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Montage Technology Co., Ltd.

瀾起科技股份有限公司

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

(Stock Code: 6809)

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

FINANCIAL HIGHLIGHTS OF THE GROUP

Revenue of the Group for the year ended December 31, 2025 amounted to approximately RMB5,456 million, representing a year-on-year increase of 49.9% (last year: RMB3,639 million).

The Group's profit attributable to shareholders of the parent for the year ended December 31, 2025 amounted to approximately RMB2,236 million, representing a year-on-year increase of 58.4% (last year: RMB1,412 million).

The Group's gross profit margin for the year ended December 31, 2025 was 62.2%, representing a year-on-year increase of 4.1 percentage points (last year: 58.1%). Its interconnect chip product line gross profit margin was 65.6%, representing an increase of 2.9 percentage points over the previous year (last year: 62.7%).

The Group's net cash flows from operating activities for the year ended December 31, 2025 were RMB2,022 million, representing a year-on-year increase of 19.6% (last year: RMB1,691 million).

The Group's net profit margin attributable to shareholders of the parent for the year ended December 31, 2025 was 41.0%, representing an increase of 2.2 percentage points over the previous year. (last year: 38.8%).

The Board proposed the 2025 Profit Distribution Plan as follows: a cash dividend of RMB3.90 (tax inclusive) per 10 Shares. The 2025 Profit Distribution Plan shall be subject to consideration and approval at the 2025 AGM.

The board of directors (the “**Board**”) of Montage Technology Co., Ltd. (the “**Company**” or “**our Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (together, the “**Group**”, “**our Group**”, “**we**”, “**us**”, or “**our**”) for the year ended December 31, 2025. The following financial statements have been prepared in accordance with the China Accounting Standards for Business Enterprises (the “**CASBE**”) and relevant regulations.

MANAGEMENT DISCUSSION AND ANALYSIS

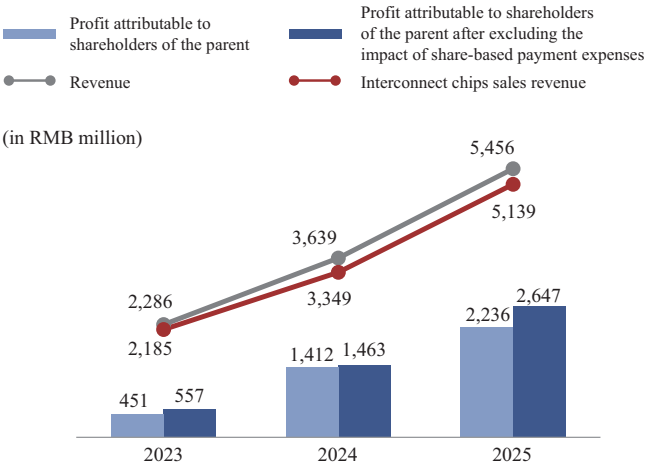
We are a leading global fabless IC design company focused on offering innovative, reliable and power-efficient interconnect solutions for cloud computing and AI infrastructure. In 2025, benefiting from the AI industry trend and strong market demand, our shipments of interconnect chips increased significantly, driving substantial growth in the Group's operating performance in 2025 compared with the previous year with multiple key financial metrics reaching record highs. During the Reporting Period, the Group's operating results were as follows:

1. Significant Growth in Operating Performance with Continuous Improvement in Business Quality

During the Reporting Period we actively seized the industry opportunity presented by the AI industry trend. By intensifying our R&D innovation and market expansion, we achieved a substantial growth in operational results by leveraging our core technological advantage, alongside continuous improvement in development quality. In 2025, the Group achieved revenue of RMB5,456 million, representing an increase of 49.9% over the previous year. The gross profit margin was 62.2%, up 4.1 percentage points over the previous year. Profit attributable to shareholders of the parent was RMB2,236 million, representing an increase of 58.4% over the previous year. Profit after deduction of non-recurring profit or loss attributable to shareholders of the parent was RMB2,022 million, representing an increase of 62.0% over the previous year. The Group's net profit margin attributable to shareholders of the parent was 41.0%, representing an increase of 2.2 percentage points over the previous year. Net cash flows from operating activities were RMB2,022 million, achieving growth for the fourth consecutive year, highlighting our robust profitability and operational quality.

In 2025, our interconnect chip product line achieved sales revenue of RMB5,139 million, representing an increase of 53.4% over the previous year. Its gross profit margin was 65.6%, up 2.9 percentage points over the previous year, mainly due to the increased revenue contribution from products with higher gross profit margin. The Jintide® product line achieved sales revenue of RMB308 million, representing an increase of 10.2% over the previous year.

In 2025, our revenue, sales revenue from interconnect chips, profit attributable to shareholders of the parent, profit after deduction of non-recurring profit or loss attributable to shareholders of the parent, and net cash flows from operating activities all reached record highs.



(in RMB million)

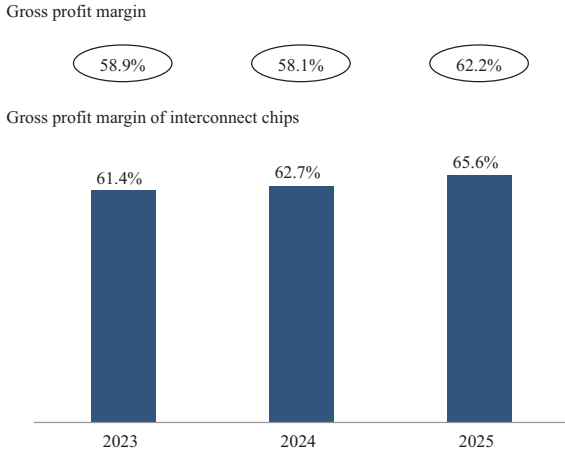


Exhibit: 2023-2025 key financial data of the Group

Exhibit: 2023-2025 gross profit margin of the Group

In 2025, the Group’s share-based payment expenses amounted to RMB431 million, which were recognized in recurring profit or loss. The impact of such expenses on profit attributable to shareholders of the parent was RMB412 million (after considering the effect of related income tax expenses). Accordingly, the profit attributable to shareholders of the parent after excluding the impact of share-based payment expenses in 2025 was RMB2,647 million, representing an increase of 81.0% over the previous year. The profit after deduction of non-recurring profit or loss attributable to shareholders of the parent after excluding the impact of share-based payment expenses was RMB2,433 million, representing an increase of 87.3% over the previous year.

In the fourth quarter of 2025, we achieved revenue of RMB1,399 million, representing a year-on-year increase of 31.0%, of which the sales revenue from the interconnect chips product line was RMB1,306 million, representing a year-on-year increase of 34.4%, with a gross profit margin of 67.8%, representing an increase of 2.1 percentage points compared with the third quarter. Profit attributable to shareholders of the parent was RMB603 million, representing a year-on-year increase of 39.1%; profit after deduction of non-recurring profit or loss attributable to shareholders of the parent was RMB554 million, representing a year-on-year increase of 48.0%.

2. Rapid DDR5 Penetration and Progressive Adoption of New Products Consolidate the Leading Position in Memory Interconnect Domain

(i) Continuous downstream penetration of DDR5 products and iterations of their sub-generations

In 2025, as a result of the growth of demand in the server market driven by rapid development of the global AI industry, the downstream penetration of DDR5 products rose quickly with continuous iterations of their sub-generations. As a leader in the memory interconnect chip industry and in formulating international standards for DDR5 RCD chips, we have maintained a leading global position in the DDR5 market.

During the Reporting Period, we capitalized on the dual industry trends of DDR5 evolution and AI development to advance our product roadmap. This led to a substantial increase in shipments of our DDR5 RCD chips. Notably, during the DDR5 generational iterations, our Gen 3 RCD chips ramped up to volume shipment, while our Gen 4 RCD chips (with data rates of 7200MT/s) entered mass production. In the second half of 2025, our sales revenue from DDR5 Gen 3 RCD chips outpaced that of Gen 2 products, further solidifying our market leadership in driving the DDR5 generational iteration. Building on our outstanding technological capabilities and highly stable and reliable products, we have successfully captured the opportunities presented by the DDR5 iteration, thereby strengthening our industry-leading position. Driven by the strong growth of DDR5-related products, our interconnect chips product line achieved sales revenue of RMB5,139 million during the Reporting Period, a year-on-year increase of 53.4%. Its gross profit margin was 65.6%, up 2.9 percentage points from the previous year, reflecting the continuous improvement in our product competitiveness.

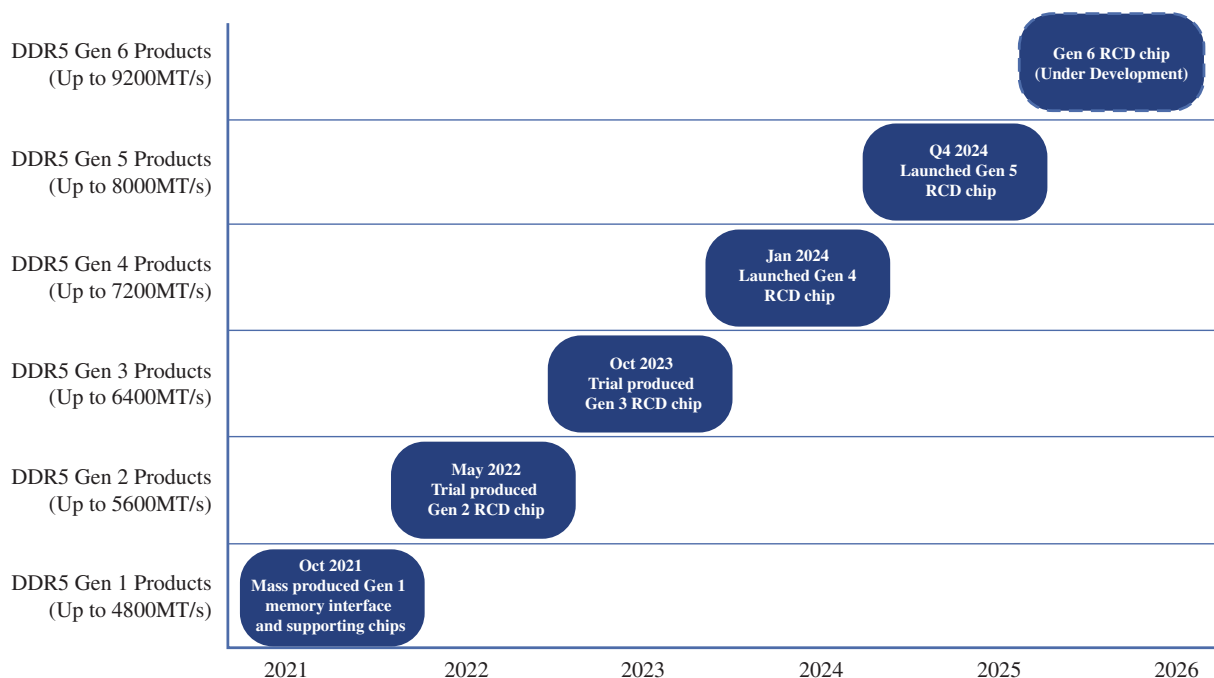


Exhibit: Constant leading position of the Group in R&D of DDR5 memory interface chips

(ii) *Leading Innovation in DDR Interface Technology and Accelerating Commercialization of New Memory Interconnect Products*

Leveraging our core technology in memory interfaces, our innovative products – MRCD/MDB and CKD chips – have undergone continuous iteration and achieved widespread market adoption during the Reporting Period.

