# NINGBO JOYSON ELECTRONIC CORP.

# 寧波均勝電子股份有限公司

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 0699)**

## ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2025

## FINANCIAL HIGHLIGHTS

| | **2025** | 2024 | Change |
|---|---|---|---|
| | ***RMB'000*** | *RMB'000* | *%* |
| Revenue | **61,182,689** | 55,863,577 | 9.5 |
| Gross profit | **11,196,071** | 9,063,729 | 23.5 |
| Net profit | **1,615,546** | 1,326,282 | 21.8 |
| Profit attributable to owner of the parent company | **1,335,820** | 960,470 | 39.1 |
| Basic earnings per share from continuing operation *(RMB)* | **1.01** | 0.68 | 37.7 |

The Board proposed the payment of a cash dividend of RMB1.8 per 10 shares (inclusive of tax) to all Shareholders for the year ended December 31, 2025.

The Board hereby announces the audited consolidated results of the Group for the year ended December 31, 2025, together with comparative figures for the previous year as below:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the year ended December 31, 2025

*(Expressed in Renminbi)*

| | *Note* | **2025** | 2024 |
|---|---|---|---|
| | | ***RMB'000*** | *RMB'000* |
| **Revenue** | *3(a)* | **61,182,689** | 55,863,577 |
| Cost of sales | | **(49,986,618)** | (46,799,848) |
| **Gross profit** | | **11,196,071** | 9,063,729 |
| Other income | *4* | **179,439** | 224,375 |
| Selling and marketing expenses | | **(814,536)** | (584,386) |
| Administrative expenses | | **(3,831,467)** | (3,556,039) |
| Research and development costs | | **(3,288,978)** | (2,584,929) |
| Impairment losses on trade and other receivables | | **(50,554)** | (32,434) |
| Other net (losses)/gains | *5(c)* | **(127,008)** | 176,633 |
| **Profit from operations** | | **3,262,967** | 2,706,949 |
| Finance costs | *5(a)* | **(1,074,680)** | (827,840) |
| Share of (losses)/profits of equity-accounted investees, net of tax | | **(3,065)** | 116,640 |
| **Profit before taxation** | | **2,185,222** | 1,995,749 |
| Income tax | *6* | **(569,676)** | (669,467) |
| **Profit for the year** | | **1,615,546** | 1,326,282 |
| **Attributable to:** | | | |
| Equity shareholders of the Company | | **1,335,820** | 960,470 |
| Non-controlling interests | | **279,726** | 365,812 |
| **Profit for the year** | | **1,615,546** | 1,326,282 |
| Continuing operation | | **1,671,373** | 1,324,750 |
| Discontinued operation | | **(55,827)** | 1,532 |
| **Earnings per share** | | | |
| Basic (RMB) | | | |
| – Continuing operation | *7(a)* | **1.01** | 0.68 |
| – Discontinued operation | *7(a)* | **(0.06)** | 0.00 |
| Diluted (RMB) | | | |
| – Continuing operation | *7(b)* | **1.01** | 0.68 |
| – Discontinued operation | *7(b)* | **(0.06)** | 0.00 |

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

for the year ended December 31, 2025

*(Expressed in Renminbi)*

| | *Note* | **2025** | 2024 |
|---|---|---|---|
| | | ***RMB'000*** | *RMB'000* |
| **Profit for the year** | | **1,615,546** | 1,326,282 |
| Items that will not be reclassified to profit or loss: | | | |
| Remeasurement of net defined benefit liability | | **75,003** | 41,303 |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Share of other comprehensive income of equity-accounted investees | | **–** | (27,068) |
| Exchange differences on translation of financial statements in foreign companies | | **503,931** | (820,061) |
| Cash flow hedges – net movement in the hedging reserve | | **(127,974)** | (41,686) |
| Other comprehensive income for the year, net of tax | | **450,960** | (847,512) |
| **Total comprehensive income for the year** | | **2,066,506** | 478,770 |
| – Continuing operation | | **2,122,333** | 477,238 |
| – Discontinued operation | | **(55,827)** | 1,532 |
| **Attributable to:** | | | |
| Equity shareholders of the Company | | **1,739,870** | 496,710 |
| Non-controlling interests | | **326,636** | (17,940) |
| **Total comprehensive income for the year** | | **2,066,506** | 478,770 |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*(Expressed in Renminbi)*

| | Note | **31 December 2025** | 31 December 2024 |
|---|---|---|---|
| | | ***RMB'000*** | *RMB'000* |
| **Non-current assets** | | | |
| Property, plant and equipment | | **16,680,519** | 16,061,449 |
| Investment property | | **11,145** | 20,895 |
| Right-of-use assets | | **1,593,470** | 1,657,153 |
| Intangible assets | | **5,828,221** | 5,380,349 |
| Interests in associates | | **113,302** | 57,774 |
| Interest in joint venture | | **109,759** | 109,786 |
| Goodwill | | **7,094,650** | 7,216,315 |
| Trade and other receivables | | **308,109** | 304,029 |
| Prepayments and other assets | | **2,337,971** | 1,671,264 |
| Other financial assets | | **1,019,694** | 245,974 |
| Derivative financial instruments | | **–** | 34,807 |
| Deferred tax assets | | **1,455,492** | 1,317,538 |
| | | **36,552,332** | 34,077,333 |
| **Current assets** | | | |
| Derivative financial instruments | | **30,194** | 55,628 |
| Inventories | | **9,211,829** | 9,091,939 |
| Trade and other receivables | *8* | **12,008,319** | 11,354,548 |
| Prepayments and other assets | | **2,008,317** | 1,955,668 |
| Other financial assets | | **550,446** | 560,482 |
| Restricted cash | | **828,278** | 869,892 |
| Cash and cash equivalents | | **7,964,822** | 5,979,070 |
| Assets held for sale | | **–** | 221,308 |
| | | **32,602,205** | 30,088,535 |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION** (CONTINUED)
*(Expressed in Renminbi)*

| | Note | **31 December 2025** ***RMB'000*** | 31 December 2024 *RMB'000* |
|---|---|---|---|
| **Current liabilities** | | | |
| Loans and borrowings | *9* | **15,821,651** | 8,495,857 |
| Derivative financial instruments | | **11,509** | 16,146 |
| Trade and other payables | | **15,792,216** | 15,215,428 |
| Contract liabilities | | **707,436** | 733,725 |
| Lease liabilities | | **235,651** | 197,373 |
| Current taxation | | **262,752** | 234,931 |
| Provisions | | **510,119** | 752,338 |
| Liabilities directly associated with the assets held for sale | | **–** | 94,031 |
| | | **33,341,334** | 25,739,829 |
| **Net current (liabilities)/assets** | | **(739,129)** | 4,348,706 |
| **Total assets less current liabilities** | | **35,813,203** | 38,426,039 |
| **Non-current liabilities** | | | |
| Loans and borrowings | *9* | **8,387,310** | 15,185,426 |
| Defined benefit plan obligations | | **1,105,015** | 1,108,255 |
| Trade and other payables | *10* | **300,891** | 447,680 |
| Lease liabilities | | **751,483** | 771,122 |
| Deferred income | | **248,489** | 151,418 |
| Provisions | | **273,948** | 249,318 |
| Deferred tax liabilities | | **719,207** | 667,277 |
| | | **11,786,343** | 18,580,496 |
| **Net assets** | | **24,026,860** | 19,845,543 |
| **Capital and reserves** | | | |
| Share capital | *11* | **1,550,771** | 1,408,702 |
| Reserves | | **15,771,646** | 12,149,380 |
| **Total equity attributable to equity shareholders of the Company** | | **17,322,417** | 13,558,082 |
| **Non-controlling interests** | | **6,704,444** | 6,287,461 |
| **Total equity** | | **24,026,861** | 19,845,543 |

## 1. GENERAL INFORMATION

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

As at April 2011, Liaoyuan Deheng, the predecessor of the Company, entered into an agreement for assets purchase by share issue with, among others, Joyson Group, pursuant to which Liaoyuan Deheng agreed to acquire a controlling stake in the operating entities of the Company's business at the time from Joyson Group and other selling shareholders. In December 2011, as approved by China Securities Regulatory Commission (the "CSRC"), the transaction was completed. As a result, the operating entities were consolidated under the Company and the Company became listed on the Shanghai Stock Exchange. The Company's H shares have been listed on the Main Board of the Stock Exchange of Hong Kong Limited since November 6, 2025.

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

The consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

## 2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

### 2.1 Basis of preparation

This Consolidated Financial Information has been prepared in accordance with all applicable International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board

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## 2.2 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended December 31, 2025

Up to the date of issue of these financial statements, the IASB has issued a number of new or amended standards, which are not yet effective for the year ended December 31, 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

| | *Effective for accounting periods beginning on or after* |
|---|---|
| Amendments to IFRS 9, *Financial instruments and IFRS 7, Financial instruments: disclosures – Contracts referencing nature-dependent electricity* | January 1, 2026 |
| Amendments to IFRS 9, *Financial instruments and IFRS 7, Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments* | January 1, 2026 |
| Annual improvements to IFRS Accounting Standards – Volume 11 | January 1, 2026 |
| IFRS 18, *Presentation and disclosure in financial statements* | January 1, 2027 |
| IFRS 19, *Subsidiaries without public accountability: disclosures* | January 1, 2027 |

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the following:

**IFRS 18, *Presentation and disclosure in financial statements***

IFRS 18 will replace IAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18 and is still in the process of assessing the impact of the adoption.

## 3. REVENUE AND SEGMENT REPORTING

### (a) Revenue

As the world's top supplier of automotive electronics systems and automotive safety systems, the Group provides one-stop solutions in key technology areas of intelligent electric vehicles to global OEMs.

#### *(i) Disaggregation of revenue*

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

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| **Revenue from contracts with customers within the scope of IFRS 15** | | |
| Disaggregated by major products or service lines | | |
| – Sale of automotive components | **58,164,845** | 53,320,665 |
| – Rendering of research and development services | **1,285,979** | 1,557,508 |
| – Sale of tooling | **896,210** | 914,957 |
| – Sale of weighing products | **794,227** | 28,474 |
| | **61,141,261** | 55,821,604 |
| **Revenue from other sources** | | |
| – Rentals | **17,604** | 16,203 |
| – Others | **23,824** | 25,770 |
| | **61,182,689** | 55,863,577 |

All revenues from contracts with customers within the scope of IFRS15 are recognized at a point in time.

