project development with several leading Chinese automotive brands, further accelerating the rapid commercialisation of wireless charging systems for vehicles. In response to market and policy trends, the Group is actively building talent reserves in the intelligent robotics and low-altitude economy sectors. It is effectively leveraging the advantages of lean manufacturing from the automotive industry to prepare for future large-scale commercialisation. Within the intelligent robotics sector, the Group focuses on the proprietary R&D of integrated joint modules, robotic electronic skins, intelligent masks, robotic wireless charging systems, and limb structural components. It has established sound cooperative relationships with major Chinese robotics clients and completed small-batch supply to multiple customers during the Review Year. The Group has entered into a strategic cooperation agreement with AgiBot to deepen collaboration on humanoid robot intelligent exteriors, wireless charging, joint assemblies, and flexible intelligent manufacturing solutions. The Group places high importance on the commercialisation of intelligent robots. It has established a strategic partnership with a leading robotics client to undertake OEM manufacturing and distribution in



Europe. In collaboration with this client, the Group actively pursues secondary development and data collection projects for industrial applications. It is progressively establishing demonstration production lines with humanoid robots as line workers within its factories, thereby continuously advancing industry development. Within the low-altitude economy sector, the Group focuses on the layout, R&D, and production of two major product systems: low-altitude aircraft airframes and rotor systems. The Group has deepened collaborative ties with several leading Chinese flying car/eVTOL manufacturers. On 21 July 2025, the Group signed a strategic cooperation agreement with EHang Intelligent, a global leader in eVTOL manufacturing, and is deeply involved in the concurrent design and airworthiness certification of its certified aircraft models, having secured mass production orders. Additionally, capitalising on the rapid advancement of AI, the Group is prioritising the development and commercialisation of AI liquid cooling system products. These include liquid cooling plate modules, manifold, coolant distribution units, and immersion liquid cooling tanks. Among these, the Group has secured orders for liquid cooling products such as manifold and immersion liquid cooling tanks from clients in Taiwan, and commenced mass deliveries within the Review Year. In addition, the Group continues to broaden its product portfolio within the AI infrastructure sector, and leveraging its strengths in global manufacturing and quality control, and to pursue business growth opportunities to expand into related products such as solid-state transformers.

The Group also attaches great importance to technological R&D of new materials and has continuously increased its R&D investment in materials, mastering the technologies of four core materials, namely high-performance collision aluminium, high-performance elastomer materials, functional plastics and green materials, as well as the related surface treatment technologies. In particular, the Group has developed the Minal®-S748 aluminium alloy with 500Mpa ultra-high yield strength and excellent collision resistance, which has successfully passed the vehicle crash performance test and reached advanced level in the global market. As of 31 December 2025, the Group has 62 core patents in terms of material formula and processing technology in relation to aluminium alloy, which have been widely applied in the battery housings and body and chassis structural parts of OEMs such as BMW, Benz and Volkswagen, demonstrating the Group's comprehensive technological capability in both product and material, as well as its role as a leading player in Asia-Pacific or even the global market. In the meantime, in response to global carbon neutrality objectives, the Group has focused on developing green aluminium profiles,

successfully pioneering multiple recycling and additive technologies for aluminium. Related products have entered the stage of small-scale production. Furthermore, the Group's independently developed ECO-ALUMIN® S series green collision aluminium materials feature a carbon emission intensity below 3.0 kg.CO₂/kg.AL, enabling broad application in vehicle collision system components. Concurrently, the Group attached great importance to polymer material R&D and innovation, having successfully developed multiple green, low-carbon materials including EcoSupElast® green elastomer materials, EcoOleCom® green plastics, and bio-based materials. The Group passed technical certifications for these materials from multiple NEV OEMs and achieved mass production application, delivering a comprehensive carbon reduction ratio exceeding 36% and contributing significantly to the Group's carbon neutrality objectives.

The Group puts strong emphasis on the protection of intellectual property rights. It has initiated a comprehensive deployment in patents and trademarks for innovative products, and is focused on the protection and operation of intellectual property rights. During the Review Year, the Group filed 258 new patent applications and registered 12 new trademarks. The Group promotes the application and industrialisation of intellectual property rights, with 240 patents having been licensed, and jointly established a NEV patent pool, focusing on cutting-edge areas such as lightweighting, impact resistance, and intelligent front modules. During the Review Year, the Group was granted 328 new patents by competent authorities and successfully registered 7 trademarks. The Group actively protects its intellectual property rights and carries out risk prevention management. It has conducted dozens of analyses in respect of patent right defences and infringement prevention to firmly safeguard its intellectual property rights and interest.

Corporate Social Responsibility

While pursuing maximum return to shareholders, the Group actively fulfills its corporate social responsibilities.

The Group views shifts in the global macro environment and industry trends, including geopolitical situations, climate action and technological revolution, as fresh opportunities for business expansion. As a global components supplier, the Group regards sustainable development as fundamental to corporate survival and growth. It integrates environmental, social and governance ("ESG") considerations into its core business strategy, closely aligning the creation of social value with that of shareholder value.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Year, the Group centred its efforts on 'strategic guidance, precise control, and continuous improvement', actively advancing ESG management from macro-level narratives towards a new chapter of refined, routine governance. The Group proactively leveraged the deep integration of digitalisation and intelligent technologies within the sustainability domain, continually driving the development and optimisation of systems for digital carbon emissions management, environment, safety and occupational health ("EHS"), and human resources. It actively expanded the application of AI in practical business scenarios, providing intelligent and agile support for the Group's ESG operations.

During the Review Year, regarding climate action initiatives, guided by the 2040 and 2050 carbon neutrality targets, the Group formulated more detailed strategies and roadmaps. These will be regularly updated and evolved through climate scenario analysis, the development of formal climate transition plans, and the continuous expansion of product life cycle assessment activities. The Group has deeply integrated green and low-carbon transformation into its corporate operations, supply chain, and the entire product lifecycle. This is achieved through a global renewable energy deployment strategy, the implementation of climate action concepts such as promoting green materials, and the exploration of cutting-edge technologies and innovative pathways like lightweighting and robotics-related products. These efforts continuously consolidate and strengthen the Group's position as an industry benchmark for sustainable development. Regarding social issues, the Group adheres to its GLOCAL business philosophy. By integrating multinational operational expertise with localised practices, it continuously optimises regional supply chain systems while ensuring effective transmission of ESG requirements to upstream of the supply chain. This leverages global operational advantages to drive sustainable supply chain development. Concurrently, the Group maintains localised talent attraction policies, upholding principles of equality, inclusivity and fairness. Guided by the ethos of 'gathering compassion to pass on care', it continually enhances employee welfare initiatives, collaborating with staff to build a more resilient and outstanding enterprise. Regarding corporate governance, the Group has not only established a robust internal business ethics risk management system but also deepened collaboration with stakeholders. Together, the Group is committed to fostering a transparent and ethical business environment to achieve shared value creation.

Guided by the philosophy of 'creating value for society' and adhering to the mission of 'gathering love and spreading it through action', the Group has consistently embraced the value of 'care and harmony'. It actively advocates for corporate social responsibility, cares for underprivileged groups, and remains committed to supporting the development of education in China's impoverished regions. The Group continuously explores new models of corporate public welfare and contributes to society through concrete actions. During the Review Year, the Group supported the implementation of several public welfare initiatives, including the 'Hope for Pearl' project, the 'Xinhua Charity Education Project', the 'East-West-China Collaboration and Support Program', and the 'Colorful Pearl Energy Classroom Project'. In the Review Year, the Minth Foundation, sponsored by the Group, invested RMB4.9979 million in public welfare, benefiting over 19,127 students and individuals, with the cumulative participation of volunteers in public welfare activities exceeding 220,000 hours. From 2013 to 2025, the Minth Foundation's expenditures on charitable projects exceeded RMB53.38 million. The Minth Foundation remains true to the original intention of the Group's public welfare efforts and actively engages in community services and actions. Furthermore, since August 2024, the Minth Foundation has supported the completion of three sessions of the China-Serbia Youth Cultural Exchange Program, inviting a total of 253 Serbian youths to China for a cultural exchange journey.

Please refer to the 2025 Environmental, Social and Governance Report of the Company for more details.

FINANCIAL REVIEW

Results

During the Review Year, the Group's revenue was approximately RMB25,737,192,000, representing an increase of approximately 11.2% from approximately RMB23,147,123,000 in 2024. During the Review Year, with the gradual mass production of the awarded projects and the steady growth in sales of NEVs, the Group's business in products such as battery housings continued to grow rapidly. Meanwhile, benefiting from the significant year-on-year growth of NEVs sales in Europe, the Group's major supporting products achieved excellent performance in sales. Coupled with the continuous balancing and optimisation of the customer portfolio, the Group achieved relatively favorable growth in revenue.



During the Review Year, the profit attributable to owners of the Company was approximately RMB2,692,150,000, representing an increase of approximately 16.1% from approximately RMB2,319,300,000 in 2024. Such increase was primarily attributable to the relatively sound growth in gross profit during the Review Year as compared with 2024, driven by factors including the economies of scale resulting from the growth of the Group's revenue, the continuous improvement in capacity utilisation of the body structure product line, as well as the cost-reduction efforts and efficiency enhancement measures implemented by all product lines. Combined with the Group's continued strict expense control, the Group's earnings quality was further enhanced.

Sales of Products

During the Review Year, the Group continued focusing on the production of products including metal and trim products, plastic products, aluminium products, body structure products and toolings and moulds for automobiles, which were mainly supplied to the factories of major global OEMs.

A breakdown on revenue by ultimate geographical delivery destinations of the customers is as follows:

Customer category	2025		2024	
	RMB'000	%	RMB'000	%
The PRC	9,405,393	36.5	9,323,157	40.3
Other countries	16,331,799	63.5	13,823,966	59.7
Total	25,737,192	100.0	23,147,123	100.0

Revenue from International Markets

During the Review Year, the Group's revenue from international markets amounted to approximately RMB16,331,799,000, representing an increase of approximately 18.1% from approximately RMB13,823,966,000 in 2024. It accounted for approximately 63.5% of the total revenue of the Group in the Review Year, representing an increase when compared to approximately 59.7% in 2024.

Gross Profit

During the Review Year, the Group's gross profit was approximately RMB7,206,930,000, representing an increase of approximately 7.6% from approximately RMB6,698,070,000 in 2024. The gross profit margin for the Review Year was approximately 28.0%, representing a decrease of approximately 0.9% from approximately 28.9% in 2024. This was mainly due to the Group's continuous advancement of its global localised production layout during the Review Year. In this regard, the Group actively reduced procurement costs and persistently implemented measures including lean production, technological enhancement, and refined cost control, thereby continuing to improve production efficiency and production yield. These efforts aimed to enhance overall global profitability and continuously strengthen the Group's operational resilience in a complex international environment.

Investment Income

During the Review Year, investment income of the Group was approximately RMB206,299,000, representing a decrease of approximately RMB118,992,000 from approximately RMB325,291,000 in 2024. This was primarily due to the combined effect of the adjustment in the Group's deposit portfolio and the decline in market deposit rates.

Other Income

During the Review Year, other income of the Group amounted to approximately RMB302,632,000, representing a decrease of approximately RMB156,879,000 from approximately RMB459,511,000 in 2024. It was mainly attributable to the decreases in government grants related to income.

Other Gains and Losses

During the Review Year, the Group's other gains and losses amounted to a net gain of approximately RMB278,701,000, representing an increase of approximately RMB285,902,000 as compared to a net loss of approximately RMB7,201,000 in 2024. It was mainly attributable to the increase in gains arising from changes in fair value and disposal of financial instruments.

Distribution and Selling Expenses

During the Review Year, the Group's distribution and selling expenses were approximately RMB1,031,195,000, representing a decrease of approximately RMB16,410,000 from approximately RMB1,047,605,000 in 2024. It accounted for approximately 4.0% of the Group's revenue, representing a decrease of approximately 0.5% from approximately 4.5% in 2024. It was primarily driven by a decline in unit transportation costs, stemming from the easing of the impact of the Red Sea Crisis during the Review Year. Coupled with the Group's ongoing localization of production strategy and effective cost control measures, these factors collectively resulted in a significant reduction in transportation expenses.

Administrative Expenses

During the Review Year, administrative expenses of the Group amounted to approximately RMB1,859,051,000, representing an increase of approximately RMB220,647,000 from approximately RMB1,638,404,000 in 2024. It accounted for approximately 7.2% of the Group's revenue, representing an increase of approximately 0.1% from approximately 7.1% in 2024. The increase in the Group's administrative expenses compared with 2024 was primarily attributable to the fact that during the Review Year, with the continuous expansion of the global business scale, the Group actively recruited and retained international talents to further enhance the Group's global operation and management capabilities. In addition, in order to vigorously support the expansion into new emerging sectors and sustainable growth in performance, the Group introduced relevant incentive policies combining long, medium, and short-term mechanisms to attract and retain core talents. At the same time, the Group continuously optimized its organisational structure and strictly controlled other expenses to ensure the efficient allocation of resources.

Research Expenditure

During the Review Year, research expenditure of the Group amounted to approximately RMB1,501,743,000, representing an increase of approximately RMB52,299,000 from approximately RMB1,449,444,000 in 2024. It accounted for approximately 5.8% of the Group's revenue, representing a decrease of approximately 0.5% from approximately 6.3% in 2024. During the Review Year, as the continuous expansion of mass production scale in the body structure product line, the Group deepened its R&D strategic transformation and optimised the allocation of R&D resources. The Group also conducted thorough reviews and forward-looking assessments of ongoing research projects. While focusing on

the trends of low-carbon and intelligent development in the automotive industry, the Group actively explored innovative areas with significant market potential, including new material technologies, intelligent integrated exterior trim components, AI server liquid coding, intelligent robotics, and the low-altitude economy. The Group strengthened its efforts to overcome core technological challenges and continued to promote strategic cooperation with leading enterprises, aiming to drive the Group's long-term sustainable growth in performance through more targeted and efficient R&D investment. This strategic focus, together with the improvement in R&D efficiency and the growth in the Group's revenue, led to a decrease in the Group's R&D expenses as a percentage of its revenue.

Interest Expenses

During the Review Year, the Group's interest expenses amounted to approximately RMB324,907,000, representing a decrease of approximately RMB196,113,000 from approximately RMB521,020,000 in 2024. This was primarily due to the combined effect of the adjustment in the Group's loan portfolio and the decline in market lending rates.

Share of Results of Joint Ventures

During the Review Year, the Group's share of results of joint ventures amounted to a net profit of approximately RMB51,354,000, representing an increase of approximately RMB13,638,000 from a net profit of approximately RMB37,716,000 in 2024. This was primarily due to the increase in the profits of the joint ventures during the Review Year.

Share of Results of Associates

During the Review Year, the Group's share of results of associates amounted to a net loss of approximately RMB22,967,000, representing a decrease of approximately RMB10,639,000 from a net loss of approximately RMB33,606,000 in 2024, which was mainly due to the decrease in losses incurred by the associates during the Review Year.



Income Tax Expense

During the Review Year, the Group's income tax expense was approximately RMB525,785,000, representing an increase of approximately RMB94,606,000 from approximately RMB431,179,000 in 2024.

During the Review Year, the effective tax rate was approximately 16.0%, representing an increase of approximately 0.6% from approximately 15.4% in 2024.

Profits Attributable to Non-controlling Interests

During the Review Year, the Group's profits attributable to non-controlling interests were approximately RMB77,989,000, representing an increase of approximately RMB21,529,000 from approximately RMB56,460,000 in 2024, which was mainly due to the increases in net profits of non-wholly owned subsidiaries during the Review Year.

Liquidity and Financial Resources

As of 31 December 2025, the Group's total amount of cash and cash equivalents, pledged bank deposits and time deposits was approximately RMB6,799,598,000, representing an increase of approximately RMB1,524,627,000 from approximately RMB5,274,971,000 as of 31 December 2024. As of 31 December 2025, the Group's low-cost borrowings in aggregate amounted to approximately RMB8,952,783,000, among which the equivalent of approximately RMB3,066,324,000, approximately RMB2,648,451,000, approximately RMB1,412,081,000, approximately RMB705,415,000, approximately RMB324,850,000, approximately RMB313,529,000, approximately RMB281,281,000, approximately RMB177,020,000, and approximately RMB23,832,000 were denominated in Euro ("EUR"), US Dollars ("USD"), RMB, Hong Kong Dollars ("HKD"), Thai Baht ("THB"), New Taiwan Dollars ("NTD"), Canadian Dollars ("CAD"), Swiss Francs ("CHF"), and Japanese Yen ("JPY"), respectively, representing an increase of approximately RMB533,727,000 as compared to approximately RMB8,419,056,000 as of 31 December 2024. It was mainly attributable to the additional borrowings due to the repayment of other long-term liabilities (the local government funds) amounting to RMB917,000,000 during the Review Year and the borrowings made by the Group having considered the consolidated gains from exchange rates, interest rates and capital management.

The Group will leverage market interest rate and foreign exchange windows to continuously optimize its debt structure and balance borrowing rates and foreign exchange control, thereby maintaining the Group's overall debt level within a reasonable and healthy range.

During the Review Year, the net cash flow from the Group's operating activities was approximately RMB4,912,275,000, indicating a sound cash flow condition.

During the Review Year, the Group's trade receivables turnover days were approximately 71 days, which were approximately 6 days shorter than approximately 77 days in 2024. This was mainly due to the increase in the proportion of revenue from the Group's customers in international markets with shorter collection cycles during the Review Year, coupled with the Group's enhanced control over collections. The combined effect led to a reduction in the turnover days of Group's trade receivables.

During the Review Year, the Group's trade payables turnover days were approximately 87 days, representing a decrease of approximately 4 days from approximately 91 days in 2024. This was primarily due to the combined effect of an increased proportion of the Group's international business with shorter payment cycles and strengthening long-term strategic partnerships within the supply chain during the Review Year, which together contributed to a decrease in the turnover days of the Group's trade payables.

During the Review Year, the Group's inventories turnover days were approximately 91 days, representing a decrease of approximately 5 days from approximately 96 days in 2024. This was mainly attributable to the Group's continuous advancement of its global localized production layout during the Review Year to achieve closer-to-market production and supply, coupled with the ongoing enhancement of end-to-end supply chain management. The combined effect of these initiatives led to a reduction in the Group's inventories turnover days.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group's current ratio was approximately 1.2 as of 31 December 2025, which remained at the similar level as that of approximately 1.2 as of 31 December 2024. As of 31 December 2025, the Group's gearing ratio was approximately 21.2% (31 December 2024: approximately 24.3%), which was a percentage based on interest-bearing borrowings divided by total assets.

Note: The calculation methods for the above indicators are the same as those previously set out in the Company's prospectus dated 22 November 2005.

The Group's capital demands had no particular seasonality features.

The Group is of the view that the favourable performance in sales, production, R&D, and a healthy cash reserve during the Review Year have provided a solid guarantee for sustainable development in the future.

Funding and Treasury Policy

The Group adheres to a prudent funding and treasury policy in managing its overall business operations. The Group funds its capital expenditures, working capital needs, and other liquidity requirements primarily through cash generated from operating activities, as well as bank and other loans. In addition, the Group will prudently manage its future capital needs to ensure financial stability and support sustainable growth. The Board reviews and evaluates the Group's funding and treasury policy from time to time to ensure its adequacy and effectiveness.

COMMITMENTS

As of 31 December 2025, the Group had the following commitments:

	RMB'000
Capital commitments	
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of:	
Acquisitions of property, plant and equipment	417,595

INTEREST RATE AND FOREIGN EXCHANGE RISKS

As of 31 December 2025, the balance of the Group's bank borrowings was approximately RMB8,952,783,000, of which approximately RMB7,034,917,000 will mature within one year, and approximately RMB1,917,866,000 will mature after one year. Approximately RMB1,317,293,000 of the borrowings was bearing at fixed interest rates, and approximately RMB7,635,490,000 was bearing at floating interest rates. The aforesaid borrowings had no seasonality features. In addition, approximately RMB6,301,287,000 of the borrowings was denominated in currencies other than the functional currencies of the Group's related entities, of which the equivalents of approximately RMB3,066,324,000, approximately RMB2,087,554,000, approximately RMB705,415,000, RMB190,000,000, approximately RMB177,020,000, approximately RMB51,142,000, and approximately RMB23,832,000 were denominated in EUR, USD, HKD, RMB, CHF, CAD and JPY, respectively.

The Group's cash and cash equivalents, pledged bank deposits and time deposits are mainly denominated in RMB, USD and EUR. Remittance of funds out of the PRC is subject to the foreign exchange control restrictions imposed by the Chinese government.

As of 31 December 2025, the Group's total amount of cash and cash equivalents, pledged bank deposits and time deposits denominated in currencies other than the functional currencies was approximately RMB3,220,966,000, of which approximately RMB2,459,067,000 is denominated in USD, approximately RMB573,826,000 in EUR, approximately RMB91,094,000 in HKD, approximately RMB56,043,000 in JPY, approximately RMB37,708,000 in Mexican Peso, and the remaining approximately RMB3,228,000 in other foreign currencies.

With the Group's international expansion and strategic layout around the world, the variety of foreign currencies involved in its transactions has increased. The Group's management places high importance on foreign exchange risk and closely monitors and manages the scale of its foreign currency transactions, as well as its foreign currency assets and liabilities on a daily basis. Meanwhile, the Group also utilizes financial derivatives such as forward foreign exchange contracts, currency swaps, options, and interest rate swaps to further mitigate interest rate risk and foreign exchange risk.

CONTINGENT LIABILITIES

As of 31 December 2025, the Group had no contingent liabilities (31 December 2024: Nil).

MORTGAGED ASSETS

As of 31 December 2025, the Group had borrowings of NTD155,000,000 (equivalent to RMB34,581,000), which were mortgaged by property, plant and equipment with carrying amounts of approximately NTD47,708,000 (equivalent to approximately RMB10,644,000) and obtained a bank credit facility of RMB17,000,000, which were mortgaged by land use rights with carrying amounts of approximately RMB5,976,000 and property, plant and equipment with carrying amounts of approximately RMB10,471,000 (31 December 2024: the Group had borrowings of NTD60,000,000 (equivalent to RMB13,374,000) and approximately RMB2,807,000, which were mortgaged by land use rights with carrying amounts of approximately RMB6,093,000 and property, plant and equipment with carrying amounts of approximately NTD47,708,000 (equivalent to approximately RMB10,634,000) and approximately RMB10,912,000).

As of 31 December 2025, the Group issued bills payables of RMB429,000,000 due within 6 months, issued letters of guarantee of approximately RMB54,499,000, and had borrowings of NTD60,000,000 (equivalent to RMB13,386,000), which were pledged by bills receivables with fair value of approximately RMB97,724,000 and bank deposits of approximately RMB203,675,000, USD10,000,000 (equivalent to approximately RMB70,288,000), and approximately NTD9,119,000 (equivalent to approximately RMB2,034,000). The borrowings are to be settled in NTD and RMB (31 December 2024: the Group had borrowings of NTD144,000,000 (equivalent to RMB32,098,000), issued bills payables of approximately RMB779,194,000 due within 6 months, and issued letters of guarantee of approximately EUR22,226,000 (equivalent to approximately RMB167,268,000) and RMB121,680,000, which were pledged by bills receivables with fair value of approximately RMB6,932,000 and bank deposits of approximately RMB412,070,000, USD23,000,000 (equivalent to approximately RMB165,333,000), approximately EUR5,117,000 (equivalent to approximately RMB38,507,000) and approximately NTD6,118,000 (equivalent to approximately RMB1,364,000). The borrowings are to be settled in NTD and RMB).

CAPITAL EXPENDITURE

Capital expenditure includes the acquisition of property, plant and equipment, the increase in construction in progress and the addition of land use rights. During the Review Year, the Group's capital expenditure amounted to approximately RMB2,209,754,000, representing an increase of approximately 15.6% from approximately RMB1,911,728,000 in 2024. This was primarily attributable to the Group's proactive forward-looking capacity layout during the Review Year in response to the continued growth in international market demand. The main areas of investment were the construction of key international production bases and the expansion of production capacity for high-growth products such as battery housings and body and chassis structural components, as well as investments in areas with significant market potential, such as AI server liquid cooling, low-altitude aircraft, intelligent robotics and so on. At the same time, the Group maintained prudent control over capital expenditure in line with its asset-light strategy, exercised stringent control over fixed asset investments, actively promoted the renovation and reuse of old equipment, and continued to promote effective synergy among its global factories to further enhance production capacity utilisation efficiency and reduce unnecessary production capacity expansion.

PLACING AND SUBSCRIPTION

The Group had no placing and subscription of shares during the Review Year.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group had no material acquisition or disposal of subsidiaries, joint ventures and associates during the Review Year.

EMPLOYEES

As of 31 December 2025, the Group employed a total of 27,367 staff, representing an increase of 1,704 employees compared to 31 December 2024. This increase was primarily driven by the revenue growth during the Review Year. Additionally, as the Group continued to advance its globalisation strategy, new projects in North America and Europe have created additional manpower needs. Furthermore, to support its sustainable and robust development, the Group has enhanced governance across various functional departments, leading to a corresponding increase in human resource investment.



MANAGEMENT DISCUSSION AND ANALYSIS

During the Review Year, the Group continued to advance its organisational effectiveness enhancement strategy, strengthening its global operational capabilities. Through upgrading the R&D system and vertically integrating the supply chain, the Group achieved deep alignment between technological innovation and business requirements while enhancing supply chain efficiency. The Group further refined its governance model for global functions and its agile regional empowerment approach based on shared capabilities, fully achieving precise empowerment of regional operations through the Group's strategy. Concurrently, the Group has continuously optimised its performance management system, implementing a three-tiered performance review mechanism encompassing 'strategy-organisation-individual'. Looking ahead to 2026, the Group will persist in advancing organisational agility transformation alongside resource integration and management synergy across the Asia-Pacific, European and North American regions. This will reinforce the precise empowerment of regional operations through the Group's strategy, thereby achieving sustainable development in global operations.

During the Review Year, as its global strategy and footprint continued to expand, the Group maintained its focus on refining and digitising its talent development framework. The Group persistently pursued the early identification of high-potential talent and integrated training with practical experience: (1) cultivating and developing mid-to-senior level reserve talent pools across Europe, North America and other regions; (2) continuously building a global curriculum resource system to facilitate the rapid dissemination, learning and mastery of concepts, knowledge and skills among all talent categories; (3) advancement of international language and cultural initiatives to bolster talent development efficiency. Looking ahead to 2026, the Group will deepen its global talent assessment and development framework, accelerating the identification and training of potential international candidates while expanding the scale of these programmes. This will establish a robust talent foundation supporting Minh's global operations and sustained and steady growth.

Building upon the continuous deepening of its cultural core centred on 'Love', during the Review Year, the Group further enriched the substance of its core values. The Group conducted retrospective evaluations of the entire Group's core management team from diverse group perspectives and organised over one hundred 'Values Consensus Camps' across the entire organisation. To foster cross-cultural exchange and integration, the Group organised four sessions of the 'China-Serbia Youth International Cultural Exchange Camp', attracting over 300 Serbian youth participants. At the same time, the Group's external image and communication framework underwent significant enhancement. The newly redesigned corporate website and Group logo were officially launched, presenting a more contemporary and unified visual identity globally. Systemic improvements to internal and external coordination were achieved through global workshops on 'Communication Leadership' for senior management, followed by worldwide rollout of training programmes, alongside the publication of the 'Minh Internal and External Communication Policy'.

In the realm of employee wellbeing, the Group is committed to establishing a holistic health support system encompassing physical, mental, spiritual and family wellbeing. During the Review Year, the Group continued to promote and deepen a series of 'whole-person wellbeing' initiatives globally, including: 'Overall Health Workshops', 'Emotional Intelligence', 'Whole-Person Wellbeing Run', 'Whole-Person Wellbeing Month', 'Family Drawing Room', 'Parenting Inspiration Sessions', 'Couples Camps', 'Youth Summer Camps', and 'Senior's Center', extending care from employees themselves to family relationships and children's development. Additionally, the Group upgraded its 'Care Hotline' on its global communication platform, providing immediate, confidential, and professional support channels and a closed-loop care system to address the needs of employees worldwide. Looking ahead to 2026, the Group will continue to be guided by its core values centred on love, further deepening its global corporate culture and holistic health governance worldwide. Through AI-driven innovation and model transformation, the Group shall continuously enhance its corporate culture, brand communication and holistic health care systems, thereby establishing a sustainable and robust foundation for Minh's global operations.



During the Review Year, the Group strengthened its global governance by launching a global HR sharing platform. Leveraging digital tools and regional best practices, the Group empowered its global teams, and significantly improved process efficiency and leadership capabilities, thus providing solid support for its global operations. At the same time, the Group revised its key strategies on talents, and compensation and benefits for European markets, ensuring high-quality product delivery while implementing reasonable control over costs and expenses. The Group also continued to review and update its compensation and benefits policies across major operational regions to ensure its competitiveness in the market. During the Review Year, guided by the principle that 'high value creates high returns', the Group granted two tranches of awarded shares of the Company ("Awarded Shares"). These were primarily awarded to core talent who made outstanding contributions towards the Group's key growth objectives, as well as to high-performing, high-potential employees who are expected to generate significant value within the Group's global business landscape. Looking ahead to 2026, the Group will continue to refine and implement short- and long-term incentive policies, encouraging all staff to generate comprehensive operational value while actively pursuing annual strategic objectives and cost-saving efficiency measures.

The remuneration policy and package of the Group's employees are periodically reviewed. Apart from statutory benefits and in-house training programmes, discretionary bonuses, share awards and share options may be awarded to employees according to the assessment of individual performance. The total staff costs incurred by the Group during the Review Year were approximately RMB5,493 million (2024: approximately RMB5,005 million).

FUTURE PROSPECTS AND STRATEGIES

During the Review Year, China's automotive industry achieved landmark breakthroughs amidst multiple opportunities and challenges. For the 17th consecutive year, its production and sales volume remained firmly in the first rank globally. The growth of China's automotive market was primarily driven by two key factors: 'new energy' and "exports", which together formed the core 'dual engines' propelling the market. During the Review Year, China's automotive exports reached a new record high, surpassing the 7 million unit milestone for the first time, while localised production entered a phase of deepening integration.

Driven by both market forces and policies, industry competition has evolved beyond price wars and competition in specifications to higher dimensions. The competitive focus has shifted from electrification towards intelligent connectivity and integrated innovation. Full-stack in-house development ceases to be the sole option, with open collaboration between automakers and suppliers becoming the mainstream approach. Large conglomerates enhance efficiency through brand and resource integration. Joint-venture automakers enter the 'Joint Venture 2.0' era, characterised by Chinese teams taking the lead and utilising Chinese supply chains for localised development. The focus shifts from 'product exports' to 'supply chain exports' and 'ecosystem exports', which is expected to help to systematically circumvent trade barriers through establishing international manufacturing facilities and implementing localised operations.

Reviewing the international market landscape, tariff barriers in North America remain formidable, while markets such as Southeast Asia continue to attract Chinese investment through preferential measures. Conversely, nations like Mexico have followed the United States in imposing additional tariffs. This divergence necessitates Chinese automakers to adopt a meticulously tailored 'country-specific strategy' for their operations. Beyond trade barriers, non-tariff challenges such as data security, carbon emission standards, localisation rate requirements, and cultural integration are becoming increasingly prominent. Achieving genuine market penetration demands exceptional localisation capabilities and global resource integration.

Looking ahead to 2026, the global automotive industry will reach a pivotal juncture of profound transformation, driven by intensifying uncertainty and accelerating technological change. The global market structure continues to evolve, with China's role in the global market and its position in technological innovation becoming increasingly prominent. Meanwhile, significant divergence in policy trajectories across major global markets signals an impending restructuring of global supply chains and competitive landscapes. For the Group, the core of competition will shift comprehensively from isolated product and price dynamics to a systemic contest of integrated capabilities centered on technological innovation, deep global operational expertise, and the construction of industrial chain ecosystems.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group will actively respond to the challenges and opportunities brought about by the changes in the automobile and parts industry, and will continue to build up its comprehensive competitiveness in areas such as technology, quality and cost, focusing on the customers' concerns to become customers' most closely partnered global leader in supply. The Group will maintain a keen insight and fully leverage favorable policy conditions, respond to trends such as new energy product development, intelligent technology innovation and lightweight. The Group will also carry out strategic planning and technological innovations underpinned by its R&D repository stemming from the end market and vehicle requirements, along with the advantages brought by the Group's global platform. Meanwhile, the Group will continue to deepen its cooperation with customers, maintain its ability to provide localised supply on a global scale, and respond swiftly to external changes. The Group will adjust its global production capacity flexibly to match customers' global operations in order to explore more business development opportunities.

Following the inauguration of the new U.S. administration, a series of plans to impose additional tariffs on imported products have been announced, which have adversely impacted U.S. automakers in the short term and forced the global automobile supply chain to accelerate its restructuring. In the long term, automakers are increasingly favouring a "localised production + regional supply chain" model to reduce cross-border trade risks. The Group will closely monitor the latest developments in tariff policies, comprehensively consider and flexibly adjust its global production layout, thereby providing customers with optimised solutions. To address the impacts and uncertainties caused by tariffs and geopolitical factors, the Group has already achieved localised production for the majority of its orders in North America. Going forward, it will further increase the proportion of localised production in North America while continuing to strengthen business and market diversification, ensuring balanced development across all regions globally so as to maintain competitiveness in a complex trade environment.

In terms of operational improvement, the Group will further optimise strategic planning of all BUs, continue to enhance its operational capabilities, especially for its international factories, select model factories in different regions for management replication and cost benchmarking, establish comprehensively competitive strengths in technology, cost, human resources efficiency and resource utilisation and utilise global resources to achieve local excellence, thereby achieving effective enhancement in profitability. In the meantime, the Group will continue to improve the global layout of its BUs, reinforce its GLOCAL management capabilities, enhance its local supply level and maximise the global replication or sharing of the advantages of its different factories in technologies, management, cost, resources and talents, thereby comprehensively enhancing the Group's global competitiveness.

The Group will endeavor to balance and optimise its investment portfolio and value chain layout in global market and strive for excellence in operational capability, in order to better manage risks and respond to uncertainties of the macro-environment and achieve value positioning in a more flexible manner. The Group has been steadfastly adhering to its strategy of global business development, keeping a close track of the changing global landscape and striving for diversified development in multiple regions and customer base, while ensuring that it has a relatively independent operating space and achieves mass production in each of its major market regions, thereby realising a dual presence of global and regional layouts, to protect the Group's stable development and reduce potential risks arising from changes in the external environment and geopolitical factors. Meanwhile, the Group will continue to build up its global operation team, upon which to further consolidate the Group's core competitiveness in technology, products and talents, and offer more system integration solutions and customised products and services to its clients, thereby striving for a leading position in the global auto parts industry. Furthermore, leveraging its accumulated strengths in materials, processing technologies, customer relationships, and global team and layout capabilities, the Group is actively exploring business in new emerging sectors. By developing second-growth-curve products in relation to humanoid robots, AI server liquid cooling systems, and low-altitude unmanned aerial vehicles, it is continuously expanding new drivers of growth.



DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Executive Directors

Wei Ching Lien (魏清蓮) (“Ms. Wei”), aged 69, is an executive Director, Chairperson, Chief Executive Officer (“CEO”) of the Company and Chairperson of the Sustainability Committee of the Company. Ms. Wei graduated from National Taiwan University and obtained her master’s degree in educational psychology and guidance from National Taiwan Normal University. Ms. Wei has over 45 years of experience in psychological counseling, talent development, team culture building and performance improvement. She has worked in professional psychological counseling organisations, universities and automobile parts companies. Since 2002, Ms. Wei has served as the Group’s consultant, responsible for the development and optimisation of staff training activities, promoting the construction of values and culture and enhancing the effectiveness of teamwork. She served as the Group’s chief human resources officer from March 2011 to April 2012. Ms. Wei was appointed as an executive Director and Chairperson of the Company on 28 May 2020 and as the Chief Executive Officer of the Company on 13 June 2022. Ms. Wei is the spouse of Mr. Chin Jong Hwa, the single largest shareholder of the Company, and the mother of Mr. William Chin (an executive Director of the Company and the Chief Strategy Officer (“CSO”) of the Group) and Ms. Chin Chien Ya (a non-executive Director of the Company). As at 31 December 2025, Ms. Wei held 1,750,000 Shares of the Company, and Mr. Chin Jong Hwa held 450,072,000 Shares of the Company through his wholly-owned company, Minth Holdings Limited (“Minth Holdings”), which represented approximately 38.08% of the total issued Shares. Since Ms. Wei is the spouse of Mr. Chin Jong Hwa, she is deemed to be interested in the 450,072,000 Shares in which Mr. Chin Jong Hwa was interested. As at 31 December 2025, save as disclosed herein, Ms. Wei had no interests in the Shares of the Company within the meaning of Part XV of the SFO.

Ye Guo Qiang (葉國強) (“Mr. Ye”), aged 46, is an executive Director of the Company and the Global R&D Senior Vice President of the Group. Mr. Ye graduated from Hangzhou Dianzi University, majoring in mechanical electronics. Prior to joining the Group in January 2005, he was a technical engineer of Ningbo Bluelight Industry Co., Ltd. Since joining the Group, Mr. Ye has worked successively as the laboratory chief of R&D center, general manager of the innovation research center and Global Innovation Vice President of the Group. He has accumulated extensive experience in the field of R&D and innovation of the Group. Mr. Ye was appointed as an executive Director on 31 May 2022. As at 31 December 2025, save for his interest in 85,000 Awarded Shares and 500,000 Share Options in the Company, Mr. Ye had no interests in the Shares of the Company within the meaning of Part XV of the SFO.

Zhang Yuxia (張玉霞) (“Ms. Zhang”), aged 46, is an executive Director of the Company and the Chief Financial Officer (“CFO”) of the Group. Ms. Zhang graduated from University of Science and Technology Beijing in which she majored in metal pressure processing and later obtained her Master’s degree in management from Beijing Forestry University. Ms. Zhang has over 19 years’ extensive experience and knowledge in finance, taxes and global M&A management and is a qualified CPA. Prior to joining the Group, Ms. Zhang worked for Beiqi Foton Motor Co., Ltd., and then joined Beijing Reanda Accounting Firm as certified public accountant and project manager. In 2008, she continued her career in Minth Holdings Limited and its subsidiaries and successively served as audit manager, financial manager and financial director till January 2019. Ms. Zhang joined the Group in February 2019 and was appointed as CFO in March 2019. Ms. Zhang was appointed as an executive Director of the Company on 31 May 2023. As at 31 December 2025, save for her interest in 150,000 Shares, 90,000 Awarded Shares and 500,000 Share Options in the Company, Ms. Zhang had no interests in the Shares of the Company within the meaning of Part XV of the SFO.

William Chin, aged 39, is an executive Director of the Company and the CSO of the Group. Mr. William Chin is in charge of the overall strategy definition of the Group, and its overall relationship with customers, government, investors, and other external stakeholders of the Group. Mr. William Chin graduated from the University of Toronto with a Bachelor of Business Administration degree. Prior to working full time in the Group, Mr. William Chin had experience in starting his own marketing design company in 2010 and working in a family office with a focus on real estate investments across multiple markets around the world in 2012. From July 2017 to June 2022, Mr. William Chin served as chairman of Shun On Electronic Co., Ltd., a company established in Taiwan with limited liability, the shares of which are listed on the Taiwan Stock Exchange (stock code: 6283), and he is currently a director of this company. Mr. William Chin officially joined the Group and was appointed CSO of the Group on 1 July 2022, and was appointed as an executive Director of the Company on 30 May 2025. Mr. William Chin is the son of Mr. Chin Jong Hwa (the single largest shareholder of the Company) and Ms. Wei (an executive Director and Chairperson of the Company). Besides, Mr. William Chin is the brother of Ms. Chin Chien Ya, a non-executive Director of the Company. As at 31 December 2025, save for his interest in 300,000 Share Options in the Company, Mr. William Chin had no interests in the Shares of the Company within the meaning of Part XV of the SFO.



