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Zhejiang Shibao Company Limited*

浙江世寶股份有限公司

(a joint stock company incorporated in the People’s Republic of China with limited liability)

(Stock Code: 1057)

2025 THIRD QUARTERLY REPORT

This announcement is made by Zhejiang Shibao Company Limited (the “**Company**”) pursuant to the disclosure requirement under Rule 13.10B of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange.

The quarterly report (unaudited) contained in this announcement has been prepared in accordance with the “China Accounting Standards of Business Enterprises” and in accordance with the requirements on preparation and disclosure of quarterly report issued by China Securities Regulatory Commission, and has been considered and approved by the Board of Directors of the Company.

IMPORTANT NOTICE

The Board of Directors, Supervisory Committee, Directors, Supervisors and senior management of the Company undertake that this quarterly report is true, accurate and complete, and does not contain false accounting, misleading statements or material omissions, and jointly and severally accept full legal responsibilities for its contents.

The Legal Representative, the Person-in-Charge of Accounting Work and the Person-in-Charge of Accounting Department (Head of the Accounting Department) of the Company declare: they guarantee the financial information contained in this quarterly report are true, accurate and complete.

The third quarterly financial report of the Company is not audited.

** For identification purpose only*

1. KEY FINANCIAL INFORMATION

(1) Key accounting information and financial indicators

Unit: RMB

	July – September 2025	Change (%)	January – September 2025	Change (%)
Operating revenue	937,643,169.87	35.65%	2,461,803,297.02	35.44%
Net profit attributable to shareholders of listed company	56,640,120.32	25.60%	149,674,563.13	33.66%
Net profit after non-recurring gains and losses attributable to shareholders of listed company	48,629,901.60	19.19%	128,799,130.48	22.90%
Net cash flows from operating activities	N/A	N/A	191,968,801.70	4,082.45%
Basic earnings per share (RMB/share)	0.0689	25.27%	0.1819	31.81%
Diluted earnings per share (RMB/share)	0.0689	25.27%	0.1819	31.81%
Return on weighted average net assets (%)	2.81%	0.42%	7.50%	1.12%
	30 September 2025	31 December 2024	Change (%)	
Total assets	3,673,194,719.73	3,264,667,069.57	12.51%	
Net assets attributable to shareholders of listed company	2,043,396,352.45	1,943,079,732.36	5.16%	

(2) Items and amounts of non-recurring gains and losses

Unit: RMB

Item	July – September 2025	January – September 2025
Gain or loss on disposal of non-current assets, inclusive of provision for assets impairment write-off	252,653.53	5,771,004.07
Government grants (except for continuous government grants which are closely related to the Company's ordinary business and conforms with the national policies as well as in standard amount and quantities) recognized in gains or losses during the current period	6,803,309.63	11,422,916.00
Gain from debt restructuring	-	179,857.68
Non-financial enterprises' gains and losses from changes in fair value arising from holding financial assets and financial liabilities and gains and losses arising from the disposal of financial assets and financial liabilities, except for the effective hedging business related to the Company's ordinary business	959,801.53	3,463,468.19
Reversal of impairment provisions for accounts receivable subject to individual impairment test	41,781.91	53,909.58
Other non-operating income and expenses other than the above	126,883.22	344,931.87
Less: Effect on enterprise income tax ("–" as decrease)	246,697.31	709,957.34
Effect on interest of minority shareholders (after tax)	-72,486.21	-349,302.60
Net non-recurring gains or losses attributable to equity holders of the parent	8,010,218.72	20,875,432.65

The Company has no other specific circumstances of profit and loss items that meet the definition of non-recurring profits and losses.

No non-recurring gains and losses defined and listed in the “Disclosure Explaining Announcement No.1 for Companies Offering Securities Publicly – Non-Recurring Gains and Losses” were defined as recurring gains and losses.

(3) Changes to major accounting information and financial indicators and their reasons

During the reporting period, the Company recorded a revenue of RMB2,461,803,297.02, representing an increase of 35.44%, which was mainly benefiting from the acceleration of trends in electrification, intelligentisation and globalization of automobiles, as well as the gradual increase in market share of China-brand passenger cars, the continuous growth of the Company's sales of electrified and intelligent steering system products. The net profit attributable to shareholders of listed company and the net profit after non-recurring gains and losses attributable to shareholders of listed company were RMB149,674,563.13 and RMB128,799,130.48 respectively, representing an increase of 33.66% and 22.90% respectively, which was mainly due to the overall gross profit growth brought about by the growth of the Company's revenue and the decrease in the proportion of selling and administrative expenses to revenue during the period.