- MRCD/MDB chips are the key components for a new type of high-bandwidth server memory module known as MRDIMM, and are used in AI and cloud computing applications with stringent memory bandwidth requirements. As defined by JEDEC, each MRDIMM shall be standard-equipped with one MRCD chip and ten MDB chips. As one of the only two suppliers capable of supplying DDR5 Gen 1 MRCD/MDB chips in the world, in January 2025, the Group introduced the Gen 2 products which support a data rate of up to 12800MT/s, representing a 45% improvement compared to the Gen 1 products. Since the fourth quarter of 2025, our Gen 2 MRCD/MDB chips shipments have increased significantly and have been well-received by customers for the outstanding performance and excellent stability, positioning us strongly for the upcoming market expansion.
- CKD chips are key components for the PC memory modules known as CUDIMM and CSODIMM. As defined by JEDEC, when DDR5 data rates reach 6400MT/s or above, PC memory modules are required to adopt a dedicated CKD chip to buffer and re-drive clock signals, in order to maintain the integrity and reliability of high-speed clock signals. Following our pioneering of the industry’s first trial production of DDR5 CKD chips supporting up to 7200MT/s in 2024, the Group launched a new generation of CKD chips during the Reporting Period, which support data rates up to 9200MT/s. This advancement provides crucial technological support for the next generation of advanced PCs. Throughout 2025, the industry penetration rate of CKD chips increased substantially, driving a rapid rise in our product shipments.

As the JEDEC spec owner of DDR5 RCD, MDB and CKD chips, we pioneer technological innovation in the memory interconnect field and consistently maintain our industry leadership through superior product quality and technical support.

3. Expanding Our Product Portfolio with Solid Technical Expertise to Enhance Our Comprehensive Competitiveness in the PCIe/CXL Interconnect Domain

(i) Strong growth trajectory for PCIe Retimer chips

PCIe Retimer chips are core high-speed interconnect components for AI servers, mainly used in applications such as AI servers, active electrical cables (AEC), NVMe SSDs, and Riser cards. For example, a typical AI server equipped with 8 GPUs generally requires 8 to 16 PCIe Retimer chips while certain domestic AI servers are equipped with 24 PCIe Retimer chips in order to meet scalable demands. Consequently, the growth in AI server shipments will directly drive increasing demand for these chips.

During the Reporting Period, we have continuously expanded our market presence. Leveraging our leading technical capabilities and superior product performance, our PCIe Retimer chips have shown a strong growth trajectory. As one of the two major companies supplying PCIe 5.0 Retimer chips in the world, our in-house SerDes IP provides a solid foundation for continuous product iteration. In January 2025, we launched and began sampling PCIe 6.x/CXL 3.x Retimer chips to customers. In January 2026, we released PCIe 6.x/CXL 3.x AEC solutions. At present, we are actively processing in the R&D of PCIe 7.0 Retimer chips.

Looking ahead, as demand for AI servers continues to grow and PCIe protocol data rates constantly improve, PCIe Retimer chips are playing an increasingly vital role. Their application scenarios are expected to further expand, driving sustained growth in the market scale.

(ii) Steadily Advancing the R&D of PCIe Switch Chips

PCIe Switch chips are core interconnect components in data centers, AI acceleration and storage systems. They expand PCIe topology to enable efficient communication among multiple devices, addressing bandwidth bottlenecks between hosts and peripheral devices. High-speed SerDes technology is the core technology for both PCIe Switch chips and PCIe Retimer chips, which share largely overlapping customer bases: server OEMs/ODMs as direct customers and cloud computing service providers as end users. Through the successful in-house development of SerDes technology and the industrialization of PCIe Retimer chips, the Group has accumulated profound expertise in SerDes and a broad customer network, laying a solid foundation for the rollout of PCIe Switch chips. During the Reporting Period, we made steady progress in the engineering development of PCIe Switch chips.

(iii) Accelerating CXL MXC Chip Product Upgrades and Market Adoption

CXL MXC chips, as the third type of device defined by the CXL protocol, are mainly used for memory expansion and memory pooling, which can effectively enhance memory capacity and bandwidth to meet the needs of data-intensive applications such as cloud computing and AI. During the Reporting Period, we have continuously driven the commercialization of CXL technology together with our partners. More and more server manufacturers have introduced CXL memory expansion solutions based on Montage's MXC chips, and the CXL-related ecosystem is maturing. In January 2025, our MXC chips were successfully added to CXL 2.0 Integrators list as one of the first suppliers. Both Samsung Electronics and SK Hynix, as memory suppliers on the list, used our MXC chips in their tested products. In September 2025, we launched MXC chips which comply with CXL 3.1 standards and began sampling the chips to major customers.

As an industry cutting-edge technology, CXL is currently in an emerging field. Looking ahead, with the maturing CXL ecosystem and the technology's broadening adoption, the market for MXC chips is poised for vast growth opportunities.

4. Committed to Innovation-Driven Development, Continuously Strengthening R&D Investment and Technical Capabilities

As a technology-driven and innovative enterprise, we have always adhered to innovation-driven development and consistently increased the R&D investment to enhance our core competitiveness. In 2025, our R&D expenses amounted to RMB915 million, representing an increase of 19.9% over the previous year and accounting for 16.8% of our revenue. Our R&D expenses have increased annually since our listing on the Shanghai Stock Exchange STAR Market in 2019. Our R&D team is composed of internationally experienced personnel with excellent expertise. As at the end of 2025, the Group had 583 R&D staff, representing 74.4% of our total employees. Approximately 64% of these R&D personnel held a master's degree or higher.

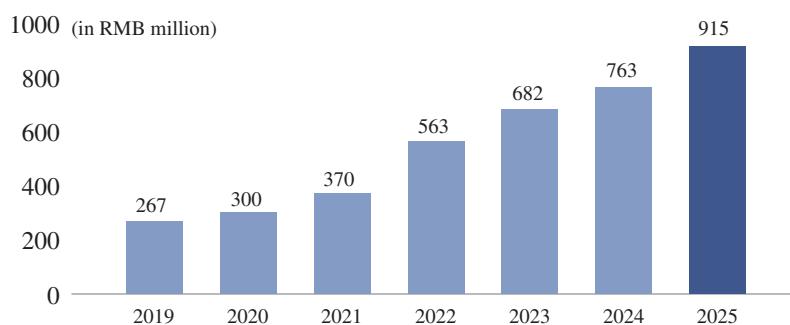


Exhibit: Our R&D investment from 2019 to 2025

During the Reporting Period, we achieved the following R&D milestones:

Interconnect chips product line:

- (1) Memory Interconnect Chips: Successfully achieved mass production of DDR5 Gen 4 RCD chips and completed the development of the mass production versions of DDR5 Gen 5 RCD chips, Gen 2 MRCD/MDB chips, and a new generation of CKD chips.
- (2) PCIe Interconnect Chips: Advanced the development of the mass production version of PCIe 6.x/CXL 3.x Retimer chips, applying them in PCIe 6.x/CXL 3.x AEC solutions. We also actively advanced the engineering development of PCIe 7.0 Retimer chips and PCIe Switch chips.
- (3) CXL Interconnect Chips: Completed the development of the mass production version of CXL 2.0 MXC chips and the engineering development of CXL 3.x MXC chips.
- (4) Clock Chips: Completed the engineering development of the first batch of Clock Buffers and Spread-Spectrum Oscillators.

Jintide® product line: Launched the 6th Gen Jintide® P-core CPU.

Intellectual Property: We filed 40 new invention patent applications and were granted 36 invention patents. We also filed 19 new applications for integrated circuit layout design registrations and obtained 24 integrated circuit layout design certificates. As at the end of 2025, we had a total of 224 granted invention patents, 1 utility model patent, 103 integrated circuit layout design registration certificates, and 13 computer software copyright registration certificates.

5. Establishing a Long-Term Return Mechanism and Sharing Our Success with Shareholders

Upholding our investor-oriented development philosophy, we strive to balance performance growth with high-quality, sustainable development. At the same time, we remain committed to establishing a long-term reward mechanism to share the Company's growth and development results with our shareholders. During the Reporting Period, we implemented the 2024 annual and the 2025 interim profit distribution plans, distributing a total cash dividend of approximately RMB670 million. For the 2025 annual dividend proposal, we proposed a cash dividend of RMB3.90 (tax inclusive) per 10 shares, with an estimated total cash dividend of RMB472 million. In addition to cash dividends, the Company launched two share repurchase schemes during the Reporting Period. The first scheme, intended for employee incentive plans and/or stock ownership plans, has been completed with a total repurchase amount of RMB200 million. The second scheme aims to reduce the Company's registered capital, with a planned total investment of between RMB200 million and RMB400 million; as at the end of 2025, the Company had repurchased shares totaling RMB220 million. Since our listing on the Shanghai Stock Exchange STAR Market in July 2019 and as at the end of 2025, we have distributed a total cash dividend of RMB2,367 million and completed share repurchases totaling RMB1,430 million. Furthermore, the Group has continuously refined its market capitalization management mechanism, incorporating market cap into the annual performance appraisal of senior management for four consecutive years to further align management's focus with value creation and shareholder interests.

We attach great importance to investor relations and are committed to establishing transparent and effective communication mechanisms to effectively communicate corporate value. Recognized for our strong performance in investor relations, during the Reporting Period, the Group received multiple awards from the capital market, including “TOP 5 Listed Companies Most Favored by Institutions (STAR Market)” and “Tianma Award for Investor Relations Management” by Securities Times, “Best Practice in Investor Relations Management for Listed Companies in 2024” and “Best Practice in 2024 Annual Results Presentation by Listed Companies” by China Association for Public Companies, etc.

During the Reporting Period, the Company was honored as one of “Forbes China’s 50 Most Innovative Companies 2025” and “Fortune China Technology 50”. Our first inclusion in the SSE 50 Index significantly boosted our profile in the capital market.

6. Advancing Our International Strategy and Achieving a Successful H-Share Listing

To advance the Group’s international strategy, continuously attract and retain top-tier R&D and management talent, and bolster our offshore financing capabilities, while further enhancing our global influence and core competitiveness, during and after the Reporting Period, we steadily moved forward the issuance of H shares and listing on the Stock Exchange of Hong Kong in response to our development strategy and operational needs.

In July 2025 the Group submitted its application to the Stock Exchange of Hong Kong for the offering and listing of H shares. In December 2025, we successfully completed the overseas listing filing with China Securities Regulatory Commission and passed the listing hearing in the Stock Exchange of Hong Kong. In February 2026, the Company was listed on the Main Board of the Stock Exchange of Hong Kong and commenced trading (stock code: 6809.HK), through which we have established our A+H dual platform for capital raising, laying a solid foundation for our global business layout and long-term and sustainable development. Our global offering of H shares received strong interest from international investors: in respect of cornerstone investors, we introduced multiple top-tier international long-term investors, strategic investors and renowned technology-focused funds, with subscription by cornerstone investors accounting for 50% of the base offering size. In respect of anchor investors, we received more than 500 orders in the international placement, with order sizes exceeding US\$30 billion, representing an oversubscription multiple of over 60 times the amount allocated to them. This demonstrated the high recognition from the global capital market for the Group’s development strategy and investment value.

FUTURE OUTLOOK AND STRATEGIES

Business Plan

Our business plan and key work priorities for 2026 are outlined below:

1. *Consolidate Leadership in Memory Interconnect and Seize New Product Market Penetration Opportunities*

We will track market demand and technical trends in the memory interconnect chip market, while continuously optimizing our product performance and quality to consolidate our market leadership. Driven by the AI industry wave, the global memory interconnect chip market is poised for significant growth opportunities. We will steadily advance the generational iterations of DDR5 RCD chips and increase shipments of our Gen 3 and Gen 4 products. The Group will focus on opportunities for market penetration of new products such as MRCD/MDB and CKD chips and respond rapidly to customer demand with superior product performance to further strengthen our competitiveness.