Non-executive Director

Chin Chien Ya (秦千雅) (“Ms. Chin”), aged 37, is a non-executive Director of the Company. Ms. Chin graduated first in her class from Boston College, majoring in Business Management, Accounting and Mathematics and later obtained her master’s degree from the Harvard Graduate School of Education, researching in group learning and organizational change. Prior to joining the Group in August 2015, she was responsible for operations and marketing in a startup company in Taiwan, and subsequently worked in a public relations agency, specializing in providing corporate social responsibility campaigns and consulting services. Ms. Chin was appointed as an executive Director of the Company on 26 May 2016, during the tenure as executive Director, Ms. Chin served as the President of Minth North America, responsible for all operation management and business development in US, Canada, and Mexico, and later on was responsible for global strategic development of the Group at the headquarter. Ms. Chin was re-designated as a non-executive Director of the Company on 31 May 2023. Ms. Chin is the daughter of Mr. Chin Jong Hwa (the single largest shareholder of the Company) and Ms. Wei (an executive Director and Chairperson of the Company). Besides, she is the sister of Mr. William Chin (an executive Director of the Company and the CSO of the Group). As at 31 December 2025, save for her interest in 100,000 Share Options in the Company, Ms. Chin had no interests in the Shares of the Company within the meaning of Part XV of the SFO.

Independent Non-executive Directors

Mr. Mok Kwai Pui Bill (莫貴標) (“Mr. Mok”), aged 64, is an independent non-executive Director and the chairman of the audit committee (“Audit Committee”) and the remuneration committee (“Remuneration Committee”) of the Company. Mr. Mok received his Bachelor of Arts Degree in Business Administration from the University of Washington in the United States in 1984 and a Master Degree in Business Administration from the Seattle University in the United States in 1987. Mr. Mok has over 30 years’ experience in accounting, finance and banking in Hong Kong and Mainland China with specific expertise in managing financial and accounting operations, fund raising, investor relations and executing corporate strategy. Mr. Mok served as the chief financial officer and company secretary of China Education

Group Holdings Limited (stock code: 839, a company listed on the Main Board of the Stock Exchange) from May 2017 to April 2023. Mr. Mok was an independent non-executive director of Grand Ming Group Holdings Limited (stock code: 1271, a company listed on the Main Board of the Stock Exchange) from July 2013 to December 2022. He was an independent non-executive director of PF Group Holdings Limited (stock code: 8221, a company listed on the GEM of the Stock Exchange) from December 2016 to December 2020. Mr. Mok is a member of the American Institute of Certified Public Accountants and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Mok joined the Company as an independent non-executive Director on 31 May 2023. As at 31 December 2025, save for his interest in 50,000 Share Options in the Company, Mr. Mok had no interests in the Shares of the Company within the meaning of Part XV of the SFO.

Tatsunobu Sako (佐古達信) (“Mr. Sako”), aged 73, is an independent non-executive Director. Mr. Sako graduated from Keio University and received his bachelor’s degree in Commerce. Mr. Sako has over 40 years of managerial experience, he is currently special advisor of Sojitz Machinery Corporation, and also serves as an independent director of Sinfonia Technology Co., Ltd., a company listed on the Tokyo Stock Exchange, and AAPICO Hitech PLC, a company listed on the Stock Exchange of Thailand. From April 1975 to March 2004, Mr. Sako has worked in Nissho Iwai Corporation at various roles such as general manager of its American branch and general manager of the automotive industry project department. Starting from April 2004, he worked successively at senior positions in Sojitz Corporation (formed through merger of Nissho Iwai Corporation and Nichimen Corporation), such as vice president of automotive business of machinery & aerospace division, managing executive officer and president of machinery division, and managing executive officer, President and CEO for Middle East & Africa. In June 2013, Mr. Sako was appointed as president and CEO of Sojitz Machinery Corporation. In June 2019, Mr. Sako was re-designated as president and CEO of Sojitz Machinery Holding Corp. Mr. Sako joined the Company as an independent non-executive Director on 31 May 2023. As at 31 December 2025, save for his interest in 50,000 Share Options in the Company, Mr. Sako had no interests in the Shares of the Company within the meaning of Part XV of the SFO.

Professor Meng Li Qiu (孟立秋) (“Professor Meng”), aged 62, is an independent non-executive Director. Professor Meng received her Bachelor and Master Degrees in Cartography from the Institute of Surveying and Mapping of People’s Liberation Army in 1982 and 1985 respectively, and her Ph.D. in Geodetic Engineering from the University of Hannover in 1993. Professor Meng received her professor qualification for Geoinformatics at the KTH Royal Institute of Technology in 1998, and was appointed to the Chair professor for Cartography at the Technical University of Munich (“TUM”) in October of the same year. Professor Meng’s key research areas include automatic map generalization, pattern recognition with neural networks, spatial data integration, semantic enrichment of 3D buildings, multimodal navigation algorithm, mobile map services, event mapping, visual analytics, ethical issues in AI, and HD map for autonomous driving. She was awarded the “Heinz Maier-Leibnitz Medal” in 2007 and the “Carus Medal and Prize” in 2011. Professor Meng was Senator of the Helmholtz Association from 2009 to 2012. She served as Senior Vice President of TUM from April 2008 to March 2014. She is currently a member of the German National Academy of Sciences and of the Bavarian Academy of Sciences. Professor Meng joined the Company as an independent non-executive Director on 31 October 2023. As at 31 December 2025, save for her interest in 50,000 Share Options in the Company, Professor Meng had no interests in the Shares of the Company within the meaning of Part XV of the SFO.

Mr. Chan Pak Hung (陳栢鴻) (“Mr. Chan”), aged 45, is an independent non-executive Director and the chairman of the nomination committee (“Nomination Committee”) of the Company. Mr. Chan received his Bachelor of Business Administration (Professional Accountancy) from the Chinese University of Hong Kong in 2002. He is also a member of the Hong Kong Institute of Certified Public Accountants, a fellow member of Association of Chartered Certified Accountants and a CFA charterholder of the CFA Institute. Mr. Chan has over 20 years of experience in accounting and corporate finance in Hong Kong with specific expertise in company secretarial, managing financial and accounting operations and compliance. Mr. Chan is the company secretary of Shanghai Dongzheng Automotive Finance Co., Ltd. (a company ceased to be listed since April 2024, stock code: 2718). Mr. Chan was an independent non-executive director of Ganglong China Property Group Limited (stock code: 6968, from February 2022 to June 2025) and JLogo Holdings Limited (stock code: 8527, from June 2021 to March 2024). Mr. Chan was a manager of the listing division of Hong Kong Exchanges and Clearing Limited from April 2006 to August 2011 and worked for international accounting firms. Moreover, Mr. Chan served as head of compliance and risk management in various commercial real estate and financial enterprises from 2014 to 2019. Mr. Chan joined the Company as an independent non-executive Director on

30 May 2025. As at 31 December 2025, Mr. Chan had no interests in the Shares of the Company within the meaning of Part XV of the SFO.

Mr. Hu Ting Wu (胡定吾) (“Mr. Hu”), aged 77, is an independent non-executive Director. Mr. Hu received his Bachelor’s Degree in Political Science (International Relations) from National Taiwan University in 1972. He further obtained a Master’s Degree in International Economics from Yale University in 1976, followed by an MBA in Financial Management from The Wharton School, University of Pennsylvania in 1978. Mr. Hu has accumulated extensive experience across the international finance and investment sector. In the 1970s, he served as a Manager at Bankers Trust in New York. In 1983, he was appointed Executive Vice President of Taiwan International Securities Investment Trust Co., where he played a pivotal role in the establishment of Taiwan’s first asset management company. From 1986 to 1993, Mr. Hu served as General Manager and later Chairman of China Securities Investment Trust Co., overseeing assets exceeding USD4 billion. During his tenure, he facilitated the company’s USD200 million sale to HSBC, delivering a 65-fold return to shareholders. Between 1993 and 2001, he held the position of General Manager at China Development Industrial Bank. From 2001 to 2004, he served as Chairman of Chung Hwa Lone Star Asset Management Co., a joint venture with the Lone Star Group. Mr. Hu was subsequently appointed Chairman of China Development Industrial Bank in 2003, and Chairman of Taipei Financial Center Corporation in the same year. Since 2006, he has been the Founder of Senhwa Capital and has held directorships in a number of prominent companies, including Taiwan High Speed Rail, Yang Ming Group, China Steel, Winbond Electronics, and TaiPoly. Since 2012, Mr. Hu has also served as Chairman of Senhwa Biosciences, Inc., leading biotech investments. Under his leadership, the company’s drug Silmitasertib (CX-4945) has gained international recognition and has been approved for compassionate use in severe COVID-19 cases. Currently, Mr. Hu is the Chairman of Senhwa International Co., Ltd. and Senhwa Biosciences, Inc. He continues to be an influential figure in Taiwan’s capital markets and biotechnology sector, known for his strategic investment acumen. Mr. Hu also actively supports academic advancement, having donated NT\$30 million to National Taiwan University’s College of Social Sciences for campus development and for establishing the “Benny Hu Distinguished Scholar Lecture Series” to promote international academic exchange. Mr. Hu joined the Company as an independent non-executive Director on 30 May 2025. As at 31 December 2025, Mr. Hu held 685,000 shares of United Alloy-Tech. Company Ltd. (精確實業股份有限公司) (“UATC”), a subsidiary in which the Company maintains a 35.41% equity interest, representing less than 1% of the issued shares of UATC. Save as disclosed above, Mr. Hu had no interest in the Shares of the Company within the meaning of Part XV of the SFO.

SENIOR MANAGEMENT

Yi Lei Li (易蕾莉) (“Ms. Yi”), aged 52, is the Company Secretary of the Company. Ms. Yi obtained a Bachelor’s degree in English from East China Normal University in 1994 and then a Master’s degree in Corporate Governance from The Open University of Hong Kong in 2021. Ms. Yi is a fellow member of The Hong Kong Chartered Governance Institute and also holds the qualification of Board Secretary issued by The Shanghai Stock Exchange. Prior to joining the Group in February 2001, she was a lecturer at the Faculty of Foreign Languages in Ningbo University. Ms. Yi has over 20 years of experience in the Company’s business, operation and corporate governance through her successive roles as manager of the Human Resources Department, manager of Overseas Business Development Department, assistant to general manager and the head of the Investor Relations Department of the Group. Ms. Yi was appointed as the Company Secretary of the Company on 8 February 2018. As at 31 December 2025, save for her interest in 346,000 Shares, 25,000 Awarded Shares and 350,000 Share Options in the Company, Ms. Yi had no interests in the Shares of the Company within the meaning of Part XV of the SFO.

Chen Haiting (陳海挺) (“Mr. Chen”), aged 50, is the rotating Chief Operating Officer (“COO”) of the Group. Mr. Chen is in charge of the overall operations management of the Group, with particular emphasis on standardization, digital and intelligent upgrading of the Group’s global operations. Since joining the Group in 1995, Mr. Chen has worked successively as process technology manager, plant general manager, regional general manager, general manager of the Group’s body structure BU, and global vice president of the Group’s body structure BU. He has accumulated extensive experience in process technology and plant operations management. Mr. Chen was appointed as the Group’s rotating COO on 1 September 2025. As at 31 December 2025, save for his interest in 18,000 shares, 60,000 Awarded Shares and 700,000 Share Options in the Company, Mr. Chen had no interests in the Shares of the Company within the meaning of Part XV of the SFO.

Xu Hailan (徐海蘭) (“Ms. Xu”), aged 42, is the Chief Human Resources Officer (“CHO”) of the Group. Ms. Xu graduated from Zhejiang University in 2006 with a Bachelor of Science degree in psychology and behavioral science. She subsequently obtained a Master of finance degree from Indiana University in 2022. Since joining the Group in 2006, Ms. Xu has worked successively as human resources manager, director of talent and organizational development, general manager of human resources, vice president of global human resources, and rotating European vice president of the Group. She possesses extensive experience in strategic planning, change management, talent development, holistic well-being and cultural development, as well as multinational human resources systems and digital transformation. Ms. Xu has also served as executive chairperson of the Zhejiang Minth Charity Foundation since 2020 and as chairperson of the Supervisory Board of the Zhejiang Xin Hua Compassion Education Foundation since 2022. Ms. Xu was appointed as CHO of the Group on 10 February 2026. As at 31 December 2025, save for her interest in 60,000 Awarded Shares and 500,000 Share Options in the Company, Ms. Xu had no interests in the Shares of the Company within the meaning of Part XV of the SFO.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICE

The Company remains resolute in its application of the principles of good corporate governance (the “Principles”) to the corporate governance of the Group. The Company regularly reviews its corporate governance policies to ensure that they remain updated and in compliance with the requirements with the Rules Governing the Listing of Securities (“Listing Rules”) on the Stock Exchange. In particular, the Company adopted new Terms of Reference for the Remuneration Committee on 31 January 2023.

The Group commits to maintaining and ensuring a high level of corporate governance standards and continuously reviews and improves its corporate governance and internal control practices. Save as disclosed herein, the Company has fully complied with all code provisions set out in the Corporate Governance Code (the “Code”) contained in Appendix C1 of the Listing Rules on the Stock Exchange for the Review Year. Set out below are the principles of corporate governance as adopted by the Company during the Review Year.

DISTINCTIVE ROLES OF CHAIRMAN, CHIEF EXECUTIVE OFFICER AND SENIOR MANAGEMENT AND RELATIONSHIP BETWEEN BOARD MEMBERS

Ms. Wei, the Chairperson of the Board and CEO, is responsible for leading the Board in establishing and monitoring the implementation of strategies and plans to create values for Shareholders, managing the operations of the Group’s businesses, proposing strategies to the Board and the effective implementation of the strategies and policies adopted by the Board.

As provided in the code provision C.2.1, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. As announced on 13 June 2022, the Company has been in search for a new CEO following the resignation of the then CEO and, in the meantime, Ms. Wei (an executive Director and the Chairperson) assumed (and remained as at the date of this annual report) the role of CEO. Taking into account Ms. Wei’s in-depth understanding of the Group’s business and essential role in empowering team members, and that major decisions are being made in consultation with members of the Board and relevant Board committees, the Board considers that the deviation from code provision C.2.1 is appropriate in such circumstances and allows for more effective planning and execution of long-term business strategies and enhances efficiency in decision-making during the interim period prior to the next appointment of CEO.

The senior management is delegated to assist the executive Directors with the implementation of business operations and reports to the CEO.

Ms. Wei is the mother of Mr. William Chin (an executive Director) and Ms. Chin (a non-executive Director).

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board

The Board is responsible for leading and supervising the businesses, strategic policies and performance of the Company, as well as being collectively responsible for facilitating the successful development of the Company by detecting and supervising the Company’s affairs. The Board makes objective decisions in the interest.

As of 31 December 2025, there are ten members on the Board, which are the Chairperson, three other executive Directors, one non-executive Director and five independent non-executive Directors (“INEDs”).

The Company and each Director have entered into service contract or letter of appointment respectively, i.e. the Company have entered into service contract with each executive Director for a term of three years, service contract with non-executive Director for a term of 1 year and letter of appointment with each INED for a term of 1 year, subject to retirement by rotation in accordance with the Articles of Association of the Company.

The INEDs are considered by the Board to be independent of the management and free of any relationship that could materially interfere with the exercise of their independent judgments. The Board considered that each of the INEDs brings his/her own relevant expertise to the Board and its deliberations.

None of the INEDs has any business or financial interests with the Group (except the share options granted to them as disclosed herein) nor has any relationship with other Directors and confirmed their independences to the Group.

The Board has delegated to the Chief Executive Officer and delegated through her to senior management the authority and responsibility for carrying out the Company’s day-to-day management and operation. The delegated duties and responsibilities will be reviewed on a regular basis. The aforementioned senior executives shall obtain the approval from the Board prior to entering into any significant transactions.



CORPORATE GOVERNANCE REPORT

In addition, the Board has established the Board Committees as shown below and delegated responsibilities as set out in their respective written terms of reference.

All Directors (including the non-executive Director and INEDs) have brought a wide spectrum of valuable business experience, knowledge and expertise to the Board, facilitating an efficient and effective operation thereof. All Directors shall ensure that they will perform their duties in good faith, comply with applicable laws and regulations and act in the interests of the Company and shareholders at all times.

All Directors have full and timely access to all relevant information of the Company and the services and advice of the company secretary, to ensure that procedures of the Board and all applicable laws and regulations are complied with. Upon request, Directors, may seek independent professional advice when appropriate for discharging their duties to the Company, at the Company's expense.

Directors shall disclose to the Company details regarding other offices held by them, and the Board shall review the contribution required from each Director in performing his/her duties to the Company on a regular basis.

The Board reserves the decision-making power over all important issues, including the Company's policy matters, strategies and budget, internal controls and risk management, significant transactions (especially those that may involve conflict of interest), financial information, appointment of Directors and other significant operational issues. The responsibilities of the management are implementing decisions made by the Board, directing and coordinating the Company's daily business.

In respect of legal actions against Directors and senior management arising out of corporate activities, the Company has made arrangements for appropriate insurance cover Directors and executives regarding their duties.

The Board met regularly during the year and on ad hoc basis as required by business needs. During the Review Year, the Board also performed the following corporate governance duties:

- (i) to develop and review the Company's policies and practices on corporate governance;
- (ii) to review and monitor the training and continuous professional development of Directors and senior management;
- (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(iv) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and

(v) to review the Company's compliance with the Code and disclosure in the Corporate Governance Report.

The Board met eleven times during the Review Year and the Directors' attendance is shown in the table on page 33 of this annual report.

INEDs are allowed to seek advice from independent professional consultants while performing their responsibilities and the costs are to be borne by the Company. The Board has conducted a review of the effectiveness of the system of internal control of the Group.

Save for their business relationships as a result of their respective directorships and positions in the Company and what is disclosed in their biographies on page 23 to page 25 of this annual report, each of the members of the Board, including the Chairperson and the CEO, does not have any financial, business, family or other material/relevant relationship among one another.

Code Provision B.2.2 of the Code stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. All the directors have been subject to retirement by rotation at least once every three years.

AUDIT COMMITTEE

The Group has established an Audit Committee with written terms of reference as suggested under the Code. As of 31 December 2025, the Audit Committee comprises all INEDs, namely Mr. Mok, Mr. Sako, Professor Meng, Mr. Chan and Mr. Hu. As of 31 December 2025, the chairman of the Audit Committee was Mr. Mok. Each member can bring to the Audit Committee his valuable experience in reviewing financial statements and evaluating significant internal control and financial issues of the Group and each of them possess a wealth of management experience in the accounting profession or commercial sectors. The Audit Committee held two meetings during the Review Year and the relevant Directors' attendance is shown in the table on page 33 of this annual report.

The main duties of the Audit Committee are as follows:

- (i) to review the half-year and annual financial statements before they are submitted to the Board for approval;



- (ii) to make recommendations to the Board on the appointment, reappointment and removal of the external auditor, and approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of that auditor;
- (iii) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;
- (iv) to review the Company's financial controls, internal controls and risk management systems;
- (v) to review the Group's financial and accounting policies and practice;
- (vi) to review and monitor the effectiveness of the internal audit function; and
- (vii) to review the terms and conditions of connected transactions of the Group.

The Audit Committee reviewed the financial statements of the Group for the Review Year prior to recommending the financial statements to the Board for approval. The Board was informed that the Audit Committee had conducted a review of the effectiveness of the system of internal control and internal audit function of the Group. The Board has not taken a different view from that of the Audit Committee regarding the selection, resignation or dismissal of the external auditors.

REMUNERATION COMMITTEE

The Company established a Remuneration Committee in November 2005. Its terms of reference are summarized as follows:

- (a) to formulate remuneration policy for approval by the Board, which shall take into consideration salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries, and implement the remuneration policy laid down by the Board;
- (b) without prejudice to the generality of the foregoing:
 - (i) to make recommendations to the Board on the Company's policy and structure for all Directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
 - (ii) to ensure no director or any of his/her associates is involved in deciding his/her own remuneration;
- (iii) to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management. Remuneration packages include benefits in kind, pension rights and compensation payable for loss or termination of their office or appointment;
- (iv) to make recommendations to the Board on the remuneration of non-executive Directors;
- (v) the committee should consult the Chairman and/or the chief executive about their remuneration proposals for other executive Directors;
- (vi) to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (vii) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (viii) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (ix) to ensure remuneration levels are sufficient to attract and retain Directors to run the Company successfully without paying more than necessary;
- (x) to engage such independent external professional advisors to assist and/or advise the Committee on issues as it considers necessary;
- (xi) to review and approve matters relating to share schemes under Chapter 17 of the Listing Rules;
- (xii) to do any such things to enable the Committee to perform its responsibilities and functions conferred on it by the Board; and
- (xiii) to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation.

As of 31 December 2025, the Remuneration Committee comprises all INEDs, namely Mr. Mok, Mr. Sako, Professor Meng, Mr. Chan and Mr. Hu. Mr. Mok was the chairman of the Remuneration Committee.

The Remuneration Committee held four meetings during the Review Year to discuss remuneration related matters including determining the policy for the remuneration of executive directors, assessing performance of executive directors and approving the terms of executive directors' service contracts and reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules, and the relevant Directors' attendance is shown in the table set out on page 33 of this annual report. During the Review Year, other than the grant of awarded shares on 22 January 2025 and 24 October 2025 respectively, there were no other material matters relating to the share schemes of the Company which required review or approval by the Remuneration Committee. In relation to the grant of share options to directors and senior managers, the Remuneration Committee is of the view that the grant of share options without performance targets is market competitive and aligns with the purpose of the 2022 Share Option Scheme for the reasons that (i) the grantees are employees of the Group who will contribute directly to the overall business performance, sustainable development and/or good corporate governance of the Group; (ii) the grant is a recognition for the grantees' past contributions to the Group; and (iii) the share options are subject to certain vesting conditions and terms of the 2022 Share Option Scheme, which already cover situations where the share options will be lapsed in the event that such grantees cease to be employees of the Group.

In order to attract, retain, and motivate executives and key employees serving the Group, the Company adopted a conditional share option scheme (the "2012 Share Option Scheme") on 22 May 2012. The 2012 Share Option Scheme aims at granting share options (the "Share Options") to qualified persons who have contributed or will contribute to the Group as a reward or incentive in accordance with the terms of the 2012 Share Option Scheme. The 2012 Share Option Scheme was terminated on 22 May 2022. On the date of the 2022 annual general meeting of the Company, i.e. 31 May 2022, the Company adopted a new share option scheme (the "2022 Share Option Scheme") for a term of 10 years with salient terms similar to those of the 2012 Share Option Scheme (collectively the "Share Option Schemes"). The Company also adopted a share award scheme on 28 July 2020 (the "Share Award Scheme").

Details of the amount of Directors' emoluments are set out in note 12 to the consolidated financial statements and details of the Share Option Schemes and Share Award Scheme are set out in the Directors' Report and note 37 to the consolidated financial statements.

NOMINATION COMMITTEE

The Company established the Nomination Committee on 21 March 2012. Its duties are summarized as follows:

- (a) to formulate nomination policy for the Board's consideration and implement the Board's approved nomination policy; and
- (b) without prejudice to the generality of the foregoing:
 - (i) to review the structure, size and composition (including the skills, knowledge, experience and length of service) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
 - (ii) to identify individuals suitably qualified to become Board members and select or make recommendations on the selection of individuals to be nominated as Director;
 - (iii) to assess the independence of independent non-executive Directors;
 - (iv) to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the Chairman and the CEO;
 - (v) to do any such things to enable the Nomination Committee to perform its responsibilities and functions conferred on it by the Board; and
 - (vi) to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the Company's articles of association (the "Articles") or imposed by legislation.

As of 31 December 2025, the Nomination Committee comprises all INEDs, namely Mr. Chan, Mr. Mok, Mr. Sako, Professor Meng and Mr. Hu. Mr. Chan was the chairman of the Nomination Committee.

During the Review Year, the Nomination Committee held one meeting to (i) review the structure, size and composition (including the gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) of the Board; (ii) assess the independence of INEDs; and (iii) adopt the Board diversity policy. Directors' attendance is shown in the table set out on page 33 of this annual report.

In assessing the Board composition, the Nomination Committee would take into account various aspects set out in the Board diversity policy, including but not limited to gender, age, cultural and educational background, professional knowledge and experience, industry knowledge and experience and technical skills. The Nomination Committee would consider and, where applicable, agree on measurable objectives for achieving diversity on the Board and make recommendation to the Board. During the Review Year, the Nomination Committee has not set any measurable objectives for implementing the policy. The Nomination Committee considered the current composition of the Board to be appropriate taking into account the above.

According to the director nomination policy, in evaluating and selecting a candidate for directorship, the following criteria shall be considered:

- character and integrity;
- qualifications including professional qualifications, skills, knowledge and experience and diversity criteria under the Board diversity policy of the Company which are relevant to the Company's business and corporate strategy;
- any measurable objectives adopted for achieving diversity on the Board;
- requirement for the Board to have independent Directors in accordance with the Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules;
- the potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence, gender diversity and diversity of perspectives;
- willingness and ability to devote sufficient time to discharge duties as a member of the Board and/or Board committee(s); and
- such other criteria which are appropriate to the Company's business and corporate strategy and the Board's succession plan and, where applicable, which may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of directors and succession planning.

The Nomination Committee has also implemented the following procedures and processes in respect of the nomination of Directors pursuant to the director nomination policy:

- The Nomination Committee and/or the Board may select candidates for directorship from various channels, including but not limited to internal promotion, re-designation, referral by other member of the management of the Company and external recruitment agents, and shall, upon receipt of the proposal on appointment of new Director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.
- If the process yields more than one qualified candidates, the Nomination Committee and/or the Board shall rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).
- The Nomination Committee shall then recommend to the Board to appoint the appropriate candidate for directorship, as applicable.
- For any person who is nominated by any shareholder of the Company for election as a Director at any general meeting of the Company, the Nomination Committee and/or the Board shall evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.
- Where appropriate, the Nomination Committee and/or the Board shall make recommendation to the shareholders of the Company in respect of the proposed election of Director(s) at the general meeting of the Company.

SUSTAINABILITY COMMITTEE

The Company established a Sustainability Committee on 29 December 2022. The purpose of the Sustainability Committee is to advise and assist the Board in identifying, evaluating and managing the sustainability relating to environmental, social and governance issues of the Company and its subsidiaries.

As of 31 December 2025, the Sustainability Committee comprises ten Directors namely Ms. Wei, Mr. Ye, Ms. Zhang, Mr. William Chin, Ms. Chin, Mr. Mok, Mr. Sako, Professor Meng, Mr. Chan and Mr. Hu. Ms. Wei was the Chairperson of the Sustainability Committee.

As at 31 December 2025 and up to now, the Company has four female directors. The Company is committed to maintaining the female representation on the Board. When considering new members for the Board, appointments will be made by considerations of objective criteria and due regard will be made to achieving and maintaining an appropriate balance in diversity, including in terms of gender, on the Board. Whilst the Board is conscious of achieving gender diversity on the Board when considering potential candidates, all appointments will be made on the basis of merit, taking into account the needs of the Group at the relevant time and the availability of suitable candidates.

Gender Diversity of Workforce

As at 31 December 2025, approximately 32.3% of the Group's employees were female. As at 31 December 2025, the Senior Management of the Group comprised approximately 66.7% female members, being the company secretary of the Company and the CHO of the Group. The Board regularly assesses the Group's diversity profile of all levels of employees and considers the diversity policy to attract, retain and motivate employees from the widest possible pool of available talent. The Board considers that the gender ratio of the workforce of the Group, including the Senior Management, is appropriate for the operations of the Group and will strive to maintain this ratio. The Company is committed to maintaining the female representation on the Board as mentioned above.

SHAREHOLDERS' RIGHTS

Shareholders have the right to receive dividends according to the Company's dividend policy which is summarized as follows:

- The Company shall, when recommending or declaring dividends, maintain adequate cash reserves for meeting its working capital requirements and needs for future growth as well as its share value in the long-run.
- The declaration of dividend(s) and/or the amount of dividends (if any) that may be declared and distributed to the shareholders of the Company is subject to the discretion of the Board, the constitutional documents of the Company, all applicable laws and regulations and the factors set out below.
- The Board shall also take into account the following factors of the Company and its subsidiaries when considering the declaration and payment of dividends:
 - financial results;
 - cash flow situation;
 - availability of distributable profits;
 - business conditions and strategies;
 - future operations and earnings;
 - development plans;
 - cash requirements;
 - capital requirements and expenditure plans;
 - interests of shareholders as a whole;
 - any restrictions on declaration and/or payment of dividends; and
 - any other factors that the Board may consider relevant.
- Depending on the financial conditions of the Group and the conditions and factors as set out above, the following dividends may be proposed and/or declared by the Board for a financial year or period:
 - interim dividend;
 - final dividend;
 - special dividend; and
 - any distribution of net profits that the Board may deem appropriate.
- Any final dividend for a financial year shall be subject to shareholders' approval.
- The Company may declare and pay dividends by way of cash or scrip or by any other means that the Board considers appropriate.
- Any dividend unclaimed shall be forfeited and reverted to the Company in accordance with the constitutional documents of the Company and all applicable laws and regulations.

Shareholders have right to raise questions and make suggestions on the business of the Company. All Shareholders shall have equal rights according to their respective shareholding and assume corresponding obligations.

Shareholders are entitled to get access to and participate in the material matters of the Company as prescribed by laws, administrative regulations and the Articles.

Any one or more Member(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, on a one vote per share basis, shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within

twenty-one (21) days of such deposit the Board to proceed to convene such meeting the requisitioner(s) himself (themselves) may convene a physical meeting at only one location which will be the principal meeting place, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to the requisitioner(s) by the Company.

Shareholders should direct their questions about their shareholdings and proposals to be put forward at general meetings to the Company's Hong Kong Branch Registrar and Transfer office, Computershare Hong Kong Investor Services Limited at 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. If the Shareholders and the investors make a request for the Company's information, the Company will only provide such information to the extent that it is practicable to do so and such information is publicly available. Shareholders and the investors may communicate with the Company by mail, telephone and email, details for which are made available on the Company's website at www.minthgroup.com.

Composition of the Board and the Directors' attendance record for the year ended 31 December 2025

	2025	The Board	Audit Committee	Remuneration Committee	Nomination Committee	Sustainability Committee
	annual general meeting					
Number of Meetings	1	11	2	4	1	0
Executive Directors						
Wei Ching Lien (<i>Chairperson and Chief Executive Officer</i>)	1	11	N/A	N/A	N/A	0
Ye Guo Qiang	1	11	N/A	N/A	N/A	0
Zhang Yuxia	1	11	N/A	N/A	N/A	0
William Chin (<i>appointed on 30 May 2025</i>)	N/A	7/7	N/A	N/A	N/A	0
Non-executive Director						
Chin Chien Ya	0	11	N/A	N/A	N/A	0
Independent Non-executive Directors						
Mok Kwai Pui Bill	1	11	2	4	1	0
Tatsunobu Sako	1	11	2	4	1	0
Meng Li Qiu	0	11	2	4	1	0
Chan Pak Hung (<i>appointed on 30 May 2025</i>)	N/A	7/7	1/1	2/2	0	0
Hu Ting Wu (<i>appointed on 30 May 2025</i>)	N/A	7/7	1/1	2/2	0	0
Wang Ching (<i>retired on 30 May 2025</i>)	1	4/4	1/1	2/2	1/1	0

INDEPENDENCE INFORMATION

The Company has received, from each of the INEDs, a confirmation of his or her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the INEDs independent.

DIRECTOR'S TRAINING AND DEVELOPMENT

Development and training of Directors is an ongoing process so that they can perform their duties appropriately. The Company regularly circulates details of training courses which may be of interest to Directors. All Directors are encouraged to attend relevant training courses.



CORPORATE GOVERNANCE REPORT

During the Review Year, all Directors have participated in professional trainings to update their knowledge and skills. During the Review Year, the Company invited Reed Smith Richards Butler LLP to conduct a training in relation to the Listing Rules for all the Directors and senior management, with major topics including: market misconduct and regulatory action, latest rules of the Stock Exchange on optimising corporate governance of listed issuers, and

directors' and senior management's duties and continuing obligations. All Directors have provided the Company with their training records for the year.

The Company Secretary has confirmed her attendance of more than 15 hours of professional training during the Review Year.

According to the records maintained by the Company, the Directors received the following training with the emphasis on the roles, functions and duties of a director of a listed company in compliance with the Code on the continuous professional development during the Review Year:

Corporate Governance/Updates on Laws, Rules and Regulations/Updates on Industry Specific Written Materials Briefings/Seminars

	Written Materials	Briefings/Seminars
Executive Directors		
Wei Ching Lien (<i>Chairperson and Chief Executive Officer</i>)	✓	✓
Ye Guo Qiang	✓	✓
Zhang Yuxia	✓	✓
William Chin (<i>appointed on 30 May 2025</i>)	✓	✓
Non-executive Director		
Chin Chien Ya	✓	✓
Independent Non-executive Directors		
Mok Kwai Pui Bill	✓	✓
Tatsunobu Sako	✓	✓
Meng Li Qiu	✓	✓
Chan Pak Hung (<i>appointed on 30 May 2025</i>)	✓	✓
Hu Ting Wu (<i>appointed on 30 May 2025</i>)	✓	✓
Wang Ching (<i>retired on 30 May 2025</i>)	✓	✓

AUDITOR'S REMUNERATION

The Company's independent external auditor is Deloitte Touche Tohmatsu. The Audit Committee is responsible for considering the appointment of the external auditor and reviewing any non-audit functions performed by the external auditor, including whether such non-audit functions could lead to any potential material adverse effect on the Company. During the Review Year, the services (and associated remuneration) provided to the Company by Deloitte Touche Tohmatsu were as follows:

	RMB'000
Audit services	3,950
Non-audit services:	
Tax and legal advisory services	2,915
Total	6,865

RISK MANAGEMENT AND INTERNAL CONTROL

The Board understands that appropriate internal control and risk management are indispensable to effective governance and fulfillment of strategic objectives of the Group. The Board has also confirmed that the Board is responsible for ensuring the Group to maintain appropriate and effective internal control at any time to safeguard the interest of its shareholders and the assets of the Group. The Board will review the risk management and internal control systems annually. The Board has conducted annual reviews over the risk management and internal control during the Review Year, and assessed the efficiency and sufficiency of risk management and internal control.

The Group has established three barriers for risk management and internal control. The first barrier is the identification, evaluation and acknowledgement of risks and critical control points during the operating process by different levels of management from each functional unit, with internal controls by means such as verification of authorization, physical control and separation of duties. The second barrier is the internal review of each functional unit or department. Regular internal review in respects of human rights, financial rights and related procedures is conducted by departments of the Group headquarters, such as Human Resources Department and Finance Department, to ensure the compliance with laws and regulations and requirements of the Stock Exchange, as well as the accuracy and fairness of the financial statements. Due diligence is performed in every functional unit to conduct self review and evaluation. The third barrier is the establishment of an audit and supervision department, which is independent of the business operation for the Group, to conduct irregular internal reviews over every system and subsidiaries or departments. In the case of material risks and loophole of internal control, the audit and supervision department will expand its coverage of auditing and report to the Audit Committee in a timely manner. Apart from sufficient allocation of resources, the Group ensures that the internal audit team can get access to all business filings, accounting records and related staff, so as to guarantee the effectiveness of its internal audit function. Whilst the three aforesaid barriers are positioned for risk management and internal control, the Group organizes seminars when necessary, where participants at all levels put forward cross-functional quick response and effective countermeasures towards the identified issues with potential high risk. Through the above, the Group can ensure that risk can be controlled within tolerance, and internal control can be effectively carried out.

The risk management and internal control system of the Group aims to manage, but not completely eliminate, the risks which hinder the achievement of business objectives, which only provides reasonable assurance, while cannot guarantee that material false statements and damages will be fully avoidable.

The Board considered that the Group's risk management and internal control systems maintained by the management are effective and adequate to address the financial, operational and compliance controls and risk management of the Group during the Review Year.

INVESTOR RELATIONS AND COMMUNICATION

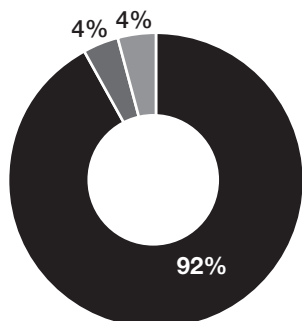
Through its Investor Relations Department, the Company maintains proactive communications with investors, sell-side analysts and other capital market participants, ensuring that

the capital markets are kept fully and promptly informed of the Group's operations and development trends. Each year, the Company's senior management personally attends annual and interim earnings briefings or conference calls. Through various channels such as analyst meetings and roadshows, they provide public investors with updates on key information, address pressing issues of concern to investors, and enhance understanding of the Company's business and the overall development of the industry.

During the Review Year, the Group has been more proactive in increasing the frequency of physical meetings with investors, and flexibly arranged virtual meetings in consideration of the convenience of investors, which were conducive to enhancing the communication between the Group and the investment community. During the Review Year, the Company convened the annual general meeting in the form of a physical meeting in Hong Kong, where attending shareholders engaged with the Directors and management regarding their concerned questions. In addition, the Group held its 2024 Annual Results Briefing in Hong Kong and that for the interim period of the Review Year in the form of virtual conference. In the meantime, Directors, senior management, heads of BUs and vice presidents of functional departments of the Group flexibly accommodated investor conference, promptly addressing issues of concern to the investment community, such as the product and business strategies of the Group, latest development of its battery housing business as well as production and sales outlook of the NEVs, latest development and strategy of the business for emerging sectors, succession planning of senior management, dividend policy, fluctuations in raw material prices and geopolitical risks, and contingency plan by the Group. The Company hosted about 430 sessions during the Review Year, including site visits, conference calls and video conferences. The Company also participated in more than 30 investment forums, to engage in in-depth communication with investors. During the Review Year, the Group further strengthened its engagement with Stock Connect investors. The proportion of shares held by Stock Connect investors increased significantly, resulting in a more diversified and balanced shareholder structure, while stock liquidity also improved markedly. During the Review Year, the Group arranged multiple on-site visits at appropriate times, including to factories in China, Serbia, and the United States, to meet investors' demand for understanding the operations of the Group's different BUs. Meanwhile, in response to investors' keen interest in emerging sectors such as humanoid robots, AI server liquid cooling, and eVTOL, the Group hosted several Investor Days at its Jiaying facility in China, enabling investors and sell-side analysts to gain a more intuitive understanding of relevant products and the business positioning.

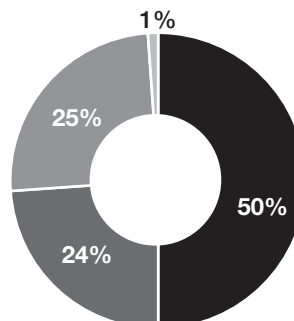
CORPORATE GOVERNANCE REPORT

Investor/Analyst Meetings by Category



■ Buy-side ■ Sell-side ■ Others

Investors/Analysts Met by Event



■ Regular Meetings ■ Investment Forums
■ Post-results Roadshows ■ Results Briefings

IR CALENDAR 2025

Major Events	Dates	Online	Offline
Caitong Securities – Zhejiang Merchants Research Center New Year Report Meeting	3 January 2025		✓
UBS Securities – The 25th UBS Greater China Conference	14 January 2025		✓
2024 Annual Results Announcement	25 March 2025		✓
Changjiang Securities – Hong Kong Stock Market Strategy Session	2 April 2025		✓
CITIC Securities – Investment Strategy Conference	8 May 2025		✓
China Securities Co., Ltd. (CSC) – AI & Robotics Conference	8 May 2025		✓
China International Capital Corporation (CICC) – Closed-Door Meeting with Listed Companies on Smart Manufacturing Transformation & Upgrading (New Quality Productive Forces Theme)	9 May 2025		✓
Caitong Securities – Mid-Year Strategy Meeting	9 May 2025		✓
Bank of America Securities – 2025 China Investment Summit	13 May 2025		✓
Northeast Securities – Technology & Manufacturing Strategy Conference	15 May 2025	✓	
Industrial Securities – Strategy Conference	20 May 2025		✓
J.P. Morgan – 21st Global China Summit	21 May 2025		✓
GF Securities – Strategy Conference + Robotics Forum	23 May 2025		✓
UBS Asia Investment Conference	29 May 2025		✓
Guotai Junan Securities/Haitong Securities – Strategy Conference	4 June 2025		✓
Huatai Securities – 2025 Mid-Year Investment Summit	5 June 2025		✓
Changjiang Securities – New Consumption Theme Strategy Session	6 June 2025		✓
2025 Interim Results Announcement	27 August 2025	✓	
Jiaxing Investor Day (co-hosted by Goldman Sachs)	3 November 2025		✓
Northeast Securities – Listed Companies Exchange Meeting	5 November 2025		✓
Huatai Securities – Annual Strategy Conference	5 November 2025		✓
Kaiyuan Securities – Annual Strategy Conference	6 November 2025		✓
GF Securities – 2025 Global Investment Forum & Premium Listed Companies Closed-Door Exchange	7 November 2025		✓
CITIC Securities – 2026 Capital Market Annual Conference	11 November 2025		✓
Caitong Securities – Strategy Conference	12 November 2025		✓
Citi – 20th Citi China Conference	14 November 2025		✓
Jiaxing Investor Day (co-hosted by UBS)	25 November 2025		✓
Jiaxing Investor Day (co-hosted by Bank of America Securities)	28 November 2025		✓
Industrial Securities – 2026 Investment Strategy Conference	18 December 2025		✓

The Company would like to express its sincere gratitude to all Shareholders and other capital market participants for their continued support. The Company's management and investor relations team will adhere to high standards of conduct and continue to maintain effective communication with the capital markets through a humble and dedicated approach.