#### *(ii) Contract balances*

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Trade and bills receivables | **9,902,298** | 9,510,515 |
| Contract liabilities | **707,436** | 733,725 |

Trade and bills receivables are non-interest bearing and are generally on terms of 30 to 90 days from invoice date. As of December 31, 2025, RMB167,101,000 (2024: RMB152,703,000) was recognised as provision for expected credit losses on trade and bills receivables.

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

**(b) Segment reporting**

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

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

***(i) Segment results, assets and liabilities***

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

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

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

***(ii) Disaggregation of revenue from contracts with customers, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended December 31, 2025 and 2024 are set out below.***

| | Automotive safety systems | | Automotive electronic systems | | Automotive components | | Weighing Apparatus | | Others | | Elimination among segments | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| | ***RMB'000*** | *RMB'000* | ***RMB'000*** | *RMB'000* | ***RMB'000*** | *RMB'000* | ***RMB'000*** | *RMB'000* | ***RMB'000*** | *RMB'000* | ***RMB'000*** | *RMB'000* | ***RMB'000*** | *RMB'000* |
| **Revenue from external customers** | **37,375,549** | 37,632,353 | **16,758,818** | 16,996,416 | **5,236,197** | 179,949 | **793,502** | 28,474 | **1,018,623** | 1,026,385 | **–** | – | **61,182,689** | 55,863,577 |
| Inter-segment revenue | **7,916** | 9,704 | **732,269** | 664,179 | **105,664** | 1,897 | **–** | 1,676 | **755,643** | 304,837 | **(1,601,492)** | (982,293) | **–** | – |
| **Reportable segment revenue** | **37,383,465** | 37,642,057 | **17,491,087** | 17,660,595 | **5,341,861** | 181,846 | **793,502** | 30,150 | **1,774,266** | 1,331,222 | **(1,601,492)** | (982,293) | **61,182,689** | 55,863,577 |
| **Reportable segment profit/ (loss) before taxation** | **786,263** | 1,086,767 | **921,364** | 802,071 | **2,449** | 1,610 | **65,289** | 6,081 | **512,008** | 443,997 | **(102,151)** | (344,777) | **2,185,222** | 1,995,749 |
| Interest income | **28,542** | 40,439 | **27,063** | 21,188 | **19,116** | 373 | **2,900** | 58 | **108,544** | 111,339 | **(78,545)** | (68,270) | **107,620** | 105,127 |
| Interest expense | **(487,717)** | (605,670) | **(224,007)** | (267,217) | **(116,965)** | (4,776) | **(17,741)** | (741) | **(376,636)** | (320,275) | **78,545** | 68,270 | **(1,144,521)** | (1,130,409) |
| Depreciation and amortisation for the year | **(1,612,397)** | (1,767,860) | **(1,150,146)** | (1,261,514) | **(245,421)** | (15,919) | **(37,225)** | (2,532) | **(269,154)** | (139,200) | **–** | – | **(3,314,343)** | (3,187,025) |
| **Reportable segment assets** | **33,883,172** | 33,219,444 | **18,022,264** | 17,399,230 | **9,140,172** | 8,127,114 | **–** | 3,323,949 | **24,544,111** | 26,396,591 | **(16,435,498)** | (24,300,460) | **69,154,221** | 64,165,868 |
| Long-term equity investments in associates and joint ventures | **124,123** | 121,637 | **5,851** | 5,347 | **–** | 6,907 | **–** | – | **93,087** | 33,669 | **–** | – | **223,061** | 167,560 |
| Additions to non-current segment assets during the year (excluding long-term equity investments, financial assets, goodwill and deferred tax assets) | **1,482,100** | 1,410,597 | **904,306** | 1,226,249 | **350,885** | 4,139 | **–** | 642 | **192,412** | 305,080 | **–** | – | **2,929,703** | 2,946,707 |
| **Reportable segment liabilities** | **23,619,034** | 24,944,381 | **9,892,564** | 9,324,128 | **5,853,233** | 4,534,819 | **–** | 1,781,712 | **7,440,032** | 8,968,534 | **(1,677,503)** | (5,233,249) | **45,127,360** | 44,320,325 |

***(iii) Geographic information***

The following table sets information about (i) the Group's revenue from external customers; and (ii) the Group's property, plant and equipment and right-of-use assets specific non-current assets. The revenue is generated from China and overseas markets, such as North America, Europe, and Asia during the Track Record Period. Location of specific non-current assets depend on the actual location of the property. As for trademark rights, proprietary technology and goodwill, the Group will use them both inside and outside China, the regional data of these assets are not listed.

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Revenue by location of the customers | | |
| – China | **16,736,384** | 14,156,943 |
| – Overseas | **44,446,305** | 41,706,634 |
| Total | **61,182,689** | 55,863,577 |

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Specific non-current assets | | |
| – China | **5,282,875** | 6,529,999 |
| – Overseas | **13,002,259** | 11,209,498 |
| Total | **18,285,134** | 17,739,497 |

## 4. OTHER INCOME

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Government grants | **113,623** | 103,041 |
| Additional deduction for VAT | **62,972** | 119,536 |
| Others | **2,844** | 1,798 |
| | **179,439** | 224,375 |

## 5. PROFIT BEFORE TAXATION

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

### *(a) Finance costs*

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Interest on loans and borrowings | **1,128,520** | 1,111,583 |
| Less: capitalized interest expense | **(41,722)** | (36,199) |
| Interest on lease liabilities | **57,723** | 55,025 |
| Interest income | **(107,620)** | (105,127) |
| Net exchange losses/(gains) | **10,947** | (216,827) |
| Others | **26,832** | 19,385 |
| **Total finance costs** | **1,074,680** | 827,840 |

### *(b) Staff costs (including directors' emoluments)*

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Contributions to defined contributions plan | **255,354** | 207,469 |
| Expenses recognised in respect of defined benefit plans | **31,560** | 32,393 |
| Equity-settled share-based payment expenses | **15,531** | 27,107 |
| Salaries, wages and other benefits | **12,253,227** | 10,329,568 |
| **Total staff costs** | **12,555,672** | 10,596,537 |

### *(c) Other net (losses)/gains*

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| (Losses)/gains on disposal of property, plant and equipment and right-of-use assets | **(43,862)** | 3,348 |
| Net realized and unrealized gains on financial assets measured at FVPL | **156,521** | 63,171 |
| Disposal of interest in associates | **(221,591)** | 108,604 |
| Donations | **(4,821)** | (989) |
| Others | **(13,255)** | 2,499 |
| **Other net (losses)/gains** | **(127,008)** | 176,633 |

### *(d) Expenses by nature*

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Cost of inventories | **48,923,403** | 45,284,465 |
| Depreciation of property, plant and equipment | **1,869,557** | 1,773,982 |
| Depreciation of right-of-use assets | **300,262** | 326,486 |
| Amortisation of intangible assets | **1,144,524** | 1,086,557 |
| Restructuring expenses | **312,413** | 621,371 |
| Write-down of inventories | **205,411** | 125,626 |

## 6. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

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

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| **Current tax** | | |
| Provision for the year | **574,899** | 610,653 |
| Under/(over) provision in respect of prior years | **17,339** | (13,055) |
| **Deferred tax** | | |
| Origination and reversal of temporary differences | **(22,562)** | 71,869 |
| | **569,676** | 669,467 |

### (b) Reconciliation between tax expense and accounting profit at applicable tax rates

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Profit before taxation | **2,185,222** | 1,995,749 |
| Notional tax on profit before taxation, calculated at the rates applicable to profits in the countries concerned | **546,306** | 498,937 |
| Effect of tax concessions | **(142,731)** | (160,228) |
| Changes in estimates related to prior years | **17,339** | (13,055) |
| Tax effect of non-taxable income | **(34,089)** | (34,926) |
| Tax effect of non-deductible expenses | **329,028** | 95,770 |
| Tax effect of tax losses or temporary differences not recognised as deferred tax assets | **(97,222)** | 328,726 |
| Super deduction for research and development expenditure | **(108,499)** | (118,066) |
| Withholding income tax | **66,698** | 80,832 |
| Others | **(7,154)** | (8,523) |
| Actual tax expense | **569,676** | 669,467 |

## 7. EARNINGS PER SHARE

### (a) Basic earnings per share

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

#### *(i) Profit attributable to ordinary equity shareholders of the Company*

| **Continuing operation** | **2025** ***RMB'000*** | 2024 *RMB'000* |
|---|---|---|
| Profit attributable to all equity shareholders of the Company | **1,418,245** | 960,098 |
| Allocation of profit attributable to holders of unvested shares under the 2021 Joyson Employee Stock Ownership Plan | **(5,506)** | (6,192) |
| Profit attributable to ordinary equity shareholders of the Company for the purpose of basic earnings per share | **1,412,739** | 953,906 |
| Weighted average number of shares at 31 December | **1,404,356** | 1,392,933 |
| Basic earnings per share (expressed in RMB per share) | **1.01** | 0.68 |

| | **2025** | 2024 |
|---|---|---|

**2025**2025

**(b) Diluted earnings per share**

For the year ended December 31, 2025 and 2024, the unvested shares under the 2021 Joyson Employee Stock Ownership Plan were not included in the calculation of diluted earnings per share because their effect would have been anti-dilutive. Accordingly, diluted earnings per share were the same as basic earnings per share.

## 8. TRADE AND OTHER RECEIVABLES

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Trade receivables | | |
| – Third parties | **8,977,806** | 8,812,749 |
| – Related parties | **9,925** | 18,194 |
| Bills receivable | **1,027,823** | 720,182 |
| Receivables to be factored | **53,845** | 112,093 |
| Less: allowance for doubtful debts | **(167,101)** | (152,703) |
| Trade and bills receivables | **9,902,298** | 9,510,515 |
| Other receivables | | |
| – Tax recoverable and refund receivable | **1,634,398** | 1,380,344 |
| – Deposits and prepayments | **183,293** | 173,908 |
| – Staff advance | **79,591** | 78,714 |
| – Others | **208,739** | 211,067 |
| Other receivables | **2,106,021** | 1,844,033 |
| **Current** | **12,008,319** | 11,354,548 |

***Ageing analysis***

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

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Within 1 year | **8,836,237** | 8,742,035 |
| More than 1 year but within 2 years | **114,543** | 78,469 |
| More than 2 years but within 3 years | **33,163** | 7,481 |
| More than 3 years | **3,788** | 2,958 |
| | **8,987,731** | 8,830,943 |
| Less: Provision for bad and doubtful debts | **(165,607)** | (152,703) |
| | **8,822,124** | 8,678,240 |

## 9. LOANS AND BORROWINGS

The short-term loans and borrowings were as follows:

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Pledged loan | **315,323** | 212,824 |
| Loans secured by mortgages | **60,150** | 515,418 |
| Guaranteed loans | **638,045** | – |
| Unsecured bond issue | **500,201** | – |
| Unsecured short-term loans | **4,448,688** | 4,235,561 |
| Add: Current portion of long-term loans and borrowings | **9,859,244** | 3,532,054 |
| | **15,821,651** | 8,495,857 |

Secured borrowings mainly comprise several long-term borrowings obtained by Joyson Safety, a subsidiary of the Group, from Deutsche Bank, including principal amounts of US$145,437,710.66 (equivalent to RMB1,022,252,580.69), EUR198,824,705.81 (equivalent to RMB1,641,246,998.71), JPY20,904,497,718.00 (equivalent to RMB937,548,116.05), and RMB1,921,340,516.55. These borrowings from Deutsche Bank will all mature in 2026.