During the reporting period, the net cash flows from operating activities amounted to RMB191,968,801.70, representing an increase of 4,082.45% as compared with last year, which was mainly attributable to the increase in cash recovered from the sale of goods.

2. SHAREHOLDERS' INFORMATION

(1) Total number of shareholders of ordinary shares and shareholding for top ten shareholders

Unit: Share

Total number of shareholders of ordinary shares as at the end of the reporting period	66,613	Total number of shareholders of preference shares whose voting rights were restored at the end of the reporting period (if any)	0			
Shareholding of top ten shareholders (excluding shares lent through refinancing)						
Name of shareholders	Nature of shareholders	Shareholding percentage (%)	Number of shares held	Number of shares held with selling restrictions	Status on pledge or lock-up	
					Status	Number
Zhejiang Shibao Holding Group Co., Ltd.	Domestic non-state owned legal person	33.38%	274,579,851			
HKSCC Nominees Limited	Foreign legal person	26.76%	220,135,736			
Zhang Shi Quan	Domestic natural person	3.21%	26,391,580	19,793,685		
Goldman Sachs International - Proprietary Funds	Foreign legal person	0.22%	1,819,947			
UBS AG	Foreign legal person	0.22%	1,773,782			
Huang Zhi Ming	Domestic natural person	0.16%	1,333,000			
Guotai Haitong Securities Co., Ltd.	State-owned legal person	0.16%	1,304,108			
CITIC Securities Asset Management (Hong Kong) Co., Ltd. - Client Funds	Foreign legal person	0.16%	1,302,725			
Huatai Financial Holdings (Hong Kong) Ltd.- China Hongze Fund	Foreign legal person	0.15%	1,241,293			
BNP Paribas - Proprietary Funds	Foreign legal person	0.15%	1,200,000			

Shareholding of top ten shareholders without selling restrictions (excluding shares lent through refinancing and shares locked by executives)			
Name of shareholders	Number of ordinary shares held without selling restrictions	Types of shares	
		Types of shares	Number
Zhejiang Shibao Holding Group Co., Ltd.	274,579,851	RMB-dominated ordinary shares	274,579,851
HKSCC Nominees Limited	220,135,736	Overseas listed foreign shares	216,510,290
		RMB-dominated ordinary shares	3,625,446
Zhang Shi Quan	6,597,895	RMB-dominated ordinary shares	6,597,895
Goldman Sachs International - Proprietary Funds	1,819,947	RMB-dominated ordinary shares	1,819,947
UBS AG	1,773,782	RMB-dominated ordinary shares	1,773,782
Huang Zhi Ming	1,333,000	RMB-dominated ordinary shares	1,333,000
Guotai Haitong Securities Co., Ltd.	1,304,108	RMB-dominated ordinary shares	1,304,108
CITIC Securities Asset Management (Hong Kong) Co., Ltd. - Client Funds	1,302,725	RMB-dominated ordinary shares	1,302,725
Huatai Financial Holdings (Hong Kong) Ltd.- China Hongze Fund	1,241,293	RMB-dominated ordinary shares	1,241,293
BNP Paribas - Proprietary Funds	1,200,000	RMB-dominated ordinary shares	1,200,000
Illustrations on the connected relationship or acting in concert for the shareholders above	Zhejiang Shibao Holding Group Co., Ltd. is the controlling shareholder of the Company and Zhang Shi Quan is the de facto controller of the Company. The Company is not aware of other shareholders who were connected or acted in concert with each other.		
Margin trading and short selling by top ten shareholders of ordinary shares without selling restrictions (if any)	No.		

3. OTHER SIGNIFICANT EVENTS

There were no other significant events during the reporting period.