Having considered the implementation and effectiveness of the multi-channel communication and engagement strategies adopted, the Board of Directors believes that the Shareholders' Communication Policy was implemented appropriately and effectively during the year.

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR ACCOUNTS

Director acknowledge their responsibility for preparing the accounts. For details of the Directors' responsibilities for preparing the accounts and the reporting responsibilities of the external auditor to the Shareholders, please refer to page 61 to page 62 of this annual report.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE AND COMPLIANCE WITH MODEL CODE

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange. Save as disclosed below, none of the Directors is aware of any information that would reasonably indicate that the Company did not comply with the Corporate Governance Code at any time during the Review Year.

Code Provision C.1.6 stipulates that the independent non-executive directors and other non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. Mr. Tatsunobu Sako, an independent non-executive Director, and Dr. Wang Ching, the then independent non-executive Director, attended the 2025 annual general meeting of the Company by electronic means; Mr. Mok Kwai Pui Bill, an independent non-executive Director, attended the meeting in person; and Ms. Chin Chien Ya, a non-executive Director, and Professor Meng Li Qiu, an independent non-executive Director, were unable to attend the meeting due to other business commitments.

As provided in the code provision C.2.1, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. As announced on 13 June 2022, the Company has been in search for a new chief executive officer ("CEO") following the resignation of the then CEO and, in the meantime, Ms. Wei Ching Lien (an executive Director and the Chairperson) assumed (and remained as at the date of the annual report) the role of CEO. Taking into account Ms. Wei's in-depth understanding of the Group's business and essential role in empowering team members, and that major decisions are being made in consultation with members of the Board and relevant Board committees, the Board considers that the deviation from code provision C.2.1 is appropriate in such circumstances and allows for more effective planning and execution of long-term business strategies and enhances efficiency in decision-making during the interim period prior to the next appointment of CEO.

Notwithstanding the above, the Board is of the view that the Group has an effective management structure for its operations and sufficient checks and balances are in place. The Board will continue to review its corporate governance practices in order to enhance its corporate governance standard and to comply with regulatory requirements.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as the Company's code of conduct and the code for dealing in the Company's securities by all Directors. Having made specific enquiries to all Directors, the Directors confirmed that they had strictly complied with the standards stipulated under the Model Code during the Review Year.

LOOKING FORWARD

The Group will keep on reviewing its corporate governance standards on a timely basis and the Board endeavors to take necessary actions to ensure compliance with the provisions of the Code.

DIRECTORS' REPORT

The Board is pleased to present the annual report and the audited financial statements of the Group for the Review Year.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company while its subsidiaries are engaged in design, manufacturing, processing, developing and sales of automobile body parts and moulds of passenger cars. Further discussion and analysis of these activities as required by Schedule 5 to the Companies Ordinance (Cap. 622 of the Laws of Hong Kong), including a fair review of the business and a discussion of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the Review Year, and an indication of likely future development in the Group's business, can be found in the "Summary of Financial Information", "Chairperson's Statement" and "Management Discussion and Analysis" sections of this annual report.

RESULTS

The results of the Group for the Review Year are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on page 63 of this annual report.

DIVIDENDS

The Board has proposed to pay a final dividend of HKD0.764 per share to shareholders whose names appear on the Company's register of members on Thursday, 9 July 2026. The proposed final dividend is expected to be paid on or around Tuesday, 21 July 2026. The payment of the dividend is subject to approval by shareholders at the forthcoming annual general meeting to be held on Tuesday, 30 June 2026.

As at 31 December 2025, the Company holds a total of 11,130,000 treasury shares (all in its own name) and such treasury shares will not receive any final dividend.

PROPERTY, PLANT AND EQUIPMENT

During the Review Year, the Group incurred approximately RMB2,209,754,000 for the acquisition of property, plant and equipment. Details of these and other movements in property, plant and equipment of the Group are set out in note 15 to the consolidated financial statements.

SHARE CAPITAL AND RESERVES

During the Review Year, the Company has issued 19,883,200 Shares as a result of the exercise of Share Options granted pursuant to the Share Option Schemes. The total consideration received by the Company for such issue during the Review Year amounted to HKD443,749,820.

During the Review Year, the trustee of the Share Award Scheme did not purchase any Awarded Shares on the Stock Exchange, and the Group granted a total of 3,295,000 Awarded Shares to the grantees (including two Directors) pursuant to the rules of the Share Award Scheme and the terms of the trust deed. 1,339,450 Awarded Shares were vested to the grantees during the Review Year, and 692,550 Awarded Shares were forfeited due to the grantees' resignations or failure to fully achieve all the key performance indicators.



During the Review Year, the Company repurchased a total of 886,000 shares of the Company, all of which were held as treasury shares.

Save as disclosed above, there was no purchase, sale or redemption by the Company or any of its subsidiaries of any listed securities of the Company (including sale or transfer of treasury shares) during the Review Year.

Movements in the reserves of the Group and the Company during the Review Year are set out in the Consolidated Statement of Changes in Equity on page 66 of this annual report.

The Company's reserves available for distribution represent the share premium, reserves and profit which in aggregate amounted to approximately RMB3,003 million as at 31 December 2025. Under the Companies Law, Cap 22 (Law 3 of 1961, consolidated and revised) of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to Shareholders subject to the provisions of the Company's memorandum and Articles and provided that immediately following the date on which distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Articles, dividends may be declared and paid out of the profits of the Company, realised or unrealised or from any reserve set aside from profits which the Directors determine is no longer needed. With the sanction of an ordinary resolution, dividend may also be declared and paid out of share premium account of the Company.

DEBENTURES

During the Review Year, the Company did not issue any debentures.

FINANCIAL SUMMARY

A summary of the results of the assets and liabilities of the Group for the last five financial years is set out on page 3 of this annual report. The results do not constitute a part of the audited financial statements.

MAJOR SUPPLIERS AND CUSTOMERS

For the Review Year, the largest customer accounted for approximately 6.3% of the Group's revenue, and the five largest customers accounted for approximately 21.2% of the Group's revenue.

The purchases for the Review Year attributable to the Group's largest supplier and five largest suppliers were approximately 2.1% and approximately 7.4% of the Group's total cost of goods sold respectively.

None of the Directors, their respective associates or the existing shareholders (which to the knowledge of the Directors own more than 5% of the Company's share capital), has any interests in the Group's five largest customers and/or suppliers for the Review Year.

DONATION

During the Review Year, the donations made by the Group amounted to approximately RMB911,000 (2024: approximately RMB19,000).

DIRECTORS' REPORT

DIRECTORS

The Directors of the Company during the Review Year and up to the date of this annual report were:

Executive directors

Wei Ching Lien (*Chairperson and Chief Executive Officer*)

Ye Guo Qiang

Zhang Yuxia

William Chin (*appointed on 30 May 2025*)

Non-executive director

Chin Chien Ya

Independent non-executive directors

Mok Kwai Pui Bill

Tatsunobu Sako

Meng Li Qiu

Chan Pak Hung (*appointed on 30 May 2025*)

Hu Ting Wu (*appointed on 30 May 2025*)

Wang Ching (*retired on 30 May 2025*)

In accordance with Article 84 of the Articles, Ms. Wei, Ms. Zhang, Mr. Mok and Mr. Sako will retire from office, all being eligible, and offer themselves for re-election at the forthcoming AGM.

PERMITTED INDEMNITY PROVISION

Pursuant to the Company's Articles, every Director of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which he may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of the duty, or supposed duty, in his office or trust, provided that such indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to him. Such permitted indemnity provision was in force during the Review Year and at the time of approval of this annual report.

DIRECTORS' SERVICE CONTRACTS

None of the Director proposed for re-election at the forthcoming AGM has entered into a service contract which is not determinable by the Company or its subsidiaries within one year without payment of compensation, other than statutory compensation.



APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Mok was appointed as an independent non-executive Director on 31 May 2023 and his appointment was most recently renewed to the Company's forthcoming AGM.

Mr. Sako was appointed as an independent non-executive Director on 31 May 2023 and his appointment was most recently renewed to the Company's forthcoming AGM.

Professor Meng was appointed as an independent non-executive Director on 31 October 2023 and her appointment was most recently renewed to the Company's forthcoming AGM.

Mr. Chan was appointed as an independent non-executive Director on 30 May 2025 and his appointment was most recently renewed to the Company's forthcoming AGM.

Mr. Hu was appointed as an independent non-executive Director on 30 May 2025 and his appointment was most recently renewed to the Company's forthcoming AGM.

The Company has received, from each of the INEDs, an annual confirmation of his or her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the INEDs are independent.

DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

The remuneration paid to the Directors, by name, for the year ended 31 December 2025 is set out in note 12 to the consolidated financial statements.

The remuneration of senior management, by band, for the year ended 31 December 2025 is set out below:

	2025 No. of employees	2024 No. of employees
HKD1,500,001 to HKD2,000,000	0	1
HKD2,000,001 to HKD2,500,000	1	1
HKD2,500,001 to HKD3,000,000	1	0
HKD4,000,001 to HKD4,500,000	1	1

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of the Directors and senior management are set out on pages 23 to 26 of this annual report.

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

As at 31 December 2025, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or which would otherwise have to be notified to the Company and the Stock Exchange pursuant to Division 7 and Division 8 of Part XV of the SFO (including interests and short positions, if any, which they are taken or deemed to have under such provisions of the SFO) and the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange, were as follows:

Interests or short positions in the shares of the Company and its associated corporations

Name of Directors, chief executives and their respective associates	Company/Name of Associated Corporation	Long/Short Position	Capacity	Total Number of Ordinary Shares	Percentage of the Company's Issued Share Capital (Note 1)
Wei Ching Lien	Company	Long position	Beneficial owner	1,750,000	0.15%
		Long position	Interest of spouse	450,072,000 (Note 2)	38.08%
Ye Guo Qiang ("Mr. Ye")	Company	Long position	Beneficial owner	585,000 (Note 3)	0.05%
Zhang Yuxia ("Ms. Zhang")	Company	Long position	Beneficial owner	740,000 (Note 4)	0.06%
William Chin	Company	Long position	Beneficial owner	300,000 (Note 5)	0.03%
Chin Chien Ya	Company	Long position	Beneficial owner	100,000 (Note 5)	0.01%
Mok Kwai Pui Bill ("Mr. Mok")	Company	Long position	Beneficial owner	50,000 (Note 5)	0.004%
Tatsunobu Sako ("Mr. Sako")	Company	Long position	Beneficial owner	50,000 (Note 5)	0.004%
Meng Li Qiu ("Professor Meng")	Company	Long position	Beneficial owner	50,000 (Note 5)	0.004%
Wang Ching ("Dr. Wang")	Company	Long position	Beneficial owner	50,000 (Note 5)	0.004%

Note 1: The percentage of the Company's issued share capital is based on the 1,181,876,799 Shares issued as at 31 December 2025.

Note 2: As at 31 December 2025, Ms. Wei and Minth Holdings were beneficially interested in 1,750,000 Shares and 450,072,000 Shares respectively. Minth Holdings is wholly-owned by Mr. Chin Jong Hwa and he is therefore deemed to be interested in the entire 450,072,000 Shares held by Minth Holdings. Since Ms. Wei is the spouse of Mr. Chin Jong Hwa, Ms. Wei is deemed to be interested in the 450,072,000 Shares in which Mr. Chin Jong Hwa is deemed to be interested.

Note 3: This figure represents (i) 500,000 Share Options granted to Mr. Ye under the 2022 Share Option Scheme that are exercisable and (ii) 85,000 Awarded Shares granted to Mr. Ye pursuant to the Share Award Scheme. Upon exercise of the 500,000 Share Options, Mr. Ye will own 585,000 Shares.

Note 4: This figure represents (i) 500,000 Share Options granted to Ms. Zhang under the 2022 Share Option Scheme that are exercisable, (ii) 90,000 Awarded Shares granted to Ms. Zhang pursuant to the Share Award Scheme and (iii) 150,000 Shares held by Ms. Zhang. Upon exercise of the 500,000 Share Options, Ms. Zhang will own 740,000 Shares.

Note 5: These figures represent the number of Share Options granted to Mr. William Chin, Ms. Chin, Mr. Mok, Mr. Sako, Professor Meng and Dr. Wang under the 2022 Share Option Scheme that are exercisable. Upon exercise of the Share Options, Mr. William Chin, Ms. Chin, Mr. Mok, Mr. Sako, Professor Meng and Dr. Wang will own 300,000 Shares, 100,000 Shares, 50,000 Shares, 50,000 Shares, 50,000 Shares and 50,000 Shares, respectively. Mr. William Chin was appointed as executive Director of the Company on 30 May 2025. Dr. Wang retired as independent non-executive Director of the Company on 30 May 2025.

Save as disclosed above, as at 31 December 2025, none of the Directors, chief executives and their associates had any interests or short positions in any Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

SHARE OPTION SCHEMES

The 2005 Share Option Scheme was adopted by the Company for a period of 10 years pursuant to a written resolution of all the then shareholders of the Company on 13 November 2005. Such scheme was terminated on 22 May 2012 and the 2012 Share Option Scheme with substantively similar terms to the 2005 Share Option Scheme was adopted on the same day at the 2012 annual general meeting of the Company for 10 years. The 2012 Share Option Scheme had expired on 22 May 2022. On the date of the 2022 annual general meeting of the Company, i.e. 31 May 2022, the Company adopted the 2022 Share Option Scheme for a term of 10 years with salient terms similar to those of the 2012 Share Option Scheme.

The purpose of the 2022 Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contributions to the Group. All Directors, employees of the Group and service providers of the Group whom the Board considers, in its sole discretion, have contributed or will contribute to the Group are eligible to participate in the 2022 Share Option Scheme.

The 2022 Share Option Scheme will remain in force for a period of 10 years after the date on which the scheme was adopted. The total number of Shares which may be allotted and issued upon exercise of all options to be granted under the 2022 Share Option Scheme adopted by the Group must not in aggregate exceed 10% ("General Scheme Limit") of the Shares of the Company in issue on 31 May 2022, the date when the Company adopted the 2022 Share Option Scheme, which were 116,183,579 Shares. The Company may renew the General Scheme Limit with shareholders' approval provided that each such renewal may not exceed 10% of the Shares of the Company in issue as at the date of the shareholders' approval.

The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2022 Share Option Scheme and any other share option schemes adopted by the Company must not in aggregate exceed 30% of the Shares in issue from time to time.

Unless approved by shareholders of the Company, the total number of Shares issued and to be issued upon exercise of the options granted under the 2022 Share Option Scheme and any other share option schemes of the Company (including both exercised or outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being ("Individual Limit").

An option may be accepted by a participant within 28 days from the date of the offer of grant of the option. A nominal consideration of HKD1.00 is payable on acceptance of the grant of an option.

An option may be exercised in accordance with the terms of the 2022 Share Option Scheme at any time during the period to be determined and notified by the Board to each grantee, at the time of making an offer of the grant of an option which shall not expire later than 10 years from the date of grant of the option.



DIRECTORS' REPORT

Unless the Board otherwise determined and stated in the offer to the participant, there is no minimum period for which an option granted under the 2022 Share Option Scheme must be held before it can be exercised.

The subscription price for the Shares under the 2022 Share Option Scheme will be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of the offer of grant, which must be a business day; (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Shares.

As at the date of this annual report, the total number of unexercised outstanding Share Options under the 2022 Share Option Scheme is 24,968,000 which represents approximately 2.13% of the issued Shares (excluding treasury shares) as at the date of this annual report. As at the date of this annual report, the total number of Shares available for issue under the 2022 Share Option Scheme is 111,151,579 which represents approximately 9.49% of the issued Shares as at the date of this annual report (excluding treasury shares).

The total number of Share Options available for grant under the scheme mandate of the 2022 Share Option Scheme as at 1 January 2025 and 31 December 2025 were 86,183,579 and 86,183,579 respectively.

As at the date of this annual report, the number of Share Options that could still be granted under the 2022 Share Option Scheme was 86,183,579, representing approximately 7.35% of the 1,171,793,799 Shares in issue (excluding treasury shares) as at 23 March 2026, being the date of this annual report.

Details are as follows:

Name and category of participants	Number of Share Options (Note 1)						Outstanding as at 31 December 2025	Date of grant (Note 5)	Exercise period (Note 6)	Exercise price of the Share Options (HKD) (Note 7)	Weighted average closing price of Shares immediately before the date(s) on which Share Options were exercised (HKD)
	Outstanding as at 1 January 2025	Granted during the Review Year	Exercised during the Review Year	Cancelled during the Review Year	Lapsed during the Review Year	Outstanding as at 31 December 2025					
Directors, chief executives, and substantial Shareholders and their respective connected persons											
Mr. Ye Guo Qiang	250,000	–	250,000	–	–	0	28-7-2020	1-7-2021 to 31-12-2025	23.85	31.98	
	500,000	–	–	–	–	500,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A	
Ms. Zhang Yuxia	400,000	–	400,000	–	–	0	28-7-2020	1-7-2021 to 31-12-2025	23.85	32.36	
	500,000	–	–	–	–	500,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A	
Mr. William Chin (Note 2)	300,000	–	–	–	–	300,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A	
Ms. Chin Chien Ya (Note 3)	150,000	–	150,000	–	–	0	28-7-2020	1-7-2021 to 31-12-2025	23.85	30.12	
	100,000	–	–	–	–	100,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A	
Mr. Mok Kwai Pui Bill	50,000	–	–	–	–	50,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A	
Mr. Tatsunobu Sako	50,000	–	–	–	–	50,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A	
Professor Meng Li Qiu	50,000	–	–	–	–	50,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A	

Number of Share Options (Note 1)

Name and category of participants	Outstanding as at 1 January 2025	Granted during the Review Year	Exercised during the Review Year	Cancelled during the Review Year	Lapsed during the Review Year	Outstanding as at 31 December 2025	Date of grant	Exercise period	Exercise price of the Share Options (HKD) (Note 7)	Weighted average closing price of Shares immediately before the date(s) on which Share Options were exercised (HKD)
										(Note 5)
Dr. Wang Ching (Note 4)	100,000	–	100,000	–	–	0	28-7-2020	1-7-2021 to 31-12-2025	23.85	31.77
	50,000	–	–	–	–	50,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	N/A
Mr. Wu Tak Lung (Note 4)	100,000	–	100,000	–	–	0	28-7-2020	1-7-2021 to 31-12-2025	23.85	31.35
Subtotal	2,600,000	–	1,000,000	–	–	1,600,000				
Other participants (Note 8)										
Employee participants (in aggregate)	15,920,600	–	15,163,200	–	757,400	0	28-7-2020	1-7-2021 to 31-12-2025	23.85	30.78
	28,400,000	–	3,190,000	–	795,000	24,415,000	2-5-2024	5-5-2025 to 31-12-2029	14.30	28.27
Related entity participants (in aggregate)	–	–	–	–	–	–	N/A	N/A	N/A	N/A
Service providers (in aggregate)	530,000	–	530,000	–	–	0	28-7-2020	1-7-2021 to 31-12-2025	23.85	30.84
Subtotal	44,850,600	–	18,883,200	–	1,552,400	24,415,000				
Total	47,450,600	–	19,883,200	–	1,552,400	26,015,000				

Note 1: Numbers of Shares over which options were granted under the 2012 Share Option Scheme and the 2022 Share Option Scheme.

Note 2: Mr. William Chin, an executive Director of the Company (appointed on 30 May 2025) and the Chief Strategy Officer of the Group, is the son of Ms. Wei Ching Lien ("Ms. Wei", an executive Director and Chairperson of the Company) and the brother of Ms. Chin Chien Ya ("Ms. Chin", a non-executive Director of the Company).

Note 3: Ms. Chin Chien Ya, a non-executive Director of the Company, is the daughter of Ms. Wei and the sister of Mr. William Chin.

Note 4: Dr. Wang Ching and Mr. Wu Tak Lung retired as independent non-executive Directors of the Company on 30 May 2025 and 31 May 2023 respectively.

Note 5: The closing price of the Company's shares immediately before 28 July 2020 on which the Share Options were granted pursuant to the 2012 Share Option Scheme, i.e. on 27 July 2020 was HKD22.40. The closing price of the Company's shares immediately before 2 May 2024 on which the Share Options were granted pursuant to the 2022 Share Option Scheme, i.e. on 30 April 2024 was HKD13.44.

Note 6: The option period for the Share Options granted on 28 July 2020 is for five years five months and three days and the vesting periods of such Share Options are as follows: (i) up to 30% of the Share Options granted to be vested on or after 1 July 2021; (ii) up to a further 30% of the Share Options granted to be vested on or after 1 July 2022; and (iii) all of the remaining Share Options granted to be vested on or after 1 July 2023. The option period for the Share Options granted on 2 May 2024 is for five years seven months and twenty-nine days and the vesting periods of such Share Options are as follows: (i) up to 30% of the Share Options granted to be vested on or after 5 May 2025; (ii) up to a further 30% of the Share Options granted to be vested on or after 5 May 2026; and (iii) all of the remaining Share Options granted to be vested on or after 5 May 2027. There is no performance target attached to the share options granted under the 2022 Share Option Scheme.

Note 7: The exercise price of the Share Options is subject to adjustment in the case of rights or bonus issues, or other similar changes on the Company's share capital.

Note 8: There are no (i) participant with Share Options granted and to be granted in excess of the 1% individual limit, and (ii) related entity participant or service provider with Share Options granted and to be granted in any 12-month period exceeding 0.1% of the Shares in issue (excluding treasury shares).



DIRECTORS' REPORT

During the Review Year, 19,883,200 Share Options were exercised by the grantees of the Company's Share Option Schemes in accordance with the rules and terms thereof, and 1,552,400 Share Options lapsed as a result of the resignation of grantees and/or the expiry of exercise periods. For the fair value of the Share Options granted, please refer to note 37 to the consolidated financial statements.

Apart from the Share Option Schemes as disclosed above, no Share Option was granted, exercised, cancelled or lapsed during the Review Year. Particulars of the Company's Share Option Schemes are set out in note 37 to the consolidated financial statements.

SHARE AWARD SCHEME

On 28 July 2020, the Company adopted a share award scheme (the "Share Award Scheme") to allow share awards (the "Awarded Shares") at the absolute discretion of the Board. The purposes of the Share Award Scheme are to recognise the contributions by certain eligible participants and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group. Selected participants pursuant to the terms of the Share Award Scheme will be notified the number of shares awarded to them.

The total number of Awarded Shares available for grant under the scheme mandate of the Share Award Scheme as at 1 January 2025 and 31 December 2025 were 113,835,509 and 112,440,229 respectively. As at the date of this annual report, the total number of Shares available for issue under the Share Award Scheme is 111,151,579 which represents approximately 9.49% of the issued Shares as at the date of this annual report (excluding treasury shares).

The total number of Shares that may be issued in respect of Share Options and Awarded Shares granted under all schemes of the Company during the Review Year divided by the weighted average number of Shares in issue (excluding treasury shares) for the Review Year was approximately 2.22%.

On 22 January 2025 and 24 October 2025, the Group granted 895,000 and 2,400,000 Awarded Shares respectively under the Share Award Scheme to certain grantees, including 175,000 Awarded Shares to two Directors. These Shares represented approximately 0.08% and 0.21% of the respective total number of Shares of the Company in issue (excluding treasury shares) as at the grant dates respectively. Details of the above share awards are set out in the Company's announcements dated 22 January 2025 and 24 October 2025.

SUMMARY OF THE SHARE AWARD SCHEME RULES

For further details on the rules of the Share Award Scheme, please refer to the announcement of the Company dated 28 July 2020 (the "Announcement") (capitalized terms used below shall have the meanings ascribed therein).

(1) Purposes and Objectives

The purposes of the Share Award Scheme are to recognise the contributions by certain eligible participants and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

(2) Eligible Participants for the Share Award Scheme

Participants who are eligible for the Share Award Scheme include (i) any employee (including but not limited to any executive director) of any member of the Group; (ii) non-executive director or independent non-executive director or officer; and (iii) an individual or employee of a corporate or entity who, pursuant to a contract for services, renders services to a member of the Group as determined by the Board from time to time (other than certain participants who are excluded from participation in the Share Award Scheme by reason of the restrictions under applicable laws and regulations).



(3) Duration

Subject to any early termination as may be determined by the Board, the Share Award Scheme shall be valid and effective for a term of 10 years commencing on the date of adoption of the Share Award Scheme (i.e. 28 July 2020).

(4) Administration

The Share Award Scheme shall be subject to the administration of the Board and the trustee appointed from time to time (the "Trustee") in accordance with the Share Award Scheme rules and the trust deed entered into between the Company and the Trustee from time to time (the "Trust Deed") (as the case may be). The Trustee shall hold the Shares and the income derived from the Trust Fund in accordance with the Share Award Scheme rules and the terms of the Trust Deed.

(5) Share Award Scheme Limit

The Board shall not make any further award of Awarded Shares which will result in the aggregate number of Shares awarded by the Board under the Share Award Scheme exceeding ten per cent. of the issued share capital of the Company from time to time. Further, the maximum number of Shares which may be awarded to a Selected Participant under the Share Award Scheme shall not exceed one per cent. of the issued share capital of the Company from time to time.

(6) Operation

Pursuant to the Share Award Scheme rules, the Company may from time to time,

- (i) issue new Awarded Shares under the general mandate granted and/or renewed by the Shareholders at the annual general meeting of the Company and/or under specific authority granted by its Shareholders to the Trustee to be held on trust for the relevant Selected Participant; or
- (ii) the Board may select the Selected Participant(s) and determine the Reference Amount for the purchase of the issued Shares for each of them, or otherwise determine from time to time a Reference Amount for the purchase of Shares, and notify the Trustee of its decision. Within such period as may be determined by the Board after receiving the Reference Amount, the Trustee shall apply the same towards the purchase (or subscription, as the case may be) of the maximum number of board lots of Shares at a price which falls within a range to be set by the Board. The Shares so purchased, the Related Income and any balance of the Reference Amount after completion of the purchase shall form part of the Trust Fund.

The Board may, at its discretion and from time to time, determine a Reference Amount in respect of which the Trustee shall purchase Awarded Shares from the market even though no Eligible Participants has yet been designated a Selected Participant, as a reserve for future awards to Selected Participants. The Board shall then cause such Reference Amount to be paid to the Trustee for acquisition of Shares for the purpose of the Awarded Shares under the Share Award Scheme on such terms and conditions as may be determined by the Board.

(7) Restrictions

No Award shall be made by the Board and no new Awarded Shares shall be issued under the Share Award Scheme and no instructions to acquire Shares shall be given to the Trustee under the Share Award Scheme where any director is in possession of unpublished price-sensitive information in relation to the Group or where dealings by Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

(8) Grant and Vesting

The Company shall notify each Selected Participant of the number of Awarded Shares granted to each Selected Participant by a Grant Notice which shall set out the respective entitlement of each Selected Participant and specify the additional conditions pursuant to which the Awarded Shares and/or the Related Income shall vest in each respective Selected Participant. The Trustee shall not hold any income of the Trust Fund upon trust for the Selected Participant, who are not entitled to any income or rights attached to or derived from the Awarded Shares (inclusive of any nil-paid rights, options or warrants derived from the Awarded Shares apart from the Related Income) from the date of the grant of the Award until the vesting of the Awarded Shares in the Selected Participant. The Board has the discretions to specify the consideration payable on acceptance of the grant of an award.

Subject to the Scheme Rules and the fulfilment of all vesting conditions as specified in the Grant Notice (such fulfilment shall be confirmed by the Board), the respective Awarded Shares and the Related Income held by the Trustee on behalf of a Selected Participant shall vest in such Selected Participant, and the Trustee shall cause such vested Awarded Shares and the Related Income to be transferred to, or to the order of, such Selected Participant in accordance with the procedure specified in the Scheme Rules.

Except in the circumstances as set out under (9) below, upon the vesting of the Awarded Shares, barring any unforeseen circumstances, unless otherwise agreed between the Board and the Trustee,

- (i) the Board shall send to the relevant Selected Participant a Vesting Notice and for purchase of Awarded Shares, together with such prescribed reply slip which require the Selected Participant to execute to effect the vesting and transfer of the Awarded Shares and the Related Income and,
- (ii) subject to the receipt by the Trustee of (a) the reply slip prescribed in the Vesting Notice and duly signed by the Selected Participant within the period stipulated in the Vesting Notice, and (b) a confirmation from the Company that all vesting conditions having been fulfilled, the Trustee shall transfer the relevant Awarded Shares (and where applicable, together with the Related Income) to the relevant Selected Participant as soon as practicable after the Vesting Date and in any event not later than such period after the Vesting Date as may be reasonably determined by the Board. The final decision in relation to such transfer shall be subject to the absolute discretion of the Board.

Prior to the Vesting Date, any Award made hereunder shall be personal to the Selected Participant to whom it is made and shall not be assignable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the Awarded Shares and the Related Income referable to him pursuant to such Award.

Unless the Board otherwise determined and stated in the grant notice to the participant, there is no minimum period for which an Awarded Share granted under the Share Award Scheme must be held before it can be vested and no consideration is required to be paid by the participant for the acceptance of the Awarded Share.

The basis of determining the purchase price of Awarded Shares:

Not applicable as there is no purchase price under the Share Award Scheme.

(9) Disqualification of Selected Participants/Lapse of Award

In the event of a Total Lapse, all Awarded Shares and the Related Income which have not vested shall not vest on the relevant Vesting Date and shall become Returned Shares and the income of the Trust.

In the event of a Partial Lapse, subject to the absolute discretion of the Board, the relevant part of an Award made to such Selected Participant shall automatically lapse forthwith and the relevant Awarded Shares and the Related Income which have not vested shall not vest on the relevant Vesting Date but shall become Returned Shares and income of the Trust.

In respect of a Selected Participant who retired, resigned or whose employment/engagement was terminated by agreement with a member of the Group at any time prior to or on the Vesting Date, all the Awarded Shares and the Related Income of the relevant Selected Participant shall immediately lapse. All the Awarded Shares and the Related Income of the relevant Selected Participant shall become Returned Shares and income of the Trust.

In the event of the death of a Selected Participant at any time, the award of the Awarded Shares and the Related Income shall immediately lapse and all the Awarded Shares (or Reference Amount, as the case may be) and the Related Income of the relevant Selected Participant shall become Returned Shares and income of the Trust.

If there occurs an event of change in control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise, all the Awarded Shares and the Related Income shall immediately vest on the date when such change of control event becomes or is declared unconditional and such date shall be deemed to be the Vesting Date. Subject to the receipt by the Trustee of duly executed reply slip to the Vesting Notice within 7 Business Days from the deemed Vesting Date, the Trustee shall transfer the Awarded Shares and the Related Income to the Selected Participant.

The Trustee shall hold the Returned Shares exclusively for the benefit of all or one or more of the Eligible Participants (excluding any Excluded Participant). The Board shall in its absolute discretion have the right to determine whether a proposed awardee is a Selected Participant at the time of award. When Returned Shares have been awarded, the Board shall notify the Trustee accordingly.

(10) Voting Rights

The Trustee shall not exercise the voting rights in respect of any Shares held by it as nominee or under the Trust (if any) (including but not limited to the Awarded Shares, the Returned Shares, any bonus Shares and scrip Shares derived therefrom).

(11) Termination

- (i) The Scheme shall terminate on the earlier of:
 - (a) on the 10th anniversary date of the Adoption Date; and
 - (b) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant.
- (ii) Upon termination of the Scheme,
 - (a) no further grant of Awarded Shares and the Related Income may be made under the Scheme, these rules of the Scheme shall remain in full force and effect in respect only of Awards which have been granted during the term of the Scheme and which remain unvested or which have vested but not yet been issued to a Selected Participant immediately prior to the termination of the Scheme;
 - (b) all the Awarded Shares and the Related Income of the Selected Participants granted under the Scheme shall become vested on the Selected Participants so referable on such date of termination save in respect of the Total Lapse or otherwise, subject to the receipt by the Trustee of the reply slip to the Vesting Notice prescribed by the Trustee and duly executed by the Selected Participant within the period stipulated by the Trustee;
 - (c) Returned Shares and such non-cash income remaining in the Trust Fund shall be sold by the Trustee, within such period after receiving notice of such termination of the Scheme as may be determined by the Board; and

DIRECTORS' REPORT

- (d) the Residual Cash for the Selected Participants, net proceeds of sale referred to in paragraph (ii)(b) above and such other funds remaining in the Trust Fund (after making appropriate deductions in respect of all disposal costs, liabilities and expenses) shall be remitted to the Company forthwith.

(12) Alteration

The Scheme may be altered in any respect by a resolution of the Board provided that no such amendment shall operate to affect adversely any subsisting rights of any Selected Participant.

Details of the movement of the Awarded Shares during the Review Year and during the financial year ended 31 December 2024 are set out in the tables as follows:

Name and category of participants	Number of Awarded Shares					Outstanding as at 31 December 2025	Date of grant	Vesting period and performance targets	Fair value of Awarded Shares at the date of grant (HKD)	Weighted average closing price of Shares immediately before the date(s) on which Awarded Shares were vested (HKD)	Grant price of the Awarded Shares (HKD)
	Outstanding as at 1 January 2025	Granted during the Review Year	Vested during the Review Year	Cancelled during the Review Year	Lapsed during the Review Year						
Directors, chief executives, and substantial Shareholders and their respective associates											
Zhang Yuxia	—	90,000	—	—	—	90,000	22-1-2025	(Note 2)	16.00	N/A	0
Ye Guo Qiang	—	85,000	—	—	—	85,000	22-1-2025	(Note 2)	16.00	N/A	0
Participants with Awarded Shares in excess of 1% individual limit											
N/A	—	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Related entity participants or service providers with Awarded Shares granted during the Review Year exceeding 0.1% of the total issued Shares											
N/A	—	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Other employee participants (in aggregate)											
	2,032,000	—	1,339,450	—	692,550	—	29-3-2021	(Note 3)	31.25	21.20	0
	—	720,000	—	—	—	720,000	22-1-2025	(Note 2)	16.00	N/A	0
	—	2,400,000	—	—	—	2,400,000	24-10-2025	(Note 2)	31.82	N/A	0
Other related entity participants (in aggregate)											
N/A	—	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Other service providers (in aggregate)											
N/A	—	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Other participants											
N/A	—	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Total	2,032,000	3,295,000	1,339,450	—	692,550	3,295,000					

Name and category of participants	Number of Awarded Shares					Outstanding as at 31 December 2024	Date of grant	Vesting period and performance targets	Fair value of Awarded Shares at the date of grant (HKD)	Weighted average closing price of Shares immediately before the date(s) on which Awarded Shares were vested (HKD)	Grant price of the Awarded Shares (HKD)
	Outstanding as at 1 January 2024	Granted during the year	Vested during the year	Cancelled during the year	Lapsed during the year						
(Note 1)											
Directors, chief executives, and substantial Shareholders and their respective associates											
N/A	—	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Participants with Awarded Shares in excess of 1% individual limit											
N/A	—	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Related entity participants or service providers with Awarded Shares granted during the year exceeding 0.1% of the total issued Shares											
N/A	—	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Other employee participants (in aggregate)											
	2,258,000	—	—	—	226,000	2,032,000	29–3–2021	(Note 2)	31.25	N/A	0
Other related entity participants (in aggregate)											
N/A	—	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Other service providers (in aggregate)											
N/A	—	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Other participants											
N/A	—	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A
Total	2,258,000	—	—	—	226,000	2,032,000					

Note 1: The closing price of the Shares immediately before the date on which the Awarded Shares were granted on 29 March 2021, i.e. on 26 March 2021 was HKD31.05. The closing price of the Shares immediately before the date on which the Awarded Shares were granted on 22 January 2025, i.e. on 21 January 2025 was HKD16.44.

Note 2: The Awarded Shares granted on 22 January 2025 shall vest on 23 January 2026. The Awarded Shares granted on 24 October 2025 shall vest in three tranches (This is subject to the fulfilment of certain vesting conditions as specified in the letters of award. The vesting of the Awards is subject to the fulfilment of certain performance targets tailored to the Grantees' individual roles and responsibilities. In particular, vesting is conditional upon the Grantees attaining a minimum performance appraisal score and making satisfactory progress on their individual key contribution plans during the preceding financial year.): (a) 30%, on 26 October 2026; (b) 30%, on 26 October 2027; and (c) 40%, on 26 October 2028.

Note 3: According to the amended vesting conditions, the vesting of 50% of the Awarded Shares is deferred from the third to the fourth anniversary of the date of grant whereas the remaining 50% of the Awarded Shares will also vest on the fourth anniversary of the date of grant, on the basis of satisfaction of relevant vesting conditions. The vesting of the Awards is subject to the achievement of certain performance targets tailored to each Grantees' individual role and responsibilities. In particular, vesting is conditional upon the Grantees attaining a minimum performance appraisal rating and demonstrating satisfactory progress against their respective key contribution plans over the preceding four financial years.

Note 4: There are no (i) participant with Awarded Shares granted and to be granted in excess of the 1% individual limit (as defined in Rule 17.03D(1) of the Listing Rules), and (ii) related entity participant or service provider with Awarded Shares granted and to be granted in any 12-month period exceeding 0.1% of the Shares in issue (excluding treasury shares).2

For more details of the Share Award Scheme, please refer to note 37 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

Other than the 2012 and 2022 Share Option Scheme, no equity-linked agreements that will or may result in the Company issuing Shares or that require the Company to enter into any agreements that will or may result in the Company issuing Shares were entered into by the Company during the Review Year or subsisted at the end of the Review Year.



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DIRECTORS' RIGHTS IN PURCHASING SHARES OR DEBENTURE

Save as disclosed in this annual report, at no time during the Review Year was the Company, its holding company or its subsidiaries a party to any arrangements which enabled the Directors to acquire benefits by means of acquisition of Shares in or debenture of the Company or any other body corporate.

DIRECTORS' AND THE CONTROLLING SHAREHOLDER'S INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in this annual report, no transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted during or at the end of the Review Year.

Save as disclosed in this annual report, no transactions, arrangements or contracts of significance (including contract of significance for provision of services to the Group) to which the Company or any of its subsidiaries was a party and in which a controlling shareholder of the Company or any of its subsidiaries was also a party, subsisted during or at the end of the Review Year.

MANAGEMENT CONTRACT

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the Review Year.

SUBSTANTIAL SHAREHOLDERS

Interests or short positions in the Company

As at 31 December 2025, the interests or short positions of substantial Shareholders, other than the Directors or the chief executives of the Company, in the Shares and underlying shares of the Company as recorded in the register of substantial Shareholders maintained by the Company pursuant to Section 336 of the SFO are as follows:

Name of Substantial Shareholder	Capacity	Long/Short Position	Total Number of Ordinary Shares	Percentage of the Company's Issued Share Capital (Note 1)
Chin Jong Hwa	Interest of controlled corporations	Long position	450,072,000	38.08%
	Interest of spouse	Long position	1,750,000 (Note 2)	0.15%
Minth Holdings Limited ("Minth Holdings")	Beneficial owner	Long position	450,072,000 (Note 3)	38.08%
JPMorgan Chase & Co.	Beneficial owner	Long position	8,384,440	0.71%
		Short position	7,218,355 (Note 4)	0.61%
	Investment Manager	Long position	42,689,564	3.61%
		Short position	8,000	0.00%
	Person having a security interest in shares	Long position	1,934,032	0.16%
	Trustee	Long position	1,040	0.00%
	Approved lending agent	Long position	16,673,431	1.41%

Note 1: The percentage of the Company's issued share capital of 1,181,876,799 Shares as at 31 December 2025.