On November 28, 2025, Joyson Safety, a subsidiary of the Group, entered into a new syndicated loan agreement with Deutsche Bank, pursuant to which Joyson Safety obtained total committed credit facilities of approximately RMB7.09 billion.

On January 14, 2026, Joyson Safety drew down the facilities and obtained borrowings with principal amounts of US$200 million (equivalent to RMB1.418 billion), EUR202.1 million (equivalent to RMB1.67 billion), JPY21.84 billion (equivalent to RMB993 million), and RMB3.013 billion.

Out of the above proceeds, US$148 million, EUR201 million, JPY21.01 billion, and RMB1.94 billion were used to fully prepay all of the aforementioned Deutsche Bank borrowings of Joyson Safety due in 2026. Upon repayment, according to the new loan agreement, Joyson Safety is required to repay a loan of US$0.05 billion in 2026 (equivalent to RMB0.352 billion).

The long-term loans and borrowings were as follows:

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Pledged loans | **7,240,868** | 8,187,658 |
| Loans secured by mortgages | **1,672,952** | 484,844 |
| Guaranteed loans | **3,228,301** | 3,630,000 |
| Unsecured long-term loans | **6,104,433** | 6,414,978 |
| Less: Current portion of long-term loans and borrowings | **(9,859,244)** | (3,532,054) |
| | **8,387,310** | 15,185,426 |

As at the end of each reporting period, the long-term bank loans were repayable as follows:

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| After one year but within two years | **2,290,738** | 8,197,504 |
| After two years but within five years | **4,753,312** | 5,449,973 |
| After five years | **1,343,260** | 1,537,949 |
| | **8,387,310** | 15,185,426 |

## 10. TRADE AND OTHER PAYABLES

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Trade and bills payables | **11,203,346** | 10,945,151 |
| Accrual expenses | **506,493** | 543,652 |
| Sales discounts | **908,512** | 646,185 |
| Accrued payroll, welfare and bonus | **1,671,380** | 1,600,075 |
| Other tax payables | **631,736** | 678,290 |
| Dividends payable | **10,296** | 15,615 |
| Others | **860,453** | 786,460 |
| Current | **15,792,216** | 15,215,428 |

As of the end of the reporting period, the ageing analysis of trade creditors and bills payable (which are included in trade and other payables), based on the invoice date, is as follows:

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Within 1 year | **11,168,730** | 10,876,383 |
| Over 1 year | **34,616** | 68,768 |
| | **11,203,346** | 10,945,151 |

## 11. CAPITAL AND RESERVES

### (a) Dividends

On March 30, 2026, the Board of Directors of the Company proposed to distribute a final cash dividend in respect of the year ended December 31, 2025 of RMB1.8 per 10 ordinary share (tax inclusive). This proposal will be put to the Shareholders for approval at the forthcoming 2025 annual general meeting.

### (b) Share capital

| | **2025** | 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| At the beginning of the year | **1,408,702** | 1,408,702 |
| Issue of ordinary shares | **155,100** | – |
| Cancellation of treasury shares | **(13,031)** | – |
| Ordinary shares of RMB1 each, issued and fully paid | **1,550,771** | 1,408,702 |

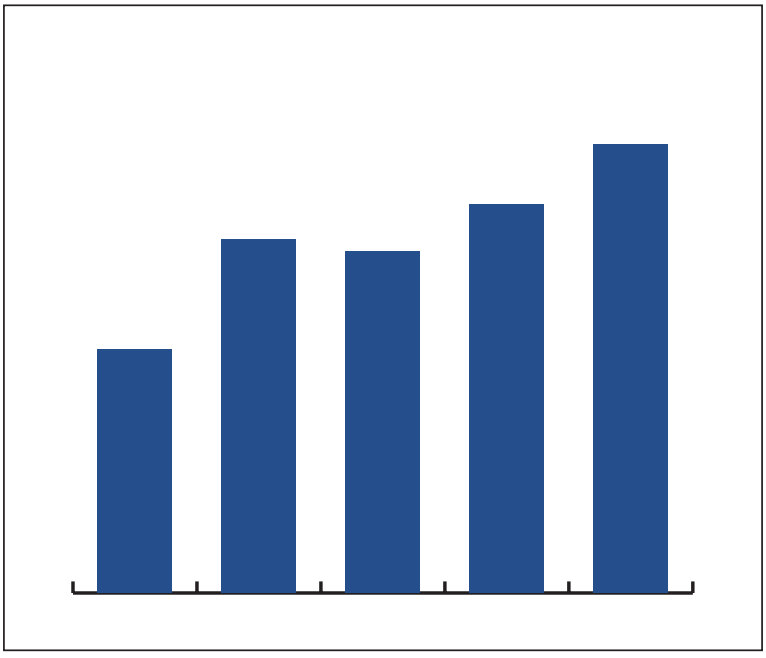
Benefiting from the rapid electrification and intelligent development of China's automotive industry, Chinese auto parts companies have established multiple competitive advantages in technology and supply chain capabilities for vehicle electrification and intelligent development. This not only supports Chinese automakers in expanding overseas but also enables integration into the global research and development and procurement systems of international automakers. As a result, Chinese automakers have begun to provide solutions for the intelligent transformation and electrification of overseas key automakers, thereby creating broader market opportunities for Chinese auto parts companies. Furthermore, the rise of Robotaxi and low-altitude economy are opening up new growth avenue for automotive parts manufacturers. The mass deployment of Robotaxi and the accelerated commercialization of eVTOLs are placing higher demands on reliability, safety, and intelligent development, which drive demand for automotive-grade electronic parts such as domain controllers and energy management systems. This also paves way for additional market growth for automotive safety products. Leveraging their extensive experience, leading auto parts manufacturers in China are rapidly establishing their advantages in automotive supply chain into these two new sectors.

## BUSINESS REVIEW

In 2025, facing a complex and volatile external environment, the Company upheld the spirit of "re-entrepreneurship, innovation forward". On the one hand, relying on its global layout, it responded flexibly, firmly centered on the core operational goals of "stabilizing growth and improving performance," and solidly advanced the streamlining and integration of global production capacity, optimized supply chain management, and strengthened cost control and efficiency improvement. The effects were significant, and profitability continued to improve and enhance. On the other hand, through organizational innovation and strategic extension, it accelerated the expansion of its capabilities in the R&D and high-end manufacturing of core automotive components to the emerging agentic industry chain, embarking on the journey of re-entrepreneurship and building a second growth curve.

In 2025, the Company achieved an operating revenue of approximately RMB61.2 billion, representing a year-on-year increase of approximately 9.5%. The overall gross margin increased by 2.1 percentage points year-on-year to 18.3%. Net operating cash flow also grew to approximately RMB5.4 billion, continuing to maintain a high level. The net profit attributable to owners of the parent company was approximately RMB1.34 billion, representing a substantial year-on-year increase of 39.1%. The profitability of the main business continued to strengthen, and operational resilience was fully demonstrated.

During the reporting period, the total life-cycle order value of newly acquired design-wins projects reached a new high of approximately RMB97 billion, of which the automotive safety business accounted for approximately RMB50.9 billion, and the automotive electronics business accounted for approximately RMB46.1 billion. The automotive safety business continued to maintain a large scale of new design-wins and achieved major breakthroughs in the expansion of new customer structures and business territories. The automotive electronics business has successively achieved new zero-to-one breakthroughs in the layout of emerging businesses such as central computing units integrating intelligent driving, intelligent connectivity, and intelligent cockpit functions, advanced driver assistance systems domain controllers, and in-vehicle multi-linked screens for intelligent cockpits, laying a solid foundation for the rapid growth of the automotive electronics business in the future. Leading domestic-brand automakers and emerging EV makers are becoming the core driving force for our order growth, with their proportion of design-wins continuing to rise.



By business segment, the automotive safety business achieved a gross margin of approximately 17.1%, a year-on-year increase of approximately 2.3 percentage points, with gross margins in all four major global regions achieving year-on-year increases; the automotive electronics business achieved a gross margin of approximately 19.2%, maintaining a stable gross margin when compared to prior year.

From a business region perspective, overseas regions focused on promoting the continuous decline of raw material costs through methods such as introducing Chinese suppliers and optimizing procurement prices from existing suppliers. While continuously optimizing and improving the OEE (Overall Equipment Effectiveness) of various overseas factories, the Company's global operations improvement team also adjusted and migrated production capacity from high-cost countries/regions to low-cost countries/regions, continuously driving the steady improvement of gross margins. During the reporting period, the gross margin in the Company's overseas regions increased by approximately 2.8 percentage points year-on-year to approximately 17.8%, with profitability continuously strengthening.

The Company will systematically advance its cost improvement strategy further around four major dimensions: global production capacity layout optimization, vertical integration of core components, supply chain construction, and lean expense control, aiming to release overseas organizational efficiency and consolidate the foundation for long-term profitability:

– Based on comprehensive considerations of geopolitics, supply chain resilience, and full life-cycle costs, accelerate the optimization of the global production capacity layout through the "closure, suspension, merger, and transfer of capacity in high-cost regions" and the "undertaking of capacity in low-cost regions". On the one hand, the Company decisively advanced the clearance of some production capacity in the Americas and Europe. In 2025, the integration and closure of three factories in the Americas region have been completed, and it is planned to complete the closure and core production line transfer of the remaining two factories in Europe and the Americas in 2026. The automotive electronics business simultaneously carried out resource integration in Europe, laying a solid foundation for future cost reduction, efficiency enhancement, and profitability improvement. On the other hand, it fully utilized the manufacturing advantages of low-cost regions to undertake transfer demands. For example, the expansion project of the Morocco steering wheel factory currently being advanced by the Company is expected to commence production in 2026, effectively undertaking the capacity transferred from Europe. Construction of a new steering wheel factory was initiated in Suzhou, Anhui, which will achieve deep self-manufacturing of all steering wheel processes after the project commences production.