4. QUARTERLY FINANCIAL STATEMENTS

(1) Consolidated Balance Sheet

Unit: RMB

Item	30 September 2025	31 December 2024
Current Assets:		
Cash on hand and at bank	529,412,231.42	418,548,313.18
Financial assets held for trading	15,298,300.00	70,320,157.90
Accounts receivable	1,181,160,011.44	1,133,978,505.17
Financing receivable	236,470,385.58	123,464,687.88
Prepayments	18,988,743.89	9,913,788.78
Other receivables	6,759,106.49	6,266,926.01
Inventories	528,783,169.01	501,868,958.32
Other current assets	9,218,541.15	8,507,715.67
Total current assets	2,526,090,488.98	2,272,869,052.91
Non-current Assets:		
Investment property	155,284,869.54	164,715,894.70
Fixed assets	674,827,738.48	662,650,542.16
Construction in progress	110,182,871.70	62,754,082.74
Right-of-use assets	7,529,329.31	
Intangible assets	70,762,861.84	60,380,816.45
Deferred income tax assets	36,647,001.73	28,627,520.47
Other non-current assets	91,869,558.15	12,669,160.14
Total non-current assets	1,147,104,230.75	991,798,016.66
Total Assets	3,673,194,719.73	3,264,667,069.57

(1) Consolidated Balance Sheet (continued)

Unit: RMB

Item	30 September 2025	31 December 2024
Current Liabilities:		
Short-term borrowings	121,626,879.43	81,109,472.22
Notes payable	259,164,517.64	177,951,622.68
Accounts payable	993,634,811.23	863,178,853.54
Receipts in advance	3,836,378.22	10,983,541.16
Contract liabilities	14,582,765.56	15,309,798.11
Staff costs payable	46,625,175.90	43,260,364.73
Taxes payable	10,696,236.88	14,409,372.05
Other payables	2,563,530.05	3,384,762.15
Non-current liabilities due within 1 year	1,745,563.12	
Other current liabilities	100,315,800.13	67,510,953.24
Total current liabilities	1,554,791,658.16	1,277,098,739.88
Non-current Liabilities:		
Lease liabilities	6,003,507.91	
Deferred income	42,828,335.07	34,840,812.04
Deferred income tax liabilities	1,766,477.35	1,846,472.94
Total non-current liabilities	50,598,320.33	36,687,284.98
Total Liabilities	1,605,389,978.49	1,313,786,024.86
Shareholders' Equity:		
Share capital	822,632,384.00	822,632,384.00
Capital reserve	493,434,091.80	493,434,091.80
Surplus reserve	147,118,034.42	147,118,034.42
Retained earnings	580,211,842.23	479,895,222.14
Total equity attributable to equity holders of the parent	2,043,396,352.45	1,943,079,732.36
Minority Interests	24,408,388.79	7,801,312.35
Total Shareholders' Equity	2,067,804,741.24	1,950,881,044.71
Total Liabilities and Shareholders' Equity	3,673,194,719.73	3,264,667,069.57

Legal
Representative:

Zhang Shi Quan

Person-in-Charge of
Accounting Work:

Zhang Lan Jun

Person-in-Charge of
Accounting Department:

Li Gen Mei

(2) Consolidated Income Statement

Unit: RMB

Item	January – September 2025	January – September 2024
1. Total operating revenue	2,461,803,297.02	1,817,567,758.66
Including: Operating revenue	2,461,803,297.02	1,817,567,758.66
2. Total operating costs	2,322,680,169.41	1,701,232,030.19
Including: Operating costs	2,024,061,115.03	1,459,492,084.01
Taxes and surcharges	17,308,053.36	10,845,266.06
Selling expenses	38,397,798.78	35,239,243.39
General and administrative expenses	106,912,759.29	93,977,219.15
Research and development expenses	135,850,500.78	100,595,342.38
Financial expenses	149,942.17	1,082,875.20
Including: Interest expenses	1,980,626.09	3,899,089.46
Interest income	2,758,043.92	3,354,242.44
Add : Other gains	33,778,786.25	22,619,532.40
Investment gains (“-” for loss)	2,594,615.62	2,184,146.50
Gains on fair value change (“-” for loss)	-146,852.62	509,694.60
Credit impairment losses (“-” for loss)	-2,372,485.11	-7,714,750.34
Assets impairment losses (“-” for loss)	-17,959,027.84	-10,811,665.71
Gains from disposal of assets (“-” for loss)	5,882,408.52	-1,517,699.33
3. Operating profit (“-” for loss)	160,900,572.43	121,604,986.59
Add : Non-operating income	455,635.70	644,384.46
Less : Non-operating expenses	820,925.68	1,701,127.00
4. Total profit (“-” for total loss)	160,535,282.45	120,548,244.05
Less : Income tax expenses	-5,746,357.12	-6,792,598.44
5. Net profit (“-” for net loss)	166,281,639.57	127,340,842.49
(1) Classification by business continuity		
1. Net profit from continuing operation (“-” for net loss)	166,281,639.57	127,340,842.49
(2) Classification by ownership		
1. Net profit attributable to equity holders of the parent	149,674,563.13	111,982,671.15
2. Minority interests	16,607,076.44	15,358,171.34
6. Other comprehensive income after tax, net		