2. *Expand PCIe/CXL Business footprint to Drive Sustainable Revenue Growth*

We will deepen strategic cooperation with cloud computing service providers, server OEM/ODMs, and GPU/CPU vendors, accelerate the adoption of our new generation of PCIe Retimer and CXL MXC chips in customers' supply chains to lay a solid foundation for ramping up shipments. In addition, we will further expand the market to drive sustainable revenue growth of related products. Through continued technological innovation, the Group aims at improving its comprehensive competitiveness and industrial influence by providing comprehensive and leading PCIe/CXL interconnect solutions.

3. *Deepen Expertise in Core High-Speed Interconnect Technologies and Continuously Enrich Our Product Portfolio*

- (1) Memory interconnect: As the JEDEC spec owner of DDR5 RCD, MDB and CKD chips, we will continue to lead and invest in the iteration and innovation of memory interface technology to consolidate our technological leadership. Specific plans include: completing the engineering development of DDR5 Gen 6 RCD and Gen 3 MRCD/MDB chips; actively participating in the JEDEC standardization process for DDR6 memory interface chips; and commencing the engineering development of DDR6 Gen 1 memory interconnect products.
- (2) PCIe/CXL interconnect: We will increase R&D investment in core foundational technologies such as high-speed SerDes and actively advance the iteration and new product development for PCIe/CXL interconnect chips. Key plans include: completing the development of mass-production versions of PCIe 6.x/CXL 3.x Retimer and CXL 3.x MXC chips; and completing the tape-out of engineering samples for PCIe 7.0 Retimer and PCIe Switch chips.
- (3) Ethernet interconnect: Leveraging our in-house high-speed SerDes technology and long-standing customer relationships, we will actively advance the R&D of high-speed Ethernet PHY Retimer chips and plan to complete the tape-out of engineering samples.
- (4) Clock chips: We plan to complete the development of mass-production versions for the first and second batches of clock buffer chips.

4. *Strengthen the Talent Development System to Solidify the Foundations for Innovation-Driven Growth*

In February 2026, the Group achieved its listing on the Main Board of the Stock Exchange of Hong Kong and became an A+H dual-listed company. The milestone elevates our global footprint and broader brand influence. Leveraging the synergistic advantages of dual capital markets, we will continue to attract top-tier, versatile talents globally and further solidify our core talent competitiveness.

In the face of rapid technological evolution and increasingly complex business demands, we place talent at the core of our strategy. We have established a comprehensive career development path from newcomers to experts, systematically elevating engineers' technical prowess and project management acumen through curated curricula, flagship projects, and critical technology breakthroughs. Simultaneously, we are leveraging AI-driven tools to construct an intelligent knowledge base and a personalized learning platform, enhancing training efficiency and the learning experience. By fostering a culture of innovation through project retrospectives, thematic workshops, technical sharing, and robust incentive mechanisms, we are a continuously evolving learning organization. Ultimately, by synergizing talent development, technological empowerment, and team building, we will create a virtuous cycle of growth, innovation, and sustainable corporate development. These efforts provide a solid talent foundation and innovative momentum for executing our strategy and achieving high-quality, sustainable growth.

5. *Deepen ESG Management to Empower Sustainable Development*

Building on the momentum from our H-share listing, we will further refine our ESG governance structure to enhance compliance with regulatory requirements of both A-share and H-share markets. We will benchmark our practice against global reporting standards and management best practices, with the aim of enhancing standardization of our ESG data management. We will progressively advance quantitative analysis of financial materiality issues and deeply integrate ESG principles into our daily operations, thereby driving long-term value growth through sustainable development.

Our Growth Strategies

Our strategic objective is to gradually evolve into a leading global interconnect chip design company. With a primary focus on the interconnect chip sector, we aim to provide customers with a diverse portfolio of high-speed interconnect solutions, building synergistic competitive advantages through continuous R&D and innovation. Our mission is to enable more efficient and stable data interconnect for the cloud computing and AI infrastructure. Our development strategy encompasses the following four aspects:

1. *Focus On R&D Innovation to Enrich Our Product Portfolio and Expand Our Business Footprint*

We will continue to focus on developing industry-leading interconnect solutions through rigorous R&D. We seek to further enrich our product portfolio and expand our business footprint, enabling us to deliver a wide range of innovative interconnect chip solutions that create synergistic competitiveness. These solutions will support more efficient and stable data transmission for cloud computing and AI infrastructure, thus laying a solid foundation for the sustained expansion of our business in the era of AI. To achieve these strategic initiatives, we will primarily advance our business expansion along three key dimensions:

- (1) **Memory interconnect:** We will continue to invest in upgrading our DDR memory interface products, enhancing their performance and quality while driving technological innovation for next-generation products such as MRCD/MDB and CKD chips. We seek to address market demand for memory interconnect chip solutions with enhanced data transfer speed, reliability and efficiency, further strengthening our technological and market leadership in the memory interconnect sector.
- (2) **PCIe/CXL interconnect:** We will continue to enhance our R&D efforts in core fundamental technologies, including SerDes, to drive the evolution of PCIe/CXL Retimer and CXL MXC products while actively capturing market share. We will also further deepen our strategic cooperation with cloud service providers (CSP), server OEMs/ODMs, CPU/GPU vendors, and DRAM memory suppliers. Leveraging our in-house developed SerDes technology, we are developing new product lines such as PCIe Switch, providing customers with comprehensive PCIe/CXL interconnect chip solutions, steadily broadening our market presence in this sector and further enhancing our comprehensive competitiveness and market influence.
- (3) **Ethernet and optical interconnect:** Ethernet and optical interconnect are important avenues for high-speed interconnect with promising growth potential. We plan to leverage our extensive technological expertise in the memory interconnect and PCIe/CXL interconnect domains to further explore novel markets aligned with our strategic goals. Through flexible strategies including in-house R&D, partnerships, and investments, we plan to expand our product portfolio to the field of Ethernet and optical interconnect, injecting new momentum into our business growth.

2. Continue Our Talent-Centric Strategy to Advance Strategic Development and Management Efficiency

We aim to attract top-tier R&D and management talent to build world-class teams with global vision and strong system-level engineering capabilities. This talent strategy is not only a critical pillar for maintaining our technological leadership and enhancing global competitiveness but also the fundamental driving force behind our long-term sustainable growth. As our business operations continue to expand, we place an even greater emphasis on the strategic value of our talent. On the one hand, we will focus on attracting top-tier talent, particularly strengthening our R&D team. We plan to utilize various channels including expert referral networks and campus recruitment to precisely reach and engage top-tier candidates. On the other hand, we plan to implement talent incentive programs to unlock employee potential, fostering a dynamic and collaborative work environment and cultivating R&D talent with technological creativity and team spirit. We aim to build a deep talent pipeline that supports our long-term growth.

3. Maintain Technological and Market Leadership, and Drive Collaborative Developments in the Interconnect Chip Industry

We will continue to drive the development and refinement of technical standards and ecosystems for the interconnect chip industry. Our high-speed interconnect chips adhere to the industry standards defined by international standardization organizations and/or align with the specifications and frameworks of industry alliances. We will continue to actively participate in various international standards organizations and industry alliances, collaborating closely with global industry partners. We are committed to deeply engaging in the development of relevant product industry standards, exploring new advancements and innovation directions in high-speed interconnect technology, and driving technological innovation and the evolution of the industry ecosystem. Leveraging these emerging technical standards and directions, we seek to develop a range of innovative interconnect chips with enhanced data transfer speed, reliability and efficiency. These products will play a key role in the AI era, enabling more efficient and reliable data transmission to help us maintain our technological and market leadership.

Meanwhile, we will partner with industry stakeholders to accelerate the adoption of cutting-edge technologies and new products. We will continue to deepen our strategic collaborations with industry partners, including CPU/GPU vendors, DRAM memory suppliers, cloud service providers (CSPs) and server OEMs/ODMs to expedite customer validation and adoption of our new products. These collaborations will expand our market presence and customer base, further solidifying our market leadership. Through a comprehensive product lifecycle quality management system and a robust customer service process, we will continue to deliver premium products and services to our customers. Furthermore, we will continue to strengthen collaboration with our suppliers, to enhance the stability and reliability of our supply chain.

4. Pursue Investment, Collaboration and M&A Opportunities to Strategically Enhance Our Capacity for Growth

We plan to drive organic high-quality growth through R&D, while leveraging our resources to actively explore strategic investments, collaborations and M&A opportunities aligned with our strategic goals. We will focus on identifying qualified targets in the interconnect sector and related fields, particularly those with strong technical expertise and unique competitive advantages in specialized segments. Through strategic investments and acquisitions, we plan to further enhance our technology capabilities and expand our product portfolio, broaden our addressable markets, and accelerate our growth.

FINANCIAL REVIEW

Revenue

Our revenue was RMB5,456 million in 2025, representing a 49.9% increase from RMB3,639 million in 2024. Revenue from interconnect chips, accounting for 94.2% of our revenue, was RMB5,139 million in 2025, a 53.4% increase from RMB3,349 million in 2024, primarily due to increased benefit from the AI industry trend and strong industry demand. Our shipment of interconnect chips increased significantly, driving substantial growth in the Group's operating performance in 2025 compared with the previous year.

Revenue from Jintide® products, accounting for 5.6% of our revenue, was RMB308 million in 2025, a 10.2% increase from RMB280 million in 2024.

Revenue from others was RMB10 million in 2025 and RMB10 million in 2024.

The following table sets forth a breakdown of our revenue by business, in absolute amounts and as percentages of total revenue, for the periods indicated:

	For the year ended December 31,			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Interconnect chips	5,138,526	94.2	3,349,185	92.0
Jintide® products	308,233	5.6	279,585	7.7
Others	9,558	0.2	10,141	0.3
Total	<u>5,456,317</u>	<u>100.0</u>	<u>3,638,911</u>	<u>100.0</u>

Cost of Sales

Our cost of sales is primarily material cost, processing cost and others. Our cost of sales was RMB2,061 million in 2025, a 35.3% increase from RMB1,524 million in 2024. The increase in revenue led to a corresponding rise in cost of sales. The material expenses were RMB1,366 million in 2025 (2024: RMB1,068 million). The processing cost was RMB689 million in 2025 (2024: RMB449 million). The others represent depreciation of our investment properties, which was RMB7 million in 2025 (2024: RMB7 million).

Gross Profit and Gross Profit Margin

As a result of the foregoing, the Group's gross profit was RMB3,395 million in 2025, representing a 60.5% increase from RMB2,115 million in 2024. Our gross profit margin was 62.2% in 2025 and 58.1% in 2024. The overall increase of our gross profit margin was primarily attributable to the increase in the gross profit margin of our interconnect chips, reflecting our enhanced technological capability and competitiveness, as well as a higher proportion of our interconnect chips within our portfolio.

Research and Development (“R&D”) Expenses

Our R&D expenses primarily comprise (i) staff costs, (ii) engineering expenses, (iii) tools and licenses, (iv) depreciation and amortization and (v) others. Our R&D expenses were RMB763 million and RMB915 million in 2024 and 2025 respectively.

Administrative Expenses

Our administrative expenses consist of (i) staff costs, (ii) depreciation and amortization, (iii) professional services and consulting fees, (iv) rental fee, (v) office and meeting expenses, (vi) transportation and communication expenses, and (vii) others. Our administrative expenses increased from RMB196 million in 2024 to RMB526 million in 2025, primarily due to an increase in staff costs associated with the Core Management Incentive Plan.