Note 2: As at 31 December 2025, Minth Holdings and Ms. Wei were beneficially interested in 450,072,000 Shares and 1,750,000 Shares respectively. Minth Holdings was wholly-owned by Mr. Chin Jong Hwa and he was therefore deemed to be interested in the entire 450,072,000 Shares held by Minth Holdings. Since Mr. Chin Jong Hwa is the spouse of Ms. Wei, he is deemed to be interested in the 1,750,000 Shares in which Ms. Wei is interested.

Note 3: As at 31 December 2025, Minth Holdings, a company wholly-owned by Mr. Chin Jong Hwa, was beneficially interested in 450,072,000 Shares.

Note 4: As at 31 December 2025, according to the information disclosed to the Company under Division 2 and Division 3 of Part XV of the SFO, these Shares were held by corporations controlled directly or indirectly as to 100% by JPMorgan Chase & Co.

Other than as disclosed above, as at 31 December 2025, the Company had not been acknowledged by any person of any interests or short positions in any Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY

During the Review Year, the trustee of the Share Award Scheme did not purchase any Shares of the Company on the Stock Exchange.

During the Review Year, the Company repurchased a total of 886,000 shares of the Company on the Stock Exchange with details as below, all of which were held as treasury shares.

Date of repurchase of Shares	Number of Shares repurchased	Lowest repurchase price per Share (HKD)	Highest repurchase price per Share (HKD)	Aggregate price paid (HKD)
March 2025	246,000	20.90	21.00	5,158,300.20
April 2025	640,000	16.38	20.00	11,647,969.80
Total	886,000			16,806,270.00

Save as disclosed above, there was no purchase, sale or redemption by the Company or any of its subsidiaries of any listed securities of the Company (including sale or transfer of treasury shares) during the Review Year.

As at 31 December 2025, the Company holds a total of 11,130,000 treasury shares. The Company intended to determine whether and when these treasury shares so repurchased are to be cancelled or sold at market price based on market conditions and the capital management needs of the Group from time to time, or to be utilised for share grants under the share schemes of the Company in compliance with the Listing Rules, the Memorandum and Articles of the Company and applicable laws of Cayman Islands.

CONTINUING CONNECTED TRANSACTIONS

On 23 February 2022, the Group as purchaser entered into the Wuhan Camera Purchase Agreement, the Jiaxing Camera Purchase Agreement and the Guangzhou Camera Purchase Agreement with Jiaxing Shun Min Electronic Co., Ltd.* (嘉興淳敏電子有限公司) ("Jiaxing Shun Min") as supplier to purchase automobile camera devices, parts and accessories for the period from 23 February 2022 to 22 February 2025.

On 23 February 2022, the Company (through its indirect wholly-owned subsidiary Jiaxing Minsheng Automotive Parts Co.,Ltd.* (嘉興敏勝汽車零部件有限公司)) as purchaser entered into the PCBA Purchase Agreement with Jiaxing Shun Min, as supplier to purchase printed circuit boards assembly for the period from 23 February 2022 to 22 February 2025.

DIRECTORS' REPORT

On 23 February 2022, the Company (through its indirect wholly-owned subsidiary, Jiaxing Minhui Automotive Parts Co., Ltd.* (嘉興敏惠汽車零部件有限公司)) as purchaser entered into the Suppliers Agreement with Zhejiang Tianchong Vehicle Lamp Co., Ltd.* (浙江天翀車燈集團有限公司) as the assembly supplier and Jiaxing Shun Min as the tier 2 supplier for the assembly of printed circuit board parts for the period from 23 February 2022 to 22 February 2025.

Subsequently, the Group has received increased orders for certain of its products, which has resulted in increased orders for products supplied by Jiaxing Shun Min under the agreements stated above (the "Agreements"). On 29 December 2022, the Group revised the original annual caps for the Agreements for the annual year ending 22 February 2023, 22 February 2024 and 22 February 2025 respectively.

On 31 December 2024, the Group as purchaser entered into the Jiaxing Camera Purchase Agreement with Jiaxing Shun Min as supplier to purchase automobile camera devices, parts and accessories for the period from 1 January 2025 to 31 December 2027 to replace the 2022 Jiaxing Camera Purchase Agreement which has been terminated with effect from 1 January 2025. The Group as purchaser also entered into the Hubei Camera Purchase Agreement on the same date with Jiaxing Shun Min as supplier to purchase automobile camera devices, parts and accessories for the period from 1 January 2025 to 31 December 2027. The annual caps and the actual transaction amount under the Hubei Camera Purchase Agreement and the Jiaxing Camera Purchase Agreement (the "Camera Purchase Agreements") for the period from 1 January 2025 to 31 December 2025 are shown as follows:

- (1) The aggregate annual caps in respect of the transactions under the Camera Purchase Agreements is RMB46,302,000 (equivalent to approximately HK\$50,000,000) for the year ending 31 December 2025; and
- (2) The actual transaction amount under the Camera Purchase Agreements and the Assembly Of Printed Circuit Board Parts Agreements for the period from 1 January 2025 to 31 December 2025 was approximately RMB9,540,000.

As Jiaxing Shun Min is indirectly wholly-owned by Shun On Electronic Co., Ltd.* (淳安電子股份有限公司) ("Shun On Electronic"), and in turn Mr. Chin Jong Hwa, the single largest shareholder of the Company and his associates are together indirectly beneficially interested in 35.12% of Shun On Electronic, Jiaxing Shun Min is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Further details of the Agreements are set out in the Company's announcements dated 23 February 2022, 29 December 2022 and 31 December 2024. The Company confirms that it has complied with the disclosure requirements in respect of the above continuing connected transactions in accordance with Chapter 14A of the Listing Rules.

The independent non-executive Directors have reviewed and confirmed that the above continuing connected transactions that were carried out during the year ended 31 December 2025 have been entered into by the Group:

- (a) in the ordinary and usual course of business of the Group;
- (b) either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and
- (c) in accordance with the agreements governing the transactions that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Board further confirmed that in accordance with Rule 14A.71 of the Listing Rules, for the purposes for Rule 14A.56, the auditor of the Company has provided a letter to the Board confirming that nothing has come to their attention that causes them to believe that the above continuing connected transactions:

- (i) have not been approved by the Board;
- (ii) were not, in all material respects, in accordance with the pricing policies of the Group;
- (iii) were not entered into, in all material respects in accordance with the relevant agreements governing the transactions;
and
- (iv) have exceeded the cap.

Save for the above, during the Review Year, the Group did not enter into any continuing connected transactions which is subject to the reporting, annual review, announcement and/or independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

REMUNERATION POLICY

Remuneration policy of the Group is set by the Remuneration Committee, making reference to legal framework, market condition and performance of the Group and individual staff. The remuneration policy and remuneration packages of the Directors and senior management staff of the Group are reviewed by the Remuneration Committee, making reference to the prevailing market practice, his/her duties and responsibilities within the Group and his/her contribution to the Group and are determined by the remuneration committee having regard to the performance of individuals and market trends. Apart from statutory benefits and in-house training programmes, discretionary bonuses and long term incentive such as share awards and share options may be awarded to employees according to the assessment of individual performance.

Ms. Wei, the executive Director has agreed to waive her remuneration since 28 May 2020.

The Company has adopted the Share Option Schemes as an incentive to Directors and eligible employees, details of the Share Option Schemes are set out on pages 43 to 46 of this annual report.

The Company has also adopted the Share Award Scheme which provides incentives to employees, details of the scheme are set out on pages 46 to 51 of this annual report and note 37 to the financial statements.

CONTRIBUTION FOR RETIREMENT BENEFITS SCHEME

During the year ended 31 December 2025, there were no contributions forfeited by the Group on behalf its employees who leave the plan prior to vesting fully in such contribution, nor had there been any utilization of such forfeited contributions to reduce future contributions. As at 31 December 2025, no forfeited contributions were available for utilization by the Group to reduce the existing level of contributions as described in paragraph 26(2) of Appendix D2 to the Listing Rule.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, as at the latest practicable date prior to the issue of this annual report, the Company has maintained sufficient public float as required under the Listing Rules.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

As the Group mainly operates in China through its subsidiaries, it is subject to the Chinese laws and regulations relating to the R&D, production and distribution of auto parts, toolings and moulds including but not limited to those on the quality, safety, environmental protection, intellectual property, labor and personnel. Meanwhile, as a company incorporated in the Cayman Islands and listed on the Stock Exchange, the Company is governed by the Company Law of the Cayman Islands, the Listing Rules and the Securities and Futures Ordinance ("SFO").

During the Review Year, to the best knowledge of the Board, the Group does not have any incidence of non-compliance with the relevant laws and regulations that would have a significant impact on the Group's business and operations.

The relevant laws and regulations that have significant impact on the Group's business and the compliance measures adopted and implemented during the Review Year are outlined below.

The Group strictly complies with laws, regulations and standards that governing the automotive industry specifically, such as the Product Quality Law of the People's Republic of China, the Group has established the Quality Manual of the Group in accordance with the requirements of the IATF16949 Automotive Quality Management System Standard, so as to standardise the automotive product quality management system, objectives and policies and strengthen quality management.

In the area of environmental protection which are related to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste, the Group strictly complies with laws, regulations and standards, such as the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on Promoting Clean Production, the Energy Conservation Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Control of Water Pollution, the Law of the People's Republic of China on Prevention and Control of Air Pollution, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste. The Group has continuously improved the internal environmental management mechanism and documents, such as Environmental Management Manual, regularly update the latest list of laws and regulations on environmental protection, ensuring the standardisation and compliance of environmental protection management. The Group also actively promotes the certification of its environmental management system, and implement energy management and carbon emission reduction activities and plans within the scope of the global environmental management system.

The Group is in strict accordance with national, regional and industrial laws, regulations and standards on occupational health and safety, such as The Production Safety Law of the People's Republic of China, The Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, The Labour Law of the People's Republic of China, The Labour Contract Law of the People's Republic of China, The Minimum Wage Regulations of the People's Republic of China. In order to comply with these laws and regulations, the Group pays attention to the development and management of corporate occupational health, improves the management mechanism for positions exposed to occupational hazards, and fully implements the occupational health checkup system to ensure that employees are healthy at work and happy in life, as well as having rules in place relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare, etc.



ENVIRONMENTAL POLICIES AND PERFORMANCE

Upholding the principle of green production and sustainable development, the Group clearly defines its responsibility on environmental protection, strengthens on-site supervision and management, attaches great importance to the identification and elimination of hidden dangers, and rolls out the environmental protection initiatives in a standardized, uniform and systematic manner. In the meantime, the Group is committed to low-carbon operations and management from the perspectives of digitalization, systemization, green energy, green supply chain, low-carbon R&D and circular economy. The Group continues to expand the installation of photovoltaic power generation facilities to maximize its efforts in energy conservation and emission reduction, sources low-carbon raw materials such as eco-friendly aluminum and recycled plastic materials as alternatives, and promotes the application of smart energy system and carbon emission management system enabled by the technology of Industrial Internet of Things in order to reduce the carbon footprint of the Group's products.

RELATIONSHIP WITH KEY STAKEHOLDERS

The Group emphasises on maintaining good relationship with its stakeholders and considers it a key element to sustainable business growth.

Employees

The Group has always been people-oriented and has attached great importance to human resource management. The Group attract excellent talents through fair recruitment policy and provide employees with training opportunities, good career development prospect and growth opportunities. From time to time, the Group ensures to offer its employees remuneration packages that are comprehensive and attractive. Some employees of the Group are granted Share Options and/or Awarded Shares under the Company's 2012 and 2022 Share Option Schemes and Share Award Scheme in recognition of their contribution. The Group also value its employee's physical and mental development. Diverse events and activities are organised for the employees for fostering work-life balance and personal growth.

Customers

The Group is committed to offering its customers products and services to the best of its ability. The Group highly value comments and suggestions of its customers and have always maintained effective communications with the customers. The Group will continue to reach out for current and prospective customers through, inter-alia, on-site visits and major customers' satisfaction surveys. The Group believe that customers' feedback would help it identify areas of improvement and advance it to achieve excellence.

Suppliers

Maintaining good relationship with suppliers is essential to the Group's business performance and growth because suppliers can have direct influence over the quality of the products and services and customer satisfaction. The Group has formulated related measurements in respect of the supplier selection procedures, quality testing methods and comprehensive appraisal and evaluation system on potential and existing suppliers and their products and performance. The Group is committed to establishing a close and long-term partnership with its business partners.

MATERIAL LITIGATION AND ARBITRATION

The Group was not engaged in any litigation or arbitration of material importance during the Review Year and up to the date of this report.

EVENT AFTER THE REPORTING PERIOD

No significant events occurred after the reporting period which would have a material adverse impact on the final position of the Company.



DIRECTORS' REPORT

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding the Company's securities.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association, or the laws of Cayman Islands, which would oblige the Company to offer new Shares on a pro-rata basis to existing shareholders.

AUDITOR

The Company's independent external auditor is Deloitte Touche Tohmatsu, and has not been changed in the last three years. A resolution will be proposed at the forthcoming AGM to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

UPDATES ON BIOGRAPHICAL DETAILS OF DIRECTORS UNDER RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, save for the remuneration paid to the Directors during the Review Year set out in note 12 to the consolidated financial statements, there is no other information required to be disclosed.

By Order of the Board
Minth Group Limited
Wei Ching Lien
Chairperson

Hong Kong, 23 March 2026



INDEPENDENT AUDITOR'S REPORT

Deloitte.

德勤

TO THE SHAREHOLDERS OF MINTH GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Minth Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 63 to 200, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard (“HKFRS”) Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters

How our audit addressed the key audit matters

Occurrence of the revenue recognition from sales of automobile body parts
(Refer to Note 5 to the consolidated financial statements)

We identified the occurrence of the revenue recognition from sales of automobile body parts as a key audit matter due to the significance of revenue recognition from sales of automobile body parts to the Group's consolidated financial statements.

For the year ended 31 December 2025, the Group has recognised revenue of Renminbi ("RMB") 24,370,971,000 from its sales of automobile body parts, which accounted for 94.69% of total revenue of the Group.

As disclosed in note 5 to the consolidated financial statements, revenue from sales of automobile body parts is recognised when control of the products has been transferred to the customer, being at the point the goods are delivered to the customer's specific location and accepted by the customer.

Our procedures in relation to occurrence of the revenue recognition from sales of automobile body parts included:

- Understanding the business process of revenue recognition from sales of automobile body parts and testing the design, implementation and operating effectiveness of key controls relevant to the occurrence of the revenue recognition;
- Reviewing the sales contracts with customers, on a sampling basis, and verifying the terms and conditions set out in the sales contracts regarding the criteria of satisfaction of performance obligation;
- Analysing revenue and gross margin from sales of automobile body parts during the current reporting period and identifying unusual fluctuations and inquiring the management to understand and evaluate the appropriateness of the reasons for the unusual fluctuations (if applicable); and
- Testing the sales of automobile body parts, on a sampling basis, by inspecting the relevant supporting documents on the completion of sales.



OTHER INFORMATION

The directors ("Directors") of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors of the Company.
- Conclude on the appropriateness of the Directors of the Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Kay Man Wo, Dick.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

23 March 2026



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	NOTES	2025 RMB'000	2024 RMB'000
Revenue	5	25,737,192	23,147,123
Cost of sales		(18,530,262)	(16,449,053)
Gross profit		7,206,930	6,698,070
Investment income	7	206,299	325,291
Other income	8	302,632	459,511
Impairment losses under expected credit loss model, net of reversal		(10,129)	(16,369)
Other gains and losses	9	278,701	(7,201)
Distribution and selling expenses		(1,031,195)	(1,047,605)
Administrative expenses		(1,859,051)	(1,638,404)
Research expenditure		(1,501,743)	(1,449,444)
Interest expenses		(324,907)	(521,020)
Share of results of joint ventures		51,354	37,716
Share of results of associates		(22,967)	(33,606)
Profit before tax		3,295,924	2,806,939
Income tax expense	10	(525,785)	(431,179)
Profit for the year	11	2,770,139	2,375,760
Other comprehensive income:			
Item that will not be reclassified to profit or loss:			
Gain on remeasurement of plan assets		141	156
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		415,168	(133,958)
Fair value loss on debt instruments measured at fair value through other comprehensive income		(924)	(670)
Other comprehensive income (expense) for the year, net of income tax		414,385	(134,472)
Total comprehensive income for the year		3,184,524	2,241,288
Profit for the year attributable to:			
Owners of the Company		2,692,150	2,319,300
Non-controlling interests		77,989	56,460
		2,770,139	2,375,760
Total comprehensive income for the year attributable to:			
Owners of the Company		3,077,729	2,208,801
Non-controlling interests		106,795	32,487
		3,184,524	2,241,288
Earnings per share	14		
Basic		RMB2.348	RMB2.019
Diluted		RMB2.324	RMB2.019



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	NOTES	2025 RMB'000	2024 RMB'000
Non-current assets			
Property, plant and equipment	15	16,529,665	15,798,496
Right-of-use assets	18	972,765	1,034,728
Goodwill	16	98,030	98,030
Other intangible assets	17	148,768	91,523
Interests in joint ventures	19	274,693	288,678
Interests in associates	20	116,546	95,211
Deferred tax assets	22	601,429	482,985
Prepayment for acquisition of property, plant and equipment		550,609	460,998
Derivative financial assets	27	4,473	863
Contract assets	25	1,079,246	1,003,741
Contract costs	25	69,239	92,920
Financial assets at fair value through profit or loss	26	2,355,566	1,075,344
Plan assets	38	2,659	2,446
Time deposits	28	1,515,407	1,063,624
		24,319,095	21,589,587
Current assets			
Inventories	23	4,598,225	4,640,941
Trade and other receivables	24	7,232,817	7,476,017
Contract assets	25	289,582	289,026
Financial assets at fair value through profit or loss	26	21,654	189,542
Derivative financial assets	27	23,471	21,558
Debt instruments at fair value through other comprehensive income	21	460,622	314,881
Loan receivables		69,403	26,037
Pledged bank deposits and time deposits	28	1,532,737	1,770,568
Cash and cash equivalents	28	3,751,454	2,440,779
		17,979,965	17,169,349
Current liabilities			
Trade and other payables	29	7,881,010	7,260,369
Tax liabilities		362,291	206,248
Borrowings	31	7,034,917	5,893,775
Lease liabilities	34	19,975	21,918
Contract liabilities	30	190,140	162,728
Derivative financial liabilities	27	6,262	20,577
Other long-term liabilities due within one year	40	46,600	1,011,176
		15,541,195	14,576,791
Net current assets		2,438,770	2,592,558
Total assets less current liabilities		26,757,865	24,182,145

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	NOTES	2025 RMB'000	2024 RMB'000
Capital and reserves			
Share capital	32	118,081	116,269
Share premium and reserves		23,384,368	20,328,883
<hr/>			
Equity attributable to owners of the Company		23,502,449	20,445,152
Non-controlling interests	33	910,027	813,779
<hr/>			
Total equity		24,412,476	21,258,931
<hr/>			
Non-current liabilities			
Deferred tax liabilities	22	178,898	196,651
Borrowings	31	1,917,866	2,525,281
Lease liabilities	34	68,638	62,261
Derivative financial liabilities	27	—	14,054
Contract liabilities	30	147,505	104,898
Deferred income	39	32,482	20,069
<hr/>			
		2,345,389	2,923,214
<hr/>			
		26,757,865	24,182,145

The consolidated financial statements on pages 63 to 200 were approved and authorised for issue by the board (the "Board") of Directors on 23 March 2026 and are signed on its behalf by:

Wei Ching Lien

DIRECTOR

Zhang Yuxia

DIRECTOR



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital RMB'000	Share premium RMB'000	Treasury stock RMB'000	Special reserve RMB'000	Other reserve RMB'000	Statutory surplus reserve fund RMB'000	Enterprise expansion fund RMB'000	FVTOCI reserve RMB'000	Exchange reserve RMB'000	Share-based payment reserve RMB'000	Retained profits RMB'000	Attributable to owners of the Company RMB'000	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2025	116,269	4,153,085	(382,649)	276,199	87,931	1,073,376	430,651	(2,358)	(179,432)	318,192	14,553,888	20,445,152	813,779	21,258,931
Profit for the year	-	-	-	-	-	-	-	-	-	-	2,692,150	2,692,150	77,989	2,770,139
Fair value loss on debt instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	-	(924)	-	-	-	(924)	-	(924)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	-	-	386,362	-	-	386,362	28,806	415,168
Remeasurement of plan assets	-	-	-	-	-	-	-	-	-	-	141	141	-	141
Total comprehensive (expense) income for the year	-	-	-	-	-	-	-	(924)	386,362	-	2,692,291	3,077,729	106,795	3,184,524
Recognition of equity-settled share-based payments (note 37(a)(b))	-	-	-	-	-	-	-	-	-	49,305	-	49,305	-	49,305
Dividends recognised as distribution	-	-	4,572	-	-	-	-	-	-	-	(465,211)	(460,639)	-	(460,639)
Dividends declared to non-controlling interests (note 33)	-	-	-	-	-	-	-	-	-	-	-	-	(12,041)	(12,041)
Exercise of share options and vested of restricted shares	1,812	479,510	35,187	-	-	-	-	-	-	(110,815)	-	405,694	-	405,694
Recognition of equity-settled share-based payment in a subsidiary (note 37(c))	-	-	-	-	-	-	-	-	-	818	-	818	1,494	2,312
Treasury stock (note)	-	-	(15,610)	-	-	-	-	-	-	-	-	(15,610)	-	(15,610)
At 31 December 2025	118,081	4,632,595	(358,500)	276,199	87,931	1,073,376	430,651	(3,282)	206,930	257,500	16,780,968	23,502,449	910,027	24,412,476

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital RMB'000	Share premium RMB'000	Treasury stock RMB'000	Special reserve RMB'000	Other reserve RMB'000	Statutory surplus reserve fund RMB'000	Enterprise expansion fund RMB'000	FVTOCI reserve RMB'000	Exchange reserve RMB'000	Share- based payment reserve RMB'000	Retained profits RMB'000	Attributable to owners of the Company RMB'000	Non- controlling interests RMB'000	Total RMB'000
At 1 January 2024	116,269	4,153,085	(252,636)	276,199	73,976	1,073,376	430,651	(1,688)	(69,447)	284,280	12,234,432	18,318,497	821,382	19,139,879
Profit for the year	-	-	-	-	-	-	-	-	-	-	2,319,300	2,319,300	56,460	2,375,760
Fair value loss on debt instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	-	(670)	-	-	-	(670)	-	(670)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	-	-	(109,985)	-	-	(109,985)	(23,973)	(133,968)
Remeasurement of plan assets	-	-	-	-	-	-	-	-	-	-	156	156	-	156
Total comprehensive (expense) income for the year	-	-	-	-	-	-	-	(670)	(109,985)	-	2,319,456	2,208,801	32,487	2,241,288
Recognition of equity-settled share-based payments (note 37(a)(b))	-	-	-	-	-	-	-	-	-	46,809	-	46,809	-	46,809
Transfer to other reserve for share option and restricted shares forfeited after the vesting date	-	-	-	-	13,667	-	-	-	-	(13,667)	-	-	-	-
Dividends declared to non-controlling interests (note 33)	-	-	-	-	-	-	-	-	-	-	-	-	(39,848)	(39,848)
Recognition of equity-settled share-based payment in a subsidiary (note 37(c))	-	-	-	-	-	-	-	-	-	770	-	770	1,343	2,113
Acquisition of additional interest in subsidiaries (note 33)	-	-	-	-	288	-	-	-	-	-	-	288	(1,585)	(1,297)
Treasury stock (note)	-	-	(130,013)	-	-	-	-	-	-	-	-	(130,013)	-	(130,013)
At 31 December 2024	116,269	4,153,085	(382,649)	276,199	87,931	1,073,376	430,651	(2,358)	(179,432)	318,192	14,553,888	20,445,152	813,779	21,258,931

Note:

The special reserve of the Group represents the difference between the nominal amount of the shares issued by the Company and the aggregate amount of the paid-in capital of subsidiaries acquired pursuant to the group reorganisation in June 2005.

The other reserve of the Group consists of: (i) contributions from the single largest shareholder, Mr. Chin Jong Hwa ("Mr. Chin"), in connection with the Group's acquisition of an associate from Mr. Chin pursuant to the group reorganisation; (ii) reserve arising from acquisition of additional interest in subsidiaries; (iii) revaluation reserve recognised upon acquisition of businesses from interests in joint ventures; (iv) reserve transferred from share options reserve for share options forfeited after the vesting dates; and (v) contributions from the non-controlling shareholders in subsidiaries.

The financial instruments measured at fair value through other comprehensive income ("FVTOCI") reserve represents the changes in fair value of bills receivables which were measured as debt instruments at FVTOCI.

As stipulated by the relevant laws and regulations for foreign investment enterprise in the People's Republic of China (the "PRC"), the PRC subsidiaries are required to maintain a statutory surplus reserve fund which is non-distributable. Appropriations to such reserve are made out of profit after taxation of the statutory financial statements of the PRC subsidiaries. The amount and basis of allocation are decided by its respective board of directors annually. The statutory surplus reserve fund can be used to make up its prior year losses, if any, and can be applied in conversion into capital by means of capitalisation issue. The enterprise expansion fund is also appropriated out of profit after taxation of the statutory financial statements of the PRC subsidiaries subject to the approval by its respective board of directors annually, for the use of development and expanding the capital base of the PRC subsidiaries.

On 21 August 2024, the Board of the Company decided to exercise its powers under the general mandate given to the Board pursuant to the resolutions of the shareholders passed at the annual general meeting of the Company held on 31 May 2024, to repurchase up to 116,199,359 shares of the Company (the "Shares") representing 10% of the total number of issued shares. Pursuant to the repurchase mandate, repurchases are to be conducted from time to time in the open market, in accordance with prevailing market conditions, and utilized a maximum amount of Hong Kong dollars ("HKD") 500,000,000 for the proposed share repurchase. The actual repurchase price for each share was no more than 5% higher than the average closing market price for the Shares over the five trading days immediately preceding each repurchase, and such repurchases were expired on 30 May 2025. During the current year, the Group repurchased a total of 886,000 shares at an aggregate cost amounting to RMB16 million (2024: the Group repurchased a total of 10,244,000 shares at an aggregate cost amounting to RMB130 million).



CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	2025 RMB'000	2024 RMB'000
Operating activities		
Profit before tax	3,295,924	2,806,939
Adjustments for:		
Finance costs	324,907	521,020
Interest income	(206,299)	(325,291)
Share of results of joint ventures	(51,354)	(37,716)
Share of results of associates	22,967	33,606
Depreciation of property, plant and equipment	1,608,327	1,452,180
Depreciation of right-of-use assets	44,763	45,268
Amortisation of other intangible assets	46,256	46,820
Share-based payment expense	51,617	48,922
Fair value changes of other financial assets at fair value through profit or loss ("FVTPL")	(148,321)	27,909
Fair value changes of derivative financial instruments	(161,592)	(15,152)
Gain on disposal of other financial assets at FVTPL	(55,217)	(6,344)
Losses on disposal of property, plant and equipment and right-of-use assets	31,966	24,509
Proceeds from the acquisition of investment in a joint venture	—	70
Gain on bargain purchase recognised in acquisition of a subsidiary	(27,452)	—
Gain on disposal of a subsidiary	(19,440)	(415)
Impairment loss, net of reversal		
— property, plant and equipment	29,169	12,291
— financial assets and other items under expected credit loss model	10,129	16,369
— inventories	70,287	114,530
Net foreign exchange loss(gain)	149,070	(151,773)
Operating cash flows before movements in working capital	5,015,707	4,613,742
Increase in inventories	(27,572)	(773,337)
Decrease(increase) in trade and other receivables	290,693	(929,799)
Increase in debt instruments at FVTOCI	(86,397)	(30,245)
Increase in contract assets	(76,061)	(86,338)
Decrease in contract costs	25,324	14,540
Increase in trade and other payables	206,501	879,386
Increase in contract liabilities	70,019	127,976
Cash generated from operations	5,418,214	3,815,925
Income taxes paid	(505,939)	(541,523)
Net cash from operating activities	4,912,275	3,274,402

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	2025 RMB'000	2024 RMB'000
Investing activities		
Proceeds from redemption of other financial assets and derivative financial instruments	8,460,620	9,241,587
Interest received	144,409	376,240
Proceeds from disposal of financial assets at FVTPL	418,820	20,581
Dividend received from a joint venture and an associate	35,731	20,049
Proceeds from disposal of property, plant and equipment	47,327	15,660
Proceeds on disposal of right-of-use assets	92,570	—
Investment in other financial assets and derivative financial instruments	(8,332,920)	(9,200,098)
Purchases of property, plant and equipment	(2,209,754)	(1,906,002)
Acquisition of financial assets at FVTPL	(1,303,043)	(1,272,985)
Payments for right-of-use assets	—	(5,726)
Purchases of other intangible assets	(103,273)	(26,098)
Government subsidies received relating to the purchase of property, plant and equipment, and land-use-rights	265,536	63,927
Placement of pledged bank deposits and time deposits	(2,104,791)	(1,616,229)
Withdrawal of pledged bank deposits	1,955,649	1,089,503
Acquisition of a subsidiary, net of cash acquired	33,945	—
Net cash inflow arising on disposal of associates	—	4,130
Net cash inflow arising on disposal of a subsidiary	37,669	—
Payments for investment in an associate	(45,157)	—
Payment on acquisition of interest in a joint venture	—	(2,940)
Net cash inflow arising on settlement of consideration receivable in respect of disposal of subsidiaries	—	2,160
Repayment for loan to a related party	—	1,809
Payment for loan to a related party	(36,510)	—
Net cash used in investing activities	(2,643,172)	(3,194,432)
Financing activities		
Repayments of borrowings	(22,325,906)	(29,281,109)
Repayments of lease liabilities	(21,808)	(29,951)
New borrowings raised	22,686,447	28,176,742
Dividends paid to owners of the Company	(460,639)	—
Dividends paid to non-controlling shareholders	(12,041)	(32,533)
Interest paid	(322,586)	(497,275)
Proceeds from exercise of share options	405,694	—
Payment on repurchase shares as treasury stock	(15,610)	(130,013)
Repayment of other long-term liability due within one year	(952,498)	—
Payment on acquisition of non-controlling interests	—	(1,297)
Net cash used in financing activities (note 43)	(1,018,947)	(1,795,436)
Net increase (decrease) in cash and cash equivalents	1,250,156	(1,715,466)
Cash and cash equivalents at the beginning of the year	2,440,779	4,165,305
Effect of foreign exchange rate changes	60,519	(9,060)
Cash and cash equivalents at the end of the year	3,751,454	2,440,779
Analysis of the balances of cash and cash equivalents		
Cash and cash equivalents	3,751,454	2,440,779



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

The Company was incorporated under the Companies Law of the Cayman Islands on 22 June 2005 and registered as an exempted company with limited liability. Its registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 1 December 2005. The Company acts as an investment holding company with its subsidiaries engaged in the design, development, manufacture, processing and sales of automobile body parts and moulds. The principal activities of the Company's subsidiaries are set out in note 44.

Mr. Chin, the single largest shareholder of the Company, held 450,072,000 shares of the Company through his wholly-owned company, Minth Holdings Limited, representing approximately 38.08% of the total issued shares (including the treasury shares). Minth Holdings Limited, a limited company incorporated in the British Virgin Islands on January 7, 2005, was previously known as Linkfair Investments Limited.

The consolidated financial statements are presented in RMB which is the same as the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard issued by the HKICPA for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRS Accounting Standards in issue but not yet effect

At the date of this report, the following new and amendments to HKFRS Accounting Standards have been issued which are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after January 1, 2026.

³ Effective for annual periods beginning on or after January 1, 2027.

For the year ended 31 December 2025

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (CONTINUED)

New and amendments to HKFRS Accounting Standards in issue but not yet effect (Continued)

Except for the new HKFRS Accounting Standard mentioned below, the Directors of the Company anticipate that the application of all the amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of HKFRS 18) and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values at the end of the reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16 *Lease* and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.1 Basis of preparation of consolidated financial statements (Continued)

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.2 Material accounting policies information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Basis of consolidation (Continued)

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in the profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when the control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 *Financial Instruments* ("HKFRS 9") or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Business combinations or asset acquisitions

Optional concentration test

The Group can elect to apply an optional concentration test, on a transaction-by-transaction basis, that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The gross assets under assessment exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

Asset acquisitions

When the Group acquires a group of assets that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to financial assets/financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Business combinations

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

The identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in the Conceptual Framework for Financial Reporting (the "Conceptual Framework") except for transactions and events within the scope of HKAS 37 or HK(IFRIC)-Int 21, in which the Group applies HKAS 37 or HK(IFRIC)-Int 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination. Contingent assets are not recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Business combinations or asset acquisitions (Continued)

Business combinations (Continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below);
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under HKFRS 9 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash-generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

The Group's policy for goodwill arising on the acquisition of associates and joint ventures is described below.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.



3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Investments in associates and joint ventures (Continued)

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate/joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Investments in associates and joint ventures (Continued)

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Changes in the Group's interests in associates and joint ventures

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

Acquisition of additional interests in a joint venture

When the Group increases its ownership interest in a joint venture but the Group continues to use the equity method, goodwill is recognised at acquisition date if there is excess of the consideration paid over the share of carrying amount of net assets attributable to the additional interests in associates or joint ventures acquired. Any excess of share of carrying amount of net assets attributable to the additional interests in associates or joint ventures acquired over the consideration paid are recognised in the profit or loss in the period in which the additional interest are acquired.

Revenue from contracts with customers

Information about the Group's accounting policies relating to contracts with customers is provided in Notes 5, 24, 25 and 30.

Leases

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.



3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of buildings, motor vehicles, equipment and machinery that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

The cost of right-of-use assets includes:

- the amounts of the initial measurement of the lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment whether the risk profile of the entity that enters into the lease is different to that of the Group and whether the lease benefit from a guarantee from the Group. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

Variable lease payments that do not depend on an index or a rate are not included in the measurement of lease liabilities and right-of-use assets, and are recognised as expense in the period in which the event or condition that triggers the payment occurs.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Changes in the basis for determining the future lease payments as a result of interest rate benchmark reform

For changes in the basis for determining the future lease payments as a result of interest rate benchmark reform, the Group applies the practical expedient to remeasure the lease liabilities by discounting the revised lease payments using the unchanged discount rate and makes a corresponding adjustment to the related right-of-use assets. A lease modification is required by interest rate benchmark reform if, and only if, both of these conditions are met:

- the modification is necessary as a direct consequence of interest rate benchmark reform; and
- the new basis for determining the lease payments is economically equivalent to the previous basis (i.e. the basis immediately preceding the modification).

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. All of the Group's leases during the year and prior year are classified as operating leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Leases (Continued)

The Group as a lessor (Continued)

Allocation of consideration to components of a contract

When a contract includes both leases and non-lease components, the Group applies HKFRS 15 to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

Refundable rental deposits

Refundable rental deposits received are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Lease modifications

Changes in considerations of lease contracts that were not part of the original terms and conditions are accounted for as lease modifications, including lease incentives provided through forgiveness or reduction of rentals.

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. When a fair value gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is also recognised in profit or loss. When a fair value gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is also recognised in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rates prevailing at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Foreign currencies (Continued)

Goodwill and fair value adjustments to identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Any specific borrowing that remains outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Government grants relating to compensation of expenses are deducted from the related expenses, other government grants are presented under "other income".

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to the lease liabilities, and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Taxation (Continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either:

- (a) the same taxable entity; or
- (b) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax are also recognised in other comprehensive income. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be used by individual group entities in their income tax filings. If it is probable, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit plans and state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. In determining the present value of the Group's defined benefit obligations and the related current service cost and, where applicable, past service cost, the Group attributes benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than earlier years, the Group attributes the benefit on a straight-line basis from:

- (a) the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service) until
- (b) the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the consolidated statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Employee benefits (Continued)

Retirement benefit costs (Continued)

Past service cost is recognised in profit or loss in the period of a plan amendment or curtailment and a gain or loss on settlement is recognised when settlement occurs. When determining past service cost, or a gain or loss on settlement, an entity shall remeasure the net defined benefit liability or asset using the current fair value of plan assets and current actuarial assumptions, reflecting the benefits offered under the plan and the plan assets before and after the plan amendment, curtailment or settlement, without considering the effect of asset ceiling (i.e. the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan).

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. However, if the Group remeasures the net defined benefit liability or asset before plan amendment, curtailment or settlement, the Group determines net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the benefits offered under the plan and the plan assets after the plan amendment, curtailment or settlement and the discount rate used to remeasure such net defined benefit liability or asset, taking into account any changes in the net defined benefit liability or asset during the period resulting from contributions or benefit payments.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Discretionary contributions made by employees reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plan specify that there will be contributions from employees, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability or asset.
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the entity reduces service cost by attributing the contributions to periods of service using the attribution method required by HKAS 19 paragraph 70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Group reduces service cost in the period in which the related service is rendered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Employee benefits (Continued)

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the Group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees render the services. All short-term employee benefits are recognised as an expense unless another HKFRS Accounting Standards requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries and annual leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another HKFRS Accounting Standards requires or permits their inclusion in the cost of an asset.

Share-based payments

Equity-settled share-based payment transactions

Shares/Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

When share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to share capital and share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payments reserve will be transferred to other reserve.

When shares granted are vested, the amount previously recognised in share-based payments reserve will be transferred to share premium.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Shares/Share options granted to non-employees

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair values of the goods or services received are recognised as expenses (unless the goods or services qualify for recognition as assets).

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes (other than construction in progress and freehold land). Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Freehold lands are not depreciated and are measured at cost less subsequent accumulated impairment losses.

Buildings in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets are functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Sale proceeds of items that are produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management (such as samples produced when testing whether the asset is functioning properly), and the related costs of producing those items are recognised in the profit or loss. The cost of those items are measured in accordance with the measurement requirements of HKAS 2. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as "right-of-use assets" in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Depreciation is recognised so as to write off the cost of assets other than freehold land and properties under construction less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including properties under construction for such purposes). Investment properties include land held for undetermined future use, which is regarded as held for capital appreciation purpose.

Investment properties also include leased properties which are being recognised as right-of-use assets and subleased by the Group under operating leases.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straightline method.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. A leased property which is recognised as a right-of-use asset is derecognised if the Group as intermediate lessor classifies the sublease as a finance lease. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.



3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Intangible assets (Continued)

Internally-generated intangible assets – research and development expenditure (Continued)

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Impairment losses on property, plant and equipment, right-of-use assets, contract costs and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets, intangible assets with finite useful lives and contract costs to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of property, plant and equipment, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Before the Group recognises an impairment loss for assets capitalised as contract costs under HKFRS 15 *Revenue from Contracts with Customers*, the Group assesses and recognises any impairment loss on other assets related to the relevant contracts in accordance with applicable standards. Then, impairment loss, if any, for assets capitalised as contract costs is recognised to the extent the carrying amounts exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services that have not been recognised as expenses. The assets capitalised as contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro-rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Impairment losses on property, plant and equipment, right-of-use assets, contract costs and intangible assets other than goodwill (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale, including costs to be incurred in marketing, selling and distribution.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Contingent liabilities

A contingent liability is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability and it is not recognised in the consolidated financial statements.

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the reporting period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liabilities and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.



3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Financial instruments (Continued)

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established generally by regulation or convention in the marketplace concerned. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 Business Combinations applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments receivables subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(ii) Debt instruments classified as at FVTOCI

Subsequent changes in the carrying amounts for debt instruments classified as at FVTOCI as a result of interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost.

All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated under the heading of FVTOCI reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to other comprehensive income without reducing the carrying amounts of these debt instruments. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item.

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade and other receivables, loan receivables, time deposits, pledged bank deposits, cash and cash equivalents, debt instruments at FVTOCI and other item (contract assets)) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The ECL on these debtors with high credit risk are assessed individually and the remaining is assessed using a provision matrix with appropriate groupings.



3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from certain organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

(i) Significant increase in credit risk (Continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default; ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.



3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimation ECL on trade receivables and contract assets. The measurement of ECL on those trade receivables and contract assets with high credit risk are assessed on an individual basis, and the remaining is assessed collectively using a provision matrix taking into consideration historical credit loss experience, adjusted for forward looking information that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. For a lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16.