(2) Consolidated Income Statement (continued)

Unit: RMB

Item	January – September 2025	January – September 2024
7. Total comprehensive income	166,281,639.57	127,340,842.49
Total comprehensive income attributable to equity holders of the parent	149,674,563.13	111,982,671.15
Total comprehensive income attributable to minority interests	16,607,076.44	15,358,171.34
8. Earnings per share:		
(1) Basic earnings per share	0.1819	0.1380
(2) Diluted earnings per share	0.1819	0.1380

Legal Representative:	Zhang Shi Quan	Person-in-Charge of Accounting Work:	Zhang Lan Jun	Person-in-Charge of Accounting Department:	Li Gen Mei
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(3) Consolidated Statement of Cash Flows

Unit: RMB

Item	January – September 2025	January – September 2024
1. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	1,486,879,698.33	822,011,907.59
Return of taxes and levies	7,733,765.12	9,151,575.93
Cash received relating to other operating activities	221,345,046.62	62,598,220.68
Sub-total of cash inflow from operating activities	1,715,958,510.07	893,761,704.20
Cash paid for goods purchased and services accepted	855,899,933.49	514,943,241.84
Cash paid to and on behalf of employees	274,143,348.93	210,537,270.49
Payment of taxes and levies	87,976,985.17	37,968,634.33
Cash paid relating to other operating activities	305,969,440.78	135,132,930.05
Sub-total of cash outflow from operating activities	1,523,989,708.37	898,582,076.71
Net cash flows from operating activities	191,968,801.70	-4,820,372.51
2. Cash flows from investing activities:		
Cash received from return of investments	642,396,601.23	462,000,000.00
Cash received from investment gains	4,459,803.49	3,080,080.06
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	13,897,647.56	3,527,500.50
Sub-total of cash inflow from investing activities	660,754,052.28	468,607,580.56
Cash paid to acquire fixed assets, intangible assets and other long-term assets	162,589,578.90	49,890,546.98
Cash paid for investments	616,100,000.00	485,000,000.00
Sub-total of cash outflow from investing activities	778,689,578.90	534,890,546.98
Net cash flows from investing activities	-117,935,526.62	-66,282,966.42
3. Cash flows from financing activities:		
Cash received from equity investments		344,087,745.02
Cash received from borrowings	101,600,000.00	144,400,000.00
Sub-total of cash inflow from financing activities	101,600,000.00	488,487,745.02
Cash paid for debt repayments	61,100,000.00	290,840,000.00
Cash paid for distribution of dividends, profit or interest expenses	51,100,301.37	24,087,927.43
Cash paid relating to other financing activities	1,396,315.20	970,276.55
Sub-total of cash outflow from financing activities	113,596,616.57	315,898,203.98
Net cash flows from financing activities	-11,996,616.57	172,589,541.04
4. Effect of changes in foreign exchange rate on cash and cash equivalents	-116,501.77	-48,044.02
5. Net increase in cash and cash equivalents	61,920,156.74	101,438,158.09
Add: Opening balance of cash and cash equivalents	212,968,954.82	119,831,809.48
6. Closing balance of cash and cash equivalents	274,889,111.56	221,269,967.57

Legal Representative: Zhang Shi Quan Person-in-Charge of Accounting Work: Zhang Lan Jun Person-in-Charge of Accounting Department: Li Gen Mei

By order of the Board
Zhejiang Shibao Company Limited
Zhang Shi Quan
Chairman

Hangzhou, Zhejiang, the PRC
28 October 2025

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Zhang Bao Yi, Mr. Tang Hao Han, Ms. Zhang Lan Jun and Mr. Zhou Yu as executive Directors; Mr. Zhang Shi Quan and Mr. Zhang Shi Zhong as non-executive Directors; and Mr. Gong Jun Jie, Mr. Min Haitao and Mr. Tsui Chun Shing as independent non-executive Directors.