Other income

Other income consists of (i) government grants and (ii) others. Our other income was RMB92 million and RMB116 million in 2024 and 2025 respectively.

Profit attributable to shareholders of the parent for the year

We recorded profit attributable to shareholders of the parent for the year of RMB1,412 million and RMB2,236 million in 2024 and 2025 respectively. The increase is primarily due to (1) the revenue increased by 49.9%, and (2) the gross profit margin increased from 58.1% to 62.2%.

LIQUIDITY AND CAPITAL RESOURCES

We expect our liquidity requirements will be satisfied by a combination of cash generated from operating activities. We currently do not have any plan for material additional external debt or equity financing. We will continue to evaluate potential financing opportunities based on our need for capital resources and market conditions.

We had cash and cash equivalents of RMB6,699 million and RMB8,416 million as at December 31, 2024 and 2025 respectively. The following table sets forth our cash flows for the periods indicated:

	For the year ended December 31,	
	2025 (RMB'000)	2024 (RMB'000)
Net cash flows from operating activities	2,022,021	1,691,322
Net cash flows from/(used in) investing activities	850,312	(443,474)
Net cash flows used in financing activities	(1,029,064)	(276,938)
Effect of foreign exchange rate changes, net	<u>(126,127)</u>	<u>62,142</u>
Net increase in cash and cash equivalents	1,717,142	1,033,052
Cash and cash equivalents at beginning of year	6,698,932	5,665,880
Closing balance of cash and cash equivalents	8,416,074	6,698,932

Net Cash Flows from Operating Activities

In 2025, net cash flows from operating activities were RMB2,022 million, compared to RMB1,691 million in 2024.

Net Cash Flows from/(Used in) Investing Activities

In 2025, net cash flows from investing activities were RMB850 million, compared to net cash flows used in investing activities of RMB443 million in 2024. This was mainly due to cash receipts from returns of investments exceeding cash payments for investments during the Reporting Period.

Net Cash Flows Used in Financing Activities

In 2025, net cash flows used in financing activities were RMB1,029 million, compared to RMB277 million in 2024, primarily due to (i) cash used in 2025 interim dividend payment of RMB227 million and (ii) cash flows from sale of treasury shares of RMB298 million in 2024.

Analysis of Assets and Liabilities

Assets and liabilities

Unit: RMB'0,000

Items	As at the End of 2025		As at the Beginning of 2025		Year-on- year change of the closing balance (%)	Explanations
	Amount	Percentage of Total Assets (%)	Amount	Percentage of Total Assets (%)		
Financial assets held for trading	82,330.43	5.99	178,349.48	14.60	-53.84	primarily due to the decrease of structured deposits
Accounts receivable	56,753.22	4.13	38,779.19	3.17	46.35	primarily due to the increase of revenue
Prepayments	13,289.04	0.97	439.42	0.04	2,924.25	primarily due to the increase of prepayments for material purchase
Inventories	89,613.55	6.52	35,219.64	2.88	154.44	primarily due to our advance stocking to meet the strong customer demand
Other current assets	13,097.37	0.95	8,598.61	0.70	52.32	primarily due to the increase in input VAT and the Hong Kong listing expenses
Deferred tax assets	4,329.93	0.31	8,309.74	0.68	-47.89	primarily due to the decrease of deferred tax assets from share-based payment expenses
Contract liabilities	4.57	0.00	2,208.79	0.18	-99.79	primarily due to the decrease of advance payments made by customers.
Taxes and surcharges payable	11,208.15	0.82	6,388.42	0.52	75.44	primarily due to the increase of income tax payables
Lease liabilities	1,936.27	0.14	2,879.87	0.24	-32.77	primarily due to the settlement of some payment obligations for properties leased primarily as our offices
Long-term employee benefits payable	–	–	1,959.30	0.16	-100.00	primarily due to the derecognition of liabilities based on the amendment of Core Management Incentive Plan
Deferred tax liabilities	909.94	0.07	211.30	0.02	330.63	primarily due to the increase of deferred tax liabilities from fair value adjustment

GEARING RATIO

The gearing ratio (calculated as total liabilities divided by total assets) of the Company as at December 31, 2025 was 6.4% (December 31, 2024: 6.7%).

The Board and the audit committee of the Company (the “**Audit Committee**”) constantly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash to meet its liquidity requirements in the short and long term.

INVENTORIES

Our inventories comprise raw materials, finished goods and materials consigned for processing. The following table sets forth the carrying amount of our inventories as of the dates indicated:

	For the year ended December 31,	
	2025	2024
	(RMB'000)	(RMB'000)
Raw materials	101,254	58,271
Finished goods	526,303	349,270
Materials consigned for processing	463,361	199,434
Provision for impairment of inventories	(194,783)	(254,779)
Total	896,135	352,196

INDEBTEDNESS

Save as disclosed in this announcement, we had no outstanding indebtedness or any loan capital issued and outstanding or agreed to be issued, bank overdrafts, term-loans, other borrowings or similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other contingent liabilities or any covenant in connection therewith as of December 31, 2025.

PLEDGE OF ASSETS

Our pledged deposits primarily represent restricted cash held in designated bank accounts for bank guarantee related to our construction project in Lingang, Shanghai. We had pledged deposits RMB8 million as of December 31, 2025.

Save as disclosed above, the Group did not pledge any group assets as of December 31, 2025.

EMPLOYEES AND REMUNERATION

As at December 31, 2025, the Group had a total of 784 employees.

We provide regular in-house and external education and training to our employees to improve their skills, industry knowledge and understanding of our products. The majority of our employees are based in the PRC. We enhance the development of corporate culture and employee engagement by organizing various activities and training to enrich employees’ professional skills, boost morale, and improve the work environment.

Our Group's remuneration policies are formulated based on the performance of individual employees and are reviewed regularly. We offer competitive compensation for our employees. In addition, we regularly provide bonuses to employees who make contributions to our R&D and innovation. Remuneration of the Group's employees includes base salaries, bonuses, incentive plans, special awards and welfare benefits.

CONTINGENT LIABILITIES

As of December 31, 2025, we did not have any material contingent liabilities.

FOREIGN CURRENCY RISK

We have transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies.

The following table demonstrates the sensitivity as at 31 December 2024 and 2025 to a reasonably possible change in the USD exchange rate, with all other variables held constant, of our net profit and loss (due to changes in the retranslated value of monetary assets and liabilities) and our equity.

	Increase/ (decrease) in USD/ RMB rate %	Increase/ (decrease) in net profit and loss RMB	Increase/ (decrease) in total shareholder's equity RMB
December 31, 2024			
If RMB weakens against USD	5	25,801,745.14	25,801,745.14
If RMB strengthens against USD	(5)	(25,801,745.14)	(25,801,745.14)
December 31, 2025			
If RMB weakens against USD	5	93,590,330.11	93,590,330.11
If RMB strengthens against USD	(5)	(93,590,330.11)	(93,590,330.11)

CREDIT RISK

Credit risk is the risk that a counterparty cannot meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from its operating activities (primarily accounts receivable).

We trade only with recognised and creditworthy third parties and related parties. It is our policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and our exposure to bad debts is not significant.

The carrying amounts of cash and cash equivalents, accounts receivable and financial assets included in prepayments, other receivables and other assets included in the consolidated statements of financial position represent our maximum exposure to credit risk in relation to our financial assets as at December 31, 2024 and 2025. We have no other financial assets which carry significant exposure to credit risk.

LIQUIDITY RISK

Liquidity risk is the risk that we will encounter difficulty in meeting financial obligations due to shortage of funds. Our exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. Our objective is to maintain a balance for continuity of funding to finance our working capital needs as well as capital expenditure.

SIGNIFICANT INVESTMENTS HELD

Except for our investments in subsidiaries, there was no significant investment held by the Group as at December 31, 2025.

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in this announcement, there were no significant investments, material acquisitions or disposals in respect of subsidiaries, associates and joint ventures during the year ended December 31, 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

We will act in the best interests of the Group and its shareholders as a whole, and actively seek suitable investment opportunities to enhance the Group's financial performance. The Group will publish announcements as and when appropriate in accordance with applicable rules and regulations.

ANNUAL RESULTS

CONSOLIDATED BALANCE SHEET

	<i>Note</i>	31 December 2025 RMB	31 December 2024 RMB
ASSETS			
Current assets			
Currency funds	1	8,478,984,375.78	6,843,296,852.61
Financial assets held for trading	2	823,304,333.04	1,783,494,750.68
Accounts receivable	3	567,532,180.51	387,791,885.96
Prepayments		132,890,386.00	4,394,165.14
Other receivables		4,254,922.19	4,143,856.36
Inventories	4	896,135,474.27	352,196,407.33
Other current assets		130,973,692.91	85,986,107.30
Total current assets		<u>11,034,075,364.70</u>	<u>9,461,304,025.38</u>
Non-current assets			
Long-term equity investments		91,960,409.37	109,224,874.65
Other equity investments		27,755,580.30	22,270,908.60
Other non-current financial assets	5	583,514,277.41	575,243,925.97
Investment properties	6	376,948,151.74	519,027,667.66
Fixed assets	7	716,066,625.28	582,259,175.21
Construction in progress	8	590,731,464.68	507,416,334.80
Right-of-use assets		33,735,379.81	44,854,350.42
Intangible assets		113,432,512.10	133,754,950.96
Long-term prepaid expenses		136,628,281.23	180,457,761.37
Deferred tax assets		43,299,305.56	83,097,411.36
Total non-current assets		<u>2,714,071,987.48</u>	<u>2,757,607,361.00</u>
Total assets		<u><u>13,748,147,352.18</u></u>	<u><u>12,218,911,386.38</u></u>
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable	10	208,233,513.35	211,153,859.60
Receipts in advance		80,412.76	95,412.74
Contract liabilities		45,729.09	22,087,850.59
Employee benefits payable	11	293,937,076.24	241,095,578.48
Taxes and surcharges payable		112,081,459.76	63,884,227.28
Other payables		140,489,192.45	125,603,739.18
Current portion of non-current liabilities		14,775,474.48	15,957,075.03
Total current liabilities		<u>769,642,858.13</u>	<u>679,877,742.90</u>

	<i>Note</i>	31 December 2025 RMB	31 December 2024 RMB
Non-current liabilities			
Lease liabilities		19,362,711.49	28,798,720.21
Long-term employee benefits payable		–	19,593,000.00
Deferred income		78,886,546.55	92,023,333.33
Deferred tax liabilities		9,099,385.94	2,113,025.03
		<hr/>	<hr/>
Total non-current liabilities		107,348,643.98	142,528,078.57
		<hr/>	<hr/>
Total liabilities		876,991,502.11	822,405,821.47
		<hr/>	<hr/>
Shareholders' equity			
Share capital	<i>12</i>	1,146,426,521.00	1,144,789,273.00
Capital reserves	<i>13</i>	6,114,017,524.66	5,625,969,898.50
Less: Treasury shares	<i>14</i>	848,359,352.12	427,557,874.81
Other comprehensive income	<i>15</i>	141,120,839.12	255,293,498.30
Surplus reserves	<i>16</i>	351,958,734.25	286,559,941.59
Unappropriated profit	<i>17</i>	6,018,558,105.55	4,518,383,330.50
		<hr/>	<hr/>
Total equity attributable to shareholders of the parent		12,923,722,372.46	11,403,438,067.08
		<hr/>	<hr/>
Non-controlling interests		(52,566,522.39)	(6,932,502.17)
		<hr/>	<hr/>
Total shareholders' equity		12,871,155,850.07	11,396,505,564.91
		<hr/>	<hr/>
Total liabilities and equity		13,748,147,352.18	12,218,911,386.38
		<hr/> <hr/>	<hr/> <hr/>