– Deepen the vertical integration of core components to enhance the self-supply ratio and

**Intelligent Driving and Intelligent Domain Integration:** Facing the differentiated demands of domestic and foreign markets, the Company adhered to the technological route of "multi-chip platforms + ecological cooperation." Collaborating with ecological partners, it continuously iterated advanced driver assistance functions such as L3\L4, forming a full-stack solution from entry-level to high-end, and extending towards unmanned autonomous driving on this basis. Concurrently, the Company is accelerating the completion of key capabilities such as visual perception to achieve technological and supply chain synergies with emerging agentic sensors. During the reporting period, the Company expanded its business cooperation with Momenta, a leading autonomous driving algorithm company. Integrating the advantages of both parties in algorithms and engineering implementation, they jointly provided autonomous driving solutions covering high-speed, urban, and parking scenarios for domestic and foreign markets, and successfully secured project designations for high-level intelligent driver assistance projects from both domestic-brand automakers and global brand automakers. These projects are expected to gradually enter mass production in 2026. Designations for projects from other domestic and global customers are also currently being jointly advanced. Centered on L4 autonomous driving solutions for restricted scenarios, the Company collaborated with Senior Auto. The smart port digital management platform jointly developed by both parties, based on "V2X + L4 Autonomous Driving + Intelligent Cloud Dispatch," has been put into use and is operating stably at Ningbo Port. In terms of core computing power, in addition to cooperating with chip manufacturers such as Qualcomm, NVIDIA, Horizon Robotics, and Black Sesame Intelligent, the Company also made a strategic investment in Xheart (Suzhou) Technology Co., Ltd., an intelligent driver assistance chip company, and developed a high-level intelligent driver assistance domain controller based on its ADAS chip platform. The relevant chips have been successfully powered on and tested on vehicles. With the intelligent driving projects acquired in the early stage successively entering mass production from 2026, the Company's intelligent driving business is expected to usher in explosive growth.

**Intelligent Cockpit:** Currently, the Company is currently having sustained growth in volume from both domestic and foreign existing orders, and it has successfully mass-produced intelligent cockpit domain controllers for a leading domestic-brand automaker. In the face of the major trend of "software defining the vehicle," the Company closely followed development trends such as large cockpit screens and multimodal interaction. Deepening cooperation with leading technology enterprises, it deeply integrated large model technologies with the intelligent cockpit to accelerate the R&D of next-generation intelligent cockpit products, continuously bringing users new functions and experiences and actively developing related cockpit derivative products. During the reporting period, the Company continued to improve the layout of in-vehicle display products such as independent screens and integrated multi-linked screens, and successfully obtained the mass production designation for the intelligent cockpit in-vehicle multi-linked screen product of an international mainstream automaker in the third quarter. Mass production is expected to start in the first half of 2027, with the full life-cycle demand expected to exceed 3 million units. In addition, the Company made its global debut of the future-oriented "JoySpace+ Immersive Intelligent Cockpit Solution." This system brings together novel cockpit technologies and products such as full-domain flight control knobs, giant light field screens, crystal customizable control keys, and sky mirror displays. It deeply integrates multimodal interactions of vision, audio, touch, and voice to create immersive driving pleasure and experiences for users, systematically presenting the Company's profound accumulation in key technologies of human-machine interaction, system integration, and engineering implementation.

**Intelligent Connectivity:** During the reporting period, the Company is currently having sustained growth in volume from existing orders. The V2X solution provided for the all-new BMW 5 Series began mass production, and it successfully obtained a globalized intelligent connectivity project from a European luxury brand, providing it with intelligent antenna products supporting 5GA and smart networks. The Company supports vehicle platforms and cross-domain integrated development models through diverse product forms, and leverages its experience advantages regarding domestic and foreign laws, regulations, and ecosystems to provide key automakers with compliant product choices in the global market. In addition, to meet the "high bandwidth, low latency, high reliability" communication requirements under the trend of domain integration, the Company has forward-looking layouts in new connectivity technologies such as intelligent networking systems and in-vehicle communication optical modules. It accelerates the implementation of next-generation technologies through a combination of "business cooperation + strategic investment." For example, the Company partnered with Zhongji Innolight Co., Ltd. to create and launch an in-vehicle optical communication solution, satisfying the demands of high-level autonomous driving and multi-screen cockpits, and providing a stable and reliable communication foundation for intelligent vehicles and immersive experiences. By strategically investing in Fast Photonics Technology Co., Ltd., it advanced the application and implementation of optical modules and expanded new business opportunities in the global market. Simultaneously, the Company will actively participate in the formulation of standards and testing validation for intelligent connected vehicles, promoting industry technological progress and ecosystem construction to seize the commanding heights of intelligent connected vehicle development.

**E-mobility:** Centered on "full life-cycle battery health management + efficient charging and power conversion," the Company has formed a product portfolio covering battery management systems and in-vehicle power electronics, accelerating iteration to meet the demands of high-voltage platforms and ultra-fast charging. The battery management system focuses on integration and intelligence, possessing high-precision monitoring and cell balancing capabilities, and has stably supplied multiple well-known domestic and foreign automakers. In terms of power electronic products, the Company continued to increase R&D investment in in-vehicle power electronics. Core products such as ultra-fast chargers, on-board chargers, and DC/DC converters have achieved global mass production. It took the lead in launching an 850V high-voltage platform on-board charging product that supports bidirectional energy flow and Vehicle-to-Grid (V2G) functions. This product can achieve intelligent bidirectional energy supply between the vehicle and the power grid as well as other external devices. It can dynamically respond to changes in grid load and compensate for frequency jumps up to ±2.5 Hz/s in real-time, significantly enhancing grid stability and achieving uninterrupted bidirectional energy transfer with an energy transfer efficiency exceeding 95%. This product is among the first in the industry to feature V2G functions, which will help the Company grasp emerging application opportunities such as the popularization of high-voltage platforms and vehicle-grid interaction.

***2. Automotive safety keeping pace with industry frontiers through iterative innovation, leading industry development***

With the accelerated penetration of new energy vehicles, the development of autonomous driving technology and intelligent cockpits, and the upgrading of safety regulations and crash test requirements, higher standards have been set for active and passive safety products. The Company closely followed cutting-edge industry technologies, deeply integrating safety products with electronic technology. Based on the different safety needs of vehicles in the three stages of perception, decision-making, and execution, it developed a series of innovative safety solutions to achieve more efficient, comprehensive, and comfortable intelligent safety protection. For example, targeting large-angle scenarios of zero-gravity seats, the Company partnered with a leading global seat supplier to launch a complete set of safety solutions for zero-gravity seats. It innovatively and seamlessly integrated key protective devices such as airbags and seatbelt pre-tensioners into the interior of the seat frame. Like a "tailor-made protective suit," it accurately protects passengers of different heights, body types, and sitting postures, meeting global safety regulations while ensuring ride comfort, thereby shaping new standards for future cockpit safety. It launched the all-new "J" series platform-based inflator, which is applicable to various types of airbag systems, promoting the enhancement of scale effects and substantially reducing inflator costs. Facing future intelligent cockpit demands, it developed a new generation of optical enhanced seatbelts, innovatively integrating optical recognition characteristics into the webbing to adapt to emerging usage scenarios such as advanced occupant monitoring systems and autonomous driving, enhancing product added value, with the first mass production application expected in the mid-to-late 2026.

Furthermore, in an industrial environment where automotive safety regulations are accelerating their iteration, the Company actively participated in various automotive safety technology and standard research and evaluation work meetings and seminars, leading industry development trends. For instance, the Company participated in the 13th China Automotive Passive Safety Technology Regulation Summit, sharing innovative applications of multi-sensor fusion technology in adaptive safety systems, and participated in the release ceremony of the white paper "Technological Innovation and Development Trends of China's Automotive Safety Components".

**(III) Relying on first-mover advantages in globalization, actively seizing new opportunities from intelligent upgrades in overseas markets and the accelerated overseas expansion of Chinese automakers**

Over the past two years, the Company actively grasped the market opportunities presented by the overseas expansion of Chinese key automakers and the intelligent transformation of overseas automakers, achieving multi-dimensional business breakthroughs. As a Chinese component enterprise with a global layout, the Company has established manufacturing bases and R&D centers in major automobile producing and consuming countries, forming a unique advantage through its Chinese genes and global footprint. On the one hand, it rapidly responds to demands, reduces communication costs, and utilizes global resources to provide Chinese key automakers going overseas with full-process solutions covering R&D, production, and after-sales at the best cost. On the other hand, combining the advantages of China's intelligent electric technology with global layout experience, it actively seized new opportunities for intelligent upgrades in overseas markets.

Regarding opportunities for intelligent upgrades by overseas key automakers, the Company has secured multiple mass production project orders and POC projects from overseas key automakers of European, Japanese, and Korean. The products will serve global markets including Europe and Asia, specifically including advanced driver assistance systems, smart cockpits, central computing units, zonal controllers, intelligent antennas, digital keys, and autonomous driving data recording systems. It is also actively planning forward-looking products such as in-vehicle communication optical modules, power supply units (PSU), and high-voltage direct current transmission (HVDC) to serve multiple customers globally. Taking a partnered Southeast Asian new energy vehicle manufacturer as an example, the Company successively obtained project designations for its advanced driver assistance solutions and digital keys, and the next step of cooperation will push the ADAS products to the European market.

In terms of assisting Chinese domestic brands in going overseas, the Company has already obtained orders for intelligent cockpits and zonal controllers from domestic emerging EV makers, and will further cooperate to promote China's leading intelligent cockpit and ADAS products to overseas partners. In addition, the Company is also collaborating with other domestic customers and partners to expand overseas business.

In the field of automotive safety business, relying on a mature global supplier system and overseas operational experience, it actively supports Chinese automakers going overseas. Currently, the Company's Thailand factory and India factory have already obtained overseas local business orders from multiple leading domestic key automakers and are continuously in mass production. Furthermore, it is continuously advancing cooperation matters with more domestic key automakers in Asia, Europe, and the Americas, seizing the supply chain first-mover advantage for Chinese automakers going overseas.