Lifetime ECL for certain trade receivables, contract assets and lease receivable are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

(v) Measurement and recognition of ECL (Continued)

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Except for investments in debt instruments that are measured at FVTOCI, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables, other receivables and contract assets where the corresponding adjustment is recognised through a loss allowance account. For investments in debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income and accumulated in the FVTOCI reserve without reducing the carrying amounts of these debt instruments. Such amount represents the changes in the FVTOCI reserve in relation to accumulated loss allowance.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other gains and losses' line item (note 9) as part of the net foreign exchange gains/(losses);
- For debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'Other gains and losses' line item (note 9) as part of the net foreign exchange gains/(losses). As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognised in other comprehensive income in the fair value through other comprehensive income;
- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other gains and losses' line item as part of the gain/(loss) from changes in fair value of financial assets (note 9);

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and liability for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserve is reclassified to profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities at amortised cost

Financial liabilities including borrowings, trade and other payables and other long-term liabilities due within one year are subsequently measured at amortised cost, using the effective interest method.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which HKFRS 3 applies, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

For financial liabilities that are designated as at FVTPL, the amount of changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. For financial liabilities that contain embedded derivatives, such as convertible loan note, the changes in fair value of the embedded derivatives are excluded in determining the amount to be presented in other comprehensive income. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained profits/others upon derecognition of the financial liability.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'Other gains and losses' line item in profit or loss (note 9) as part of net foreign exchange gains/(losses) for financial liabilities that are not part of a designated hedging relationship.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Material accounting policies information (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Foreign exchange gains and losses (Continued)

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Provision of ECL for trade receivables and contract assets

The measurement of ECL on those trade receivables and contract assets with high credit risk are assessed on an individual basis, and the remaining is assessed collectively using provision matrix. The provision matrix is based on the Group's historical default rates taking into consideration of forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables are disclosed in notes 42 and 24 respectively.

Useful lives, residual values and impairment of property, plant and equipment

The Directors determine the residual values, useful lives and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual residual values and useful lives of property, plant and equipment of similar nature and functions. In addition, the Directors assess impairment whenever events or changes in circumstances and technical innovation of automobile products indicate that the carrying amount of an asset may not be recoverable. As at 31 December 2025, the carrying amount of the Group's property, plant and equipment was RMB16,529,665,000 (net of accumulated impairment loss of RMB90,311,000) (2024: carrying amount of the Group's property, plant and equipment was RMB15,798,496,000 (net of accumulated impairment loss of RMB67,978,000)).

Allowances for inventories

The Directors review the aging of the inventories at the end of the reporting period, and make allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production or saleable in the market. The Directors estimate the net realisable value for such items based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at the end of the reporting period and makes allowance for obsolete and slow-moving items. As at 31 December 2025, the carrying amount of inventories was RMB4,598,225,000 (net of allowance for inventories of RMB220,483,000) (2024: carrying amount of inventories was RMB4,640,941,000 (net of allowance for inventories of RMB202,169,000)).

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group determines the appropriate valuation techniques and inputs to estimate the fair value of certain types of financial instruments. Note 42(c) provides detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various types of financial instruments.

As at 31 December 2025, the fair values of financial assets at FVTPL, debt instruments at FVTOCI, derivative financial assets and derivative financial liabilities were estimated to be RMB2,377,220,000 (2024: RMB1,264,886,000), RMB460,622,000 (2024: RMB314,881,000), RMB27,944,000 (2024: RMB22,421,000) and RMB6,262,000 (2024: RMB34,631,000), respectively.

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For the year ended 31 December 2025

5. REVENUE

(i) Disaggregation of revenue from contracts with customers

	For the year ended 31 December 2025		
	Automobile body parts RMB'000	Moulds RMB'000	Total RMB'000
Types of goods or services			
Sales of goods	24,370,971	1,366,221	25,737,192
Geographical markets			
The PRC	8,731,703	673,690	9,405,393
Other countries	15,639,268	692,531	16,331,799
Total	24,370,971	1,366,221	25,737,192

	For the year ended 31 December 2024		
	Automobile body parts RMB'000	Moulds RMB'000	Total RMB'000
Types of goods or services			
Sales of goods	21,494,177	1,652,946	23,147,123
Geographical markets			
The PRC	8,591,303	731,854	9,323,157
Other countries	12,902,874	921,092	13,823,966
Total	21,494,177	1,652,946	23,147,123

All the revenue of the Group has been recognised at a point in time.

Information about the Group's revenue was presented on the ultimate geographical delivery destinations of the customers.

(ii) Performance obligations for contracts with customers

Sales of automobile body parts

The Group sells automobile body parts directly to customers in accordance with the orders from and framework contracts entered with the customers. Revenue is recognised when control of the products has transferred to the customer, being at the point the goods are delivered to the customer. Delivery occurs when the products have been accepted by the customer. The normal credit term is 60 to 90 days effective from the invoice date. When the customer pay in advance for the orders, the transaction price received by the Group is recognised as a contract liability until the goods have been delivered to the customer.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5. REVENUE (CONTINUED)

(ii) Performance obligations for contracts with customers (Continued)

Development of moulds

The Group develops moulds for customers in accordance with the requirements specified in the relevant contract entered with the customers. Revenue is recognised when the development of moulds is completed and accepted by the customer. Acceptance occurs when the moulds have been verified and confirmed by the customer. For those the consideration for the development of moulds are paid separately, the normal credit term is 60 to 90 days effective from the invoice date. When the customer pay in advance for the orders, the transaction price received by the Group is recognised as a contract liability until the revenue in respect of moulds have been recognised.

Where a contract contains both development of moulds and sales of the relevant automobile body parts, the mould development is considered as a separate performance obligation other than the delivery of automobile body parts. Revenue is recognised when the development of moulds is completed and accepted by the customer. Transaction price is allocated between sales of automobile body parts and the development of moulds on a stand-alone selling price basis. The transaction price allocated to the development of moulds is recognised as contract assets at the time of revenue recognised and until the right to consideration becoming unconditional (i.e. over the period of delivery of relevant automobile body parts).

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) of development of moulds as at the end of the reporting period and the expected timing of recognising revenue are as follows:

	2025 Moulds RMB'000	2024 Moulds RMB'000
Within one year	3,017,754	2,794,877
More than one year but not more than two years	1,140,810	1,226,939
More than two years	165,019	264,733
	4,323,583	4,286,549

All automobile body parts are delivered within period less than one year. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

6. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered.

No operating segments have been aggregated in arriving at the reportable segments of the Group.

Segment revenue and results

The following is an analysis of the Group’s revenue and results by reportable segments.

FOR THE YEAR ENDED 31 DECEMBER 2025

	Body Structure (formerly known as Battery- housing) RMB'000	Plastic RMB'000	Metal &Trim RMB'000	Aluminium RMB'000	Others RMB'000	Elimination RMB'000	Consolidated RMB'000
Revenue	7,529,281	6,133,752	5,530,866	4,894,543	3,648,532	(1,999,782)	25,737,192
Segment profit	1,800,422	1,586,146	1,581,216	1,540,455	715,281	(16,590)	7,206,930
Investment income							206,299
Other unallocated income, gains and losses							571,204
Unallocated expenses							(4,391,989)
Interest expenses							(324,907)
Share of results of joint ventures							51,354
Share of results of associates							(22,967)
Profit before tax							3,295,924
Income tax expense							(525,785)
Profit for the year							2,770,139



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

6. SEGMENT INFORMATION (CONTINUED)

Segment revenue and results (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

	Body Structure RMB'000	Plastic RMB'000	Metal &Trim RMB'000	Aluminium RMB'000	Others RMB'000	Elimination RMB'000	Consolidated RMB'000
Revenue	5,337,514	5,865,183	5,488,146	4,917,171	2,921,190	(1,382,081)	23,147,123
Segment profit	1,143,917	1,472,124	1,525,553	1,638,561	922,805	(4,890)	6,698,070
Investment income							325,291
Other unallocated income, gains and losses							435,941
Unallocated expenses							(4,135,453)
Interest expenses							(521,020)
Share of results of joint ventures							37,716
Share of results of associates							(33,606)
Profit before tax							2,806,939
Income tax expense							(431,179)
Profit for the year							2,375,760

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment profit represents the gross profit earned by each segment without allocation of investment income, other income, impairment losses under expected credit loss model (net of reversal), other gains and losses, distribution and selling expenses, administrative expenses, research expenditure, interest expenses and share of results of associates and joint ventures. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The CODM makes decisions according to operating results of each segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resource allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

6. SEGMENT INFORMATION (CONTINUED)

Geographical information

The Group's operations are located in the PRC, the United States of America (the "USA"), Japan, Thailand, Germany, Serbia, Mexico, the United Kingdom, Republic of Korea, France, Czech, Canada and Poland.

Information about the Group's revenue is presented based on ultimate geographical delivery destinations of the Group's customers.

	2025 RMB'000	2024 RMB'000
The PRC	9,405,393	9,323,157
Other countries	16,331,799	13,823,966
	25,737,192	23,147,123

Information about the Group's non-current assets is presented based on the geographical locations of the assets.

	2025 RMB'000	2024 RMB'000
The PRC	9,895,131	10,522,105
Other countries	9,944,430	8,442,220
	19,839,561	18,964,325

Note: Non-current assets excluded deferred tax assets, plan assets, derivative financial assets, time deposits and financial assets at FVTPL.

Information about major customer

No single customer contributed 10% or more to the Group's revenue for both 2025 and 2024.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

7. INVESTMENT INCOME

	2025 RMB'000	2024 RMB'000
Interest on bank deposits	203,677	324,068
Interest on loan receivables	2,622	1,223
Total	206,299	325,291

8. OTHER INCOME

	2025 RMB'000	2024 RMB'000
Government grants (note i)	178,136	297,602
Service and consultation income (note ii)	48,450	34,310
Sales of scrap and raw materials (note iii)	41,085	34,345
Rental income, net of outgoings	16,587	17,201
Indemnity income	8,891	64,567
Others	9,483	11,486
Total	302,632	459,511

Notes:

- (i) The amounts represent the various subsidies granted by the PRC local government authorities to group entities as incentives for their good performance in quality control or environmental protection, or involvement in the hi-tech know-how industry and product development activities. The government grants were unconditional and had been approved by the PRC local government authorities.
- (ii) The Group provides certain maintenance, repairing and technical consultation services to customers, which are recognised as a performance obligation satisfied over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. As a practical expedient, the Group has not disclosed the information of unsatisfied performance obligation since the performance obligation has an original expected duration of one year or less. The amounts shown in note 8 for the year have been offset by the relevant costs for service and consultation income of RMB19,343,000 (2024: RMB27,383,000).
- (iii) Revenue for sales of scrap and raw materials is recognised when control of the materials has been transferred to the buyer, being at the point the goods are delivered to the buyer. As a practical expedient, the Group has not disclosed the information of unsatisfied performance obligation since the performance obligation has an original expected duration of one year or less. The amounts shown in note 8 for the year have been offset by the relevant costs for sales of scrap and raw materials of RMB347,734,000 (2024: RMB453,546,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

9. OTHER GAINS AND LOSSES

	2025 RMB'000	2024 RMB'000
Net foreign exchange (losses)gains (note i)	(63,309)	31,355
Gains on fair value changes of derivative financial instruments (note ii)	161,592	15,152
Gains(Losses) on fair value changes of other financial assets at FVTPL (note iii)	148,321	(27,909)
Gain on disposal of other financial assets at FVTPL (note iv)	55,217	6,344
Impairment loss for property, plant and equipment (note 15(ii))	(29,169)	(12,291)
Losses on disposal of property, plant and equipment and right-of-use assets	(31,966)	(24,509)
Gain on bargain purchase recognised in acquisition of a subsidiary (note v)	27,452	—
Gain on disposal of a subsidiary (note vi)	19,440	—
Others	(8,877)	4,657
Total	278,701	(7,201)

Notes:

- (i) During the year ended 31 December 2025, the net foreign exchange losses of the Group were primarily resulted from the fluctuations in spot foreign exchange rates.
- (ii) During the year ended 31 December 2025, the fair value changes of derivative financial instruments were mainly resulted from several derivative contracts entered into for the purpose of hedging certain foreign exchange risk.
- (iii) The fair value changes of other financial assets at FVTPL of the Group were primarily resulted from the investment of structured deposit as disclosed in Note 26(iv), and the remaining part of changes were related with the investment of PRC A share listed entities as disclosed in Note 26(i).
- (iv) During the year ended 31 December 2025, the Group disposed all the ordinary shares of a PRC A share listed entity, which was acquired in 2024 with a gain of RMB55,217,000.
- (v) During the year ended 31 December 2025, the Group entered into an agreement with the shareholder of a joint venture of the Group, to acquire the remaining 50% interest in the joint venture. Upon the completion of the equity transfer, the Group recognised a gain on bargain purchase of RMB27,452,000 as the fair value of the net assets acquired was higher than the consideration paid, and the joint venture became a wholly-owned subsidiary of the Group.
- (vi) During the year ended 31 December 2025, the Group entered into an agreement with Yantai Junde Investment Co., Ltd.* (煙台駿德投資有限公司), an independent third party, pursuant to which, the Group agreed to dispose the entire equity interest in Yantai Herui Automotive Parts Co., Ltd.* (煙台和瑞汽車零部件有限公司), which was a wholly-owned subsidiary of the Group at a cash consideration of RMB37,669,000. As of 31 December 2025, the consideration has been fully settled.

* The English names are for identification purposes only.



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For the year ended 31 December 2025

10. INCOME TAX EXPENSE

	2025 RMB'000	2024 RMB'000
Current tax:		
PRC Enterprise Income Tax	508,528	395,722
Other jurisdictions	160,177	133,196
	668,705	528,918
Over provision in prior years:		
PRC Enterprise Income Tax	(6,723)	(7,320)
Deferred tax:		
Current year credit (note 22)	(136,197)	(90,419)
	525,785	431,179

No provision for taxation in Hong Kong has been made as the Group's income neither arises in, nor is derived from Hong Kong.

Under the Law of the Macau Corporate Income Tax (the "MCIT Law"), the tax rate of Minth International Macau Commercial Offshore Limited ("Minth Macau") is 12%.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

Under the Law of the Mexican Corporate Income Tax (the "CIT Law"), the tax rate of the Mexico subsidiaries is 30%.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

According to the EIT Law of the PRC, which issued in the year 2007, and the Caishui [2020] No. 23 ("Circular 23"), certain of the group entities located in the PRC were entitled to the following tax concession:

- i) Those entities which are located in specific provinces of western China and engaged in specific encouraged industries would enjoy a preferential tax rate of 15% under the EIT Law until 31 December 2030.
- ii) Those entities which are qualified as Hi-New Tech Enterprises would enjoy a preferential tax rate of 15% under EIT Law during the current and prior year and subject to every 3-year renewal.

According to the relevant tax law and implementation regulations in the PRC and Serbia, dividends paid from net profits earned by the operating subsidiaries in mainland China and Serbia are subject to the withholding tax at 10% or a lower treaty rate. Under the relevant tax treaty, the withholding tax rate on distributions to Hong Kong resident companies is 5%. Therefore, withholding tax has been provided for based on the anticipated dividends to be distributed by the PRC and Serbia entities.

The Group has applied the temporary exception issued by the HKICPA in July 2023 from the accounting requirements for deferred taxes in HKAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

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For the year ended 31 December 2025

10. INCOME TAX EXPENSE (CONTINUED)

The Organization for Economic Co-operation and Development (“OECD”) published Pillar Two model rules in December 2021, with the effect that a jurisdiction may enact domestic tax laws (“Pillar Two legislation”) to implement the Pillar Two model rules on a globally agreed common approach. Pillar Two legislation applies to a member of a multinational group within the scope of the Pillar Two model rules, which the Group is reasonably expected to fall into. It imposes a top-up tax on profits arising in a jurisdiction whenever the effective tax rate determined by the Pillar Two model rules on a jurisdictional basis is below a minimum rate of 15%.

The Group is operating in certain jurisdictions where the Pillar Two Rules is effective. The Group has reviewed its corporate structure in light of the introduction of Pillar Two model rules in various jurisdictions. While such new rules introduce complexity into the Group’s calculation of income tax expense, the Group has recognised a current tax expense related to the Pillar Two Rules for the year ended 31 December 2025. Due to the novelty and complexity of Pillar Two, the Group continues to monitor for advancements and further guidance on Pillar Two rules, considering impacts of such developments on its tax expense.

The tax expense for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2025		2024	
	RMB'000	%	RMB'000	%
Profit before tax	3,295,924		2,806,939	
Tax at the applicable income tax rate of 25% (2024: 25%) (note)	823,981	25.0	701,735	25.0
Tax effect of share of results of associates and joint ventures	(7,097)	(0.2)	(1,028)	—
Tax effect of expenses not deductible for tax purpose	13,891	0.4	21,627	0.8
Tax effect of tax losses not recognised	35,773	1.1	71,049	2.5
Tax effect of deductible temporary differences not recognised	4,789	0.2	2,519	0.1
Utilisation of deductible temporary differences previously not recognised	(4,485)	(0.1)	(13,383)	(0.5)
Tax effect of utilisation of tax losses previously not recognised as deferred tax assets	(9,250)	(0.3)	(58,910)	(2.1)
Effect of tax concessions granted to the PRC subsidiaries	(285,417)	(8.7)	(248,037)	(8.8)
Withholding tax provision on the profits of the subsidiaries	74,370	2.3	53,619	1.9
Tax effect of different tax rates of subsidiaries	(27,319)	(0.8)	34,264	1.2
Super deduction for research and development expenses	(111,038)	(3.4)	(124,956)	(4.5)
Over provision in respect of prior years	(6,723)	(0.2)	(7,320)	(0.3)
Top-up tax under Pillar Two Rules	24,310	0.7	—	—
Tax expense and effective tax rate for the year	525,785	16.0	431,179	15.4

Note:

The domestic tax rate (which is the PRC Enterprise Income Tax Rate) in the jurisdiction where the operation of the Group is substantially based in used.



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For the year ended 31 December 2025

11. PROFIT FOR THE YEAR

	2025 RMB'000	2024 RMB'000
Profit for the year has been arrived at after charging (crediting):		
Directors' remuneration (note 12)	13,726	6,985
Other staff's salaries and allowances	4,735,053	4,348,176
Other staff's related welfares and benefits	350,871	326,043
Other staff's retirement benefits scheme contributions	346,932	276,928
Other staff's share-based payments	46,801	47,017
Total staff costs	5,493,383	5,005,149
Less: Staff costs included in research expenditure	(1,042,465)	(997,695)
	4,450,918	4,007,454
Remuneration of the Company's auditor	3,950	3,950
Depreciation of property, plant and equipment	1,608,327	1,452,180
Depreciation of right-of-use assets	44,763	45,268
Amortisation of other intangible assets	46,256	46,820
Amortisation of contract costs	25,324	14,593
Total depreciation and amortisation	1,724,670	1,558,861
Less: Depreciation and amortisation included in research expenditure	(44,225)	(39,555)
	1,680,445	1,519,306
Cost of inventories recognised (including (reversals of write-down) write-down of inventories)	18,530,262	16,449,053
Write-down of inventories	88,556	114,818
Reversal of inventories provision	(18,269)	(288)
Impairment losses recognised on property, plant and equipment included in other gains and losses	29,169	12,291
Rental income	(24,842)	(26,546)
Less: Direct operating expense that generated rental income during the year	8,255	9,345
Research expenditure recognised as an expense and comprised:		
Staff costs	1,042,465	997,695
Cost of materials	297,375	330,240
Depreciation and amortisation expenses	44,225	39,555
Other operating costs	117,678	81,954
	1,501,743	1,449,444

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FINANCIAL STATEMENTS

For the year ended 31 December 2025

12. DIRECTORS', SENIOR MANAGEMENT'S AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to the Directors during the year were as follows:

	Other emoluments					Total RMB'000
	Fees RMB'000	Salaries, allowances and other benefits RMB'000	Performance related bonus RMB'000	Share-based payments RMB'000	Retirement benefits scheme contributions RMB'000	
2025						
Executive directors:						
Ms. Wei (note i)	—	—	—	—	—	—
Zhang Yuxia	—	1,769	373	1,994	10	4,146
Ye Guo Qiang	—	1,011	734	1,925	10	3,680
William Chin (note ii)	—	1,120	2,535	448	—	4,103
	—	3,900	3,642	4,367	20	11,929

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

Notes:

- (i) During the year ended 31 December 2025, Ms. Wei, waived all of her emoluments.
- (ii) On 30 May 2025, William Chin was appointed as executive director of the Company.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

12. DIRECTORS', SENIOR MANAGEMENT'S AND EMPLOYEES' EMOLUMENTS (CONTINUED)

(a) Directors' emoluments (Continued)

	Other emoluments					Total RMB'000
	Fees RMB'000	Salaries, allowances and other benefits RMB'000	Performance related bonus RMB'000	Share-based payments RMB'000	Retirement benefits scheme contributions RMB'000	
Non-executive director: Chin Chien Ya	343	—	—	149	9	501
	343	—	—	149	9	501
Independent non-executive directors:						
Wang Ching (note i)	66	—	—	75	—	141
Mok Kwai Pui Bill	252	—	—	75	—	327
Tatsunobu Sako	208	—	—	75	—	283
Meng Li Qiu	208	—	—	75	—	283
Chan Pak Hung (note ii)	132	—	—	—	—	132
Hu Ting Wu (note iii)	132	—	—	—	—	132
	998	—	—	300	—	1,298

The non-executive director and independent non-executive directors' emoluments shown above were for their services as Directors. Performance related bonus is determined based on their duties and responsibilities of the relevant individuals within the Group and the Group's performance.

Notes:

- (i) On 30 May 2025, Wang Ching retired as independent non-executive director of the Company.
- (ii) On 30 May 2025, Chan Pak Hung was appointed as independent non-executive director of the Company.
- (iii) On 30 May 2025, Hu Ting Wu was appointed as independent non-executive director of the Company.

NOTES TO THE CONSOLIDATED
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For the year ended 31 December 2025

**12. DIRECTORS', SENIOR MANAGEMENT'S AND EMPLOYEES' EMOLUMENTS
(CONTINUED)**

(a) Directors' emoluments (Continued)

	Other emoluments					Total RMB'000
	Fees RMB'000	Salaries, allowances and other benefits RMB'000	Performance related bonus RMB'000	Share-based payments RMB'000	Retirement benefits scheme contributions RMB'000	
2024						
Executive directors:						
Ms. Wei (note i)	—	—	—	—	—	—
Zhang Yuxia	—	1,767	459	733	9	2,968
Ye Guo Qiang	—	1,010	709	733	9	2,461
	—	2,777	1,168	1,466	18	5,429

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

Note:

- (i) During the year ended 31 December 2024, Ms. Wei, waived all of her emoluments.

	Other emoluments					Total RMB'000
	Fees RMB'000	Salaries, allowances and other benefits RMB'000	Performance related bonus RMB'000	Share-based payments RMB'000	Retirement benefits scheme contributions RMB'000	
Non-executive director:						
Chin Chien Ya	309	—	—	147	9	465
	309	—	—	147	9	465
Independent non-executive directors:						
Wang Ching	157	—	—	73	—	230
Chen Quan Shi (note i)	62	—	—	—	—	62
Mok Kwai Pui Bill	219	—	—	73	—	292
Tatsunobu Sako	179	—	—	73	—	252
Meng Li Qiu	182	—	—	73	—	255
	799	—	—	292	—	1,091



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

12. DIRECTORS', SENIOR MANAGEMENT'S AND EMPLOYEES' EMOLUMENTS (CONTINUED)

(a) Directors' emoluments (Continued)

The non-executive director and independent non-executive directors' emoluments shown above were for their services as Directors. Performance related bonus is determined based on their duties and responsibilities of the relevant individuals within the Group and the Group's performance.

Note:

(i) On 31 May 2024, Chen Quan Shi retired as independent non-executive director of the Company.

(b) Senior management's emoluments

During the years ended 31 December 2025 and 2024, the senior management's emoluments are as follows:

	Salaries, allowances and other benefits RMB'000	Performance related bonus RMB'000 (note)	Share-based payments RMB'000	Retirement benefits scheme contributions RMB'000	Total RMB'000
2025	2,844	1,452	4,325	47	8,668
2024	2,936	3,615	953	17	7,521

Note: Performance related bonus is determined based on their duties and responsibilities of the relevant individuals within the Group and the Group's performance.

The remuneration of senior management, by band, for the year ended 31 December 2025 and 2024 are set out below:

	2025 No. of employees	2024 No. of employees
HKD1,500,001 to HKD2,000,000	—	1
HKD2,000,001 to HKD2,500,000	1	1
HKD2,500,001 to HKD3,000,000	1	—
HKD4,000,001 to HKD4,500,000	1	1

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For the year ended 31 December 2025

12. DIRECTORS', SENIOR MANAGEMENT'S AND EMPLOYEES' EMOLUMENTS (CONTINUED)

(c) Employees' emoluments

During the years ended 31 December 2025 and 2024, no emoluments had been paid by the Group to the Directors or the five highest-paid individuals referred to in (c) as an inducement to join or upon joining the Group or as a compensation for loss of office.

During the year ended 31 December 2025, of the five highest-paid individuals, three (2024: three) were Directors and two (2024 : two) were senior managements whose emoluments are set out above.

Their emoluments, including the Directors and senior management, are within the following bands:

	2025 No. of employees	2024 No. of employees
HKD500,001 to HKD1,000,000	—	1
HKD1,500,001 to HKD2,000,000	—	1
HKD2,000,001 to HKD2,500,000	—	1
HKD2,500,001 to HKD3,000,000	1	1
HKD3,000,001 to HKD3,500,000	—	1
HKD4,000,001 to HKD4,500,000	2	—
HKD4,500,001 to HKD5,000,000	2	—

13. DIVIDENDS

	2025 RMB'000	2024 RMB'000
Dividends recognised as distribution during the year:		
2024 Final — HKD0.435 per share (2023 final dividend — Nil)	465,211	—

Note: For the year ended 31 December 2024, a final dividend of HKD0.435 per share totalling HKD500,749,000 (equivalent to RMB465,211,000) was approved by the shareholders and subsequently paid to the shareholders of the Company, whilst no final dividend has been paid by the Company for the year ended 31 December 2023.

A final dividend of HKD0.764 per share totalling HKD894,184,000 (equivalent to RMB807,645,000) for the year ended 31 December 2025 has been proposed by the Board and is subject to approval by the shareholders in the annual general meeting to be held on 30 June 2026.

As of 31 December 2025, there were a total of 11,130,000 shares in the Company's own name, which will not receive any final dividend (As of 31 December 2024: 10,244,000 shares).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

14. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2025 RMB'000	2024 RMB'000
Earnings		
Earnings for the purpose of calculating basic earnings per share	2,692,150	2,319,300
Effect of dilutive potential ordinary shares:		
Adjustment to the share of profit of subsidiaries based on dilution of their earnings per share	(28)	(1)
Earnings for the purpose of calculating diluted earnings per share	2,692,122	2,319,299
	2025 '000	2024 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (note)	1,146,533	1,148,623
Effect of dilutive potential ordinary shares:		
Options	11,940	—
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	1,158,473	1,148,623

Note: The weighted average number of ordinary shares for the purpose of calculating basic earnings per share has been adjusted by the number of ordinary shares purchased by the trustee for the 2020 Share Award Scheme and the number of shares repurchased during the year ended 2024 and 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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15. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RMB'000	Buildings RMB'000	Furniture and equipment RMB'000	Leasehold improvements RMB'000	Motor vehicles RMB'000	Plant and machinery RMB'000	Construction in progress RMB'000	Total RMB'000
COST								
At 1 January 2024	221,646	5,272,846	1,067,995	103,471	39,643	11,648,548	3,834,917	22,189,066
Exchange adjustments	(226)	(23,548)	(19,680)	(957)	(161)	(77,622)	(94,451)	(216,645)
Additions	27,305	73,543	221,372	7,496	17,917	146,745	1,587,087	2,081,465
Disposals	—	(5,832)	(44,784)	(3,925)	(9,979)	(126,993)	—	(191,513)
Reduction of government subsidies related to assets (note i)	—	(15,047)	(42)	(2,057)	—	(67,032)	—	(84,178)
Transfer	—	961,610	77,596	8,108	707	2,239,807	(3,287,828)	—
At 31 December 2024	248,725	6,263,572	1,302,457	112,136	48,127	13,763,453	2,039,725	23,778,195
Exchange adjustments	9,039	90,237	24,912	1,662	990	292,580	109,030	528,450
Additions	5,325	22,298	9,615	1,974	2,957	14,382	2,201,952	2,258,503
Disposals	—	(78,046)	(36,531)	(3,787)	(5,603)	(244,299)	—	(368,266)
Reduction of government subsidies related to assets (note i)	—	(35,229)	(2,462)	—	—	(191,851)	(3,870)	(233,412)
Transfer	—	503,931	124,392	66	789	1,224,929	(1,854,107)	—
At 31 December 2025	263,089	6,766,763	1,422,383	112,051	47,260	14,859,194	2,492,730	25,963,470
DEPRECIATION AND IMPAIRMENT								
At 1 January 2024	—	1,354,310	636,415	72,533	25,291	4,621,592	2,943	6,713,084
Exchange adjustments	—	(8,459)	(2,073)	(257)	(60)	(44,398)	(106)	(55,353)
Provided for the year	—	252,753	145,700	9,172	5,005	1,039,550	—	1,452,180
Impairment loss recognised in profit or loss (note ii)	—	—	—	—	—	5,000	7,291	12,291
Eliminated on disposals	—	(2,950)	(30,223)	(401)	(3,150)	(99,733)	—	(136,457)
Write-off (note iii)	—	—	—	—	—	(6,046)	—	(6,046)
At 31 December 2024	—	1,595,654	749,819	81,047	27,086	5,515,965	10,128	7,979,699
Exchange adjustments	—	18,173	10,906	680	308	54,236	2,351	86,654
Provided for the year	—	289,465	176,828	8,048	4,281	1,129,705	—	1,608,327
Impairment loss recognised in profit or loss (note ii)	—	—	—	—	—	15,862	13,307	29,169
Eliminated on disposals	—	(34,707)	(28,518)	(2,852)	(4,084)	(193,047)	—	(263,208)
Write-off (note iii)	—	—	—	—	—	(6,836)	—	(6,836)
At 31 December 2025	—	1,868,585	909,035	86,923	27,591	6,515,885	25,786	9,433,805
CARRYING AMOUNT								
At 31 December 2025	263,089	4,898,178	513,348	25,128	19,669	8,343,309	2,466,944	16,529,665
At 31 December 2024	248,725	4,667,918	552,638	31,089	21,041	8,247,488	2,029,597	15,798,496



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15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The above items of property, plant and equipment, other than construction in progress, are depreciated on a straight-line basis, after taking into account their estimated residual value, at the following rates per annum:

Freehold land	N/A
Buildings	2.50%–5.00%
Furniture and equipment	9.00%–18.00%
Leasehold improvements	18.00%
Motor vehicles	18.00%
Plant and machinery	6.00%–33.33%

The freehold land is located in the USA, Mexico, Japan, Thailand, Germany, Serbia, Poland, Taiwan and Republic of Korea, respectively.

As of 31 December 2025, the Group had borrowings of approximately RMB34,581,000, which were mortgaged by freehold land and buildings with carrying values of approximately New Taiwan Dollar (“NTD”) 47,708,000 (equivalent to approximately RMB10,644,000). The Group also obtained a bank credit facility of RMB17,000,000, which were mortgaged by property, plant and equipment with carrying amounts of approximately RMB10,471,000 and right-of-use assets with carrying amounts of approximately RMB5,976,000, as disclosed in note 18 (As of 31 December 2024: the Group had borrowings of approximately RMB16,181,000, which were mortgaged by freehold land and buildings with carrying values of approximately NTD47,708,000 (equivalent to approximately RMB10,634,000) and approximately RMB10,912,000, respectively).

Notes:

- (i) The government subsidies of RMB233,412,000 have been treated as a deduction from the carrying amount of the relevant assets, among which amount of RMB229,542,000 is received during the year ended 31 December 2025 (2024: government subsidies of RMB84,178,000 have been treated as a deduction from the carrying amount of the relevant assets, among which amount of RMB52,144,000 is received during the year ended 31 December 2024).
- (ii) The Group has recognised an impairment loss of RMB15,862,000 relating to plant and machinery and RMB13,307,000 relating to construction in progress (2024: of RMB5,000,000 relating to plant and machinery and RMB7,291,000 relating to construction in progress).
- (iii) Assets being written off during the current year represented the plant and machinery that had been fully impaired in prior years.

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16. GOODWILL

	2025 RMB'000	2024 RMB'000
Goodwill	98,030	98,030

The goodwill held by the Group as at 31 December 2025 arose on (i) the acquisition of a subsidiary, Jiaxing Minrong Automotive Parts Co., Ltd.* (嘉興敏榮汽車零部件有限公司) (“Jiaxing Minrong”) in 2006; (ii) the acquisition of a subsidiary, Minth Tawas Manufacturing Ltd. (“MTM”) (formerly known as Plastic Trim International, Inc.) in 2014; (iii) the acquisition of a subsidiary, Jiaxing Minde Automotive Parts Co., Ltd.* (嘉興敏德汽車零部件有限公司) (“Jiaxing Minde”) in 2016; (iv) the acquisition of a subsidiary, United Alloy-Tech. Company LTD.* (精確實業股份有限公司) (“UATC”) in 2018 and (v) the acquisition of a subsidiary, Guangzhou Tokai Minth Parts Automotive Parts Co., Ltd.* (廣州東海敏孚汽車零部件有限公司) (“Guangzhou Tokai”) in 2019.

* The English names are for identification purposes only.

Impairment test on goodwill

(i) *Jiaxing Minrong*

As at 31 December 2025, the carrying amount of goodwill allocated to the cash-generating unit of auto-parts manufacturing business of Jiaxing Minrong is RMB15,276,000 (2024: RMB15,276,000). The recoverable amount of the cash-generating unit is determined based on a value in use calculations. The key assumptions for the value in use calculations relate to the pre-tax discount rate, growth rates and profit margin during the forecast period. Those calculations use cash flow projections based on financial budgets approved by the management covering a five-year period with appropriate discount rate. Growth rate beyond the five-year period is assumed to be zero.

The management believes that any reasonably possible change in any of these key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit. As at 31 December 2025 and 2024, the recoverable amount of the cash-generating unit is greater than the carrying amount.

(ii) *MTM*

As at 31 December 2025, the carrying amount of goodwill allocated to the cash-generating unit of moulding and extrusion manufacturing of MTM is RMB31,131,000 (2024: RMB31,131,000). The recoverable amount of the cash-generating unit is determined based on a value in use calculations. The key assumptions for the value in use calculations relate to the pre-tax discount rate, growth rates and profit margin during the forecast period. Those calculations use cash flow projections based on financial budgets approved by the management covering a five-year period with appropriate discount rate. Growth rate beyond the five-year period is assumed to be zero.

The management believes that any reasonably possible change in any of these key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit. As at 31 December 2025 and 2024, the recoverable amount of the cash-generating unit is greater than the carrying amount.



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16. GOODWILL (CONTINUED)

Impairment test on goodwill (Continued)

(iii) Jiaxing Minde

As at 31 December 2025, the carrying amount of goodwill allocated to the cash-generating unit of auto-parts manufacturing business of Jiaxing Minde is RMB36,821,000 (2024: RMB36,821,000). The recoverable amount of the cash-generating unit is determined based on a value in use calculations. The key assumptions for the value in use calculations relate to the pre-tax discount rate, growth rates and profit margin during the forecast period. Those calculations use cash flow projections based on financial budgets approved by the management covering a five-year period with appropriate discount rate. Growth rate beyond the five-year period is assumed to be zero.

The management believes that any reasonably possible change in any of these key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit. As at 31 December 2025 and 2024, the recoverable amount of the cash-generating unit is greater than the carrying amount.

(iv) UATC

As at 31 December 2025, the carrying amount of goodwill allocated to the cash-generating unit of auto-parts manufacturing business of UATC is RMB14,277,000 (2024: RMB14,277,000). The recoverable amount of the cash-generating unit is determined based on a value in use calculations. The key assumptions for the value in use calculations relate to the pre-tax discount rate, growth rates and profit margin during the forecast period. Those calculations use cash flow projections based on financial budgets approved by the management covering a five-year period with appropriate discount rate. Growth rate beyond the five-year period is assumed to be zero.

The management believes that any reasonably possible change in any of these key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit. As at 31 December 2025 and 2024, the recoverable amount of the cash-generating unit is greater than the carrying amount.

(v) Guangzhou Tokai

As at 31 December 2025, the carrying amount of goodwill allocated to the cash-generating unit of auto-parts manufacturing business of Guangzhou Tokai is RMB525,000 (2024: RMB525,000). The recoverable amount of the cash-generating unit is determined based on a value in use calculations. The key assumptions for the value in use calculations relate to the pre-tax discount rate, growth rates and profit margin during the forecast period. Those calculations use cash flow projections based on financial budgets approved by the management covering a five-year period with appropriate discount rate. Growth rate beyond the five-year period is assumed to be zero.

The management believes that any reasonably possible change in any of these key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit. As at 31 December 2025 and 2024, the recoverable amount of the cash-generating unit is greater than the carrying amount.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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17. OTHER INTANGIBLE ASSETS

	Emission rights RMB'000	Patent RMB'000	Software and others RMB'000	Total RMB'000
COST				
At 1 January 2024	13,072	4,063	336,742	353,877
Additions	844	7,114	18,140	26,098
Disposals	—	—	(4,745)	(4,745)
Exchange adjustments	—	(4)	(675)	(679)
At 31 December 2024	13,916	11,173	349,462	374,551
Additions	5	22,609	80,659	103,273
Disposals	—	(234)	(5,775)	(6,009)
Exchange adjustments	—	—	394	394
At 31 December 2025	13,921	33,548	424,740	472,209
AMORTISATION				
At 1 January 2024	12,408	1,566	227,580	241,554
Charge for the year	220	1,638	44,962	46,820
Eliminated on disposals	—	—	(4,745)	(4,745)
Exchange adjustments	—	(3)	(598)	(601)
At 31 December 2024	12,628	3,201	267,199	283,028
Charge for the year	105	3,129	43,022	46,256
Eliminated on disposals	—	(234)	(5,775)	(6,009)
Exchange adjustments	—	—	166	166
At 31 December 2025	12,733	6,096	304,612	323,441
CARRYING AMOUNT				
At 31 December 2025	1,188	27,452	120,128	148,768
At 31 December 2024	1,288	7,972	82,263	91,523

The other intangible assets included above have definite useful lives over which the assets are amortised. The amortisation periods range from two to ten years.



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18. RIGHT-OF-USE ASSETS

	Leasehold lands RMB'000	Buildings RMB'000	Motor vehicles RMB'000	Total RMB'000
Carrying Amount				
As at 31 December 2023	975,213	82,123	245	1,057,581
Additions	5,726	21,058	—	26,784
Decrease for early termination	—	(376)	—	(376)
Depreciation charge	(24,020)	(21,039)	(209)	(45,268)
Exchange adjustments	—	(3,993)	—	(3,993)
As at 31 December 2024	956,919	77,773	36	1,034,728
Additions	—	24,998	—	24,998
Disposal (note i)	(40,126)	(453)	—	(40,579)
Reduction of government subsidies related to assets (note ii)	(10,152)	—	—	(10,152)
Depreciation charge	(23,076)	(21,651)	(36)	(44,763)
Exchange adjustments	—	8,533	—	8,533
As at 31 December 2025	883,565	89,200	—	972,765
			2025 RMB'000	2024 RMB'000
Expense relating to short-term leases and leases of low-value assets			113,591	102,890
Total cash outflow for leases			135,399	132,841

Notes:

- (i) During the year ended 31 December 2025, the Group disposed of right-of-use assets comprising land-use-rights with a carrying amount of RMB33,974,000, for total consideration of RMB92,570,000. Additionally, as disclosed in note 44, the Group disposed a subsidiary, whose net assets included land-use-rights with a carrying amount of RMB6,152,000.
- (ii) During the year ended 31 December 2025, the government subsidy of RMB10,152,000 has been treated as a deduction from the carrying amount of right-of-use asset, which is fully received (2024: Nil).