CONSOLIDATED INCOME STATEMENT

	<i>Note</i>	2025 RMB	2024 RMB
Revenue	<i>18</i>	5,456,316,783.63	3,638,911,068.29
Less: Cost of sales	<i>18</i>	2,060,961,088.35	1,523,614,938.54
Taxes and surcharges		6,645,694.95	6,325,049.35
Selling expenses	<i>19</i>	120,228,658.51	96,006,550.08
Administrative expenses	<i>20</i>	526,287,844.89	196,262,500.24
Research and development expenses	<i>21</i>	915,030,216.00	763,469,994.44
Finance expenses	<i>22</i>	(228,316,436.63)	(240,504,105.54)
Including: Interest expenses		1,732,176.80	1,512,598.38
Interest income		271,072,118.66	229,985,802.58
Add: Other income		115,887,831.13	91,576,969.33
Investment income		97,013,584.17	48,599,096.46
Fair value gains		25,894,061.14	23,888,571.20
Credit impairment losses		(921,798.92)	(464,514.83)
Reversal of impairment losses/ (impairment losses) of assets		28,423,710.47	(44,443,090.77)
Operating profit		2,321,777,105.55	1,412,893,172.57
Add: Non-operating income		-	5,170.00
Less: Non-operating expenses		1,209,052.09	280,492.50
Profit before tax		2,320,568,053.46	1,412,617,850.07
Less: Income tax expenses	<i>23</i>	190,932,103.50	71,881,725.57
Net profit		<u>2,129,635,949.96</u>	<u>1,340,736,124.50</u>

	<i>Note</i>	2025 RMB	2024 RMB
Classified by continuity of operations			
Profit from continuing operations		2,129,635,949.96	1,340,736,124.50
Classified by ownership			
Profit attributable to shareholders of the parent		2,235,569,970.18	1,411,778,923.59
Profit attributable to non-controlling interests		(105,934,020.22)	(71,042,799.09)
Other comprehensive income, net of tax	<i>15</i>	(114,172,659.18)	66,341,399.44
Other comprehensive income, net of tax, attributable to shareholders of the parent		(114,172,659.18)	66,341,399.44
Other comprehensive income that will not be reclassified to profit or loss			
Change in the fair value of other equity investments		329,767.61	2,863,238.40
Other comprehensive income that may be reclassified to profit or loss			
Exchange differences on translation of foreign currency financial statements		(114,502,426.79)	63,478,161.04
Total comprehensive income		<u>2,015,463,290.78</u>	<u>1,407,077,523.94</u>
Including:			
Total comprehensive income attributable to shareholders of the parent		2,121,397,311.00	1,478,120,323.03
Total comprehensive income attributable to non-controlling interests		(105,934,020.22)	(71,042,799.09)
Earnings per share	<i>24</i>		
Basic earnings per share		1.97	1.25
Diluted earnings per share		1.96	1.25

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2025

Expressed in Renminbi Yuan

General information

Montage Technology Co., Ltd. (“the Company”) was established on 27 May 2004, in Shanghai, China. The legal representative of the Company is Dr. Howard C. Yang. As at 31 December 2025, the registered capital of the Company amounts to RMB1,146,426,521.00, and its registered address is Building 1, 15/F, 181 Caobao Road, Xuhui District, Shanghai, China. On 29 October 2018, the Company was approved by the Shanghai Municipal Administration for Market Regulation to restructure as a joint-stock limited company, and was renamed Montage Technology Co., Ltd. The Company was issued a business license with a unified social credit code of 913100007626333657. The operating term of the Company is from 27 May 2004 to an indefinite duration. Pursuant to the approval letter issued by the China Securities Regulatory Commission (CSRC) on 25 June 2019, titled Approval on the Registration of the Initial Public Offering of Shares of Montage Technology Co., Ltd. (Zheng Jian Xu Ke [2019] No.1128), the Company publicly issued 112,981,389 ordinary shares (RMB1.00 par value per share). The Company was listed on the Science and Technology Innovation Board of the Shanghai Stock Exchange on 22 July 2019.

The main business scope of the Company includes the design, development, wholesale, import and export of integrated circuits, large-scale integrated circuits with line widths of 0.25 micrometers and below, software products, and new electronic components, falling within the industry of computer, communication, and other electronic equipment manufacturing.

The Company has no actual controller.

Basis of preparation

The financial statements have been prepared on a going concern basis. These financial statements have been prepared in accordance with Accounting Standards for Business Enterprises – Basic Standard and specific accounting standards, interpretations and other relevant provisions issued subsequently by the Ministry of Finance (the “MOF”) (collectively referred to as “ASBEs”). In addition, this financial report also discloses relevant financial information in accordance with the Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No.15 – General Rules for Financial Reports.

Taxes

i. Main tax types and tax rates

	Tax Basis	Tax Rate
Value-added tax (VAT)	The output tax amount calculated by general taxpayers within the group based on sales and applicable tax rates, after deducting the allowable input tax amount; the value-added tax amount calculated by small-scale taxpayers within the group based on sales and the value-added tax collection rate, which cannot deduct input tax amounts.	Exempt, 0%, 3% reduced to 1%, 6%, 9%, 13%
Urban maintenance and construction tax	Actual payment of turnover tax	5%、7%
Corporate income tax	Taxable profit	See the table below
Education surcharge	Actual payment of turnover tax	3%
Local education surcharge	Actual payment of turnover tax	2%
Property tax	Ad valorem taxation: residual value after a one-time 30% deduction from the original property value. Rental income-based taxation: gross rental income.	Ad valorem taxation: 1.2% From rental assessment: 12%
Land use tax	Actual occupied land area	RMB6 and RMB1.5 per square meter

The corporate income tax rate for our company and its subsidiaries is:

Taxpayer Entity	Income Tax Rate
The Company	10%
Montage Technology (Kunshan) Co., Ltd.	0%
Montage Semiconductor (Kunshan) Co., Ltd.	25%
Montage Electronics (Shanghai) Co., Ltd.	15%
Montage Investment Co., Ltd.	25%
Montone Enterprise (Shanghai) Co., Ltd.	25%
Shanghai Xitai Enterprise Co., Ltd.	25%
Shanghai Huacui Property Co., Ltd.	25%
Monttwo Enterprise (Shanghai) Co., Ltd.	25%
Montxilu Enterprise (Shanghai) Co., Ltd.	25%
Montage Electronics (Hainan) Co., Ltd.	20%
Montage Capital (Hainan) Co., Ltd.	15%
Montage Electronics (Zhuhai Hengqin) Co., Ltd.	25%
Montage Electronics Design (Xi'an) Company Limited	20%
Montage Electronics Design (Shanghai) Company Limited	20%
Montage Technology Macao Commercial Offshore Limited	12%, see note 1
Montage Technology Holdings Company Limited	See note 2
Montage Hong Kong Holdings Company Limited	8.25% and 16.5%, see note 2
Montage Real Estate Holding I Limited (BVI)	See note 2
Montage Real Estate Holding II Limited (BVI)	See note 2
Montage Real Estate Holding I (Hong Kong) Limited	8.25% and 16.5%, see note 2
Montage Real Estate Holding II (Hong Kong) Limited	8.25% and 16.5%, see note 2
Montage Technology Inc.	See note 3
Mont Acquisition Sub, Inc	See note 3
Montage, Inc.	See note 3
3955 Johns Creek Inc.	See note 3
Montage Semiconductor Inc.	See note 3
Montage Technology Holdings Inc.	See note 3
Montage Technology Holdings II Inc.	See note 3

Note 1: Montage Technology Macao Commercial Offshore Limited is registered in Macao. Pursuant to the Supplementary Income Tax Law No. 21/78/M promulgated by the Macao Special Administrative Region, starting from January 1, 2021, the subsidiary meets the criteria for Class A taxpayers and is subject to a tax rate of 12% based on the scale of its net profits.

Note 2: Montage Technology Holdings Company Limited is registered in the Cayman Islands and is not subject to corporate income tax; Montage Real Estate Holding I Limited and Montage Real Estate Holding II Limited are registered in the British Virgin Islands and are not subject to corporate income tax; Montage Hong Kong Holdings Company Limited, Montage Real Estate Holding I (Hong Kong) Limited, and Montage Real Estate Holding II (Hong Kong) Limited are registered in the Hong Kong Special Administrative Region and are under the two-tiered profits tax rates regime, applying a tax rate of 8.25% on assessable profits not exceeding HKD2,000,000, and a tax rate of 16.5% on the portion of assessable profits exceeding HKD2,000,000.

Note 3: Montage Technology Inc., Montage Acquisition Sub, Inc., Montage, Inc., 3955 Johns Creek Inc., Montage Semiconductor Inc., Montage Technology Holdings Inc., and Montage Technology Holdings II Inc. are registered in the United States and are subject to a federal corporate income tax rate of 21%. The aforementioned subsidiaries must also comply with the corporate income tax policies of the states in which they are registered while executing the federal corporate income tax in the United States.

ii. Tax incentives and approvals

(1) Value-added tax

According to the Notice of the Ministry of Finance and the State Administration of Taxation on Comprehensively Launching the Pilot Program to Replace Business Tax with Value-Added Tax (Cai Shui [2016] No. 36), taxpayers providing technology transfer services are exempt from value-added tax. Our group is exempt from value-added tax on the collection of royalties.

(2) Corporate income tax

On 12 December 2023, the Company obtained the High-Tech Enterprise Certificate issued by the Shanghai Municipal Science and Technology Commission, the Shanghai Municipal Finance Bureau, and the Shanghai Municipal Taxation Bureau of the State Administration of Taxation, with certificate number: GR202331004753. The Company is subject to a preferential corporate income tax rate of 15% from 2023 to 2025. Additionally, pursuant to the Announcement on corporate income tax policy for Promoting High-Quality Development of the Integrated Circuit Industry and Software Industry (Ministry of Finance, State Administration of Taxation, National Development and Reform Commission, Ministry of Industry and Information Technology Announcement No. 45, 2020) and the Notice on the Requirements for the Preparation of Lists of Integrated Circuit Enterprises or Projects and Software Enterprises Enjoying Tax Incentives by 2025 (Fa Gai Gao Ji [2025] No. 385), the company was qualified as a state-encouraged key integrated circuit design enterprise, and was subject to a preferential tax rate of 10%. The Company will conduct all required compliance filings in accordance with applicable laws and regulations.

The Company's subsidiary, Montage Technology (Kunshan) Co., Ltd. ("Montage Kunshan"), obtained the High-Tech Enterprise Certificate issued by the Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Finance Department, and Jiangsu Provincial Taxation Bureau of the State Administration of Taxation on 24 December 2024, with certificate number: GR202432016754. Montage Kunshan is entitled to a reduced corporate income tax rate of 15% from 2024 to 2026. Additionally, pursuant to the Announcement on Promoting the High-Quality Development of the Integrated Circuit Industry and Software Industry Corporate Income Tax Policy (Ministry of Finance, State Administration of Taxation, National Development and Reform Commission, Ministry of Industry and Information Technology Announcement No. 45, 2020) and the Notice on the Requirements for the Preparation of Lists of Integrated Circuit Enterprises or Projects and Software Enterprises Enjoying Tax Incentives by 2025 (Fa Gai Gao Ji [2025] No. 385), key integrated circuit design enterprises encouraged by the state can be exempt from corporate income tax for the first to fifth years starting from the first profitable year, and are subject to a reduced corporate income tax rate of 10% in subsequent years. Montage Kunshan, meets the recognition criteria for key integrated circuit design enterprises encouraged by the state and can be exempt from corporate income tax this year. Montage Kunshan will conduct all required compliance filings in accordance with applicable laws and regulations.