**Future Industry Trends**

***1. Accelerating pace of transformation of automotive intelligence with rapid growth in demand for components such as intelligent cockpits, intelligent driving and smart connectivity.***

In the automotive electronics sector, as vehicles transit from traditional transportation means to mobile intelligent terminals, various intelligent components, including intelligent cockpits, intelligent driving and smart connectivity, are expanding from mid-to-high-end models to a broader range of mid-to-low-end models, driven by iterative upgrades of technologies and cost reduction with economies of scale. These components are expected to further integrate into the broader ecosystem of smart cities, promoting a continuous increase in the value of electronic products per vehicle. According to data from the CAAM, the penetration rate of L2 combined driving assistance functions in domestic passenger vehicles amounted to 64% during the first three quarters of 2025, while the penetration rate of NOA functions has reached approximately 15% during the first 11 months of 2025.

Additionally, the deep integration of various types of smart technologies with the automotive industry redefines the functions and value of vehicles. The high-level technologies of the automotive industry and the strategic competitive focus of automakers are rapidly shifting toward emerging smart technologies, increasing their investments in emerging smart technologies to maintain a competitive edge through technological innovation. In the smart cockpit sector, consumer demands for convenience of use, driving safety, and in-car entertainment are driving the evolution of smart cockpit solutions toward multi-screen collaboration, multimodal interaction, and smart proactive interaction. Products such as smart cockpit-connectivity domain controllers, large smart displays, and smart switches are expected to maintain speedy growth. In the area of intelligent driving, L2 combined driving assistance functions have now entered the mass-assembly phase in China. In terms of policies, they have also gradually specified the industrialization path for L3 intelligent driving. On one hand, through the "admission + on-road launch pilot" mechanism, the government is promoting the implementation of on-road launch pilot available for vehicles fulfilling the conditions for mass production and equipped with L3 functions within designated areas. On the other hand, industrial policies explicitly propose the "admission subject to conditional approval for the production of L3 vehicles," aiming to secure market admission licenses for the first batch of L3 models by the end of 2025 and launch pilot programs in designated areas, marking the formal entry of advanced autonomous driving into a phase of scalable application under a regulatory framework. At the same time, pilot programs for the application of integrated vehicle-road-cloud system continue to advance, providing infrastructure and synergistic management support for the scalable application of intelligent driving in defined scenarios. As vehicle E/E architectures continue to evolve from distributed to zone-based centralized and central computing architectures, and with the popular adoption of intelligent driving functions, domain controllers for intelligent driving and cockpit-integrated domain controllers, acting as core computing units, are expected to maintain rapid growth momentum. Smart connectivity terminals, which support functions such as high-speed and safe communication, remote control, OTA upgrade and cloud services, serve as essential infrastructure for achieving intelligence and driving safety and will also maintain a relatively fast growth trend.

***2. The global new energy vehicle market will continue its fast development, and electronic products relating to E-mobility will see relatively rapid growth***

According to the data of Rho Motion, global new energy vehicle (NEV) sales in 2025 are projected to amount to approximately 20.7 million units, representing a year-on-year increase of approximately 20%, far exceeding the overall growth rate of the global light-duty vehicle market. Among them, the Chinese market largely contributes to the global growth in NEV sales as a leader, while markets such as Europe and Southeast Asia also maintain relatively fast growth. In recent years, the European electric vehicle market slowed down under the impacts such as the phasing out of subsidy policies and headwinds on profitability of smart electric vehicles (EV). Nonetheless, since 2025, certain European markets have re-launched EV subsidy policies, for instance, new rounds of EV purchase subsidy programs were launched in Italy and Germany in September 2025 and January 2026, respectively, and sales of NEV in the European market are expected to speed up. In the medium to long term, the global NEV market will remain its growth at a fast pace. Electrification fundamentally enhances the responsiveness and control precision of automobile, serving as the foundation for automotive intelligence. As automotive consumption shifts from supply-driven to consumer-demand-driven, the development of supporting infrastructures such as charging networks successively accelerates in various countries, while global automakers are improving the supply and performance of EV products. Accordingly, the global market penetration rate of NEVs is expected to continue rising in the coming years. With the rapid growth in the number of NEV and the rise of high-voltage fast-charging platforms, the demand for energy management related products for NEV is growing swiftly, including among others, single and combo power electronics products, and battery management systems.

***3. Regulatory drivers and smart upgrades, fueling innovation in safety products, will promote steady growth of the automotive safety industry***

Driven by stricter automotive safety standards mandated by various national regulations and crash test ratings, as well as consumers' growing emphasis on automotive safety and protection, the installation rate and value per vehicle of automotive safety-related products are expected to further increase with anticipated further expanding market size. Emerging markets such as India and South America are enhancing their safety regulations; for instance, India has increased the mandatory number of airbags from 2 to 6. Mature markets, including the United States, are expected to implement pedestrian protection regulations and automotive occupant safety rating standards by 2028, as well as introduce new requirements for electronic seatbelts in L3 and above autonomous vehicles. In addition, as intelligent driving features become increasingly popular and smart cockpit functions undergo innovative upgrades, the requirements for automotive safety systems are also gradually elevating. Meanwhile, innovative safety products continue to emerge, and the coverage of application of safety-related products such as high-value-added complete safety solutions for zero-gravity seats, active seatbelt pretensioners, smart steering wheels, in-vehicle monitoring systems, hands-off detection, and high-voltage battery circuit breakers, is expected to continue expanding, thereby boosting the value per vehicle of automotive safety products. Currently, the competitive landscape of global automotive safety industry is relatively stable, with high barriers to admission into the industry and a high degree of industry concentration. The Company's automotive safety business has ranked second globally in market share for several consecutive years. It is actively seizing opportunities among the industry presented by the economy of scale and the increasing value per vehicle of automotive safety through continuous innovation and R&D of new technologies and products.

***4. Chinese automakers are accelerating their global expansion, while Chinese parts and components suppliers are rapidly integrating into the international market***

Currently, China has become the world's largest automobile exporter, with exports of NEV growing at an even faster pace. Thanks to notable advancements in smart electrification technology, supply chain integration, R&D and manufacturing, Chinese domestic brands have established competitive advantages in multiple areas such as technology and cost efficiency for their global expansion. Both traditional Chinese domestic brands and emerging brands of NEV startups identifies and focuses on major markets in Europe, Southeast Asia, and Central and South America successively for overseas expansion. Furthermore, the overseas expansion model of Chinese key automakers is accelerating the shift from solely product exports toward a full-chain output model comprising "R&D, production, and sales." An increasing number of domestic brands establish localized production capacity in major overseas markets. Meanwhile, based on the technological first-mover advantage of Chinese parts and components suppliers in the arena of smart technology, international key automakers are increasingly adopting smart products from Chinese auto parts suppliers in the domestic markets to enhance product competitiveness and shorten R&D cycles. Chinese auto parts companies also gradually introduce their intelligent products to international markets, and overseas key automakers, particularly those in Europe, begin to adopt intelligent solutions from Chinese auto parts suppliers. As a Chinese parts enterprise that has already gone through its global expansion, the Company will leverage its global R&D, production and sales networks, leading technological capabilities and reliable quality of products to actively capitalize on the new business opportunities brought by the going-global trend of Chinese automakers and intelligent technologies.

## COMPANY DEVELOPMENT STRATEGY AND BUSINESS PLAN

### 1. Advancing the Intelligence Strategy Upgrade to Build a New Generation of Smart Vehicle Product Matrix

Facing the intelligence wave in the automotive industry, the Company will use software and emerging smart technologies as the core driving force to build a new generation of smart vehicle product matrix. In terms of autonomous driving, the Company will adhere to the "multi-chip platform + ecosystem cooperation" autonomous driving technical route, and conduct deep cooperation with leading autonomous driving algorithm companies to continuously iterate high-level intelligent assisted driving domain controller products such as L3\L4. At the same time, complying with the E/E architecture evolution of "central computing + zonal control" and the industry trend of "software defining the vehicle", the Company will continue to research and develop CCUs with deep cross-domain integration of functions such as intelligent cockpit, intelligent connectivity, and autonomous driving. It will ensure investment in core technological capabilities such as software, hardware, and algorithms, primarily target the intelligence configuration upgrade trend in overseas markets, go all out to achieve the conversion of new business orders, and become the preferred Chinese autonomous driving solution provider for global customers; in terms of intelligent cockpit, the Company will continue to closely follow development trends such as large cockpit screens and multi-modal interaction, deepen cooperation with leading technology enterprises, deeply integrate large model technology with the intelligent cockpit, and accelerate the R&D of next-generation intelligent cockpit products, continuously bringing new functions and experiences to users; in terms of intelligent connectivity, the Company will actively lay out new connectivity technologies such as next-generation 5G-V2X, Intelligent Connected Network System, and in-vehicle optical communication modules. According to relevant industry report, the market size for automotive optical modules is projected to exceed US$12 billion by 2030, with a compound annual growth rate of 45% from 2023 to 2030. The Company is accelerating the implementation of next-generation technologies through a combination of "business cooperation + strategic investment". For example, the Company established a new subsidiary, Ningbo Joyson Optoelectronics Co., Ltd. (寧波均勝光電子有限責任公司), to expand into the optical communication sector, jointly created and launched an in-vehicle optical communication solution with Zhongji Innolight, thereby building a comprehensive intelligent connected ecosystem, and promoted the application and implementation of optical modules through strategic investment in Xinfeiguang thereby exploring new business opportunities in the global market. At the same time, the Company will actively participate in the formulation of standards and testing and verification of intelligent connected vehicles, promote industry technological progress and ecosystem construction, and seize the commanding heights of intelligent connected vehicle development.

**2. Deepening the Electrification Strategy to Expand the Business Boundaries of E-mobility**

Based on its first-mover advantage in the 800V high-voltage fast charging field, the Company will continue to closely follow the development trend of super fast charging and high-voltage platforms, and continuously promote the R&D and commercialization of 800V and kilovolt-and-above E-mobility products, including BMS, single and combo in-vehicle power electronics, wireless charging products, and super fast charging technologies. It will also actively expand its business boundaries in the field of NEVs energy management, especially in areas such as server power supplies. Since server power supply systems mainly include PDUs (power distribution units), AC/DC (alternating current to direct current conversion), and DC/DC (direct current to direct current conversion), etc., which are similar in composition and technical principles to in-vehicle power supply systems of NEVs, with core topologies and components being basically reusable, the Company's in-vehicle power supply systems meet various strict automotive-grade requirements such as electromagnetic shielding, salt spray testing, and anti-vibration stability. Server power supplies also need to meet high reliability requirements, making them an important expansion scenario for the horizontal extension of in-vehicle power supplies. Relying on its accumulation of automotive-grade power technologies, the Company will expand power supply system-related technologies and products, such as PSUs, HVDC, and solid-state transformers, by downscale and expand into the industrial-grade server power supply sector, while actively exploring the application of power sources in the intelligent data centre.