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18. RIGHT-OF-USE ASSETS (CONTINUED)

For both years, the Group leases lands, various offices, warehouses and vehicles for its operations. Lease contracts are entered into for fixed term of 1 year to 50 years. Lease terms are negotiated on an individual basis and contain different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

In addition, the Group owns several industrial buildings where its manufacturing facilities are primarily located and office buildings. The Group is the registered owner of these property interests, including the underlying leasehold lands. Lump sum payments were made upfront to acquire these property interests. The leasehold land components of these owned properties are presented separately only if the payments made can be allocated reliably.

As at 31 December 2025, the Group has obtained the land-use-right certificates for all leasehold lands.

The Group regularly entered into short-term leases for buildings, motor vehicles, equipment and machinery. As at 31 December 2025 and 2024, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

Restrictions or covenants on leases

As of 31 December 2025, the Group held a land-use-right with a carrying amount of RMB5,976,000. The land-use-right was mortgaged as collaterals for the Group's bank credit facility. As of 31 December 2024, the Group held a land-use-right at the cost of RMB6,093,000. The land-use-right was mortgaged as collaterals for the Group's borrowings.

In addition, lease liabilities of RMB88,613,000 are recognised with related right-of-use assets of RMB89,200,000 as at 31 December 2025 (2024: lease liabilities of RMB84,179,000 are recognised with related right-of-use assets of RMB77,809,000). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Lease committed

As at 31 December 2025 and 2024, the Group has not entered into any new leases that are not yet commenced.



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19. INTERESTS IN JOINT VENTURES

	2025 RMB'000	2024 RMB'000
Cost of unlisted investments in joint ventures	129,347	144,406
Exchange adjustments	(88)	(88)
Share of post-acquisition profits, net of dividends received	145,434	144,360
	274,693	288,678

As at 31 December 2025 and 2024, the Group had interests in the following joint ventures:

Name of entities	Country of incorporation and operation	Attributable equity interest of the Group		Share capital		Principal activities
		2025 %	2024 %	2025	2024	
Wuhan Minth Nojima Automotive Parts Co., Ltd.* ("Wuhan Minth Nojima") 武漢敏島汽車零部件有限公司	The PRC	N/A (note 9)	50.00	N/A	United States dollars ("USD") 4,700,000	Design, manufacture, develop and sales of automobile body parts
HaMinGi (Ningbo) Automotive Ltd.* ("HaMinGi") 哈敏吉(寧波)汽車新材料有限公司	The PRC	30.00	30.00	USD24,951,000	USD24,951,000	Manufacture and sale of soft automotive interior trim materials and provide relevant technical services
Hella Minth(Jiaxing) Automotive Parts Co., Ltd.* ("Hella Minth") 敏實海拉(嘉興)汽車零部件有限公司	The PRC	50.00	50.00	RMB150,000,000	RMB150,000,000	Design, manufacture, develop and sales of automobile body parts
Jiaxing Minshuo Intelligent Technology Co., Ltd.* ("Jiaxing Minshuo") 嘉興市敏碩智能科技有限公司	The PRC	30.00	30.00	RMB10,000,000	RMB10,000,000	Design, manufacture, develop and sales of automobile body parts

* The English names are for identification purposes only.

The summarised financial information in respect of each of the Group's material joint ventures which is accounted for using the equity method is set out below, representing amounts shown in the joint ventures' financial statements prepared in accordance with HKFRS Accounting Standards:

(a) HaMinGi

	2025 RMB'000	2024 RMB'000
Current assets	320,162	325,063
Non-current assets	108,885	110,932
Current liabilities	60,144	38,926
Non-Current liabilities	12,772	55,581
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	23,285	54,580

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19. INTERESTS IN JOINT VENTURES (CONTINUED)

(a) HaMinGi (Continued)

	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Revenue	337,876	281,551
Profit for the year	67,080	108,937
Dividend declared from the joint venture to the Group	15,731	9,493
The above profit for the year include the following:		
Depreciation and amortisation	16,703	14,485
Interest income	1,952	2,014
Income tax expense	9,871	5,361

Reconciliation of the above summarised financial information to the carrying amount of the interest in HaMinGi recognised in the consolidated financial statements:

	2025 RMB'000	2024 RMB'000
Net assets of HaMinGi	356,131	341,488
Proportion of the Group's ownership interest in HaMinGi	30%	30%
Carrying amount of the Group's interest in HaMinGi	116,575	112,182



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19. INTERESTS IN JOINT VENTURES (CONTINUED)

(b) Hella Minth

	2025 RMB'000	2024 RMB'000
Current assets	223,521	185,669
Non-current assets	190,643	200,416
Current liabilities	101,606	100,561
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	84,629	51,086

	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Revenue	312,955	233,072
Profit for the year	67,034	53,402
Dividend declared from the joint venture to the Group	20,000	10,000
The above profit for the year include the following:		
Depreciation and amortisation	26,051	22,581
Interest income	928	928
Income tax expense	8,377	7,773

Reconciliation of the above summarised financial information to the carrying amount of the interest in Hella Minth recognised in the consolidated financial statements:

	2025 RMB'000	2024 RMB'000
Net assets of Hella Minth	312,558	285,524
Proportion of the Group's ownership interest in Hella Minth	50%	50%
Carrying amount of the Group's interest in Hella Minth	156,279	142,762

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19. INTERESTS IN JOINT VENTURES (CONTINUED)

Aggregate information of joint ventures that are not material

	2025 RMB'000	2024 RMB'000
The Group's share of loss	(2,287)	(9,679)
Aggregate carrying amount of the Group's interests in these joint ventures	1,839	1,596

20. INTERESTS IN ASSOCIATES

	2025 RMB'000	2024 RMB'000
Cost of unlisted investments in associates	235,028	190,726
Share of post-acquisition losses, net of dividends received	(118,482)	(95,515)
	116,546	95,211

As at 31 December 2025 and 2024, the Group had interests in the following associates:

Name of entities	Country of incorporation and operation	Attributable equity interest of the Group		Share capital		Principal activities
		2025 %	2024 %	2025	2024	
Jiaying TAB-MINTH Mobility Equipment Co., Ltd.* 嘉興豐實福祉汽車部件有限公司	The PRC	35.00	35.00	USD1,000,000	USD1,000,000	Wholesale, sales agency and import and export of automobile parts, and relevant technical consultancy, assembly and maintenance services
Wuhan Sankei Minth Automotive Parts Co., Ltd. ("Wuhan Sankei Minth")* 武漢三惠敏實汽車零部件有限公司	The PRC	30.00	30.00	USD7,500,000	USD7,500,000	Manufacture and sales of exhaust systems for automobiles
Seat Metal Parts China Co., Ltd. ("Seat Metal Parts")* 浙江車精汽車部件有限公司	The PRC	10.00 (note i)	10.00	RMB45,000,000	RMB45,000,000	Design, manufacture and sales of automotive parts and mould
Jiangsu Min'an Electric Cars Co., Ltd. ("Jiangsu Min'an")* 江蘇敏安電動汽車有限公司	The PRC	12.69 (note ii)	12.69	USD130,000,000	USD130,000,000	Design, development and wholesale of automobile body parts for electric vehicle
Ningbo Minhe New Material Co., Ltd. ("Ningbo Minhe")* 寧波敏和新材料有限公司	The PRC	40.00 (note iii)	40.00	RMB10,000,000	RMB10,000,000	Manufacturing and sales of metal materials and automobile body parts
Zhejiang Sanhua Minshi Auto Parts Co., Ltd. ("Sanhua Minshi")* 浙江三花敏實汽車零部件有限公司	The PRC	49.00 (note iv)	49.00	RMB192,156,900	RMB100,000,000	Manufacture and sales of automobiles parts



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20. INTERESTS IN ASSOCIATES (CONTINUED)

Notes:

- (i) The board of directors of Seat Metal Parts consists of 3 directors, of which one is appointed by Minth Investment Limited* (明拓投資有限公司) ("Minth Investment"), a wholly-owned subsidiary of the Group, and therefore, the Group has significant influence over Seat Metal Parts.
- (ii) The board of directors of Jiangsu Min'an consists of 3 directors, of which one is appointed by Cheerplan (China) Investments Co., Ltd.* (展圖(中國)投資有限公司) ("Cheerplan China"), a wholly-owned subsidiary of the Group, and therefore, the Group has significant influence over Jiangsu Min'an.
- (iii) The board of directors of Ningbo Minhe consists of 5 directors, of which two are appointed by Cheerplan China, a wholly-owned subsidiary of the Group, and therefore, the Group has significant influence over Ningbo Minhe.
- (iv) During the year ended 31 December 2022, Minth Automotive Technology Research & Development Co., Ltd.* (敏實汽車技術研發有限公司), a wholly-owned subsidiary of the Group participated in the establishment of Sanhua Minshi, which subscribes 49% of the equity shares. The Company is of the opinion that the Group has significant influence over Sanhua Minshi by taking all the rights and decision powers pursuant to the shareholders agreement into consideration. During the year ended 31 December 2025, the share capital has been increased to RMB192.16 million and both of shareholders made capital injection proportionally.

* The English names are for identification purposes only.

The summarised financial information in respect of each of the Group's material associates is set out below, representing amounts shown in the associates' financial statements prepared in accordance with HKFRS Accounting Standards.

All of these associates are accounted for using the equity method in these consolidated financial statements.

(a) Jiangsu Min'an

	2025 RMB'000	2024 RMB'000
Current assets	3,072	3,878
Non-current assets	871,457	889,290
Current liabilities	230,370	202,663
Non-current liabilities	405,357	378,832

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20. INTERESTS IN ASSOCIATES (CONTINUED)

(a) Jiangsu Min'an (Continued)

	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Revenue	276	1,615
Loss for the year	(72,871)	(94,332)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Jiangsu Min'an recognised in the consolidated financial statements:

	2025 RMB'000	2024 RMB'000
Net assets of Jiangsu Min'an	238,802	311,673
Proportion of the Group's ownership interest in the Jiangsu Min'an	12.69%	12.69%
Carrying amount of the Group's interest in the Jiangsu Min'an	30,304	39,551

(b) Wuhan Sankei Mint

	2025 RMB'000	2024 RMB'000
Current assets	56,941	72,797
Non-current assets	19,756	41,342
Current liabilities	8,059	22,511
Non-Current liabilities	—	21,603



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20. INTERESTS IN ASSOCIATES (CONTINUED)

(b) Wuhan Sankei Minth (Continued)

	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Revenue	73,023	56,896
Loss for the year	(1,387)	(13,302)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Wuhan Sankei Minth recognised in the consolidated financial statements:

	2025 RMB'000	2024 RMB'000
Net assets of Wuhan Sankei Minth	68,638	71,035
Proportion of the Group's ownership interest in Wuhan Sankei Minth	30.00%	30.00%
Carrying amount of the Group's interest in Wuhan Sankei Minth	20,591	21,311

Aggregate information of associates that are not individually material

	2025 RMB'000	2024 RMB'000
The Group's share of loss	(13,304)	(18,021)
Aggregate carrying amount of the Group's interests in these associates	65,651	34,349

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21. DEBT INSTRUMENTS AT FVTOCI

	2025 RMB'000	2024 RMB'000
Bills receivables	460,622	314,881

The balance represents bills receivables held by the Group which is measured at FVTOCI since the bills are held within the business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and the contractual cash flows are solely payments of principal and interest on the principal amount outstanding. Bills receivables held by the Group as at 31 December 2025 will mature within 6 months (2024: within 6 months).

As of 31 December 2025, bills receivables amounting to approximately RMB97,724,000 were pledged for issuing bills payables (As of 31 December 2024, bills receivables amounting to RMB6,932,000 were pledged for issuing bills payables).

Details of impairment assessment are set out in note 42.

22. DEFERRED TAXATION

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of deferred tax balances for financial reporting purposes:

	2025 RMB'000	2024 RMB'000
Deferred tax assets	601,429	482,985
Deferred tax liabilities	(178,898)	(196,651)
	422,531	286,334



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22. DEFERRED TAXATION (CONTINUED)

The following are the major deferred tax assets and liabilities recognised and movements thereon during the current year:

Deferred tax assets have not been offset:

	Allowance for financial assets RMB'000	Allowance for inventories RMB'000	Impairment for property, plant and equipment RMB'000	Unrealised profit for intra-group transactions RMB'000	Temporary differences of expense RMB'000	Tax losses carry forwards RMB'000	Lease liabilities RMB'000	Retirement benefit obligation RMB'000	Total RMB'000
At 1 January 2024	7,461	11,917	5,590	163,087	218,970	33,741	16,716	4,164	461,646
Credit (charge) to profit or loss	1,012	24,863	121	38,286	3,720	21,029	(807)	—	88,224
At 31 December 2024	8,473	36,780	5,711	201,373	222,690	54,770	15,909	4,164	549,870
Credit (charge) to profit or loss	1,782	1,203	4,356	42,931	93,241	(16,290)	2,517	—	129,740
At 31 December 2025	10,255	37,983	10,067	244,304	315,931	38,480	18,426	4,164	679,610

Deferred tax liabilities have not been offset:

	Temporary differences of income RMB'000	Fair value adjustments on acquisition of subsidiaries RMB'000	Withholding tax on undistributed dividends RMB'000	Right-of-use assets RMB'000	Total RMB'000
At 1 January 2024	(51,907)	(892)	(196,216)	(16,716)	(265,731)
(Charge) credit to profit or loss	(33,982)	29	35,341	807	2,195
At 31 December 2024	(85,889)	(863)	(160,875)	(15,909)	(263,536)
Credit (charge) to profit or loss	5,163	31	3,780	(2,517)	6,457
At 31 December 2025	(80,726)	(832)	(157,095)	(18,426)	(257,079)

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22. DEFERRED TAXATION (CONTINUED)

At the end of the reporting period, the Group has unused tax losses of RMB905,394,000 (2024: RMB973,713,000) available for offset against future profits. Among these losses, a deferred tax asset of RMB38,480,000 (2024: RMB54,770,000) has been recognised. No deferred tax asset has been recognised in respect of the remaining RMB617,744,000 (2024: RMB731,552,000) due to the unpredictability of future profit streams.

	2025 RMB'000	2024 RMB'000
Tax loss expire in 2025	—	12,502
Tax loss expire in 2026	96,624	101,254
Tax loss expire in 2027	108,554	112,897
Tax loss expire in 2028	102,483	120,999
Tax loss expire in 2029	95,191	284,196
Tax loss expire in and after 2030	214,892	99,704
	617,744	731,552

Under the EIT Law, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. During the year ended 31 December 2025, the Group declared or distributed retained profits from its Serbian and PRC subsidiaries to the Company, totaling RMB1,568 million. Therefore, the relevant withholding tax of RMB42.15 million was paid, and the remaining portion of RMB36 million will be paid in 2026 (during the year ended 31 December 2024: RMB88.96 million).

As of 31 December 2025, deferred taxation has not yet been provided for in the consolidated financial statements in respect of certain temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to RMB525 million (2024: the PRC entities with amounting to RMB42 million) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

At the end of the reporting period, the Group has not recognized deferred tax asset in relation to deductible temporary differences of RMB3,762,000 (2024: RMB2,546,000) as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

23. INVENTORIES

	2025 RMB'000	2024 RMB'000
Raw materials	2,119,457	2,238,022
Work in progress	814,649	750,657
Finished goods	1,664,119	1,652,262
	4,598,225	4,640,941

During the current year, allowance for inventories amounting to RMB70,287,000(2024: RMB114,530,000) has been recognised in cost of sales.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

24. TRADE AND OTHER RECEIVABLES

	2025 RMB'000	2024 RMB'000
Trade receivables		
– associates	10,229	11,515
– joint ventures	14,641	10,671
– other related parties*	386	810
– third parties	5,239,599	5,420,359
Less: Allowance for credit losses	(68,291)	(58,755)
	5,196,564	5,384,600
Bills receivables	14,263	559
Other receivables	93,676	157,035
Less: Allowance for credit losses	–	–
	93,676	157,035
	5,304,503	5,542,194
Prepayments to suppliers	920,735	895,439
Utilities and rental prepayments	42,151	37,158
Prepaid value-added tax recoverable and refundable	728,690	829,000
Interest receivable	236,738	172,226
Total trade and other receivables	7,232,817	7,476,017

As at 1 January 2024, trade receivables from contracts with customers amounted to RMB4,740,028,000.

* The companies are those in which Mr. Chin and his family have control.

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24. TRADE AND OTHER RECEIVABLES (CONTINUED)

The Group normally grants to customers a credit period of 60 days to 90 days (2024: 60 days to 90 days) effective from the invoice date. The following is an aged analysis of trade receivables net of allowance for credit losses presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates:

	2025 RMB'000	2024 RMB'000
Age		
0 to 90 days	4,653,799	4,783,627
91 to 180 days	366,446	429,407
181 to 365 days	128,855	125,932
1 to 2 years	42,188	38,202
Over 2 years	5,276	7,432
	5,196,564	5,384,600

As at 31 December 2025, included in the Group's trade receivables balance are debtors with aggregate gross amount of RMB332,989,000 (2024: RMB408,898,000) which are past due as at the reporting date and assessed collectively based on provision matrix. Out of the past due balances, RMB195,588,000 (2024: RMB256,059,000) is not considered credit impaired. With reference to the historical records, past experience and also available reasonable and supportive forward-looking information to those customers, the management of the Group does not consider these receivables as credit-impaired as these customers have a good business relationship and satisfactory settlement history. The Directors have considered the recoverable amount and credit quality of the relevant customers and concluded that ECL is not significant to the Group. The Group does not hold any collateral over these balances. The remaining balance of RMB137,401,000 (2024: RMB152,839,000) has been past due 90 days or more and is considered credit impaired.

Details of the provision of ECL of trade and other receivables for the years ended 31 December 2025 and 2024 are set out in note 42.

The Group's trade and other receivables which are not denominated in the functional currencies of the respective group entities are as follows:

Original currencies	USD RMB'000	Euro ("EUR") RMB'000	HKD RMB'000	Mexico Peso ("MXN") RMB'000
At 31 December 2025	262,548	830,167	15,401	23,683
At 31 December 2024	410,486	542,493	15,790	20,803



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For the year ended 31 December 2025

25. CONTRACT ASSETS AND CONTRACT COSTS

Contract assets

	2025 RMB'000	2024 RMB'000
Moulds development	1,376,844	1,300,783
Less: Allowance for credit losses	(8,016)	(8,016)
	1,368,828	1,292,767
Analysed for reporting purposes as:		
Current	289,582	289,026
Non-current	1,079,246	1,003,741
	1,368,828	1,292,767

As at 1 January 2024, contract assets amounted to RMB1,206,429,000.

The contract assets are in relation to the Group's rights to consideration for moulds development work which are fully completed and accepted by the customers but not billed yet. The contract assets are transferred to trade receivables at the time the rights to consideration become unconditional as stipulated in the relevant contracts.

Contract assets, that are not expected to be settled within the Group's normal operating cycle, are classified as current and non-current based on expected settlement dates.

Contract costs

	2025 RMB'000	2024 RMB'000
Incremental costs to obtain contracts	69,239	92,920

Note: Contract costs capitalised as at 31 December 2025 relate to the incremental costs paid to strategic customers, in order to secure new sale and purchase agreements for the Group's products. Contract costs are recognised in the consolidated statement of profit or loss in the period in which revenue from the related product sales is recognised. The amount of capitalised costs recognised in the consolidated statement of profit or loss during the year was RMB25,324,000(2024: RMB14,593,000). There was no impairment in relation to the costs capitalised during the year ended 31 December 2025 (2024: Nil).

The Group applies the practical expedient and recognises the incremental costs of obtaining contracts relating to the sale of products as an expense when incurred if the amortisation period of the assets that the Group otherwise would have recognised is one year or less.

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26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RMB'000	2024 RMB'000
Listed equity investments	37,713	204,217
– Equity shares in PRC A share listed entities (note i)	21,654	189,542
– Equity shares in a non-PRC listed entity (note ii)	16,059	14,675
Unlisted equity investments (note iii)	1,182,958	–
Structured deposit (note iv)	1,156,549	1,060,669
	2,377,220	1,264,886
Analysed for reporting purposes as:		
Current	21,654	189,542
Non-current	2,355,566	1,075,344
	2,377,220	1,264,886

Notes:

As at 31 December 2025, the financial assets at FVTPL held by the Group are composed of:

- (i) The above listed equity investments represent ordinary shares of certain entities listed in PRC A share stock market which are held for trading and measured at FVTPL.

During the year ended 31 December 2025, the Group disposed all the ordinary shares of an entity as disclosed in note 9(iv), and purchased certain ordinary shares of another listed entity in PRC A share stock market.

- (ii) The above listed equity investments represent ordinary shares of an entity listed in Finland NASDAQ HELSINKI ("NASDAQ") stock market which is established in Finland and primarily engaged in producing and sales of nano-material. The Group made an initial investment of EUR3,000,000 in 2022 on the entity when it was a private entity. During the year ended 31 December 2024, the Group disposed partially of its equity share on the entity before it became listed in NASDAQ and continuously measures the remaining shares at FVTPL.

- (iii) During the year ended 31 December 2025, the Group has made an investment, amounting to Japanese Yen ("JPY") 26,096,000,000 (equivalent to RMB1,182,958,000) in a trust whose underlying asset is the Global Headquarters Building of Nissan Motor Co., Ltd. with a long-term lease arrangement. Pursuant to the related agreements, the Group has neither significant influence nor control over such investment and recognised the investment as the financial asset measured at FVTPL.

- (iv) During the year ended 31 December 2024, the Group entered into structured deposit agreements with two banks with an amount of USD150,000,000 (equivalent to approximately RMB1,073,015,000). During the current year, the gain on fair value changes of RMB72,691,000 were recognized as disclosed in note 9(iii)(2024: the loss on fair value changes of RMB17,481,000).

Details of the fair value measurement of the financial assets at FVTPL are set out in note 42(c).

Financial assets at FVTPL that are denominated in currencies other than the functional currency of the respective group entity are set out below:

Original currencies	USD RMB'000	EUR RMB'000	JPY RMB'000
At 31 December 2025	1,156,549	16,059	1,182,958
At 31 December 2024	1,060,669	14,675	–



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For the year ended 31 December 2025

27. DERIVATIVE FINANCIAL ASSETS/LIABILITIES

	2025 RMB'000	2024 RMB'000
Derivative financial assets		
Foreign exchange forward contracts (a)	17,915	—
Foreign exchange structural option contracts (b)	164	1,671
Cross-currency swap contracts (c)	9,865	19,987
Interest rate swap contracts (d)	—	763
	27,944	22,421
Derivative financial liabilities		
Foreign exchange forward contracts (a)	845	—
Foreign exchange structural option contracts (b)	388	5,994
Cross-currency swap contracts (c)	5,029	28,637
	6,262	34,631
	2025 RMB'000	2024 RMB'000
Analysed for reporting purpose as:		
Current assets	23,471	21,558
Non-current assets	4,473	863
	27,944	22,421
Current liabilities	6,262	20,577
Non-current liabilities	—	14,054
	6,262	34,631

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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27. DERIVATIVE FINANCIAL ASSETS/LIABILITIES (CONTINUED)

(a) Foreign exchange forward contracts

At the end of the reporting period, the Group had the following outstanding foreign exchange forward contracts to mitigate its foreign currency exposure.

Major terms of these contracts are as follows:

31 December 2025

Notional amount	Maturity dates	Exchange rates
Sell EUR53,000,000 Buy RMB443,250,439	7 January 2026 to 16 April 2026	EUR1: RMB8.2800 to EUR1: RMB8.4244
Sell USD51,000,000 Buy RMB361,682,770	7 January 2026 to 19 March 2026	USD1:RMB7.0694 to USD1:RMB7.1058
Sell Swiss Francs ("CHF") 10,000,000 Buy USD12,677,484	7 January 2026	USD1: CHF0.7888
Sell HKD895,252,140 Buy USD116,055,642	12 May 2026 to 30 December 2026	USD1: HKD7.6888 to USD1: HKD7.7298
Sell MXN137,643,290 Buy USD7,500,000	30 January 2026 to 23 March 2026	USD1: MXN18.0545 to USD1: MXN18.4823

31 December 2024

Nil



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27. DERIVATIVE FINANCIAL ASSETS/LIABILITIES (CONTINUED)

(b) Foreign exchange structural option contracts

31 December 2025

As of 31 December 2025, the Group had the following outstanding foreign exchange structural option contracts:

- i) The Group entered into foreign exchange structural option contracts with a bank to manage its foreign exchange rate risk arising from net exposure of net asset which are denominated in currencies at USD and EUR up to 6 months, and the major terms of the contracts are as follows:

	Average Strike Rate 1	Average Strike Rate 2	Notional amount USD'000	Fair value assets RMB'000	Fair value liabilities RMB'000
USD					
Option1:Buy USD put/RMB call					
Less than 3 months	6.9800	7.1315	1,000	51	—
3 months to 6 months	6.9800	7.1315	500	15	—
Option2:Sell USD call/RMB put					
Less than 3 months	6.9800	7.1315	2,000	—	5
3 months to 6 months	6.9800	7.1315	1,000	—	8
EUR					
	Average Strike Rate 1	Average Strike Rate 2	Notional amount EUR'000	Fair value assets RMB'000	Fair value liabilities RMB'000
Option1:Buy EUR put/RMB call					
Less than 3 months	8.0800	8.3600	600	68	—
3 months to 6 months	8.0800	8.3600	300	22	—
Option2:Sell EUR call/RMB put					
Less than 3 months	8.0800	8.3600	1,200	—	16
3 months to 6 months	8.0800	8.3600	600	—	21

At each valuation date:

- (i) If no Target Knock-in Event (target currency rate reach "Strike Rate 1") ever occurred, the contract shall terminate in advance and all transactions with expiry dates falling after the Target Knock-in Date shall terminate and be deemed cancelled;
- (ii) If the Target Knock-in Event (target currency rate higher than "Strike Rate 1" and less than "Strike Rate 2") ever occurred, Option 2 shall terminate in advance, and Option 1 shall be exercised. The net settlement amount will be calculated based on "Strike Rate 2" multiplied by the notional amount and settled in RMB equivalent;
- (iii) If the Target Knock-in Event (target currency rate higher than "Strike Rate 2") ever occurred, Option 1 shall terminate in advance, and Option 2 shall be exercised. The net settlement amount will be calculated based on "Strike Rate 2" multiplied by the notional amount of Option 2, and settled in RMB equivalent.

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For the year ended 31 December 2025

27. DERIVATIVE FINANCIAL ASSETS/LIABILITIES (CONTINUED)

(b) Foreign exchange structural option contracts (Continued)

31 December 2025 (Continued)

- ii) The Group entered into foreign exchange structural option contracts with a bank to manage its foreign exchange rate risk arising from net exposure of net asset which are denominated in currencies at EUR, and the major terms of the contracts are as follows:

	Average Strike Rate	Average Knock-out Rate	Average Knock-in Rate	Notional amount EUR'000	Fair value assets RMB'000	Fair value liabilities RMB'000
Sell EUR/Buy RMB Less than 3 months	7.9600	7.6000	8.1000	4,597	8	338

At each valuation date:

- (i) If the Target Knock-out Event (target currency rate lower than Knock-out Rate, or between Strike Rate and Knock-in Rate) ever occurred, the contract shall terminate in advance and all transactions with expiry dates falling after the Target Knock-Out Date shall terminate and be deemed cancelled;
- (ii) If no Target Knock-out Event (target currency rate lower than Knock-out Rate, or between Strike Rate and Knock-in Rate) ever occurred, the net settlement amount will be calculated based on Strike Rate multiplied by the notional amount of the contract, and settled in RMB equivalent.

31 December 2024

As of 31 December 2024, the Group had the following outstanding foreign exchange structural option contracts:

- i) The Group entered into several foreign exchange structural option contracts with a bank to eliminate the exposure to fluctuations in foreign currency exchange rate arising from anticipated foreign currency sales transactions, in particular, to buy RMB and sell USD. The major terms of the foreign exchange structural option contracts are as follows:

	Average strike rate	Notional amount USD'000	Fair value assets RMB'000	Fair value liabilities RMB'000
Sell USD 6 months to 1 year	7.7250	50,000	—	1,859



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27. DERIVATIVE FINANCIAL ASSETS/LIABILITIES (CONTINUED)

(b) Foreign exchange structural option contracts (Continued)

31 December 2024 (Continued)

- ii) The Group entered into foreign exchange structural option contracts with a bank to manage its foreign exchange rate risk arising from net exposure of net asset which are denominated in currencies at USD and EUR up to 3 months, and the major terms of the contracts are as follows:

	Average Strike Rate 1	Average Strike Rate 2	Notional amount USD'000	Fair value assets RMB'000	Fair value liabilities RMB'000
Option1:Buy USD put/RMB call Less than 3 months	7.020	7.2200	5,000	50	—
Option2:Sell USD call/RMB put Less than 3 months	7.020	7.2200	10,000	—	1,143
	Average Strike Rate 1	Average Strike Rate 2	Notional amount EUR'000	Fair value assets RMB'000	Fair value liabilities RMB'000
Option1:Buy EUR put/RMB call Less than 3 months	7.5800	7.7800	3,000	158	—
Option2:Sell EUR call/RMB put Less than 3 months	7.5800	7.7800	6,000	—	142

At each valuation date:

- (i) If no Target Knock-in Event (target currency rate reach "Strike Rate 1") ever occurred, the contract shall terminate in advance and all transactions with expiry dates falling after the Target Knock-in Date shall terminate and be deemed cancelled;
- (ii) If the Target Knock-in Event (target currency rate higher than "Strike Rate 1" and less than "Strike Rate 2") ever occurred, Option 2 shall terminate in advance, and Option 1 shall be exercised. The net settlement amount will be calculated based on "Strike Rate 2" multiplied by the notional amount and settled in RMB equivalent;
- (iii) If the Target Knock-in Event (target currency rate higher than "Strike Rate 2") ever occurred, Option 1 shall terminate in advance, and Option 2 shall be exercised. The net settlement amount will be calculated based on "Strike Rate 2" multiplied by the notional amount of Option 2, and settled in RMB equivalent.

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For the year ended 31 December 2025

27. DERIVATIVE FINANCIAL ASSETS/LIABILITIES (CONTINUED)

(b) Foreign exchange structural option contracts (Continued)

31 December 2024 (Continued)

iii) The Group entered into foreign exchange structural option contracts with a bank to manage its foreign exchange rate risk arising from net exposure of net asset which are denominated in currencies at USD and EUR, and the major terms of the contracts are as follows:

	Average Strike Rate	Average Knock-out Rate	Average Knock-in Rate	Notional amount EUR'000	Fair value assets RMB'000	Fair value liabilities RMB'000
Sell EUR/Buy RMB Less than 3 months	8.0100	7.8000	8.2800	2,027	403	403

	Average Strike Rate	Average Knock-out Rate	Average Knock-in Rate	Notional amount USD'000	Fair value assets RMB'000	Fair value liabilities RMB'000
Sell USD/Buy RMB Less than 3 months	7.2485	7.0538	7.3950	17,770	166	551
3 months to 6 months	7.2476	7.0545	7.3940	15,236	429	965
6 months to 1 year	7.2320	7.0271	7.3600	10,663	465	931

At each valuation date:

- (i) If the Target Knock-out Event (target currency rate lower than Knock-out Rate, or between Strike Rate and Knock-in Rate) ever occurred, the contract shall terminate in advance and all transactions with expiry dates falling after the Target Knock-Out Date shall terminate and be deemed cancelled;
- (ii) If no Target Knock-out Event (target currency rate lower than Knock-out Rate, or between Strike Rate and Knock-in Rate) ever occurred, the net settlement amount will be calculated based on Strike Rate multiplied by the notional amount of the contract, and settled in RMB equivalent.



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27. DERIVATIVE FINANCIAL ASSETS/LIABILITIES (CONTINUED)

(c) Cross-currency swap contracts

Major terms of the contracts outstanding at 31 December 2025 are as follows:

31 December 2025

Swaps	Maturity dates
From USD20,000,000 to RMB140,000,000 at the final maturity date and interest from USD at 4.30% to RMB at 2.90% per annum, quarterly settlement	20 April 2026
From EUR7,834,023 to RMB60,000,000 at the final maturity date and interest from EUR at Euro Inter-Bank Offered Rate ("EURIBOR") +0.37% to RMB at 3.00% per annum, quarterly settlement	15 May 2026
From USD27,000,000 to RMB187,380,000 at the final maturity date and interest from USD at 4.18% to RMB at 2.90% per annum, quarterly settlement	15 May 2026
From USD30,000,000 to RMB213,345,000 at the final maturity date and interest from USD at 3m Term Secured Overnight Financing Rate ("SOFR") -0.9% to RMB at 0.6% per annum twice before maturity date	22 June 2026
From USD16,000,000 to RMB113,748,800 at the final maturity date and interest from USD at 3m Term SOFR-0.92% to RMB at 0.6% per annum at maturity date	22 June 2026
From EUR37,733,598 to RMB310,000,000 at the final maturity date and interest from EUR at EURIBOR-0.905% to RMB at 0.6% per annum at maturity date	22 June 2026
From JPY4,672,500,000 to USD30,000,000 at the final maturity date and interest from JPY at 1.49% per annum to USD at 3m Term SOFR+0.6%, quarterly settlement	1 December 2028
From JPY3,116,400,000 to USD20,000,000 at the final maturity date and interest from JPY at 1.56% per annum to USD at 3m Term SOFR+0.6%, quarterly settlement	11 December 2028
From JPY3,115,000,000 to USD20,000,000 at the final maturity date and interest from JPY at 1.467% per annum to USD at 3m Term SOFR+0.6%, quarterly settlement	1 December 2028



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For the year ended 31 December 2025

27. DERIVATIVE FINANCIAL ASSETS/LIABILITIES (CONTINUED)

(c) Cross-currency swap contracts (Continued)

Major terms of the contracts outstanding at 31 December 2024 are as follows:

31 December 2024

Swaps	Maturity dates
From USD20,000,000 to RMB140,000,000 at the final maturity date and interest from USD at 4.30% to RMB at 2.90% per annum, quarterly settlement	20 April 2026
From EUR7,834,023 to RMB60,000,000 at the final maturity date and interest from EUR at EURIBOR +0.37% to RMB at 3.00% per annum, quarterly settlement	15 May 2026
From USD27,000,000 to RMB187,380,000 at the final maturity date and interest from USD at 4.18% to RMB at 2.90% per annum, quarterly settlement	15 May 2026
From USD35,000,000 to RMB247,719,500 at the final maturity date and currency rate from 7.2500 to 7.0777	24 April 2025
From EUR17,700,000 to RMB138,399,840 at the final maturity date and currency rate from 7.8790 to 7.8192	24 June 2025
From RMB108,148,655 to USD15,000,000 at the final maturity date and currency rate from 7.2099 to 6.9489	24 April 2025
From RMB144,198,220 to USD20,000,000 at the final maturity date and currency rate from 7.2099 to 6.9489	24 April 2025
From RMB108,240,000 to USD15,000,000 at the final maturity date and currency rate from 7.2160 to 6.9480	14 May 2025
From RMB138,980,400 to EUR17,700,000 at the final maturity date and currency rate from 7.8520 to 7.6720	24 June 2025
From RMB72,115,000 to USD10,000,000 at the final maturity date and currency rate from 7.2115 to 6.9467	14 May 2025
From USD16,000,000 to RMB116,908,800 at the final maturity date and currency rate from 7.3095 to 7.3068	8 January 2025
From USD10,000,000 to RMB70,787,000 at the final maturity date and currency rate from 7.2435 to 7.0787	14 May 2025
From USD15,000,000 to RMB106,276,500 at the final maturity date and currency rate from 7.2456 to 7.0851	14 May 2025

(d) Interest rate swap contracts

31 December 2025

Nil

31 December 2024

Major terms of the contracts outstanding at 31 December 2024 are as follows:

Notional amount	Maturity dates	Swaps
EUR10,000,000	4 August 2025	Interest from EUR at EURIBOR to fixed rate 1.2000% on a quarterly basis

All the above derivative instruments are carried at fair value. The fair value measurement of the derivative instruments is disclosed in note 42(c).



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28. CASH AND CASH EQUIVALENTS AND PLEDGED BANK DEPOSITS AND TIME DEPOSITS

Bank balances carry interest at market rates which range from 0.00% to 7.45% (2024: 0.00% to 6.50%) per annum. The pledged bank deposits and time deposits carry interest at fixed interest rates which range from 0.15% to 6.05% (2024: 0.15% to 6.05%) per annum.

As at 31 December 2025 and 2024, pledged bank deposits and time deposits, in which amount of RMB275,997,000 (2024: RMB617,274,000) mainly represent deposits pledged to banks to secure short-term banking facilities including bills payables granted to the Group for purchases of materials for manufacturing and are therefore classified as current assets.

The Group's pledged bank deposits and time deposits and cash and cash equivalents that are denominated in currencies other than the functional currencies of the relevant group entities are mainly set out below:

Original currencies	USD RMB'000	EUR RMB'000	HKD RMB'000	JPY RMB'000	MXN RMB'000
At 31 December 2025	2,459,067	573,826	91,094	56,043	37,708
At 31 December 2024	1,214,152	506,162	19,200	171,965	22,795

29. TRADE AND OTHER PAYABLES

	2025 RMB'000	2024 RMB'000
Trade payables		
– associates	11,958	25,494
– joint ventures	50,840	60,973
– other related parties*	5,926	11,986
– third parties	4,279,884	3,886,885
	4,348,608	3,985,338
Bills payables	764,693	868,761
Other payables		
– associates	33	61
– joint ventures	359	395
– non-controlling shareholders of subsidiaries	1,217	2,528
– other related parties*	264	843
	1,873	3,827
	5,115,174	4,857,926

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29. TRADE AND OTHER PAYABLES (CONTINUED)

	2025 RMB'000	2024 RMB'000
Payroll and welfare payables	850,256	808,094
Consideration payable of acquisition of property, plant and equipment	699,033	560,130
Technology support services fees payable	6,434	11,804
Freight payable	126,129	119,140
Other tax payable	153,630	114,168
Deposits received	12,404	9,012
Dividend payables	17,936	17,936
Others	900,014	762,159
Total trade and other payables	7,881,010	7,260,369

* The companies are those in which Mr. Chin and his family have control.

The average credit period on purchases of goods is 30 days to 90 days (2024: 30 days to 90 days).

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	2025 RMB'000	2024 RMB'000
Age		
0 to 90 days	3,403,338	3,220,295
91 to 180 days	586,264	486,325
181 to 365 days	273,028	199,883
1 to 2 years	69,951	67,045
Over 2 years	16,027	11,790
	4,348,608	3,985,338

Bills payables held by the Group as at 31 December 2025 will mature within 6 months (2024: within 6 months).

The Group's trade and other payables which are not denominated in the functional currencies of the respective group entities are as follows:

Original currencies	USD RMB'000	JPY RMB'000	EUR RMB'000	HKD RMB'000	MXN RMB'000
At 31 December 2025	189,429	38,452	449,149	7,015	96,226
At 31 December 2024	57,076	51,273	128,910	8,242	102,777



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30. CONTRACT LIABILITIES

	2025 RMB'000	2024 RMB'000
Sales of automobile body parts	178,262	172,015
Sales of moulds	159,383	95,611
	337,645	267,626
Analyzed as		
Current	190,140	162,728
Non-current	147,505	104,898
	337,645	267,626

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in prior periods.

	2025 RMB'000	2024 RMB'000
Sales of automobile body parts and moulds		
Revenue recognised that was included in the contract liability balance at the beginning of the year	162,728	135,018

31. BORROWINGS

	2025 RMB'000	2024 RMB'000
Secured (note)	47,967	48,279
Unsecured	8,904,816	8,370,777
	8,952,783	8,419,056
Fixed-rate borrowings	1,317,293	1,878,086
Variable-rate borrowings	7,635,490	6,540,970
	8,952,783	8,419,056
Carrying amount repayable:		
Within one year	7,034,917	5,893,775
Within a period of more than one year but not exceeding two years	359,842	530,307
Within a period of more than two years but not exceeding five years	1,558,024	1,994,974
	8,952,783	8,419,056

Note: As at 31 December 2025, the balance was secured by pledged bank deposits, bills receivables, freehold land and buildings of the Group. As at 31 December 2024, the balance was secured by pledged bank deposits, bills receivables, freehold land, buildings and land-use-right of the Group.

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31. BORROWINGS (CONTINUED)

The Group has variable-rate borrowings which carry interest at the London Inter-Bank Offered Rate. Interest is repriced every one month, three months or one year.