The Company's subsidiary, Montage Electronics (Shanghai) Co., Ltd., obtained the High-Tech Enterprise Certificate issued by the Shanghai Municipal Science and Technology Commission, the Shanghai Municipal Finance Bureau, and the Shanghai Municipal Taxation Bureau of the State Administration of Taxation on 26 December 2024, with certificate number: GR202431005429. Montage Electronics (Shanghai) Co., Ltd. is subject to a preferential corporate income tax rate of 15% from 2024 to 2026.

Pursuant to the Announcement on Further Supporting the Development of Small and Micro Enterprises and Individual Businesses (Ministry of Finance, State Administration of Taxation Announcement No. 12, 2023), for Small and Low-profit Enterprise, the taxable income is reduced by 25% and the corporate income tax can be paid at a tax rate of 20%, which will be implemented extend to 31 December 2027. For the year of 2025, the Company's subsidiaries, Montage Electronics (Hainan) Co., Ltd., Montage Electronics Design (Xi'an) Company Limited, and Montage Electronics Design (Shanghai) Company Limited, meet the criteria of "Small and Low-profit Enterprise" and are eligible for the preferential tax rate for "Small and Low-profit Enterprise".

The Company's subsidiary, Montage Capital (Hainan) Co., Ltd., is registered in Sanya City, Hainan Province. Pursuant to the Notice of the Ministry of Finance and the State Administration of Taxation on the Corporate Income Tax Incentive Policy for Enterprises in the Hainan Free Trade Port (Cai Shui [2020] No. 31), for encouraged industrial enterprises registered and substantially operating in the Hainan Free Trade Port, the corporate income tax is levied at a reduced rate of 15%. The policy was in effect from 1 January 2020 to 31 December 2024. Pursuant to the Notice of the Ministry of Finance and the State Administration of Taxation on the Continuation of the Implementation of Corporate Income Tax Incentive Policies for Enterprises in the Hainan Free Trade Port (Cai Shui [2025] No. 3) and the Notice of the Ministry of Finance and the State Administration of Taxation (Cai Shui [2020] No. 31), the implementation period of the policy is extended to 31 December 2027. Pursuant to the Notice of the Hainan Provincial Development and Reform Commission on the Registration of Venture Capital Enterprises (Qiong Fa Gai Shen Pi [2021] No. 869), Montage Capital (Hainan) Co., Ltd. completed the registration of venture capital enterprises on November 9, 2021, and is subject to the corporate income tax rate of 15% in 2025.

1. Currency funds

	31 December 2025	31 December 2024
Cash on hand	7,628.60	5,928.60
Cash at banks	8,351,281,401.04	6,752,516,164.00
Other monetary funds	127,695,346.14	90,774,760.01
	<hr/>	<hr/>
Total	8,478,984,375.78	6,843,296,852.61
Including: Total amount deposited outside Mainland China	4,985,225,547.98	3,993,373,315.93

2. Financial assets held for trading

	31 December 2025	31 December 2024
Structured deposits	722,733,720.02	1,629,362,905.47
Equity investments	100,570,613.02	154,131,845.21
	<hr/>	<hr/>
Total	823,304,333.04	1,783,494,750.68
	<hr/> <hr/>	<hr/> <hr/>

3. Accounts receivable

(1) Disclosure by ageing

	31 December 2025	31 December 2024
Within 1 year	570,380,702.87	389,736,337.95
	<hr/>	<hr/>
Less: Bad debt provision for accounts receivable	2,848,522.36	1,944,451.99
	<hr/>	<hr/>
Total	567,532,180.51	387,791,885.96
	<hr/> <hr/>	<hr/> <hr/>

(2) *Disclosure by method of bad debt provision*

31 December 2025

	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Provision rate (%)	
Provision for bad debts by credit risk characteristics	<u>570,380,702.87</u>	<u>100.00</u>	<u>2,848,522.36</u>	<u>0.50</u>	<u>567,532,180.51</u>

31 December 2024

	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Provision rate (%)	
Provision for bad debts by credit risk characteristics	<u>389,736,337.95</u>	<u>100.00</u>	<u>1,944,451.99</u>	<u>0.50</u>	<u>387,791,885.96</u>

As at 31 December 2025, the accounts receivable with expected credit loss assessed collectively is as follows:

	Book balance	Bad debt provision	Provision rate (%)
High-quality credit customers	<u>570,380,702.87</u>	<u>2,848,522.36</u>	<u>0.50</u>

(3) *Bad debt provision*

The changes in the bad debt provision for accounts receivable are as follows:

	Opening balance	Provision	Reversal	Foreign currency translation difference	Closing balance
Bad debt provision for accounts receivable	<u>1,944,451.99</u>	<u>2,866,250.91</u>	<u>(1,944,451.99)</u>	<u>(17,728.55)</u>	<u>2,848,522.36</u>

4. Inventories

(1) *Inventories classification*

	31 December 2025			31 December 2024		
	Book balance	Provision	Book Value	Book balance	Provision	Book Value
Raw materials	<u>101,254,170.87</u>	<u>39,048,652.09</u>	<u>62,205,518.78</u>	<u>58,270,638.08</u>	<u>33,313,414.35</u>	<u>24,957,223.73</u>
Materials consigned for processing	<u>463,361,201.07</u>	<u>27,473,263.22</u>	<u>435,887,937.85</u>	<u>199,434,288.53</u>	<u>13,182,794.36</u>	<u>186,251,494.17</u>
Finished goods	<u>526,303,490.84</u>	<u>128,261,473.20</u>	<u>398,042,017.64</u>	<u>349,270,368.95</u>	<u>208,282,679.52</u>	<u>140,987,689.43</u>
Total	<u>1,090,918,862.78</u>	<u>194,783,388.51</u>	<u>896,135,474.27</u>	<u>606,975,295.56</u>	<u>254,778,888.23</u>	<u>352,196,407.33</u>

(2) *Provision for inventories*

	Opening balance	Provision/ (reversal)	Write-off	Foreign currency translation difference	Closing balance
Raw Materials	33,313,414.35	6,243,627.70	-	(508,389.96)	39,048,652.09
Materials consigned for processing	13,182,794.36	14,854,640.54	(67,212.38)	(496,959.30)	27,473,263.22
Finished goods	208,282,679.52	(49,521,978.71)	(27,174,659.62)	(3,324,567.99)	128,261,473.20
Total	<u>254,778,888.23</u>	<u>(28,423,710.47)</u>	<u>(27,241,872.00)</u>	<u>(4,329,917.25)</u>	<u>194,783,388.51</u>

The Group recognized inventory write-downs primarily due to the fact that the net realizable value of certain inventories fell below their cost, attributable to prolonged storage duration, obsolescence, and insufficient demand. Write-off of impairment of inventories was mainly driven by sales realizations during the current year.

5. *Other non-current financial assets*

	31 December 2025	31 December 2024
Financial assets at fair value through profit or loss		
Unlisted equity investments	516,702,468.80	531,795,561.02
Private equity fund investments	66,811,808.61	43,448,364.95
Total	<u>583,514,277.41</u>	<u>575,243,925.97</u>

6. *Investment properties*

Subsequent measurement under the cost model:

	Buildings
Cost	
Opening balance	548,240,531.50
Other decreases	(192,170.97)
Transfer to fixed assets	<u>(138,026,115.16)</u>
Closing balance	<u>410,022,245.37</u>
Accumulated depreciation	
Opening balance	29,212,863.84
Depreciation provided during the year	11,942,351.91
Transfer to fixed assets	<u>(8,081,122.12)</u>
Closing balance	<u>33,074,093.63</u>
Carrying amount	
At end of year	<u>376,948,151.74</u>
At beginning of year	<u>519,027,667.66</u>

The investment properties are leased or intended to be leased to third parties under operating leases.

As at 31 December 2025, no impairment provision is required for the Group's investment properties.

7. Fixed assets

	Freehold land	Buildings	Electronic equipment	Office equipment	Motor vehicle	Total
Cost						
Opening balance	11,556,374.40	516,878,027.53	238,305,887.84	21,473,968.75	2,087,026.59	790,301,285.11
Purchase	-	-	43,374,119.14	7,339,471.14	-	50,713,590.28
Transfer from investment properties	-	138,026,115.16	-	-	-	138,026,115.16
Transfer from construction in progress	-	33,768,635.94	-	-	-	33,768,635.94
Disposal or scrapping	-	(193,525.70)	(3,967,627.01)	-	-	(4,161,152.71)
Foreign currency translation differences	(256,579.68)	(1,016,482.06)	(1,452,458.04)	(123,022.16)	-	(2,848,541.94)
Closing Balance	<u>11,299,794.72</u>	<u>687,462,770.87</u>	<u>276,259,921.93</u>	<u>28,690,417.73</u>	<u>2,087,026.59</u>	<u>1,005,799,931.84</u>
Accumulated depreciation						
Opening balance	-	35,493,027.52	155,932,704.19	14,529,351.60	2,087,026.59	208,042,109.90
Depreciation provided during the year	-	22,890,130.05	48,683,063.78	5,941,518.63	-	77,514,712.46
Transfer from investment properties	-	8,081,122.12	-	-	-	8,081,122.12
Disposal or scrapping	-	-	(3,202,065.40)	-	-	(3,202,065.40)
Foreign currency translation differences	-	(30,181.72)	(632,991.20)	(39,399.60)	-	(702,572.52)
Closing balance	<u>-</u>	<u>66,434,097.97</u>	<u>200,780,711.37</u>	<u>20,431,470.63</u>	<u>2,087,026.59</u>	<u>289,733,306.56</u>
Carrying amount						
At end of year	<u>11,299,794.72</u>	<u>621,028,672.90</u>	<u>75,479,210.56</u>	<u>8,258,947.10</u>	<u>-</u>	<u>716,066,625.28</u>
At beginning of year	<u>11,556,374.40</u>	<u>481,385,000.01</u>	<u>82,373,183.65</u>	<u>6,944,617.15</u>	<u>-</u>	<u>582,259,175.21</u>

The Group's fixed assets do not require impairment provisions, and there are no temporary idle or operationally leased fixed assets.

8. Construction in progress

(1) Details of construction in progress

	31 December 2025			31 December 2024		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Lingang Project	587,690,019.31	-	587,690,019.31	502,293,904.34	-	502,293,904.34
Others	3,041,445.37	-	3,041,445.37	5,122,430.46	-	5,122,430.46
Total	<u>590,731,464.68</u>	<u>-</u>	<u>590,731,464.68</u>	<u>507,416,334.80</u>	<u>-</u>	<u>507,416,334.80</u>

(2) *Significant changes in construction in progress*

	Budget	Opening balance	Additions	Transfer out	Closing balance	Source of funds	Proportion of input to budget (%)	Progress of project
Lingang Project	797,460,000.00	502,293,904.34	85,396,114.97	-	587,690,019.31	Self-owned and raised funds	73.70	Under construction

As at 31 December 2025, the Group's construction in progress does not require impairment provision.

9. Assets with restricted ownership

	31 December 2025	31 December 2024	
Currency funds	8,204,000.00	42,945,410.02	Note

Note 1: As at 31 December 2025, performance bond deposits with a carrying amount of RMB2,000,000.00 (31 December 2024: RMB2,000,000.00) were pledged as security for entrusted project management, maturing on 1 January 2026.

Note 2: As at 31 December 2025, no performance bond deposits were pledged as security for project settlement guarantees (31 December 2024: RMB34,741,410.02); as at 31 December 2025, performance bond deposits with a carrying amount of RMB3,102,000.00 (31 December 2024: RMB3,102,000.00) were pledged as security for project completion guarantees, maturing on 30 November 2026; performance bond deposits with a carrying amount of RMB3,102,000.00 (31 December 2024: RMB3,102,000.00) were pledged as security for project production guarantees, maturing on 30 November 2027.