**3. Deepening the Global Integration of Supply Chain, Production, and R&D to Optimize Cost Structure and Operational Efficiency**

In the supply chain sector, the Company will build a stable global supply chain system, improve supply chain resilience, and enhance product cost competitiveness by optimizing supply chain resources, promoting domestic substitution, and increasing the self-supply ratio of core components. In the production and operations sector, the Company will continue to advance the optimized layout of global production capacity, increase capacity utilization, and promote the transfer of overseas production capacity to low-cost and high-efficiency countries/regions and China. Meanwhile, through more refined production and operations planning, it will promote intelligent manufacturing upgrades in regions with higher labor costs to continuously improve production efficiency. In the R&D sector, the Company will continuously integrate cost optimization into the design and R&D stages, adjust global R&D resources, and build a highly efficient global R&D network.

**4. Strengthening the Chinese Market Advantage and Global Resource Integration to Actively Grasp New Business Opportunities from Intelligence Configuration Upgrades in Overseas Markets and the Accelerated Overseas Expansion of Domestic Brands**

The Company will utilize its technical advantages in intelligence and electrification to actively grasp new opportunities for intelligence configuration upgrades in overseas markets, carry out close technical cooperation with overseas key automakers, become the preferred Chinese autonomous driving solution provider for global customers, and empower global key automakers to stay at the forefront of the intelligence and electrification transformation in the automotive industry; relying on the first-mover advantage of its global layout, the Company will fully leverage the systemic advantages of its global R&D, supply chain, and production layout, as well as its familiarity with overseas market technical standards, to help domestic brands accelerate their overseas expansion while actively grasping new business opportunities.

**5. Building an Innovation Ecosystem and Achieving Win-Win Cooperation and Actively Building a Second Growth Curve**

The Company will strengthen the construction of an innovation ecosystem, promote open cooperation, and achieve win-win cooperation. Through organizational innovation and strategic expansion, it will accelerate the expansion of its capabilities in the R&D and high-end manufacturing of core automotive components as well as its rich experience in industrial production scenarios worldwide to the emerging agentic industry chain, embarking on the journey of re-entrepreneurship and building a second growth curve.

The Company will continue to strengthen strategic cooperation with suppliers to jointly build an efficient, stable, and innovative supply chain system and enhance the overall competitiveness of the industry chain. It will establish a more open innovation mechanism, encourage internal innovation, and also actively introduce external innovation resources; strengthen cooperation with advanced research institutes, universities, and startup enterprises to jointly promote technological innovation and industrial upgrading. By participating in the establishment of innovation funds, strategic equity investments, and other methods, it will support the R&D of cutting-edge technologies and the incubation of innovative projects, reserving technologies and talents for the Company's development. The Company will also strengthen cross-boundary cooperation with internet enterprises and technology enterprises to jointly explore the deep integration of automobiles with the internet and emerging technologies, creating new business models and user value and actively building a second growth curve.

## 6. Deepening the ESG Layout to Practice Global Sustainable Development Goals

The Company will continuously improve its ESG compliance and supply chain due diligence systems, continuously advance the construction of supply chain ESG management and traceability systems, strengthen carbon footprint management and energy conservation and emission reduction, and strive to promote supply chain carbon neutrality.

Comprehensively considering the current external environment, the development of the automotive and emerging agentic industries, and the Company's actual situation, the Company will strive to achieve a rapid growth in operating revenue and profit in 2026. The above business targets are merely forward-looking statements of the Company's business plan for 2026. They do not constitute a substantive commitment by the Company to investors, nor do they represent the Company's profit forecast. Whether they can be realized is affected by many variable factors such as changes in the external environment and industry development conditions, presenting significant uncertainty. Investors are advised to pay attention to investment risks.

## Risks and Countermeasures

### *1. Macro Environment and Industry Risks*

The development of the auto part industry in which the Company operates largely depends on the downstream automotive sector. The automotive industry is highly correlated with macro factors such as politics and the economy. Cyclical fluctuations in the global macro-environment, as well as geopolitical factors in certain countries or regions, may affect automobile production and consumption. Although the Company's customers are primarily internationally renowned enterprises with strong market competitiveness and risk resilience, any adverse impact on their operations due to the macro environment or market demand may lead to a reduction in orders, thereby negatively affecting the Company's operations.

The Company will closely monitor macroeconomic and industry trends, strengthen market analysis, and adjust its operational plan and development strategies in a timely manner. It will deepen cooperation with key customers while expanding a diversified customer base to actively respond to industry competition and demand changes. The Company will improve its sales forecasting system, establish the mechanism to track and correct forecast deviations, and maintain flexibility in production and supply chain planning, so as to address demand fluctuations and competitive pressures.

### *2. Raw Material Price Fluctuation Risk*

The raw materials and parts required for the Company's production are affected by multiple factors, including global inflation, market supply and demand, and geopolitics. If their prices continue to rise and cost pressures cannot be effectively passed on to downstream customers, the Company's profitability may be affected.

The Company addresses this risk through centralized procurement and enhanced supply chain cost management capabilities. Specific measures include continuously optimizing procurement processes, promoting centralized purchasing for key raw materials, setting cost-reduction targets and advancing annual price negotiations, diversifying suppliers and developing potential supplier resources, and improving cost competitiveness through design optimization.

### *3. Supply Chain Security Risk*

The Company's procurement and delivery chains are long and globally distributed. Geopolitical conflicts, escalating sanctions and export controls, rising tariff barriers, or instability among key suppliers may result in supply shortages, delivery delays, and increased costs in certain regions. This, in turn, may affect order fulfillment and operating performance.

The Company will continue to improve its global procurement and supply chain system. Specific measures include strengthening supplier risk management and tiered evaluation, promoting multi-source supply and developing alternative supply chains for key materials, and implementing necessary localized sourcing strategies for certain critical materials to enhance supply resilience and delivery stability. In addition, the Company also closely monitors geopolitical developments and tariff policy changes, actively addresses compliance and trade risks, and builds a comprehensive supply chain mitigation framework.

### *4. Product Quality Risk*

Auto parts are subject to stringent quality and safety requirements. Major product quality issues may lead to customer claims and litigation, order losses, and damage to market reputation, and may even result in legal cases and regulatory penalties. These risks could adversely affect the Company's profitability and business expansion.

The Company will continue to optimize product quality control and traceability processes, strengthen quality management of core components, and improve project development and quality management mechanisms. It will also enhance global quality incident investigation and closed-loop management mechanisms, improve traceability and refine processes. Leveraging information technology, the Company aims to ensure consistent global compliance with testing requirements for key products, thereby reducing risk in a systematic manner.

### *5. Product Competitiveness Risk*

Technologies in automotive electrification and intelligent development are evolving rapidly. If the Company fails to update its products and optimize its product portfolio in a timely manner, or lacks sufficient innovation, its products may lose market competitiveness. This could result in product substitution or intensified competition, thereby affecting its market share and profitability.

The Company will strengthen its insight and evaluation of technological trends and market developments, enhance new product research and development and technological upgrades, promote a diversified product mix, and optimize the balance of its product and customer structures. It will increase resources for research and development of new technologies and products, strengthen innovation investment, enhance product competitiveness, and expand market development to accelerate the commercialization of emerging business areas.

### *6. Goodwill Impairment Risk*

The Company has achieved business expansion through inorganic mergers and acquisitions, resulting in a significant amount of goodwill. In 2025, the Company's operating performance continued to improve, and no goodwill impairment was identified following goodwill impairment testing. If there are significant adverse changes in the macroeconomic environment, downstream industries, or market conditions in the future, or if the operating performance of relevant subsidiaries falls short of expectations, the Company may face goodwill impairment risks, which could negatively impact its business results.

The Company will continue to implement various measures to improve quality and efficiency across relevant assets and business units. It will strengthen operational monitoring and analysis, and promote sustained improvement in profitability, so as to mitigate impairment risks.

### *7. ESG and Environmental Compliance Risk*

Major global markets are imposing increasingly stringent requirements on carbon emissions, supply chain due diligence, product carbon footprints, and information disclosure. As a result, the Company's environmental and ESG compliance costs have increased, while downstream customers are demanding higher levels of supply chain traceability. Failure to meet these compliance requirements may lead to restricted access to orders, higher compliance costs, regulatory penalties, or reputational risks.

The Company will continue to improve its ESG compliance and supply chain due diligence systems and strengthen monitoring of ESG regulations. It will further advance ESG management and traceability system within the supply chain, enhance carbon footprint management, and promote energy conservation and emissions reduction to ensure compliance in its operations and control compliance costs.

## Financial Review

The following discussions are based on the financial information and notes set out in other sections of this announcement and should be read in conjunction with them.

## Revenue

### *Revenue by Product Line*

We generate our revenue primarily from providing (i) automotive safety solutions, including airbags, intelligent steering wheels, seatbelts and integrated safety solutions, (ii) automotive electronics solutions, including automotive intelligence solutions, E-mobility solutions and HMI products, and (iii) other solutions which mainly include products and solutions of our subsidiary Senssun, including air management systems, luxury smart trim parts and new energy electric charging and distribution systems.

The following table sets forth a breakdown of our revenue by product line in amounts and as percentages of our total revenue for the years indicated:

| | **Year ended December 31, 2025** | | Year ended December 31, 2024 | | | |
|---|---|---|---|---|---|---|
| | **Revenue** | **Percentage of total revenue** | Revenue | Percentage of total revenue | Change | |
| | ***RMB'000*** | ***%*** | *RMB'000* | *%* | *RMB'000* | *%* |
| Automotive safety solutions | **38,499,111** | **62.9** | 38,658,739 | 69.2 | (159,628) | (0.4) |
| Automotive electronics solutions | **16,758,818** | **27.4** | 16,996,416 | 30.4 | (237,598) | (1.4) |
| Others | **5,924,760** | **9.7** | 208,422 | 0.4 | 5,716,338 | 2,742.7 |
| **Total** | **61,182,689** | **100.0** | 55,863,577 | 100.0 | 5,319,112 | 9.5 |

The Group's revenue for the year ended December 31, 2025 was RMB61,182.7 million, representing an increase of RMB5,319.1 million as compared with RMB55,863.6 million for the year ended December 31, 2024. The revenue growth was primarily driven by the steady development of the automotive electronics business and automotive safety business, as well as the consolidation of financial statements of Senssun.