The ranges of the effective interest rates on the Group's borrowings are as follows:

	2025	2024
Effective interest rate:		
Fixed-rate borrowings	2.25% to 3.50%	0.36% to 3.50%
Variable-rate borrowings	0.55% to 5.31%	2.40% to 6.75%

The Group's borrowings that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

Original currencies	USD RMB'000	HKD RMB'000	EUR RMB'000	JPY RMB'000
At 31 December 2025	2,087,554	705,415	3,066,324	23,832
At 31 December 2024	1,714,433	240,307	2,304,971	—

In respect of non-current bank borrowings with carrying amount of RMB1,306,175,000 as at 31 December 2025 (31 December 2024: RMB925,143,000), the Group is required to comply with certain financial covenants which are tested on an annual basis as long as the borrowings are outstanding.

The Group has complied with these covenants at the reporting period end and classified the related bank borrowings' balances as non-current liabilities.

32. SHARE CAPITAL

	Number of shares		Share capital	
	2025 '000	2024 '000	2025 HKD'000	2024 HKD'000
Ordinary shares of HKD0.1 each				
Authorised				
At beginning and end of year	5,000,000	5,000,000	500,000	500,000

	Number of shares		Share capital	
	2025 '000	2024 '000	2025 RMB'000	2024 RMB'000
Issued and fully paid				
At beginning of year	1,161,994	1,161,994	116,269	116,269
Exercise of share options under the Company's employee share option scheme (note 37(a))	19,883	—	1,812	—
At end of year	1,181,877	1,161,994	118,081	116,269



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33. NON-CONTROLLING INTERESTS

	2025 RMB'000	2024 RMB'000
Balance at beginning of year	813,779	821,382
Share of total comprehensive income for the year	106,795	32,487
Recognition of equity-settled share-based payment in a subsidiary (note 37(c))	1,494	1,343
Acquisition of additional interest in subsidiaries (note ii)	—	(1,585)
Dividends declared to non-controlling shareholders during the year	(12,041)	(39,848)
Balance at end of year	910,027	813,779

As at 31 December 2025 and 2024, the Group had following subsidiaries with non-controlling interests:

Name of subsidiaries	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit (loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		31/12/2025 %	31/12/2024 %	2025 RMB'000	2024 RMB'000	31/12/2025 RMB'000	31/12/2024 RMB'000
Guangzhou Minhui Automobile Parts Co.,Ltd. ("Guangzhou Minhui") 廣州敏惠汽車零部件有限公司	the PRC as a foreign equity joint venture enterprise	30.00	30.00	4,408	3,279	29,594	25,186
Guangzhou Tokai	the PRC as a foreign equity joint venture enterprise	50.00	50.00	17,728	20,419	99,136	92,850
Wuhan Tokai Minth Automotive Parts Co., Ltd. 武漢東海敏實汽車零部件有限公司	the PRC as a foreign equity joint venture enterprise	50.00	50.00	15,690	11,184	129,942	114,252
UATC (note i)	Taiwan	64.59	63.55	31,310	25,836	458,920	400,819
Tianjin Tokai Minth Automotive Parts Co. Ltd. 天津東海敏實汽車零部件有限公司	the PRC as a foreign equity joint venture enterprise	50.00	50.00	968	1,037	28,855	28,486
Minth ElectricCity Technology	France	30.00	30.00	15,867	2,230	131,254	115,387
Qingyuan Tokai Minth Automotive Parts Co., Ltd. 清遠東海敏實汽車零部件有限公司	the PRC as a foreign equity joint venture enterprise	50.00	50.00	(4,826)	(6,757)	11,054	15,880
Individually immaterial subsidiaries with non-controlling interests						21,272	20,919
						910,027	813,779

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33. NON-CONTROLLING INTERESTS (CONTINUED)

Note:

- (i) The Group held 35.41% equity share on UATC which is listed on Taipei Exchange (GreTai Securities Market).

The Group assessed whether it has control over UATC based on whether the Group has the practical ability direct the relevant activities of UATC unilaterally. In making the judgement, the Group has taken into consideration its absolute size of holding in UATC versus the relative size of and dispersion of the shareholdings owned by the other shareholders and the right possessed by the Group to appoint three out of four executive directors of the board of UATC. After the above-mentioned assessment, the Group still remains sufficiently dominant voting interest to direct the relevant activities of UATC and therefore the Group has control over UATC.

- * The English names are for identification purposes only.

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intra-group eliminations.

(i) Guangzhou Minhui

	2025 RMB'000	2024 RMB'000
Current assets	105,680	138,972
Non-current assets	136,767	152,944
Current liabilities	135,436	203,981
Non-current liabilities	125	150
Equity attributable to owners of the Company	77,292	62,599
Non-controlling interests	29,594	25,186



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33. NON-CONTROLLING INTERESTS (CONTINUED)

(i) Guangzhou Minhui (Continued)

	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Revenue	190,364	217,197
Expenses	175,671	206,266
Profit for the year	14,693	10,931
Profit attributable to owners of the Company	10,285	7,652
Profit attributable to non-controlling interests	4,408	3,279
Dividends declared to non-controlling shareholders	—	39,848
Net cash inflow from operating activities	17,809	17,931
Net cash outflow from investing activities	(1,301)	(794)
Net cash (outflow)inflow from financing activities	(44,594)	10,719
Net cash (outflow)inflow	(28,086)	27,856

(ii) Guangzhou Tokai

	2025 RMB'000	2024 RMB'000
Current assets	191,223	174,287
Non-current assets	61,336	74,603
Current liabilities	54,139	63,019
Non-current liabilities	148	171
Equity attributable to owners of the Company	99,136	92,850
Non-controlling interests	99,136	92,850

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33. NON-CONTROLLING INTERESTS (CONTINUED)

(ii) Guangzhou Tokai (Continued)

	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Revenue	266,033	280,996
Expenses	230,577	240,158
Profit for the year	35,456	40,838
Profit attributable to owners of the Company	17,728	20,419
Profit attributable to non-controlling interests	17,728	20,419
Dividends declared to non-controlling shareholders	11,442	—
Net cash inflow from operating activities	30,503	61,319
Net cash outflow from investing activities	(40,547)	(26,611)
Net cash outflow from financing activities	(6,787)	—
Net cash (outflow)inflow	(16,831)	34,708



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For the year ended 31 December 2025

33. NON-CONTROLLING INTERESTS (CONTINUED)

(iii) Wuhan Tokai Minth Automotive Parts Co., Ltd.

	2025 RMB'000	2024 RMB'000
Current assets	303,270	212,868
Non-current assets	135,688	146,784
Current liabilities	177,570	129,621
Non-current liabilities	130	153
Equity attributable to owners of the Company	131,316	115,626
Non-controlling interests	129,942	114,252
	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Revenue	491,328	420,408
Expenses	459,948	398,040
Profit for the year	31,380	22,368
Profit attributable to owners of the Company	15,690	11,184
Profit attributable to non-controlling interests	15,690	11,184
Dividends declared to non-controlling shareholders	—	—
Net cash inflow from operating activities	73,024	72,534
Net cash outflow from investing activities	(52,179)	(2,079)
Net cash outflow from financing activities	—	(39,329)
Net cash inflow	20,845	31,126

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33. NON-CONTROLLING INTERESTS (CONTINUED)

(iv) UATC and UATC's subsidiaries

	2025 RMB'000	2024 RMB'000
Current assets	1,073,692	977,188
Non-current assets	1,125,330	891,375
Current liabilities	1,296,464	779,703
Non-current liabilities	111,414	386,583
Equity attributable to owners of the Company	331,550	300,320
Non-controlling interests of UATC	458,920	400,819
Non-controlling interests of UATC's subsidiaries	674	1,138



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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33. NON-CONTROLLING INTERESTS (CONTINUED)

(iv) UATC and UATC's subsidiaries (Continued)

	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Revenue	1,773,699	1,009,617
Expenses	1,725,247	968,961
Profit for the year	48,452	40,656
Profit attributable to owners of the Company	17,142	14,820
Profit attributable to non-controlling interests of UATC	31,310	25,836
Loss attributable to non-controlling interests of UATC's subsidiaries	(77)	(193)
Profit for the year	48,452	40,656
Other comprehensive income attributable to owners of the Company	15,264	10,681
Other comprehensive income attributable to non-controlling interests of UATC	29,646	2,276
Other comprehensive income(expense) attributable to non-controlling interests of UATC's subsidiaries	49	(123)
Other comprehensive income for the year	44,910	12,957
Total comprehensive income attributable to owners of the Company	32,406	25,501
Total comprehensive income attributable to non-controlling interests of UATC	60,956	28,112
Total comprehensive income(expense) attributable to non-controlling interests of UATC's subsidiaries	49	(316)
Total comprehensive income for the year	93,362	53,613
Net cash inflow from operating activities	219,219	32,895
Net cash outflow from investing activities	(274,401)	(103,510)
Net cash inflow from financing activities	3,690	76,543
Net cash (outflow)inflow	(51,492)	5,928

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34. LEASE LIABILITIES

	2025 RMB'000	2024 RMB'000
Lease liabilities payable:		
Within one year	19,975	21,918
Within a period of more than one year but not more than two years	11,609	8,827
Within a period of more than two years but not more than five years	43,088	38,134
Within a period of more than five years	13,941	15,300
	88,613	84,179
Less: Amount due for settlement within 12 months shown under current liabilities	(19,975)	(21,918)
Amount due for settlement after 12 months shown under non-current liabilities	68,638	62,261

The incremental borrowing rates applied to lease liabilities range from 1.30% to 5.00% (2024: 1.30% to 4.17%) per annum.

35. OPERATING LEASING ARRANGEMENTS

The Group as lessor

All of the properties and machineries held by the Group for rental purposes have committed lessees. Rental income achieved during the current year was RMB24,842,000 (2024: RMB26,546,000).

Undiscounted lease payments receivable on leases are as follows:

	2025 RMB'000	2024 RMB'000
Within one year	2,163	6,233
In the second to fifth year inclusive	19,555	20,104
After five years	14,649	14,793
	36,367	41,130

36. COMMITMENTS

	2025 RMB'000	2024 RMB'000
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of: Acquisitions of property, plant and equipment	417,595	468,437



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37. SHARE-BASED PAYMENT TRANSACTIONS

(a) Equity-settled share option scheme

The Company's share option scheme (the "2005 Share Option Scheme") was adopted pursuant to a resolution passed on 13 November 2005 for the primary purpose of providing incentives to Directors and eligible employees, and originally adopted for a term of 10 years. Under the 2005 Share Option Scheme, the Board may grant options to eligible employees, including the Directors, to subscribe for the shares of the Company. The 2005 Share Option Scheme has been terminated and replaced by a new share option scheme, which was approved in the annual general meeting held on 22 May 2012 and was valid for 10 years from the date of its adoption (the "2012 Share Option Scheme"). The 2012 Share Option Scheme was expired in May 2022. During the year of 2022, one new share option scheme was adopted pursuant to a resolution which was approved in the annual general meeting held on 31 May 2022 and will be valid for 10 years from the date of its adoption (the "2022 Share Option Scheme").

On 28 July 2020, the Company offered to grant share options to certain eligible participants who have contributed or will contribute to the Group as a reward or incentive under the 2012 Share Option Scheme to subscribe for a total of 28,000,000 ordinary shares of HKD0.10 each in the issued share capital of the Company. Exercise price of the share options granted is HKD23.85 per share, validity period of the share options was from 1 July 2021 to 31 December 2025.

During the year ended 31 December 2024, the Group has granted 30,000,000 share options to certain Directors and employees under the 2022 Share Option Scheme on 2 May 2024, pursuant to which, 30% of the granted options can be exercised on or after 5 May 2025, 30% of the granted options can be exercised on or after 5 May 2026 and the remaining 40% of granted options can be exercised on or after 5 May 2027. The exercise price is HKD14.30.

As of 31 December 2025, the total number of shares in respect of which options had been granted and remained outstanding under the 2022 Share Option Scheme was 26,015,000 (2024: under the 2012 Share Option Scheme and 2022 Share Option Scheme was 47,450,600), representing 2.20% (2024: 4.08%) of the shares of the Company in issue at end of the reporting period.

Details of the specific categories of options are as follows:

Option type	Date of grant	Tranche	Vesting period	Exercise period	Exercise price HKD	Fair value at grant date HKD
2020 (note i)	28/07/2020	A	28/07/2020 to 01/07/2021	01/07/2021 to 31/12/2025	23.85	6.29
	28/07/2020	B	28/07/2020 to 01/07/2022	01/07/2022 to 31/12/2025	23.85	6.59
	28/07/2020	C	28/07/2020 to 01/07/2023	01/07/2023 to 31/12/2025	23.85	6.74
	28/07/2020	E	28/07/2020 to 01/07/2021	01/07/2021 to 31/12/2025	23.85	6.32
	28/07/2020	F	28/07/2020 to 01/07/2022	01/07/2022 to 31/12/2025	23.85	6.61
	28/07/2020	G	28/07/2020 to 01/07/2023	01/07/2023 to 31/12/2025	23.85	6.75
	2024 (note ii)	02/05/2024	A	02/05/2024 to 05/05/2025	05/05/2025 to 31/12/2029	14.30
02/05/2024		B	02/05/2024 to 05/05/2026	05/05/2026 to 31/12/2029	14.30	4.28
02/05/2024		C	02/05/2024 to 05/05/2027	05/05/2027 to 31/12/2029	14.30	4.50
02/05/2024		E	02/05/2024 to 05/05/2025	05/05/2025 to 31/12/2029	14.30	3.98
02/05/2024		F	02/05/2024 to 05/05/2026	05/05/2026 to 31/12/2029	14.30	4.28
02/05/2024		G	02/05/2024 to 05/05/2027	05/05/2027 to 31/12/2029	14.30	4.50

Notes:

- (i) For the share options granted in 2020, the tranche A, B and C are granted to Directors and senior employees, while the tranche E, F and G are granted to other participants (excluding associates of Directors).
- (ii) For the share options granted in 2024, the tranche A, B and C are granted to Directors, while the tranche E, F and G are granted to other employees (including associates of Directors).

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37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

(a) Equity-settled share option scheme (Continued)

The following tables disclose movements of the Company's share options held by employees and Directors during the year ended 31 December 2025 and 2024:

Year ended 31 December 2025:

Option type	Outstanding at 01/01/2025	Granted during the year	Exercised during the year	Forfeited / Expired during the year (note)	Outstanding at 31/12/2025
2020-A	1,979,900	–	(1,907,900)	(72,000)	–
2020-B	2,823,900	–	(2,751,900)	(72,000)	–
2020-C	3,765,200	–	(3,669,200)	(96,000)	–
2020-E	1,828,820	–	(1,673,600)	(155,220)	–
2020-F	3,022,620	–	(2,867,400)	(155,220)	–
2020-G	4,030,160	–	(3,823,200)	(206,960)	–
2024-A	390,000	–	–	–	390,000
2024-B	390,000	–	–	–	390,000
2024-C	520,000	–	–	–	520,000
2024-E	8,610,000	–	(3,190,000)	(238,500)	5,181,500
2024-F	8,610,000	–	–	(238,500)	8,371,500
2024-G	11,480,000	–	–	(318,000)	11,162,000
	47,450,600	–	(19,883,200)	(1,552,400)	26,015,000
Exercisable at the end of the year					5,571,500
Weighted average exercise price	HKD17.81	–	HKD22.32	HKD18.96	HKD14.30

The share options outstanding at 31 December 2025 had remaining contractual life of 1~4 years (2024: 1~5 years).

Note: During the year ended 31 December 2025, 995,900 options (2024: Nil) are expired, and 556,500 options (2024: 1,596,400 options) are forfeited.



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For the year ended 31 December 2025

37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

(a) Equity-settled share option scheme (Continued)

Year ended 31 December 2024:

Option type	Outstanding at 01/01/2024	Granted during the year	Exercised during the year	Forfeited during the year (note)	Outstanding at 31/12/2024
2020-A	2,204,600	—	—	(224,700)	1,979,900
2020-B	3,048,600	—	—	(224,700)	2,823,900
2020-C	4,064,800	—	—	(299,600)	3,765,200
2020-E	2,083,040	—	—	(254,220)	1,828,820
2020-F	3,276,840	—	—	(254,220)	3,022,620
2020-G	4,369,120	—	—	(338,960)	4,030,160
2024-A	—	390,000	—	—	390,000
2024-B	—	390,000	—	—	390,000
2024-C	—	520,000	—	—	520,000
2024-E	—	8,610,000	—	—	8,610,000
2024-F	—	8,610,000	—	—	8,610,000
2024-G	—	11,480,000	—	—	11,480,000
	19,047,000	30,000,000	—	(1,596,400)	47,450,600
Exercisable at the end of the year					17,450,600
Weighted average exercise price	HKD23.85	HKD14.30	—	HKD23.85	HKD17.81

The weighted average closing price of the Company's shares immediately before the dates on which the options were exercised was HKD31.04 for the year ended 31 December 2025 (2024: Nil).

The closing price of the Company's shares immediately before 2 May 2024, the date of grant, was HKD13.44. The weighted average fair value of the options on the grant date was HKD4.28, which was calculated using the Binomial model. The inputs into the model were as follows:

	2024 options
Grant date share price	HKD14.30
Exercise price	HKD14.30
Expected volatility	48%
Option life	5.66 years
Expected dividend yield	From HKD0.73 to
Risk-free interest rate	HKD1.50 3.71%

37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

(a) Equity-settled share option scheme (Continued)

The Binomial model had been used to estimate the fair value of a series of share options granted under the 2022 Share Option Scheme. The variables and assumptions used in computing the fair value of the share options were based on the Directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

The Group recognised the total expense of RMB40,751,000 (2024: RMB39,732,000) for the year ended 31 December 2025 in relation to share options granted by the Company.

(b) Restricted shares of the Company

The Company adopted a share award scheme (the "Scheme") on 28 July 2020, of which the purpose is to recognise the contributions by certain eligible participants (the "Scheme Participants") and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

Pursuant to the Scheme, the Board shall select the Scheme Participants and determine the number of shares to be awarded (the "Restricted Shares"). An independent trustee appointed by the Board (the "Trustee") shall purchase from the market such number of issued ordinary shares to be awarded as specified by the Board.

In September 2020, the Group has purchased 8,520,000 issued ordinary shares from the market through the Trustee with the consideration amounted to approximately HKD251,265,000 (equivalent to approximately RMB222,075,000). In March 2022, the Group purchased additional 3,000,000 issued ordinary shares from the market through the Trustee, the consideration for which amounted to approximately HKD57,944,000 (equivalent to approximately RMB46,731,000). These ordinary shares are held in trust for the relevant Scheme Participants until such shares will be vested with the Scheme Participants in accordance with the provisions of the Scheme. Pursuant to the Scheme, in any event, the aggregate number of Shares held by the Trustee (whether directly or indirectly through other controlled corporations) as a whole would not exceed 2% of the issued share capital of the Company at any time (on an actual basis as well as on a fully diluted basis).

As of 31 December 2025, the Group has issued two batches of restricted shares in accordance with the Scheme.

i) Restricted Shares 2021

On 29 March 2021, the Board resolved to approve the initial grant of 3,000,000 Restricted Shares under the Scheme to the Scheme Participants at the grant price of zero per Restricted Share, and vest over a four-year period that each 50% of the awards vesting on the third and fourth anniversary of the grant date, respectively.

ii) Restricted Shares 2025-A

On 22 January 2025, the Board resolved to approve the initial grant of 895,000 Restricted Shares under the Scheme to the Scheme Participants at the grant price of zero per Restricted Share to 21 employees. The grant date closing price of the shares was HKD16.00, with the vesting date set for 23 January 2026.

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37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

(b) Restricted shares of the Company (Continued)

iii) *Restricted Shares 2025-B*

On 24 October 2025, the Board resolved to approve the initial grant of 2,400,000 Restricted Shares under the Scheme to the Scheme Participants at the grant price of zero per Restricted Share to 139 employees, and vest over a three-year period that 30%, 30% and 40% of the awards vesting on 26 October 2026, 26 October 2027 and 26 October 2028, respectively. The grant date closing price of the shares was HKD31.82.

The fair value of Restricted Shares with service conditions or performance conditions is based on the fair market value of the underlying ordinary shares on the date of grant, taking into account the terms and conditions upon which the shares were granted.

The table below discloses movement of the Company's Restricted Shares activity held by the Group's Directors and employees:

	Number of Restricted Stocks
Restricted shares 2021	
Outstanding as at 1 January 2025	2,032,000
Vested during the year	(1,339,450)
Forfeited during the year	(692,550)
Outstanding as at 31 December 2025	–
Restricted shares 2025-A	
Outstanding as at 1 January 2025	–
Granted during the year	895,000
Outstanding as at 31 December 2025	895,000
Restricted shares 2025-B	
Outstanding as at 1 January 2025	–
Granted during the year	2,400,000
Outstanding as at 31 December 2025	2,400,000

The Group recognised the total expenses of RMB8,554,000 (2024: RMB7,077,000) for the year ended 31 December 2025 in relation to restricted share units stated above.

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37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

(c) Restricted shares of UATC

UATC, a subsidiary of the Group announced a share award scheme (the “UATC Scheme”) on 8 June 2022, of which the purpose is to recognise the contributions by corresponding eligible participants (the “UATC Scheme Participants”) and to provide them with incentives in order to retain them for the continual operation and development of UATC.

Pursuant to the UATC Scheme, UATC shall issue new 1,500,000 ordinary shares with nominal value of NTD10.00. The board of UATC directors shall select the UATC Scheme Participants and determine the number of shares to be awarded (the “UATC Restricted Shares”). On 20 September 2022, the board of UATC resolved to issue 1,500,000 new shares and approve the grant of corresponding shares to the UATC Scheme Participants at the grant price of zero per Restricted Share, and vest over a three-year period that 30%, 30% and 40% of the awards vesting on the first, second and third anniversary of the grant date, respectively.

On 31 October 2025, the board of UATC resolved to issue 3,200,000 new shares and approve the grant of corresponding shares to the UATC Scheme Participants at the grant price of zero per Restricted Share, and vest over a two-and-half year period that 30%, 30% and 40% of the awards vesting on the end of 0.5 year, 1.5 years and 2.5 years from the grant date, respectively.

The fair value of Restricted Shares with service conditions or performance is based on the fair market value of the underlying ordinary shares on the date of grant, taking into account the terms and conditions upon which the shares were granted.

The following table summarised the UATC’s Restricted Shares activity for the current period:

	Number of Restricted Stocks
Outstanding as at 1 January 2025	1,064,530
Granted during the year	3,200,000
Vested during the year	(709,770)
Forfeited during the year (note)	(354,760)
Outstanding as at 31 December 2025	3,200,000

Note: As at 31 December 2025, certain employees left UATC after the restricted shares granted.

UATC recognised the total expenses of RMB2,312,000 (2024: RMB2,113,000) for the year ended 31 December 2025 in relation to restricted share units granted.



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38. RETIREMENT BENEFITS SCHEME

Defined contribution plans

The employees of the Group's subsidiaries are members of the state-managed retirement benefit schemes operated by the government. The subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes is to make the required contributions under the schemes.

The total cost charged to profit or loss of RMB346,961,000 (2024: RMB276,955,000) represents contributions paid to the retirement benefits schemes by the Group in respect of the current year. Under the schemes, no forfeited contributions will be used by the employers to reduce the existing level of contributions.

Defined benefit plans

The Group sponsors a funded defined benefit plan for qualifying employees of UATC in Taiwan, China. The defined benefit plan is administered by a separate fund that is legally separated from the entity. The pension committee is composed of one or more members. The pension committee is required by law and by its articles of association to act in the interest of the fund and of all relevant stakeholders in the scheme, i.e. active employees, inactive employees, retirees, employers. The pension committee is responsible for the investment policy with regard to the assets of the fund.

The total cost charged to profit or loss for the year ended 31 December 2025 is RMB29,000 (2024: RMB29,000), representing the service cost and net interest on the net defined benefit liability.

The actuarial valuation showed that the market value of plan assets was RMB2,659,000 (2024: RMB2,446,000) and that the actuarial value of these assets outweighs the benefits that had accrued to members.

There are no qualifying employees under the scheme, and the Group has no further obligations for future contributions or benefit payments.

The amount included in the consolidated statement of financial position arising from the Group's obligation in respect of its defined benefit plan is as follows:

	2025 RMB'000	2024 RMB'000
Present value of funded defined benefit obligations	—	—
Fair value of plan assets	2,659	2,446
Funded status and net asset arising from defined benefit obligation	2,659	2,446

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39. DEFERRED INCOME

	2025 RMB'000	2024 RMB'000
Government grants — non-current liabilities	32,482	20,069

40. OTHER LONG-TERM LIABILITIES DUE WITHIN ONE YEAR

During the year ended 31 December 2020, the Group entered into an agreement with a local government agency in the PRC, who agreed to inject capital contribution amounting to RMB117,000,000 into Qingyuan Minth Automobile Parts Co., Ltd.* (清遠敏實汽車零部件有限公司) (“Qingyuan Minth”), a subsidiary of the Group. Pursuant to the capital injection agreement, the local government agency would not participate in Qingyuan Minth’s operation and management. The local government agency would enforce the right requiring the Group, and the Group is obligated, to redeem the capital injection from local government agency within five years after the receipt of the capital, together with interest calculated based on the below-market interest rate stipulated in the agreement. Therefore, the capital injection made by the local government agency is treated as a long-term liability. The difference between the present value of the long-term liability based on the expected repayment term and its principal amount is accounted for as government grant and recorded as deferred income. The liability has been settled during the current year.

During the year ended 31 December 2019, the Group entered into an agreement with local government funds in the PRC to establish a partnership Jiaxing Minth Equity Investment Partnership Enterprise (Limited Partnership)* (嘉興敏實定向股權投資合夥企業(有限合夥)) (“Jiaxing Partnership”) with a period of 5 years, whose only investment target is Jiaxing Minhua Automotive Parts Co., Ltd.* (嘉興敏華汽車零部件有限公司) (“Jiaxing Minhua”), a subsidiary of the Group. Pursuant to the agreement, the local government funds would contribute capital amounting to RMB800,000,000 into the Jiaxing Partnership. The local government funds would neither participate in Jiaxing Partnership’s nor Jiaxing Minhua’s operation and management. The local government funds would require the Group and the Group is obligated to redeem RMB800,000,000 of the capital contributed by the local government funds together with interest calculated based on the market interest rate, no later than the expiry of the operation period of Jiaxing Partnership. The interest could be recognised as a reduction of interest expenses incurred under the terms of the agreement when certain conditions are fulfilled during the operation period of Jiaxing Partnership. During the current year, the Group has repaid the principal to local government funds in full, and the outstanding amount of RMB46,500,000 are related to interest payable.

* The English names are for identification purposes only.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

Saved as disclosed in the Directors' report, the transactions below do not fall within the definition of "connected transaction" or "continuing connected transaction" under the Listing Rules, or if otherwise, such transaction is fully exempt from announcement, shareholders' approval and review requirements under the Listing Rules during the year and prior year. The Company has complied with the applicable requirements under Chapter 14A of the Listing Rules:

Relationship with related/ connected party	Nature of transactions	2025 RMB'000	2024 RMB'000
A joint venture, in which the Group has a 50% equity interest (note)	Sales of finished goods	13,234	32,720
	Purchases of finished goods/ semi-finished goods	15,779	40,668
	Consulting services income	3,372	519
	Property rentals income	1,049	2,518
	Other expense	278	345
	Sales of raw materials	1,362	7,427
	Sales of moulds	244	219
	Other income	508	442
	Purchases of moulds	249	—
	Technology support services charges	15	—
A joint venture, in which the Group has a 50% equity interest	Consulting services income	802	7,438
	Purchases of finished goods/ semi-finished goods	238,321	214,557
	Sales of finished goods	4,314	939
	Sales of raw materials	1,133	115
	Other expense	816	640
	Property rentals income	151	1,396
	Property rentals payment	984	—
	Utilities income	4,146	4,897
	Proceeds from disposal of property, plant and equipment	2,642	2,147
	Sales of moulds	825	3,503
	Purchases of moulds	2,974	8,505
	Technology support services charges	2,754	—
	Testing services charge	1,244	—
A joint venture, in which the Group has a 30% equity interest	Utilities income	6,098	4,726
	Property rentals income	5,040	4,028
	Consulting services income	549	100
	Sales of finished goods	—	14
	Proceeds from disposal of property, plant and equipment	1,559	—
	Other expense	4	—
An associate, in which the Group has a 35% equity interest	Property rentals income	29	35
	Utilities income	—	7
	Other income	1	—
	Consulting services income	11	—

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For the year ended 31 December 2025

**41. RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS
(CONTINUED)**

Relationship with related/ connected party	Nature of transactions	2025 RMB'000	2024 RMB'000
An associate, in which the Group has a 10% equity interest	Purchases of finished goods/ semi-finished goods	22,551	27,378
An associate, in which the Group has a 30% equity interest	Sales of finished goods/raw materials	76	1,016
	Purchases of raw materials	637	1,953
	Property rentals income	2,268	2,577
	Utilities income	651	609
An associate, in which the Group has a 40% equity interest	Purchases of finished goods/ semi-finished goods	38,118	16,541
	Sales of finished goods	—	20
	Other income	99	—
	Other expense	335	17,498
An associate, in which the Group has a 35% equity interest	Purchases of semi-finished goods/ raw materials	—	510
	Purchases of moulds	—	130
	Purchases of property, plant and equipment	—	63
An associate, in which the Group has a 49% equity interest	Consulting services income	33,611	14,505
	Purchases of raw materials	106,161	6,187
	Interest income	2,622	—
	Other expense	22	60
	Sales of raw materials	3,519	—
	Property rentals income	4,242	—
	Purchases of property, plant and equipment	2,045	—
	Purchases of moulds	5,545	—
Non-controlling shareholders of subsidiaries	Purchases of raw materials, moulds and semi-finished goods	483	864
	Other expense	—	792
	Technology support services charges	3,763	4,611
	Purchases of intangible assets	61	—
Companies in which Mr. Chin and his family have control	Sales of raw materials	22	30
	Sales of moulds	362	220
	Purchases of finished goods	8,971	28,054
	Purchases of raw materials/ semi-finished goods	868	5,010
	Technology support services charges	11,511	4,030
	Consulting services income	435	—
	Property rentals income	16	—
	Property rentals payment	11,586	6,516
	Other expense	20,156	29,751
	Purchases of property, plant and equipment	1,788	248
	Utilities income	3,364	3,595
	Proceeds from disposal of property, plant and equipment	9	—



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS (CONTINUED)

Note: As disclosed in Note 19, during the current year, a joint venture of the Group, namely Wuhan Minth Nojima became a wholly-owned subsidiary of the Group. Therefore, Wuhan Minth Nojima was no longer the related party of the Group since the acquisition date of 30 May 2025. The transactions for current year disclosed above represented the transactions between 1 January, 2025 and 30 May, 2025.

The remuneration of Directors and senior management during the year is as follows:

	2025 RMB'000	2024 RMB'000
Short-term benefits	13,179	11,604
Post-employment benefits	76	44
Share-based payments	9,141	2,858
	22,396	14,506

The remuneration of Directors and senior management is determined by the remuneration committee having regard to the performance of individuals and market trends.

42. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2025 RMB'000	2024 RMB'000
Financial assets:		
Financial assets at amortised cost (including cash and cash equivalents)	12,410,242	11,015,427
Derivative financial assets	27,944	22,421
Financial assets at FVTPL	2,377,220	1,264,886
Debt instruments at FVTOCI	460,622	314,881
Financial liabilities:		
Amortised cost	15,876,507	15,768,339
Derivative financial liabilities	6,262	34,631

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, cash and cash equivalents, pledged bank deposits and time deposits, time deposits, debt instruments at FVTOCI, derivative financial assets/liabilities, financial assets at FVTPL, loan receivables, borrowings, trade and other payables, lease liabilities, other long-term liabilities due within one year. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk and risks arising from the interest rate benchmark reform. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) *Currency risk*

The Group's exposure to foreign currency risk is arising mainly from:

- (1) The Company and certain subsidiaries have bank balances denominated in foreign currencies.
- (2) Certain subsidiaries of the Group also have foreign currency denominated sales and purchases and certain trade receivables and payables of these subsidiaries are denominated in foreign currencies other than the functional currency of respective subsidiaries (i.e. RMB, USD, etc.).
- (3) The Company and certain subsidiaries also have borrowings denominated in foreign currencies.

The carrying amounts of the Group's major foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

	Liabilities		Assets	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
USD	2,276,983	1,771,509	3,878,164	2,685,307
EUR	3,515,473	2,433,881	1,420,052	1,063,330
JPY	62,284	51,273	1,239,001	171,965
HKD	712,431	248,549	106,495	34,990
MXN	96,226	102,777	61,391	43,598
	6,663,397	4,607,989	6,705,103	3,999,190

The Group also entered into certain foreign exchange forward contracts, foreign exchange structural option contracts and cross-currency swap contracts to mitigate its foreign currency exposure.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) *Currency risk (Continued)*

Sensitivity analysis

This sensitivity analysis details the Group's sensitivity to a 5% (2024: 5%) increase and decrease in RMB against the relevant foreign currencies. 5% (2024: 5%) represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% (2024: 5%) change in foreign currency rates. A positive number below indicates an increase in post-tax profit where RMB strengthens 5% (2024: 5%) against the relevant currency while a negative number indicates a decrease in post-tax profit.

This sensitivity analysis also details the Group's sensitivity to a 5% (2024: 5%) increase and decrease in USD against the relevant foreign currencies. 5% (2024: 5%) represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% (2024: 5%) change in foreign currency rates.

	2025 RMB'000	2024 RMB'000
If RMB strengthens against USD	(62,115)	(28,691)
If RMB weakens against USD	62,115	28,691
If RMB strengthens against EUR	110,384	86,137
If RMB weakens against EUR	(110,384)	(86,137)
If RMB strengthens against JPY	(50,108)	(5,842)
If RMB weakens against JPY	50,108	5,842
If RMB strengthens against HKD	25,466	9,038
If RMB weakens against HKD	(25,466)	(9,038)
If USD strengthens against EUR	130	41
If USD weakens against EUR	(130)	(41)
If USD strengthens against MXN	1,464	2,504
If USD weakens against MXN	(1,464)	(2,504)
If USD strengthens against JPY	332	170
If USD weakens against JPY	(332)	(170)

42. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate bank deposits, bank borrowings and lease liabilities. The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances and bank borrowings (see notes 28 and 31). The Group's exposures to interest rates on interest rate swap contracts and foreign exchange structural option contracts are detailed in the liquidity risk management section of this note. The Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

Sensitivity analysis

The sensitivity analysis has been determined based on the exposure to interest rates for variable-rate financial instruments (including bank balances and borrowings) at the end of the reporting period. The analysis is prepared assuming the balances outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point (2024: 50 basis point) increase or decrease in interest rates on variable-rate bank balances and a 50 basis point (2024: 50 basis point) increase or decrease in interest rates on variable-rate borrowings represent management's assessment of the reasonably possible change in interest rates.

If interest rates on variable-rate bank balances had been 50 basis point (2024: 50 basis point) higher/lower and all other variables were held constant, the Group's post-tax profit would have increased/decreased by RMB15,765,000 (2024: increased/decreased by RMB10,329,000). If interest rates on variable-rate borrowings had been 50 basis point (2024: 50 basis point) higher/lower and all other variables were held constant, the Group's post-tax profit would have decreased/increased by RMB32,088,000 (2024: decreased/increased by RMB27,681,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank balances and borrowings.

(iii) Other price risk

The Group is exposed to equity price risk through its investments in equity securities measured at FVTPL. The management of the Group manages this exposure by maintaining a portfolio of investments with different risks. The Group has appointed a special team to monitor the price risk to ensure that follow-up action is taken to recover the relevant risk.

Sensitivity analysis

The sensitivity analysis has been determined based on the exposure to equity price risk at the reporting date.

If the prices of the respective financial assets at FVTPL had been 10% (2024: 10%) higher/lower, the post-tax profit for the year ended December 31, 2025 would increase/decrease by RMB3,045,000 (2024: RMB17,212,000) as a result of the changes in fair value of listed equity investments at FVTPL.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets and contract assets as stated in the consolidated statement of financial position.

Trade receivables and contract assets arising from contracts with customers

The customers of the Group are mainly sizable domestic and international automobile manufacturers and certified suppliers of those automobile manufacturers. The Group arranges production plan and deliver automobile body parts strictly following orders from customers in accordance with the production plan of the customers. For mould development, the Group requires certain prepayment in advance before the commencement of development. Furthermore, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

As part of the Group's impairment assessment, the Group uses provision matrix to assess the impairment for its customers excluding those debtors with high credit risk because these customers consist of a large number of customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The provision matrix is based on internal credit ratings as groupings of various debtors that have similar loss patterns. The measurement of ECL on trade receivables and contract assets with high credit risk are assessed on an individual basis.

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

Pledged bank deposits and time deposits/time deposits/cash and cash equivalents

Credit risk on pledged bank deposits and time deposits/time deposits/cash and cash equivalents is limited because the counterparties are reputable banks with high credit ratings assigned by credit agencies. The Group assessed 12m ECL for pledged bank deposits and time deposits/time deposits/cash and cash equivalents by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external credit rating agencies. Based on the average loss rates, the 12m ECL on pledged bank deposits and time deposits/time deposits/cash and cash equivalents is considered to be insignificant and therefore no loss allowance was recognised to specify the amount of impairment made.

Other receivables and loan receivables

The Group makes individual assessment for significant outstanding items and portfolio assessment for other items with a large number of insignificant balances on the recoverability of other receivables and loan receivables on 12m ECL basis.

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42. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Debt instruments at FVTOCI

The Group's debt instruments at FVTOCI are bills receivables and other debt instruments that are accepted by banks with high credit rating. Therefore, these bills receivables and other debt instruments are considered to be at low credit risk and the loss allowance is measured on 12m ECL basis.

The Group has concentration of credit risk on trade receivables. At 31 December 2025, the Group's ten largest customers accounted for 17% (2024: 24%) of the total trade receivables.

The Group's concentration of credit risk by geographical locations is mainly in the PRC, which accounted for 62% (2024: 63%) of the total trade receivables as at 31 December 2025.

The tables below detail the credit risk exposures of the Group's financial assets and contract assets, which are subject to ECL assessment:

	Notes	Internal credit rating	12-month or lifetime ECL	2025 Gross carrying amount RMB'000	2024 Gross carrying amount RMB'000
Debt instruments at FVTOCI	21	N/A	12-month ECL	460,622	314,881
Financial assets at amortised costs					
Loan receivables		N/A	12-month ECL	69,403	26,037
Time deposits	28	N/A	12-month ECL	1,515,407	1,063,624
Pledged bank deposits and time deposits	28	N/A	12-month ECL	1,532,737	1,770,568
Cash and cash equivalents	28	N/A	12-month ECL	3,751,454	2,440,779
Bills receivables	24	(note i)	12-month ECL	14,263	559
Other receivables	24	(note i)	12-month ECL	330,414	329,261
Trade receivables	24	(note ii)	Lifetime ECL (not credit-impaired) Lifetime ECL (credit-impaired)	5,077,496 187,359	5,245,094 198,261
				5,264,855	5,443,355
Other items					
Contract assets	25	(note ii)	Lifetime ECL (not credit-impaired) Lifetime ECL (credit-impaired)	1,368,828 8,016	1,292,767 8,016
				1,376,844	1,300,783



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42. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Debt instruments at FVTOCI (Continued)

Notes:

- (i) For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition.

2025	Not past due/ No fixed repayment terms RMB'000	Total RMB'000
Other receivables	330,414	330,414
Bills receivables	14,263	14,263
	344,677	344,677
2024	Not past due/ No fixed repayment terms RMB'000	Total RMB'000
Other receivables	329,261	329,261
Bills receivables	559	559
	329,820	329,820

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For the year ended 31 December 2025

42. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Debt instruments at FVTOCI (Continued)

Notes: (Continued)

- (ii) For trade receivables and contract assets, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors which are credit-impaired, the Group determines ECL on these items by using a provision matrix.

As part of the Group's credit risk management, trade receivables and contract assets have been grouped based on a systematic internal credit rating with reference to a matrix of factors including the customer's nature, ageing analysis, recent financial performance of the customer and historical credit loss experience. Each group consists of a large number of customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. When assessing the internal credit rating of the customers, the rank and size of customers, the financial performance are considered. The following table provides information about the exposure to credit risk and ECL for trade receivables and contract assets which are assessed collectively based on provision matrix as at 31 December 2025 and 2024 within lifetime ECL.