10. Accounts payable

	31 December 2025	31 December 2024
Within 1 year	208,233,513.35	211,153,859.60

As at 31 December 2025, the Group had no significant accounts payable with an ageing exceeding one year.

11. Employee benefits payable

(1) *Employee benefits payable disclosure*

	Opening balance	Increase	Decrease	Closing balance
Short-term employee benefits	238,977,136.70	702,202,739.29	(649,549,232.48)	291,630,643.51
Post-employment benefits (defined contribution plan)	2,118,441.78	37,213,267.80	(37,025,276.85)	2,306,432.73
Total	241,095,578.48	739,416,007.09	(686,574,509.33)	293,937,076.24

As at 31 December 2025, the amount of employee benefits payable capitalized into construction in progress by the Group is RMB7,641,794.94.

(2) *Short-term employee benefits disclosure*

	Opening balance	Increase	Decrease	Closing balance
Salaries, bonuses, allowances, and subsidies	236,659,906.48	628,971,346.14	(576,518,411.69)	289,112,840.93
Staff welfare	–	36,209,326.89	(36,209,326.89)	–
Social security contributions	1,173,889.60	19,418,864.29	(19,303,620.55)	1,289,133.34
Including: Medical insurance	1,115,205.79	18,908,649.40	(18,798,681.22)	1,225,173.97
Work injury insurance	58,683.81	510,214.89	(504,939.33)	63,959.37
Housing funds	1,142,975.00	17,597,166.32	(17,511,861.32)	1,228,280.00
Union funds and employee education funds	365.62	6,035.65	(6,012.03)	389.24
Total	<u>238,977,136.70</u>	<u>702,202,739.29</u>	<u>(649,549,232.48)</u>	<u>291,630,643.51</u>

(3) *Defined contribution plan disclosure*

	Opening balance	Increase	Decrease	Closing balance
Basic pension insurance	2,052,695.82	35,970,943.08	(35,786,228.75)	2,237,410.15
Unemployment insurance	65,745.96	1,242,324.72	(1,239,048.10)	69,022.58
Total	<u>2,118,441.78</u>	<u>37,213,267.80</u>	<u>(37,025,276.85)</u>	<u>2,306,432.73</u>

The Group participates in the pension and unemployment insurance plans established by government agencies as required, and the Group contributes to these plans. Apart from the contributions mentioned above, the Group has no further payment obligations. The corresponding expenses are recognized in the current profit and loss when incurred.

12. Share capital

	Opening balance	Increase	Closing balance
Share capital	<u>1,144,789,273.00</u>	<u>1,637,248.00</u>	<u>1,146,426,521.00</u>

In 2025, the Company issued a total of 1,637,248 ordinary A shares as a result of the exercise of 1,637,248 restricted shares, with an increase in share capital of RMB1,637,248.00 and share premium of RMB37,657,821.48.

13. Capital reserves

	Opening balance	Increase	Decrease	Closing balance
Share premium	4,934,055,038.79	37,657,821.48	–	4,971,712,860.27
Others	691,914,859.71	450,389,804.68	–	1,142,304,664.39
Total	<u>5,625,969,898.50</u>	<u>488,047,626.16</u>	<u>–</u>	<u>6,114,017,524.66</u>

14. Treasury shares

	Opening balance	Increase	Decrease	Closing balance
Treasury shares	<u>427,557,874.81</u>	<u>420,801,477.31</u>	<u>-</u>	<u>848,359,352.12</u>

The increase in 2025 is due to the implementation of the share repurchase plan, under which the Company repurchased a portion of its own shares.

15. Other comprehensive income

2025

	Opening balance	Pre-tax amount	Less: amount transferred from other comprehensive income to retained earnings in previous period	Less: income tax	Closing balance attributable to parent company shareholders
Fair value changes of other equity investments	2,179,313.58	439,690.15	-	109,922.54	2,509,081.19
Foreign currency financial statement translation difference	<u>253,114,184.72</u>	<u>(114,502,426.79)</u>	<u>-</u>	<u>-</u>	<u>138,611,757.93</u>
Total	<u>255,293,498.30</u>	<u>(114,062,736.64)</u>	<u>-</u>	<u>109,922.54</u>	<u>141,120,839.12</u>

2024

	Opening balance	Pre-tax amount	Less: amount transferred from other comprehensive income to retained earnings in previous period	Less: income tax	Closing balance attributable to parent company shareholders
Fair value changes of other equity investments	(1,187,221.17)	3,985,416.65	(503,296.35)	1,122,178.25	2,179,313.58
Foreign currency financial statement translation difference	<u>189,636,023.68</u>	<u>63,478,161.04</u>	<u>-</u>	<u>-</u>	<u>253,114,184.72</u>
Total	<u>188,448,802.51</u>	<u>67,463,577.69</u>	<u>(503,296.35)</u>	<u>1,122,178.25</u>	<u>255,293,498.30</u>

16. Surplus reserves

	Opening balance	Increase	Decrease	Closing balance
Statutory surplus reserve	<u>286,559,941.59</u>	<u>65,398,792.66</u>	<u>-</u>	<u>351,958,734.25</u>

Pursuant to the stipulations of the Company Law of the PRC and the Articles of Associations of the Company, the Company shall make provision for statutory surplus reserve at the amount of 10% of net profit. Provision for statutory surplus reserve is optional if the aggregate balance of the statutory surplus reserve reaches 50% of the Company's registered capital.

17. Unappropriated profit

	31 December 2025	31 December 2024
Unappropriated profit at the beginning of the year	4,518,383,330.50	3,478,053,735.01
Net profit attributable to shareholders of the parent company	2,235,569,970.18	1,411,778,923.59
Other comprehensive income transferred to retained earnings	–	(503,296.35)
Less: Appropriation to statutory surplus reserve	65,398,792.66	32,752,693.95
Cash dividends payable for ordinary shareholders	669,996,402.47	338,193,337.80
Unappropriated profit at the end of the year	<u>6,018,558,105.55</u>	<u>4,518,383,330.50</u>

18. Revenue and cost of sales

(1) Revenue and cost of sales disclosure

	2025		2024	
	Revenue	Cost	Revenue	Cost
Primary business	5,446,759,596.40	2,054,477,575.22	3,628,769,555.93	1,516,811,244.12
Other business	9,557,187.23	6,483,513.13	10,141,512.36	6,803,694.42
Total	<u>5,456,316,783.63</u>	<u>2,060,961,088.35</u>	<u>3,638,911,068.29</u>	<u>1,523,614,938.54</u>

Revenue is listed as follows:

	2025	2024
Revenue from contracts with customers	5,446,759,596.40	3,628,769,555.93
Rental income	9,557,187.23	10,141,512.36
Total	<u>5,456,316,783.63</u>	<u>3,638,911,068.29</u>

(2) Breakdown of primary business revenue

Contract classification	2025
Geographical market	
Mainland China and Hong Kong	1,546,027,213.88
Others	3,900,732,382.52
Total	<u>5,446,759,596.40</u>
Product type	
Interconnect chips	5,138,526,265.35
Jintide® products	308,233,331.05
Total	<u>5,446,759,596.40</u>
Timing of revenue recognition	
Revenue recognized at a point in time	<u>5,446,759,596.40</u>

Contract classification		2024
Geographical market		
Mainland China and Hong Kong		1,051,447,259.20
Others		<u>2,577,322,296.73</u>
Total		<u><u>3,628,769,555.93</u></u>
Product type		
Interconnect chips		3,349,184,197.60
Jintide® products		<u>279,585,358.33</u>
Total		<u><u>3,628,769,555.93</u></u>
Timing of revenue recognition		
Revenue recognized at a point in time		<u><u>3,628,769,555.93</u></u>
<i>(3) Breakdown of cost of sales</i>		
Contract classification		2025
Geographical market		
Mainland China and Hong Kong		729,817,671.42
Others		<u>1,324,659,903.80</u>
Total		<u><u>2,054,477,575.22</u></u>
Product type		
Interconnect chips		1,769,110,853.48
Jintide® products		<u>285,366,721.74</u>
Total		<u><u>2,054,477,575.22</u></u>
Timing of revenue recognition		
Revenue recognized at a point in time		<u><u>2,054,477,575.22</u></u>
<i>(4) Performance obligations</i>		
The amount of revenue recognized from:		
	2025	2024
Amount included in contract liabilities at the beginning of the year	<u><u>22,087,850.59</u></u>	<u><u>1,614,855.60</u></u>

The information related to performance obligations of the Group is as follows:

	Timing of fulfilling performance obligations	Significant payment terms	Nature of the commitment to transfer goods	Whether is the primary obligor	Expected amounts to be refunded to customers	Types of quality assurance provided and related obligations
Sale of goods	At the time of delivery	Pay the price as agreed in the contract	Sale of interconnect chips or Jintide® products	Yes	Nil	Statutory warranty

(5) *Allocated to remaining performance obligations*

The expected time for recognizing revenue for performance obligations that have been contracted but not yet satisfied or fully satisfied is as follows:

	2025	2024
Within 1 year	45,729.09	22,087,850.59

19. Selling expenses

	2025	2024
Staff costs	99,924,129.17	83,720,519.04
Sales commission	4,206,989.69	1,008,838.62
Professional services and consulting fees	3,320,144.96	634,083.14
Travel expenses	2,952,772.56	2,797,050.12
Depreciation and amortization expenses	2,405,273.03	2,228,293.84
Marketing expenses	1,530,880.39	1,364,987.90
Business development expenses	1,163,800.72	1,230,952.42
Others	4,724,667.99	3,021,825.00
Total	120,228,658.51	96,006,550.08

20. Administrative expenses

	2025	2024
Staff costs	422,110,031.18	113,609,262.01
Depreciation and amortization expenses	46,069,164.21	44,453,092.15
Professional services and consulting fees	14,343,520.22	8,009,101.53
Rental fee	5,760,056.16	6,853,942.82
Office and meeting expenses	4,295,541.71	3,378,095.65
Utilities	3,530,180.35	3,692,774.11
Transportation and communication expenses	3,081,608.94	3,059,984.44
Others	27,097,742.12	13,206,247.53
Total	526,287,844.89	196,262,500.24

21. Research and development expenses

	2025	2024
Staff costs	626,982,077.17	533,204,296.99
Engineering expenses	168,858,161.19	121,519,507.18
Tool and license fees	52,679,878.20	44,982,643.82
Depreciation and amortization expenses	48,458,631.13	44,110,253.08
Professional services and consulting fees	4,109,188.63	4,017,584.40
External service fees	3,261,875.89	6,504,885.21
Others	10,680,403.79	9,130,823.76
Total	<u>915,030,216.00</u>	<u>763,469,994.44</u>

22. Finance expenses

	2025	2024
Interest expenses on lease liabilities	1,732,176.80	1,512,598.38
Less: interest income	271,072,118.66	229,985,802.58
Exchange gains and losses	40,749,393.00	(12,311,885.43)
Others	274,112.23	280,984.09
Total	<u>(228,316,436.63)</u>	<u>(240,504,105.54)</u>

23. Income tax expenses

	2025	2024
Current income tax expense	144,257,559.33	68,575,579.29
Deferred income tax expense	46,674,544.17	3,306,146.28
Total	<u>190,932,103.50</u>	<u>71,881,725.57</u>

The relationship between income tax expense and profit before income tax is shown as follows:

	2025	2024
Profit before income tax	2,320,568,053.46	1,412,617,850.07
Income tax expense calculated at the applicable tax rate of the Company (Note 1)	232,056,805.35	141,261,785.01
Impact of preferential tax rates and different tax rates applicable to subsidiaries	(110,739,009.74)	(90,143,962.48)
Adjustment in respect of current tax of previous years	628,933.02	(8,892,565.96)
Income not subject to tax	(1,221,830.95)	(1,958,369.20)
Expenses not deductible for tax	4,020,669.00	2,071,877.94
Effect of tax rate changes on opening deferred tax balance (Note 2)	–	8,315,138.05
Unrecognized deductible temporary differences and tax losses	153,075,441.99	42,664,951.77
Research and development super deduction	(86,888,905.17)	(21,437,129.56)
Income tax expense calculated at the actual tax rate of the Group	<u>190,932,103.50</u>	<u>71,881,725.57</u>

Note 1: The Company applies a tax rate of 10%.