### *Revenue by Geographical Region*

Our revenue is mainly generated from China and overseas markets. Overseas markets primarily include the rest of Asia, Europe, the Americas and Africa. The following table sets forth a breakdown of our revenue by geographical region, determined by the location of customers, in amounts and as percentages of our total revenue for the years indicated:

| | **Year ended December 31, 2025** | | Year ended December 31, 2024 | | | |
|---|---|---|---|---|---|---|
| | **Revenue** | **Percentage of total revenue** | Revenue | Percentage of total revenue | Change | |
| | ***RMB'000*** | ***%*** | *RMB'000* | *%* | *RMB'000* | *%* |
| China | **16,736,384** | **27.4** | 14,156,943 | 25.3 | 2,579,441 | 18.2 |
| Overseas | **44,446,305** | **72.6** | 41,706,634 | 74.7 | 2,739,671 | 6.6 |
| **Total** | **61,182,689** | **100.0** | 55,863,577 | 100.0 | 5,319,112 | 9.5 |

Geographically, the Company's revenue from domestic operations amounted to approximately RMB16,736.4 million, representing an increase of 18.2% year-on-year. Its revenue from overseas operations reached approximately RMB44,446.3 million, representing an increase of 6.6% year-on-year.

## Cost of Sales

Our cost of sales primarily consists of (i) material cost and (ii) manufacturing cost, which mainly include staff cost, depreciation and amortization, shipping cost and warranty expense.

The following table sets forth a breakdown of our cost of sales by nature in amounts and as percentages of our total cost of sales:

| | **Year ended December 31, 2025** | | Year ended December 31, 2024 | | Change | |
|---|---|---|---|---|---|---|
| | ***RMB'000*** | *%* | *RMB'000* | *%* | *RMB'000* | *%* |
| Material cost | **35,634,410** | **71.3** | 33,312,864 | 71.2 | 2,321,546 | 7.0 |
| Manufacturing cost | **14,352,208** | **28.7** | 13,486,984 | 28.8 | 865,224 | 5.6 |
| **Total** | **49,986,618** | **100.0** | 46,799,848 | 100.0 | 3,186,770 | 6.8 |

The cost structure remained relatively stable as compared to the same period of the previous year.

## Gross Profit and Gross Profit Margin

### *Gross Profit and Gross Profit Margin by Product Line*

The following table sets forth a breakdown of our gross profit and gross profit margin by product line for the years indicated:

| | **Year ended December 31, 2025** | | Year ended December 31, 2024 | | Change | |
|---|---|---|---|---|---|---|
| | **Gross profit** | **Gross profit margin** | Gross profit | Gross profit margin | Gross profit | Gross profit margin |
| | ***RMB'000*** | *%* | *RMB'000* | *%* | *RMB'000* | *%* |
| Automotive safety solutions | **6,585,222** | **17.1** | 5,737,396 | 14.8 | 847,826 | 2.3 |
| Automotive electronics solutions | **3,218,564** | **19.2** | 3,270,969 | 19.2 | (52,405) | 0.0 |
| Others | **1,392,285** | **23.5** | 55,364 | 26.6 | 1,336,921 | (3.1) |
| **Total** | **11,196,071** | **18.3** | 9,063,729 | 16.2 | 2,132,342 | 2.1 |

The Group's gross profit for the year ended December 31, 2025 was RMB6,585.2 million, representing an increase of RMB847.8 million from RMB5,737.4 million for the year ended December 31, 2024. Gross profit margin for the year ended December 31, 2025 was 18.3%, compared with 16.2% for the year ended December 31, 2024, representing a year-on-year increase of 2.1 percentage points.

***Gross Profit and Gross Profit Margin by Geographical Region***

The following table sets forth a breakdown of our gross profit and gross profit margin by geographical region for the years indicated:

| | **Year ended December 31, 2025** | | Year ended December 31, 2024 | | Change | |
|---|---|---|---|---|---|---|
| | **Gross profit** | **Gross profit margin** | Gross profit | Gross profit margin | Gross profit | Gross profit margin |
| | ***RMB'000*** | *%* | *RMB'000* | *%* | *RMB'000* | *%* |
| China | **3,287,909** | **19.6** | 2,786,974 | 19.7 | 500,935 | (0.1) |
| Overseas | **7,908,162** | **17.8** | 6,276,755 | 15.0 | 1,631,407 | 2.8 |
| **Total** | **11,196,071** | **18.3** | 9,063,729 | 16.2 | 2,132,342 | 2.1 |

The gross profit margin of our overseas business continued to rise during the year, primarily attributable to the realization of the benefits from the various cost reduction and efficiency enhancement initiatives prioritized by the Company in the previous periods, in particular the significant reduction in global raw material costs and the improvement in operational efficiency which led to remarkable improvement in gross profit.

**Selling and marketing expenses**

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**Research and Development Costs**

Our research and development costs for 2024 and 2025 were RMB2,584.9 million and RMB3,289.0 million respectively, representing an increase of RMB704.0 million, or 27.2%.

Excluding the impact of the consolidation of Senssun this year, the research and development costs for the year recorded an increase as compared to the previous year. The increase in research and development costs for the year was primarily attributable to the fact that the Company stepped up the investment in cutting-edge technology within the intelligent electric vehicle industry such as autonomous driving and fully expanded into the humanoid robotics industry, while enhancing its investment in the emerging agentic sector.

**Income Tax Expenses**

Our income tax expenses decreased by RMB99.8 million, or 14.9%, from RMB669.5 million in 2024 to RMB569.7 million in 2025, primarily attributable to the utilization of deductible losses resulting from improved profitability this year.

**Trade and Other Receivables**

Our short-term trade and other receivables increased by 5.8% from RMB11,354.5 million as of December 31, 2024 to RMB12,008.3 million as of December 31, 2025, primarily reflecting the normal course of our business operations.

**Indebtedness**

As of December 31, 2024 and December 31, 2025, the aggregate balance of our loans and borrowings was RMB23,681.3 million and RMB24,209.0 million, respectively.

| | **December 31, 2025** | December 31, 2024 |
|---|---|---|
| | ***RMB'000*** | RMB'000 |
| Short-term loans and borrowings | **15,821,651** | 8,495,857 |
| Long-term loans and borrowings | **8,387,310** | 15,185,426 |
| | **24,208,961** | 23,681,283 |

The increase in short-term loans and borrowings was primarily attributable to the long-term borrowings of RMB5,222 million of Joyson Safety, which is expected to expire in 2026 pursuant to the original loan agreement. The Company has completed long-term borrowing replacements of the above expiring loans in January 2026. The portion expiring in a year will be approximately RMB352 million after the replacement, with the remaining all being long-term loans longer than a year.

## Trade and Other Payables

As of December 31, 2025 and December 31, 2024, our short-term trade and payables amounted to RMB15,792.2 million and RMB15,215.4 million, respectively, remaining largely stable.

## Liquidity and Capital Resources

The Group adopts a prudent funding and treasury policy with a view to optimize its financial position. The Group regularly monitors its funding requirements to support its business operations and performs ongoing liquidity review. Our primary uses of cash are to satisfy its working capital, capital expenditure and investment needs. For the Reporting Period, the Group financed its operations primarily through cash and cash equivalents, cash flows from operating activities, available bank loans and banking facilities, and net proceeds from the global offering of the H Shares, details of which were disclosed in the prospectus. Cash and cash equivalents of the Group increased by 33.2% from RMB5,979.1 million as of December 31, 2024 to RMB7,964.8 million as of December 31, 2025, primarily attributable to an increase in cash from operating activities and financing activities.

The following table sets forth a consolidated statement of cash flows for the Group for the years indicated:

| | **For the year ended December 31, 2025** | For the year ended December 31, 2024 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| **Cash generated from (used in):** | | |
| Operating activities | **5,398,030** | 4,601,804 |
| Investing activities | **(4,145,140)** | (1,988,237) |
| Financing activities | **643,750** | (871,541) |
| Net increase in cash and cash equivalents | **1,896,640** | 1,742,026 |

The net cash and cash equivalents for the year increased by RMB1,896.6 million from the previous year, primarily attributable to the higher profitability for this year, with an increase of RMB796.2 million in cash flow from operating activities compared to the previous year.

## Capital Expenditures

Our capital expenditures are primarily cash used to purchase property, plant and equipment and other intangible assets. Our capital expenditures increased by 34.2% from RMB3,212.6 million in 2024 to RMB4,308.1 million in 2025, primarily due to the increase in purchase of property, plant and equipment for projects under development in line with our business needs. The Group financed these capital expenditures through cash generated from operations and bank loans.

## Contingent Liabilities

As of December 31, 2025, the Group did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of the Group that is likely to have a material and adverse effect on our business, financial condition or results of operations.

## Gearing Ratio

The Group monitors capital structure on the basis of the gearing ratio. The gearing ratio is calculated as total borrowings divided by total equity at the end of the respective year.

The gearing ratio as at December 31, 2025 and December 31, 2024 were 1.0 and 1.2.

## Mortgage and Pledge of Assets

As of December 31, 2025, the Group's assets under mortgage and pledge had a book value of RMB9,913.9 million and RMB865.2 million, respectively (as of December 31, 2024: RMB3,791.9 million and RMB582.9 million). Assets under mortgage mainly include property, plant and accounts receivable.

## Foreign Exchange Risk

The Company operates globally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency other than the respective functional currency of our subsidiaries.

The Company employs hedging strategies for currency settlement, including the use of certain derivative instruments (primarily including forward foreign exchange contracts and currency swaps), entering into forward foreign exchange hedging contracts, and managing the scale of foreign currency assets and liabilities to minimize foreign exchange risk and mitigate the impact of exchange rate fluctuations on operating results.

**Significant Investments, Acquisitions and Disposals**

As of the end of the Reporting Period, the Group did not have any significant investment required to be disclosed pursuant to Paragraph 32(4A) of Appendix D2 to the Hong Kong Listing Rules.

During the Reporting Period, the Company had no material acquisition and/or disposal of subsidiaries, associates and joint ventures.

**Future Plans for Material Investments and Investments in Capital Assets**

As at the date of this announcement, save as disclosed in this announcement and "Future Plans and Use of Proceeds" of the Prospectus, the Group did not have any plans for material investments and capital assets.

## PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

According to the share repurchase plan approved by the Shareholders on December 23, 2024, it was agreed that the Company would repurchase some of its shares through centralized bidding transactions, and the repurchased shares would be used entirely for cancellation and reduction of the registered capital of the Company. This repurchase would be funded by the special loan provided by the Ningbo Yinzhou Branch of Agricultural Bank of China Co., Ltd. and the Company's own funds.