2025	Average loss rate	Impairment loss allowance RMB'000	Trade receivables gross carrying amount RMB'000	Contract assets gross carrying amount RMB'000	Total RMB'000
Customer Group A	0.19%	10,339	4,037,559	1,368,828	5,406,387
Customer Group B	0.26%	1,667	638,627	—	638,627
Customer Group C	1.17%	6,327	538,711	—	538,711
2024	Average loss rate	Impairment loss allowance RMB'000	Trade receivables gross carrying amount RMB'000	Contract assets gross carrying amount RMB'000	Total RMB'000
Customer Group A	0.13%	6,943	4,195,969	1,292,767	5,488,736
Customer Group B	0.39%	3,561	909,332	—	909,332
Customer Group C	0.97%	2,829	292,632	—	292,632



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Debt instruments at FVTOCI (Continued)

As at 31 December 2025, trade receivables amounting to RMB49,958,000 (As at 31 December 2024: RMB45,422,000) and contract assets amounting to RMB8,016,000 (As at 31 December 2024: RMB8,016,000) with high credit risk are assessed for ECL individually.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

	Lifetime ECL (not credit- impaired) RMB'000	Lifetime ECL (credit- impaired) RMB'000	Total RMB'000
As at 1 January 2024	2,171	48,400	50,571
Impairment losses recognised	2,053	16,556	18,609
Impairment losses reversed	(1,609)	(631)	(2,240)
Transfer to credit-impaired	(695)	695	—
Write-offs	—	(8,185)	(8,185)
As at 31 December 2024	1,920	56,835	58,755
Impairment losses recognised	4,837	6,067	10,904
Impairment losses reversed	—	(775)	(775)
Transfer to credit-impaired	(580)	580	—
Write-offs	—	(593)	(593)
As at 31 December 2025	6,177	62,114	68,291

The Group writes off a trade receivable when there is information indicating that debtors are in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtors have been placed under liquidation.

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42. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Debt instruments at FVTOCI (Continued)

The following table shows reconciliation of loss allowances that has been recognised for other receivables.

	12-month ECL RMB'000	Lifetime ECL (not credit- impaired) RMB'000	Lifetime ECL (credit- impaired) RMB'000	Total RMB'000
As at 1 January 2024	—	—	951	951
Impairment losses recognised	—	—	—	—
Impairment losses reversed	—	—	—	—
Transfer to credit-impaired	—	—	—	—
Transfer to lifetime ECL	—	—	—	—
Write-offs	—	—	(951)	(951)
As at 31 December 2024	—	—	—	—
Impairment losses recognised	—	—	—	—
As at 31 December 2025	—	—	—	—

Liquidity risk

The Group closely monitors its cash position resulting from its operations and maintains a level of cash and cash equivalents deemed adequate by the management to enable the Group to meet in full its financial obligations as they fall due for the foreseeable future.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. In addition, the following tables detail the Group's liquidity analysis for its derivative instruments. The tables have been drawn up based on the undiscounted net inflows and outflows on those derivatives.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity tables

	Weighted average interest rate %	Repayable on demand or less than three months RMB'000	Three months to six months RMB'000	Six months to one year RMB'000	More than one year RMB'000	Total undiscounted cash flows RMB'000	Carrying amount RMB'000
2025							
Non-derivative financial liabilities							
Trade and other payables	–	6,565,696	311,428	–	–	6,877,124	6,877,124
Lease liabilities	2.68	7,308	5,378	7,530	73,669	93,885	88,613
Borrowings	3.00	7,064,356	67,865	41,130	2,024,703	9,198,054	8,952,783
Other long-term liabilities due within one year	4.65	46,600	–	–	–	46,600	46,600
		13,683,960	384,671	48,660	2,098,372	16,215,663	15,965,120
Derivative-net settlement							
Foreign exchange structural option contracts							
– outflow		359	29	–	–	388	388
– inflow		(127)	(37)	–	–	(164)	(164)
Cross-currency swap contracts							
– outflow		–	5,029	–	–	5,029	5,029
– inflow		–	(5,392)	–	(4,473)	(9,865)	(9,865)
		232	(371)	–	(4,473)	(4,612)	(4,612)
Derivative-gross settlement							
Foreign exchange forward contracts							
– inflow		(797,028)	(403,157)	(562,304)	–	(1,762,489)	(17,915)
– outflow		784,997	398,700	561,722	–	1,745,419	845
		(12,031)	(4,457)	(582)	–	(17,070)	(17,070)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

	Weighted average interest rate %	Repayable on demand or less than three months RMB'000	Three months to six months RMB'000	Six months to one year RMB'000	More than one year RMB'000	Total undiscounted cash flows RMB'000	Carrying amount RMB'000
2024							
Non-derivative financial liabilities							
Trade and other payables	–	6,014,343	323,764	–	–	6,338,107	6,338,107
Lease liabilities	1.30–4.17	8,344	5,738	9,492	67,389	90,963	84,179
Borrowings	3.63	5,683,740	277,947	20,377	2,634,602	8,616,666	8,419,056
Other long-term liabilities due within one year	2.12	893,277	–	121,407	–	1,014,684	1,011,176
		12,599,704	607,449	151,276	2,701,991	16,060,420	15,852,518
Derivative-net settlement							
Foreign exchange structural option contracts							
– outflow		2,239	965	2,790	–	5,994	5,994
– inflow		(777)	(429)	(465)	–	(1,671)	(1,671)
Cross-currency swap contracts							
– outflow		2,029	12,554	–	14,054	28,637	28,637
– inflow		–	(19,124)	–	(863)	(19,987)	(19,987)
Interest rate swap contracts							
– inflow		–	–	(763)	–	(763)	(763)
		3,491	(6,034)	1,562	13,191	12,210	12,210

The amounts included above for variable-rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

(c) Fair value

The fair value of financial assets and financial liabilities are determined as follows:

The fair value of derivative instruments is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value (Continued)

The fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The Directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and input(s) used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Basis of fair value measurement/ valuation technique(s) and key input(s)
	31/12/2025	31/12/2024		
1) Foreign exchange forward contracts	Assets – RMB17,915,000 Liabilities – RMB845,000	Assets – N/A	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rate at the end of the reporting period) and contracted forward rates, discounted at a rate that reflects the credit risk of various counterparties.
2) Interest rate swaps contracts	Assets – N/A	Assets – RMB763,000	Level 2	Discounted cash flow. Future cash flows are estimated based on applicable yield curves derived from quoted interest rates and contracted interest rates on each maturity date and contracted forward interest rate at the end of the final maturity date, discounted at a rate that reflects the credit risk of various counterparties.
3) Debt instruments at FVTOCI	Assets – RMB460,622,000	Assets – RMB314,881,000	Level 2	Discounted cash flow. Future cash flows are estimated based on discount rate observed in the available market.
4) Cross-currency swap contracts	Assets – RMB9,865,000 Liabilities – RMB5,029,000	Assets – RMB19,987,000 Liabilities – RMB28,637,000	Level 2	Discounted cash flow. Future cash flows are estimated based on applicable yield curves derived from quoted interest rates, contracted interest rates on each maturity date and forward exchange rate and contracted forward rate at the end of the final maturity date, discounted at a rate that reflects the credit risk of various counterparties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Basis of fair value measurement/ valuation technique(s) and key input(s)
	31/12/2025	31/12/2024		
5) Foreign exchange structural option contracts	Assets – RMB164,000 Liabilities – RMB388,000	Assets – RMB1,671,000 Liabilities – RMB5,994,000	Level 3	Fair value is derived using binomial tree computation method. The key parameters used include forward exchange rates (from observable forward exchange rate at the end of the reporting period), contracted exchange rates, discount rate, risk-free rate, time to maturity, and volatility.
6) Financial assets at FVTPL	Assets – RMB37,713,000	Assets – RMB204,217,000	Level 1	Calculated based on active market quoted transaction price.
7) Financial assets at FVTPL	Assets – RMB1,182,958,000	Assets – N/A	Level 2	Calculated based on recent transaction price in the non-active market.
8) Financial assets at FVTPL	Assets – RMB1,156,549,000	Assets – RMB1,060,669,000	Level 3	Discounted at a rate that reflects the credit risk and volatility. Future cash flows are estimated based on estimated return.

The Directors of the Company consider that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the consolidated financial statements approximate their fair values.

There were no transfers between Level 1 and 2 in the current and prior years.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Reconciliation of Level 3 fair value measurement:

	Assets		Liabilities
	Foreign exchange structural option contracts	Financial assets at FVTPL	Foreign exchange structural option contracts
	RMB'000	RMB'000	RMB'000
Balance as at 1 January 2024	—	29,578	(67)
Addition	—	1,073,015	—
Fair value changes	1,671	(17,481)	(5,994)
Settlements	—	(14,237)	67
Transfer to level 1	—	(14,675)	—
Exchange adjustments	—	4,469	—
Balance as at 31 December 2024	1,671	1,060,669	(5,994)
Addition	—	—	—
Fair value changes	164	72,691	(388)
Settlements	(1,671)	—	5,994
Exchange adjustments	—	23,189	—
Balance as at 31 December 2025	164	1,156,549	(388)

Of the total gains or losses for the year included in profit or loss, gain of RMB72,467,000 (2024: loss of RMB21,804,000) relates to foreign exchange structural option contracts and financial assets at FVTPL held at the end of the current reporting period. Fair value gains or losses on foreign exchange structural option contracts classified as derivative financial assets and financial assets at fair value through profit or loss are included in 'other gains and losses'.

(d) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes the borrowings, other long-term liabilities due within one year disclosed in notes 31 and 40, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves, retained profits and non-controlling interests.

The Directors review the capital structure on a regular basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

43. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities:

	Lease liabilities RMB'000 (note 34)	Borrowings RMB'000 (note 31)	Other long-term liabilities due within one year RMB'000 (note 40)	Dividend payable RMB'000 (note 29)	Dividend payable to non- controlling interests RMB'000 (note 29)	Interest payable RMB'000 (note 29)	Total RMB'000
As at 1 January 2025	84,179	8,419,056	1,011,176	—	17,936	—	9,532,347
Financing cash flows	(21,808)	360,541	(952,498)	(460,639)	(12,041)	(322,586)	(1,409,031)
Non-cash changes:							
Net foreign exchange gains	5,890	180,007	—	—	—	—	185,897
Interest expenses	2,530	—	(11,626)	—	—	334,003	324,907
Dividends recognised as distribution	—	—	—	460,639	—	—	460,639
Dividends declared to non-controlling interests	—	—	—	—	12,041	—	12,041
Amortization of deferred income	—	—	3,418	—	—	—	3,418
Transfer to property, plant and equipment	—	—	(3,870)	—	—	—	(3,870)
Exchange differences arising on translation of foreign operation	—	(6,821)	—	—	—	—	(6,821)
Lease liabilities arising on the new lease agreements	17,822	—	—	—	—	—	17,822
At 31 December 2025	88,613	8,952,783	46,600	—	17,936	11,417	9,117,349

	Lease liabilities RMB'000 (note 34)	Borrowings RMB'000 (note 31)	Other long-term liabilities due within one year RMB'000 (note 40)	Dividend payable to non- controlling interests RMB'000 (note 29)	Interest payable RMB'000 (note 29)	Total RMB'000
As at 1 January 2024	86,178	9,688,323	987,329	10,621	—	10,772,451
Financing cash flows	(29,951)	(1,104,367)	—	(32,533)	(497,275)	(1,664,126)
Non-cash changes:						
Net foreign exchange gains	(297)	(148,456)	—	—	—	(148,753)
Interest expenses	7,191	—	16,554	—	497,275	521,020
Dividends declared to non-controlling interests	—	—	—	39,848	—	39,848
Amortization of deferred income	—	—	4,233	—	—	4,233
Transfer to property, plant and equipment	—	—	3,060	—	—	3,060
Exchange differences arising on translation of foreign operation	—	(16,444)	—	—	—	(16,444)
Lease liabilities arising on the new lease agreements	21,058	—	—	—	—	21,058
At 31 December 2024	84,179	8,419,056	1,011,176	17,936	—	9,532,347



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

44. SUBSIDIARIES

Details of the Company's material subsidiaries as at 31 December 2025 and 2024 are as follows:

Name of subsidiaries	Place of incorporation/ registration/operations	Attributable equity interest of the Group		Issued capital/ registered capital	Principal activities
		2025	2024		
Sinoone Holdings Limited	British Virgin Islands	100%	100%	USD1	Investment holding
Decade Industries Limited	British Virgin Islands	100%	100%	USD1	Investment holding
Mindway Holdings Limited	British Virgin Islands	100%	100%	USD1	Investment holding
Forecast Industries Limited	British Virgin Islands	100%	100%	USD1	Investment holding
Wealthfield Holdings Limited	British Virgin Islands	100%	100%	USD1	Investment holding
展圖控股有限公司 (Cheerplan Holdings Limited)	British Virgin Islands	100%	100%	USD1	Investment holding
恒銀國際有限公司 (Constant Gain International Limited)	British Virgin Islands	100%	100%	USD2	Investment holding
Franshoke Investments Limited	British Virgin Islands	100%	100%	USD1	Investment holding
Enboma Investments Limited	British Virgin Islands	100%	100%	USD39,000,000	Investment holding
i-Sun Limited	British Virgin Islands	100%	100%	USD1,988,424	Investment holding
司諾(香港)有限公司 (Sinoone (HK) Limited) (note iii)	Hong Kong	N/A	100%	HKD675,156,306	Investment holding
時銘(香港)有限公司 (Decade (HK) Limited)	Hong Kong	100%	100%	HKD19,824	Investment holding
睿途(香港)有限公司 (Mindway (HK) Limited)	Hong Kong	100%	100%	HKD403,597,087	Investment holding
展圖(香港)有限公司 (Cheerplan (HK) Limited)	Hong Kong	100%	100%	HKD4,620,219,992	Investment holding
泰琳發展有限公司 (Talentlink Development Limited)	Hong Kong	100%	100%	HKD10,000/ USD84,749,000	Investment holding
敏實財務有限公司 (Mint Financial Limited)	Hong Kong	100%	100%	HKD10,000	Bookkeeping service
Mint Investment	Hong Kong	100%	100%	HKD42,534,337	Investment holding

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For the year ended 31 December 2025

44. SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place of incorporation/ registration/operations	Attributable equity interest of the Group		Issued capital/ registered capital	Principal activities
		2025	2024		
銘仕國際有限公司 (Minth International Limited)	Hong Kong	100%	100%	HKD4,000,000	Import and export trading, logistics, technology import, and investment holding
嘉興司諾投資有限公司 (Jiaxing Sinoone Investments Co., Ltd.)*	the PRC as a wholly- owned foreign investment enterprise ("WFOE")	100%	100%	USD556,620,000	Investment holding
寧波信泰機械有限公司 (Ningbo Shintai Machines Co., Ltd.)*	the PRC as a WFOE	100%	100%	USD27,340,000	Design, manufacture, development and sales of automobile body parts
天津信泰汽車零部件有限公司 (Tianjin Shintai Automotive Parts Co., Ltd.)*	the PRC as a WFOE	100%	100%	USD26,550,000	Manufacture and sales of automobile body parts
嘉興敏惠汽車零部件有限公司 (Jiaxing Minhui Automotive Parts Co., Ltd.)*	the PRC as a WFOE	100%	100%	USD551,390,000	Manufacture and sales of automobile body parts
嘉興敏勝汽車零部件有限公司 (Jiaxing Minsheng Automotive Parts Co., Ltd.)*	the PRC as a WFOE	100%	100%	USD164,400,000	Manufacture and sales of automobile body parts
Cheerplan China	the PRC as a WFOE	100%	100%	USD692,050,000	Investment holding
Minth North America, Inc.	the USA	100%	100%	USD15,940,000	Research and marketing development
嘉興敏實機械有限公司 (Jiaxing Minth Machines Co., Ltd.)*	the PRC as a WFOE	100%	100%	USD158,000,000	Design, manufacture, development and sales of automobile body parts
Minth Japan 株式會社 (Minth Japan Co., Ltd.)	Japan	100%	100%	JPY95,000,000	Act as an agent of sales of automobile body parts and purchase of raw materials
Minth Aapico (Thailand) Co., Ltd.	Thailand	60%	60%	Thai Baht ("THB") 378,500,000	Design, manufacture, development and sales of automobile body parts
寧波泰甬汽車零部件有限公司 (Ningbo Taiyong Automotive Parts Co., Ltd.)*	the PRC as a WFOE	100%	100%	USD63,000,000	Manufacture and sales of automobile body parts



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For the year ended 31 December 2025

44. SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place of incorporation/ registration/operations	Attributable equity interest of the Group		Issued capital/ registered capital	Principal activities
		2025	2024		
嘉興國威汽車零部件有限公司 (Jiaxing Guowei Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD1,500,000	Design, manufacture, development and sales of automobile body parts
嘉興敏凱汽車零部件有限公司 (Jiaxing Kittel-Minsh Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD40,000,000	Design, manufacture, development and sales of automobile body parts
Minsh GmbH	Germany	100%	100%	EUR500,000	Customer service and market development
廣州敏實汽車零部件有限公司 (Guangzhou Minsh Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD57,400,000	Design, manufacture, development and sales of automobile body parts
煙台和瑞汽車零部件有限公司 (Yantai Herui Automotive Parts Co., Ltd.)*	the PRC as a WOFE	N/A (note 9)	100%	USD4,000,000	Design, manufacture, development and sales of automobile body parts
淮安和通汽車零部件有限公司 (Huainan Hetong Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD12,000,000	Manufacture, development and sales of automobile body parts and motor system for electric vehicle
武漢和盛汽車零部件有限公司 (Wuhan Hesheng Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD27,000,000	Design, manufacture, development and sales of automobile body parts
武漢東海敏實汽車零部件有限公司 (Wuhan Tokai Minsh Automotive Parts Co., Ltd.)* (note 33)	the PRC as a foreign equity joint venture enterprise	50%	50%	USD10,000,000	Design, manufacture, development and sales of automobile body parts
銘仕國際澳門離岸商業服務 有限公司 (Minsh Macau)	Macau	100%	100%	Macau Pataca ("MOP") 100,000	Import and export trading, logistics, technology import, and investment holding
江蘇和興汽車科技有限公司 (Jiangsu Hexing Automotive Technology Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD160,000,000	Design, manufacture, development and sales of automobile body parts
Minsh Asia Pacific Co., Ltd.	Thailand	100%	100%	THB800,000,000	Manufacture and sales of automobile body parts

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For the year ended 31 December 2025

44. SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place of incorporation/ registration/operations	Attributable equity interest of the Group		Issued capital/ registered capital	Principal activities
		2025	2024		
Minth Metals Asia Pacific Co., Ltd. (formerly known as Minth Development (Thailand) Co., Ltd.)	Thailand	100%	100%	THB85,000,000	Manufacture and sales of automobile body parts
北京敏實汽車零部件有限公司 (Beijing Minth Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB115,000,000	Design, manufacture, development and sales of automobile body parts
鄭州敏惠汽車零部件有限公司 (Zhengzhou Minhui Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB90,000,000	Design, manufacture and sales of automobile body parts
天津敏信機械有限公司 (Tianjin Minshin Machines Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD13,210,000	Research and development, design, production and sales of automobile parts and related products
敏實投資有限公司 (Minth Investments Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD644,500,000	Investment holding
清遠敏惠汽車零部件有限公司 (Qingyuan Minhui Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD27,300,000	Manufacture and sales of automobile body parts
CST GmbH	Germany	100%	100%	EUR250,000	Manufacture and sales of automobile body parts
嘉興裕廷物業服務管理有限公司 (Jiaxing Yuting Property Services Management Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB18,000,000	Properties services management
MTM	the USA	100%	100%	USD16.70	Design, manufacture, development and sales of automobile body parts
Jiaxing Minde	the PRC as a WOFE	100%	100%	USD10,000,000	Design, manufacture, development and sales of automobile body parts
浙江敏泰科技有限公司 (Zhejiang Min Tai Technology Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD40,000,000	Design, manufacture, and sales of automobile body parts
Minth Mexico, S.A. DE C.V.	Mexico	100%	100%	USD9,185,424	Design, manufacture, development and sales of automobile body parts



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44. SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place of incorporation/ registration/operations	Attributable equity interest of the Group		Issued capital/ registered capital	Principal activities
		2025	2024		
Minth Mexico Coating, S.A. de C.V.	Mexico	100%	100%	USD100,000,000	Design, manufacture, import, export and sales of automobile body parts
Minth Tennessee International, LLC	the USA	100%	100%	USD20,000,000	Design, manufacture and sales of automotive parts
Qingyuan Minth	the PRC as a WOFE	100%	100%	RMB397,000,000	Manufacture and sales of automobile body parts
浙江敏盛汽車零部件有限公司 (Zhejiang Minsheng Automotive Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB257,631,200	Manufacture and sales of automobile body parts
寧波敏實汽車零部件技術研發有限公司 (Ningbo Minth Automotive Parts Research & Development Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD61,500,000	Design, manufacture and sales of metal moulds and automobile body parts manufacturing equipment
嘉興信元精密模具科技有限公司 (Jiaxing Shinyou Mould Tech Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD55,000,000	Design and manufacture of moulds
敏實汽車技術研發有限公司 (Minth Automotive Technology Research & Development Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB2,143,000,000	Design, manufacture and sales of metal moulds and automobile body parts manufacturing equipment
浙江信正精密科技有限公司 (Zhejiang Xinzheng Precision Technology Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD25,000,000	Design, manufacture and sales of moulds
浙江敏誠自動化科技有限公司 (Zhejiang Min Cheng Technology Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB9,137,900	Design, manufacture and sales of automation machines, software and production lines
浙江敏實科技有限公司 (Zhejiang Minth Science & Technology Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD10,000,000	Design, manufacture and sales of metal moulds and automobile body parts manufacturing equipment
長春敏實汽車零部件有限公司 (Changchun Minth Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD5,000,000	Manufacture and sales of automobile body parts

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44. SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place of incorporation/ registration/operations	Attributable equity interest of the Group		Issued capital/ registered capital	Principal activities
		2025	2024		
UATC (note 33)	Taiwan	35.41%	36.45%	NTD2,000,000,000	Aluminum alloy forging, die-casting, mold manufacturing and the production and sales of automobile body parts
嘉興敏創股權投資有限公司 (Jiaxing Minchuang Equity Investment Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB20,000,000	Investment holding
Jiaxing Partnership	the PRC as a limited partnership	79.995%	59.995%	RMB2,000,000,000	Investment holding
Guangzhou Tokai (note 33)	the PRC as a foreign equity joint venture enterprise	50%	50%	USD8,000,000	Manufacture and sales of automotive parts
嘉興敏信安全玻璃有限責任公司 (Jiaxing Minxin Safety Glass Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD50,000,000	Design and manufacture of automobile glass
湖北敏實汽車零部件有限公司 (Hubei Minth Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD50,000,000	Manufacture and sales of automobile body parts
浙江敏能科技有限公司 (Zhejiang Minneng Technology Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB103,000,000	Manufacture and sales of automobile body parts
瀋陽敏能汽車零部件有限公司 (Shenyang Minneng Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB74,000,000	Manufacture and sales of automobile body parts
湖北敏能汽車零部件有限公司 (Hubei Minneng Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB500,000,000	Manufacture and sales of automobile body parts
鄭州敏能汽車零部件有限公司 (Zhengzhou Minneng Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB49,000,000	Manufacture and sales of automobile body parts
Jiaxing Minhua	the PRC as a WOFE	100%	100%	RMB3,000,000,000	Manufacture and sales of automobile body parts



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44. SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place of incorporation/ registration/operations	Attributable equity interest of the Group		Issued capital/ registered capital	Principal activities
		2025	2024		
Minth Korea Co., Ltd.	Korea	100%	100%	USD84,760	Manufacture and sales of automobile body parts
福州信泰汽車零部件有限公司 (Fuzhou Shintai Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB108,511,993	Manufacture and sales of automobile body parts
重慶長泰汽車零部件有限公司 (Chongqing Changtai Automobile Spare Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD4,200,000	Manufacture and sales of automobile body parts
Guangzhou Minhui (note 33)	the PRC as a foreign equity joint venture enterprise	70%	70%	USD5,350,000	Manufacture and sales of automobile body parts
武漢敏惠汽車零部件有限公司 (Wuhan Minhui Automobile Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD9,500,000	Manufacture and sales of automobile body parts
重慶敏特汽車零部件有限公司 (Chongqing Minte Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD5,000,000	Manufacture and sales of automobile body parts
嘉興敏瑞汽車零部件有限公司 (Jiaxing Minrui Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD8,000,000	Manufacture and sales of automotive parts
嘉興思途汽車零部件有限公司 (Jiaxing Situ Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD5,000,000	Design, manufacture, development and sales of automobile body parts
嘉興和鑫汽車零部件有限公司 (Jiaxing Hexin Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD100,000	Design, manufacture and sales of automobile drive
寧波康栢貿易有限公司 (Ningbo Kangbai Trading Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB5,000,000	Wholesale of packaging materials, import and export trading
寧波藍聖智能科技有限公司 (Ningbo Lasen Intelligent Technology Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD7,800,000	Design, development, import and export of robot
敏實智能控股有限公司 (Minth Intelligence Holdings Limited)*	Hong Kong	100%	100%	USD10,000	Investment holding

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44. SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place of incorporation/ registration/operations	Attributable equity interest of the Group		Issued capital/ registered capital	Principal activities
		2025	2024		
Minth Automotive Europe D.O.O	Serbia	100%	100%	Serbian dinars ("RSD") 14,709,009,400	Casting of light metals
Minth Automotive (UK) Company Limited	the United Kingdom	100%	100%	Great British Pound ("GBP") 1	Manufacture and sales of electrical and electronic equipment
Minth Group US Holding Inc.	the USA	100%	100%	Shares: 1,000 non par value	Design, manufacture and sales of automotive parts
Minth CZ s.r.o	Czech	100%	100%	CZK4,932,610,585	Production, trade and service
Minth Windsor Manufacturing Inc.	Canada	100%	100%	USD165,100	General Business
Mignen Turkey Otomotiv Anonim Sirketi	Turkey	100%	100%	Turkish Liras 100,000	Manufacture of other parts and accessories for the motor vehicles
Minth Automobile Parts Balkan doo Loznica	Serbia	100%	100%	RSD1,200,000	Manufacture of other parts and accessories for motor vehicles
宏碩(澳門)一人有限公司 (Hongshuo (Macau) Limited) (formerly known as 敏能澳門一人有限公司 (Mignen Macau Limited))	Macau	100%	100%	MOP100,000	Consulting service, business management
敏實(長春)貿易有限公司 (Minth (ChangChun) Trading Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB1,000,000	Trading
敏實(嘉興)托育服務有限公司 (Minth (Jiaxing) Nursery Services Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB100,000	Nursery service
嘉興信鼎模具科技有限公司 (Jiaxing Xinding Mould Tech Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB100,000,000	Mould manufacturing
清遠敏瑞汽車零部件有限公司 (Qingyuan Minrui Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD12,800,000	Manufacture and sales of automobile body parts
安徽敏勝汽車零部件有限公司 (AnHui Minsheng Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB50,000,000	Manufacture and sales of automobile body parts
Mineral Europe Green Material D.O.O	Serbia	100%	100%	RSD11,800,000	Production, operation trading, import and export trade of deformed aluminum alloys, high-quality aluminum profiles, aluminum extrusion moulds



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44. SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place of incorporation/ registration/operations	Attributable equity interest of the Group		Issued capital/ registered capital	Principal activities
		2025	2024		
Minth Metal Parts Balkan D.O.O Majur	Serbia	100%	100%	RSD11,800,000	Manufacture of other parts and accessories for motor vehicles
嘉興敏實貿易有限公司 (Jiaxing Minth Trading Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB30,000,000	Trading
浙江勵敏鋁業有限公司 (Zhejiang Limin Aluminum Co., Ltd.)* (note iii)	the PRC as a WOFE	N/A	100%	RMB10,000,000	Non-ferrous metal smelting
敏向科技(上海)有限公司 (Minxiang Technology (Shanghai) Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB100,000,000	Research and development, design automobile part
天津敏實汽車零部件有限公司 (Tianjin Minth Automobile Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB500,000,000	Manufacture and sales of automobile body parts
成都敏盛汽車零部件有限公司 (Chengdu Minsheng Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD30,000,000	Manufacture and sales of automobile body parts
嘉興東榮敏實汽車零部件有限公司 (Jiaxing Toei Minth Automotive Parts Co., Ltd.)* (note iii)	the PRC as a WOFE	N/A	100%	USD24,000,000	Manufacture and sales of automobile body parts
寧波敏華汽車零部件有限公司 (Ningbo Minhua Auto Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD30,000,000	Manufacture and sales of automobile body parts
浙江敏雲數字科技有限公司 (Zhejiang MinCloud Technology Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB10,000,000	Internet information service
天津東海敏實汽車零部件有限公司 (Tianjin Tokai Minth Automotive Parts Co., Ltd.)* (note 33)	the PRC as a foreign equity joint venture enterprise	50%	50%	USD7,740,000	Manufacture and sales of automobile body parts
江蘇敏興汽車科技有限公司 (Jiangsu Minxing Automobile Technology Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD35,000,000	Manufacture and sales of automobile body parts
嘉興敏秀控股有限公司 (Jiaxing Minxiu Holding Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD100,000,000	Investment holding
敏捷智慧能源科技(紹興)有限公司 (Minjet Smart Energy Technology (Shaoxing) Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD110,000,000	Research and development, design automobile part
Minth ElectriCity Technology (note 33)	France	70%	70%	EUR48,999,000	Manufacture and sales of automobile body parts

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For the year ended 31 December 2025

44. SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place of incorporation/ registration/operations	Attributable equity interest of the Group		Issued capital/ registered capital	Principal activities
		2025	2024		
Minth Poland sp z.o.o	Poland	100%	100%	Polish New Zloty 5,000	Manufacture and sales of automobile body parts
清遠東海敏實汽車零部件有限公司 (Qingyuan Tokai Minth Automotive Parts Co., Ltd.)* (note 33)	the PRC as a foreign equity joint venture enterprise	50%	50%	USD7,000,000	Manufacture and sales of automobile body parts
Worldwise Plastics LLC	the USA	100%	100%	USD50,000,000	Manufacture and design of automobile body parts
Pan American Automotive Parts Trading LLC	the USA	100%	100%	USD1,000,000	Sales including trading and manufacture-sales to OEM and after-market sales and service
淮南敏實汽車外飾系統有限公司 (Huainan Minth Exteriors Systems Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB2,600,000	Manufacture and sales of automobile body parts
江蘇和興投資有限公司 (Jiangsu Hexing Investment Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD170,000,000	Investment holding
寧波敏實貿易有限公司 (Ningbo Minth Trading Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB10,000,000	Trading
寧波敏能貿易有限公司 (Ningbo Minneng Trading Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB5,000,000	Trading
寧波敏實成長企業管理有限公司 (Ningbo Minth Growth Enterprise Management Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD30,000,000	Management consulting
鹹寧市敏實新能源有限公司 (Xianning Minth New Energy Co., Ltd.)* (formerly known as 鹹寧市 精陽新能源有限公司 (Xianning jingyang New Energy Technology Co., Ltd.))	the PRC as a WOFE	100%	100%	RMB5,000,000	Power supply service
Minth Tennessee Holdings, LLC	the USA	100%	100%	USD20,000,000	Investment holding
Pan American Automotive Parts Holding PTE. Ltd.	Singapore	100%	100%	USD1,000,000	Investment holding
Minth France	France	100%	100%	EUR10,000	Trading



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44. SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place of incorporation/ registration/operations	Attributable equity interest of the Group		Issued capital/ registered capital	Principal activities
		2025	2024		
全球敏實股份有限公司 (Minth International Limited)	Taiwan	100%	100%	NTD10,000,000	Investment holding
湖州敏華汽車零部件有限公司 (Huzhou Minhua Automotive Parts Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD100,000,000	Manufacture and sales of automobile body parts
廣州敏實凌龍新能源科技有限公司 (Guangzhou Minth Linglong New Energy Technology Co., Ltd.)*	the PRC as a foreign equity joint venture enterprise	51%	51%	RMB35,000,000	Research and development, design automobile part
嘉興敏雲數字科技有限公司 (JiaXing MinCloud Digital Technology Co., Ltd.)*	the PRC as a WOFE	100%	100%	RMB5,000,000	Internet information service
克林威孚電驅動系統(嘉興) 有限公司 (Jiaxing Clean Wave E-Drive Systems Co., Ltd.)*	the PRC as a WOFE	100%	100%	USD29,411,765	Research and development, manufacturing, sales and after-sales service of energy vehicle drive systems and parts
ATM Automotive Technologies Inc.	the USA	100%	100%	USD100,000	Manufacture and sales of automobile body parts
Minth Canada Holdings Inc.	Canada	100%	100%	USD20,500,000	Investment holding
Minth UK Holdings Ltd.	the United Kingdom	100%	100%	GBP2	Investment holding
Minth JG – IBS Energy doo Beograd	Serbia	100%	100%	RSD1,000,000	Engineering activities and technical consulting
Apollo Green Energy systems doo Loznica	Serbia	100%	100%	RSD1,200,000	Manufacturing of photovoltaic panels
敏創(寧波)企業管理諮詢合夥企業 (有限合夥)(Minchuang (Ningbo) Enterprise Management Consulting Partnership Enterprise (Limited Partnership))* (formerly known as 敏琪(寧波)企業管理諮 詢合夥企業(有限合夥)(Minkey (Ningbo) Enterprise Management Consulting Limited Partnership))	Limited partnership	100%	100%	RMB100,000,000	Enterprise Management Consulting

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For the year ended 31 December 2025

44. SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place of incorporation/ registration/operations	Attributable equity interest of the Group		Issued capital/ registered capital	Principal activities
		2025	2024		
Wuhan Minth Nojima (note i)	the PRC as a WOFE	100%	50%	USD4,700,000	Design, manufacture, develop and sales of automobile body parts
思行智能機器人(浙江)有限公司 (Sihang Intelligent Robot (Zhejiang) Co., Ltd.)* (note ii)	the PRC as a WOFE	100%	N/A	RMB20,000,000	Research and development, manufacture and sales of robot
浙江敏翼智能裝備有限公司 (Zhejiang Mingyi intelligent Manufacturing Co., Ltd.)* (note ii)	the PRC as a WOFE	100%	N/A	RMB27,000,000	Design and production of civil aircraft parts
上海敏涇科技發展有限公司 (Shanghai Minjing Technology Development Co., Ltd.)* (note ii)	the PRC as a WOFE	100%	N/A	USD50,000,000	Technology service and development
寧波敏啟股權投資有限公司 (Ningbo Minqi Equity Investment Co., Ltd.)* (note ii)	the PRC as a WOFE	100%	N/A	RMB30,000,000	Investment holding
重慶敏能汽車零部件有限公司 (Chongqing Minneng Automotive Parts Co., Ltd.)* (note ii)	the PRC as a WOFE	100%	N/A	RMB100,000,000	Manufacture and sales of automobile body parts
寧波敏秀股權投資有限公司 (Ningbo Minxiu Equity Investment Co., Ltd.)* (note ii)	the PRC as a WOFE	100%	N/A	RMB30,000,000	Investment holding
廣州敏能汽車零部件有限公司 (Guangzhou Minneng Automotive Parts Co., Ltd.)* (note ii)	the PRC as a WOFE	100%	N/A	RMB20,000,000	Manufacture and sales of automobile body parts
嘉興敏能汽車零部件有限公司 (Jiaying Minneng Automotive Parts Co., Ltd.)* (note ii)	the PRC as a WOFE	100%	N/A	RMB100,000,000	Manufacture and sales of automobile body parts
Minth Autopartes Europa Kft (note ii)	Hungary	100%	N/A	Hungary Forint 146,000,000	Retail sales
Minth Holding, S.A. de C.V. (note ii)	Mexico	100%	N/A	MXN50,000	Holding
Minth Plastics Mexico, S.A. de C.V. (note ii)	Mexico	100%	N/A	MXN50,000	Manufacture and sales of automobile body parts
Minth Carrocerias Mexico (note ii)	Mexico	100%	N/A	MXN50,000	Manufacture and sales of automobile body parts
Minth California Inc. (note ii)	the USA	100%	N/A	USD3,000,000	Research and marketing development
Pan American Automotive Parts Trading Canada Inc. (note ii)	Canada	100%	N/A	USD3,000,000	Trading



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For the year ended 31 December 2025

44. SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Place of incorporation/ registration/operations	Attributable equity interest of the Group		Issued capital/ registered capital	Principal activities
		2025	2024		
Minth Body Asia Pacific Co., Ltd. (note ii)	Thailand	100%	N/A	THB100,000,000	Manufacture and sales of automobile body parts
Mexico Azure Precision S.A. de C.V. (note ii)	Mexico	100%	N/A	MXN50,000	Design and manufacture of moulds

* The English names are for identification purposes only.

Notes:

- (i) The former joint venture company Wuhan Minth Nojima has been acquired the remaining shareholders' equity and become a wholly-owned subsidiary during the current year.
- (ii) Wholly-owned Company Shanghai Minjing Technology Development Co., Ltd. (上海敏涇科技發展有限公司), Sihang Intelligent Robot (Zhejiang) Co., Ltd. (思行智能型機器人(浙江)有限公司), Zhejiang Minyi Intelligent Manufacturing Co., Ltd. (浙江敏翼智能裝備有限公司), Ningbo Minqi Equity Investment Co., Ltd. (寧波敏啟股權投資有限公司), Chongqing Minneng Automotive Parts Co., Ltd. (重慶敏能汽車零部件有限公司), Ningbo Minxiu Equity Investment Co., Ltd. (寧波敏秀股權投資有限公司), Guangzhou Minneng Automotive Parts Co., Ltd. (廣州敏能汽車零部件有限公司), Jiaying Minneng Automotive Parts Co., Ltd. (嘉興敏能汽車零部件有限公司), Minth Autopartes Europa Kft, Minth Holding, S.A. de C.V., Minth Plastics Mexico, S.A. de C.V., Minth Carrocerias Mexico, Minth California Inc., Pan American Automotive Parts Trading Canada Inc., Minth Body Asia Pacific Co., Ltd., and Mexico Azure Precision S.A. de C.V. have been established by the Group during the current year.
- (iii) Sinoone (HK) Limited (司諾(香港)有限公司), Zhejiang Limin Aluminum Co., Ltd. (浙江勵敏鋁業有限公司) and Jiaying Toei Minth Automotive Parts Co., Ltd. (嘉興東榮敏實汽車零部件有限公司) were deregistered during the current year.

None of the subsidiaries had issued any debt securities during the year or at the end of the year.

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45. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period includes:

	2025 RMB'000	2024 RMB'000
Unlisted investments in subsidiaries	3,285,467	3,169,264
Structured deposit	1,156,549	1,060,669
Derivative financial assets	27,944	22,421
Cash and cash equivalents	158,646	191,810
Pledged bank deposits and time deposits	1,976,271	980,800
Amounts due from subsidiaries	30,042,887	23,106,815
Other current assets	72,278	38,935
Total assets	36,720,042	28,570,714
Amounts due to subsidiaries	27,731,868	21,256,356
Borrowings	6,111,287	4,259,712
Derivative financial liabilities	6,262	34,631
Other payables	108,229	15,143
Total liabilities	33,957,646	25,565,842
Net assets	2,762,396	3,004,872
Share capital	118,081	116,269
Treasury stock	(358,500)	(382,649)
Reserves	3,002,815	3,271,252
Total equity	2,762,396	3,004,872



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For the year ended 31 December 2025

45. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Movement in the reserves of the Company is set forth below:

	Share premium and retained profits RMB'000	Special reserve RMB'000	Other reserve RMB'000	Share-based payment reserve RMB'000	Total RMB'000
At 1 January 2024	2,896,330	410,321	60,986	281,302	3,648,939
Total comprehensive expense for the year	(424,496)	—	—	—	(424,496)
Transfer to other reserve for share options and restricted shares forfeited after the vesting date	—	—	13,667	(13,667)	—
Recognition of equity-settled share-based payments	—	—	—	46,809	46,809
At 31 December 2024	2,471,834	410,321	74,653	314,444	3,271,252
Total comprehensive expense for the year	(686,437)	—	—	—	(686,437)
Recognition of equity-settled share- based payments	—	—	—	49,305	49,305
Exercise of share options and vested of restricted shares	479,510	—	—	(110,815)	368,695
At 31 December 2025	2,264,907	410,321	74,653	252,934	3,002,815