The Company successfully repurchased a total of 13,030,980 A Shares through the Shanghai Stock Exchange by way of centralized bidding during the period from January 22, 2025 to July 29, 2025, representing 0.925% of the Company's total A share capital before the cancellation of the repurchased shares. The repurchase price ranged from RMB14.08 per share to RMB20.79 per share, and the total amount paid was approximately RMB222.49 million (excluding commissions and extra fees). This share repurchase complied with relevant laws and regulations and the predetermined repurchase scheme of the Company. The cancellation of the repurchased A Shares of the Company was completed on July 31, 2025.

The following is the breakdown of share repurchases listed by month during the Reporting Period:

| **Month** | **Number of shares repurchased** | **Highest repurchase price per share** *(RMB)* | **Lowest repurchase price per share** *(RMB)* | **Total repurchase amount** *(RMB)* |
|---|---|---|---|---|
| January 2025 | 1,444,000 A Shares | 17.57 | 17.00 | 24,996,190.00 |
| February 2025 | 2,014,000 A Shares | 20.79 | 18.31 | 38,497,925.40 |
| March 2025 | 2,567,000 A Shares | 19.11 | 18.72 | 48,896,022.20 |
| April 2025 | 5,236,080 A Shares | 15.98 | 14.08 | 78,027,896.96 |
| May 2025 | 81,000 A Shares | 17.81 | 17.75 | 1,439,991.00 |
| June 2025 | 92,300 A Shares | 16.93 | 16.85 | 1,560,357.00 |
| July 2025 | 1,596,600 A Shares | 18.35 | 18.06 | 29,076,196.00 |
| **Total** | **13,030,980 A Shares** | | | **222,494,578.56** |

Save as otherwise disclosed in this announcement, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares (within the meaning under the Hong Kong Listing Rules)) during the Reporting Period. As of the end of the Reporting Period, the Company held 12,664,015 treasury shares, which will be used for equity incentives or employee stock ownership plans. Such treasury shares are all A Shares.

**Utilization of the Proceeds**

The Company issued H Shares on November 6, 2025 which were listed and traded on the Main Board of the Hong Kong Stock Exchan0.850d7-1.167 Td(repurchased)Tj10.186 2ulic Offeerioain d.

## Dividends

The Company's dividend distribution proposal for 2025 is as follows: The Company proposes the payment of a cash dividend of RMB1.8 per 10 shares (inclusive of tax) to all Shareholders. Taking March 30, 2026 as an example, the total number of shares was 1,550,770,563 Shares. After deducting 12,664,015 Shares held in the special securities account for repurchase, the base share capital for calculating the proposed cash dividend is 1,538,106,548 Shares, and the total expected cash dividend to be distributed is RMB276,859,178.64 (inclusive of tax). This dividend distribution proposal is subject to the consideration and approval of the Company's 2025 annual general meeting before it can be implemented. Please refer to the Company's continuously updated cash dividend announcements for the actual amounts to be distributed and the payment date.

During the Reporting Period, there was no arrangement under which any Shareholder waived or agreed to waive any dividends.

## Event after the Reporting Period

On March 23, 2026, at the 41st meeting of the eleventh session of the Board of the Company, a resolution was passed to grant the Board a general mandate to repurchase the Company's H shares. The Board and its authorized representatives are authorized to repurchase a total number of shares not exceeding 10% of the H shares issued by the Company (excluding treasury shares) as at the date of the resolution of the general meeting, and the repurchased shares will be used for cancellation on and reducing the registered capital or held as treasury shares. This resolution is still subject to consideration and approval at the shareholders's meeting to be held on April 15, 2026. Save for this matter and the 2025 dividend distribution, the Company has had no other significant subsequent events since the end of the Reporting Period.

## Audit Committee

During the Reporting Period and up to the date of this announcement, the Audit Committee consisted of independent non-executive Directors Prof. LU Guihua and Prof. YU Fang, and non-executive Director Mr. ZHOU Xingyou, among whom, Prof. LU Guihua was the chairman of the committee. The Audit Committee and the management have reviewed the accounting principles and practices adopted by the Group and reviewed and examined the matters on, among others, risk management and the internal control, enterprise risk assessment, financial statements and the effectiveness of the internal audit function, including the review of the audited annual results for the year of 2025, on which they had no dissenting opinion.

## Scope of the Auditor's Work

The Group's auditor, KPMG, has confirmed that the financial data disclosed in the consolidated statement of financial position, the consolidated statement of profit or loss and other comprehensive income, and the related notes in the Group's announcement of annual results for the year ended December 31, 2025, are consistent with the amounts presented in the Group's audited consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the announcement of annual results.

## Corporate Governance Practices

During the period from the Listing Date to December 31, 2025, the Company has complied with all of the applicable code provisions as set out in the Corporate Governance Code.

## Directors' Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code as set out in Appendix C3 to the Hong Kong Listing Rules and requires Directors' securities transactions to be conducted in accordance with the Model Code.

After making specific enquiries to all Directors, the Directors confirmed that they had complied with the Model Code during the period from the Listing Date to December 31, 2025.

## Publication of Annual Results and 2025 Annual Report

This results announcement is published on the Company's website (www.joyson.com) and the Hong Kong Stock Exchange website (www.hkexnews.hk). The Company's 2025 Annual Report will be available on the Company's website and the Hong Kong Stock Exchange website in due course.

## Definitions

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set forth below:

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| "5G-V2X" | Vehicle-to-everything technology based on the fifth-generation mobile communication technology |
| "5GA" | 5G Advanced (5GA), an enhanced standard in the 5G evolution stage, significantly improving in aspects such as bandwidth, latency, positioning, and AI-native networks |
| "A Share(s)" | ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which is/are subscribed for or credited as paid in Renminbi and are listed for trading on the Shanghai Stock Exchange and are traded in Renminbi |
| "Audit Committee" | the Audit Committee of the Board |
| "Board" or "Board of Directors" | the Board of Directors of the Company |
| "CAAM" | China Association of Automobile Manufacturers |
| "China" or "PRC" | the People's Republic of China |

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| "Company", "our Company", "the Company" | Ningbo Joyson Electronic Corp. (寧波均勝電子股份有限公司), a joint stock company incorporated in the PRC with limited liability under the relevant PRC laws and regulations on August 7, 1992, the A Shares of which have been listed on the Shanghai Stock Exchange (stock code: 600699) and the H Shares of which have been listed on the Hong Kong Stock Exchange (stock code: 00699), formerly known as Liaoyuan Deheng Company Limited (遼源得亨股份有限公司) and Liaoyuan Joyson Electronics Co., Ltd. (遼源均勝電子股份有限公司) |
| "Corporate Governance Code" | the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules |
| "Director(s)" | director(s) of the Company |
| "eVTOL" | Electric vertical take-off and landing vehicles |
| "Global Data" | A leading provider of data and insights in the automotive sector |
| "Global Offering" | the Hong Kong Public Offering and the International Offering |
| "Group", "our Group", "we" or "us" | the Company and its subsidiaries |
| "H Share(s)" | overseas listed shares in the share capital of the Company with nominal value of RMB1.00 each, which are listed and traded on the Hong Kong Stock Exchange |
| "HK$" or "HK dollars" | Hong Kong dollars, the lawful currency of Hong Kong |
| "Hong Kong Listing Rules" | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time) |
| "Hong Kong" or "HK" | the Hong Kong Special Administrative Region of the People's Republic of China |
| "In-vehicle optical communication" | Core components achieving high-speed, anti-interference data transmission inside vehicles, supporting high-bandwidth applications such as intelligent cockpits and autonomous driving |
| "Intelligent Connected Network System" | A technical system deeply integrating artificial intelligence and communication networks |
| "Joyson Safety" | certain subsidiaries of the Company's Automotive Safety Business Unit |
| "L2, L3, L4" | Different levels of autonomous driving technology from assisted driving status to fully autonomous driving status |
| "Listing Date" | the date on which the H Shares are listed and from which dealings therein are first permitted to take place on the Stock Exchange, i.e., Thursday, November 6, 2025 |

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| "Listing" | listing of the H Shares on the Main Board |
| "Main Board" | the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange |
| "Model Code" | the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules |
| "Momenta" | An enterprise providing autonomous driving algorithm solutions at different levels |
| "NOA" | The function of automatic assisted driving based on navigation paths in highway or expressway scenarios |
| "OTA" | Over-the-air remote updating and upgrading of software for vehicles or devices |
| "prospectus" or "Prospectus" | the prospectus issued by the Company on October 28, 2025 |
| "Reporting Period" | January 1, 2025 to December 31, 2025 |
| "Rho Motion" | A data and research institution focusing on the electric vehicle and energy transition sectors |
| "RMB" or "Renminbi" | Renminbi, the lawful currency of the PRC |
| "Robotaxi" | Driverless taxi services realized through autonomous driving technology |
| "Senssun" | Guangdong Senssun Weighing Apparatus Group Ltd. (廣東香山衡器集團股份有限公司), a subsidiary of the Company, listed on the Shenzhen Stock Exchange, stock code: 002870 |
| "Share(s)" | ordinary shares in the capital of the Company |
| "Shareholders(s)" | holder(s) of the Share(s) |
| "Stock Exchange" or "SEHK" | The Stock Exchange of Hong Kong Limited |
| "subsidiary(ies)" | has the meaning ascribed to it in the Companies Ordinance |
| "Tier 1" | Suppliers that provide products directly to robotics companies |
| "V2G" | Vehicle-to-Grid, conducting bidirectional energy and information interaction between vehicles and the power grid |

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| "V2X" | Vehicle to Everything, referring to the communication between a vehicle and the outside world (such as vehicles, infrastructure, pedestrians, networks, etc.) |
| "%" | per cent |

By Order of the Board
**Ningbo Joyson Electronic Corp.**
**Mr. WANG Jianfeng**
*Chairperson of the Board and Executive Director*

Ningbo, the PRC, March 30, 2026

*As at the date of this announcement, the Board comprises (i) Mr. WANG Jianfeng, Mr. CHEN Wei, Ms. LI Junyu and Mr. CAI Zhengxin as executive directors; (ii) Mr. ZHU Xuesong and Mr. ZHOU Xingyou as non-executive directors; and (iii) Prof. WEI Xuezhe, Prof. LU Guihua, Prof. YU Fang and Ms. XI Xuanhua as independent non-executive directors.*