Note 2: Adjustments to deferred tax assets by the Group's subsidiaries based on the expected applicable income tax rate for future reversal periods.

24. Earnings per share

	2025 RMB/share	2024 RMB/share
Basic earnings per share		
Continuing operations	<u><u>1.97</u></u>	<u><u>1.25</u></u>
Diluted earnings per share		
Continuing operations	<u><u>1.96</u></u>	<u><u>1.25</u></u>

Basic earnings per share are calculated by dividing the net profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding. The number of newly issued ordinary shares is determined based on the specific terms of the issuance contract, starting from the date of receivable consideration (generally the date of stock issuance).

The numerator for diluted earnings per share is determined by the net profit attributable to ordinary shareholders of the Company.

The denominator for diluted earnings per share equals the sum of the following two items: the weighted average number of ordinary shares issued by the parent company in basic earnings per share; and the weighted average number of ordinary shares that would be issued if all dilutive potential ordinary shares were converted into ordinary shares.

When calculating the weighted average number of ordinary shares that would be increased by the conversion of dilutive potential ordinary shares into issued ordinary shares, it is assumed that the dilutive potential ordinary shares issued during the period are converted on the issuance date.

The specific calculations for basic earnings per share and diluted earnings per share are as follows:

	2025	2024
Earnings		
Net profit attributable to ordinary shareholders of the Company for the current period		
Continuing operations	<u><u>2,235,569,970.18</u></u>	<u><u>1,411,778,923.59</u></u>
Shares		
Weighted average number of ordinary shares outstanding of the Company	<u><u>1,135,205,958.67</u></u>	<u><u>1,129,944,816.00</u></u>
Considering diluted shares		
Weighted average number of ordinary shares outstanding of the Company	<u><u>1,143,351,586.93</u></u>	<u><u>1,131,079,394.44</u></u>

Note: In 2025 and 2024, all dilutive potential ordinary shares issued by the Company are part of share-based payment plans that involves granting restricted shares, with vesting conditions that include performance criteria.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Corporate Governance Code

As the H Shares of the Company were listed on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) on February 9, 2026, the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) is only applicable to the Company since the listing date of the H Shares.

The Company has adopted and complied with the provisions of the CG Code and has followed most of its recommended best practices throughout the period from the listing date of the H Shares and up to the date of this announcement, save for the deviation from Code Provision C.2.1 of part 2 of the CG Code as disclosed below.

Pursuant to Code Provision C.2.1 of part 2 of the CG Code, companies listed on the Hong Kong Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairperson and the chief executive should be separate and should not be performed by the same individual. The Company does not have a separate chairman and chief executive officer and Dr. Howard C. Yang currently performs these two roles. The Board believes that vesting the roles of both chairperson and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairperson of the Board and the chief executive officer of the Company if and when it is appropriate taking into account the circumstances of the Group as a whole.

Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted a set of standards no less stringent than the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Hong Kong Listing Rules as the model code for the trading of securities by the Directors of the Company.

As the H Shares of the Company were listed on Hong Kong Stock Exchange on February 9, 2026, the Model Code is only applicable to the Company since the listing date of the H Shares. All Directors and relevant employees, having made specific enquiries, confirmed that they have been in compliance with the Model Code during the period from the listing date of the H Shares and up to the date of this announcement.

Purchase, Sale or Redemption of the Company's Listed Securities

A repurchase mandate for repurchase of A Shares for the purpose of the Company's employee incentive plans and/or stock ownership plans was approved by the eighth meeting of the third session of the Board on June 20, 2025. The repurchase mandate was valid for three months from the date of approval of the repurchase mandate by the Board. Between June 23, 2025 and September 19, 2025, the repurchase of A Shares was conducted under the repurchase mandate with a total of 2,339,000 A Shares pursuant to centralized bidding trading transactions at a range of RMB77.79 per A Share to RMB117.00 per A Share. Upon completion of the repurchase, the repurchased A Shares would be held under our Company stock repurchase account as treasury shares and do not carry any shareholders' rights, including but not limited to voting rights at Shareholders' meeting and dividend rights.

A repurchase mandate for repurchase of A Shares for the purpose of reducing the registered capital of our Company was approved by the eighth meeting of the third session of the Board on June 20, 2025 and the first extraordinary general meeting of the Shareholders in 2025 on July 7, 2025. The repurchase mandate was valid for 12 months from the date of approval of the repurchase mandate by the Shareholders, and shall only be implemented after the completion of the aforementioned repurchase for employee incentive plans. Between October 31, 2025 and December 31, 2025, the repurchase of A Shares was conducted under the repurchase mandate with a total of 1,662,000 A Shares pursuant to centralized bidding trading transactions at a range of RMB115.00 per A Share to RMB147.88 per A Share. Upon completion of the repurchase, the repurchased A Shares would be held under our Company stock repurchase account as treasury shares and do not carry any shareholders' rights, including but not limited to voting rights at Shareholders' meeting and dividend rights.

The monthly report on the repurchase of A Shares conducted by the Company for the year ended December 31, 2025 through the trading system of the Shanghai Stock Exchange is as follows:

Month	Number of A Shares repurchased (Shares)	Price Paid per A Share		Total Amount Paid (RMB, excluding transaction fees)
		Highest (RMB)	Lowest (RMB)	
June	1,002,000	81.91	77.79	79,048,550.19
July	918,000	87.18	79.55	75,516,152.47
August	0	—	—	—
September	419,000	117.00	106.35	45,921,319.35
October	700,000	147.88	136.47	96,530,614.74
November	805,000	134.51	115.00	105,038,132.65
December	157,000	120.88	115.00	18,668,636.49
Total	4,001,000			420,723,405.89

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the year ended December 31, 2025.

Audit Committee

The Audit Committee currently has three members (all are independent non-executive Directors), being Dr. Li Ruoshan, Dr. Yuhua Cheng and Dr. Shan Hailing, with terms of reference in compliance with the Hong Kong Listing Rules.

The Audit Committee has considered and reviewed the consolidated results for the year ended December 31, 2025 of the Group and the accounting principles and practices adopted by the Group and discussed matters in relation to risk management, internal control and financial reporting with the management. The Audit Committee considers that the annual financial results for the year ended December 31, 2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

FINANCIAL INFORMATION

The financial information set out in this announcement has been reviewed by the Audit Committee and approved by the Board and agreed by the Group's external auditor, Ernst & Young Hua Ming LLP, and the figures set out in this announcement in respect of the Group's consolidated balance sheet and consolidated income statement for the year ended December 31, 2025 and the related notes thereto are equivalent to those set out in the Group's audited consolidated financial statements for the year ended December 31, 2025. The 2025 consolidated financial statements of the Group prepared in accordance with CASBE have also been audited by the external auditor of the Group who has issued a standard unqualified audit opinion.

EVENTS AFTER THE END OF THE REPORTING PERIOD

1. In January 2026, the Company announced that its wholly-owned subsidiary, Montage Technology Holdings Company Limited ("Montage Cayman"), a shareholder of XConn Technologies Holdings, Ltd. ("XConn"), has been informed of an acquisition proposal from Marvell Technology, Inc. ("Marvell") to purchase 100% equity in XConn. Through negotiation between the board of Marvell and XConn, an Agreement and Plan of Reorganization was recently executed. Upon deliberation, the Company agreed to the transaction and has entered into a Support Agreement with Marvell. The total consideration for XConn's shareholders is based on a benchmark of US\$540 million, subject to adjustment according to the price adjustment mechanism and allocation of cash and share consideration stipulated in the agreement. The Company estimates the transaction consideration for this equity interest to be in the range of US\$58 million to US\$65 million. Prior to the transaction, Montage Cayman held a fully diluted equity interest of 13.075% in XConn. Upon completion of the transaction, Montage Cayman will no longer hold any equity in XConn.

For further details, please refer to the disclosure in the Prospectus.

- Following the approval of The Hong Kong Stock Exchange, 65,890,000 H Shares of the Company (before exercise of the over-allotment option) were listed and traded on the Main Board of The Stock Exchange of Hong Kong Limited on 9 February 2026. The total number of H Shares offered in the global offering was 65,890,000 (before exercise of the over-allotment option). After deducting underwriting commissions, fees and estimated expenses in connection with the global offering, the net proceeds from the global offering received by the Company before exercise of the over-allotment option amounted to approximately HK\$6.905 billion. On 10 February 2026, the Company consented to the full exercise of the over-allotment option by the Overall Coordinator (on behalf of the international underwriters), and the issue of 9,883,500 additional H Shares was completed on 13 February 2026. After deducting underwriting commissions, fees and estimated expenses payable by the Company in respect of the full exercise of the over-allotment option, the additional net proceeds received by the Company amounted to approximately HK\$1.043 billion. Following the full exercise of the aforementioned over-allotment option, a total of 75,773,500 H Shares were issued in the global offering.

Save as disclosed above, the Company is not aware of any material subsequent events after December 31, 2025 and up to the date of this announcement.

2025 PROFIT DISTRIBUTION PLAN/DIVIDEND

DIVIDENDS

The Company considered and approved an interim dividend in 2025 for a cash dividend of RMB227 million on August 29, 2025. Such dividend was fully paid in October 2025.

The Board has considered and approved the resolution in relation to the 2025 Profit Distribution Plan at the board meeting held on March 30, 2026. According to the 2025 Profit Distribution Plan, the Board proposed to distribute the final dividend for 2025 at RMB3.90 (tax inclusive) for every 10 Shares to all Shareholders who are eligible for distribution on the record date. Dividends on A Shares will be paid in RMB and dividends on H Shares in HKD. The actual dividend amount for H Shares will be calculated based on the RMB-to-HKD central parity rate (HKD1 = RMB0.88361) announced by the People's Bank of China on the trading day immediately preceding the Board's consideration of this plan (27 March 2026). A dividend of HKD4.41 (tax inclusive) will be payable for every 10 H Shares.

As at the date of this announcement, the total number of Shares of the Company is 1,222,200,021 Shares, including 12,533,000 repurchased A Shares which are held as treasury shares by the Company. Based on the above, the total final dividend of the Company under the 2025 Profit Distribution Plan amounts to approximately RMB471,770,138.19 (tax inclusive).

The 2025 Profit Distribution Plan is subject to the approval at the 2025 AGM. The Company will announce the record date and the expected payment date for the 2025 Profit Distribution Plan separately. If there is any change in the total share capital of the Company before the record date for the implementation of the profit distribution, the Company will maintain the distribution amount per share unchanged and adjust the total amount of dividend distribution accordingly, and will announce the details of the adjustment separately.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.montage-tech.com).

The annual report for the year ended December 31, 2025 containing all the information required by, among other things, Appendix D2 to the Hong Kong Listing Rules will be dispatched to shareholders who have requested for corporate communications in printed copy and published on the websites of the Hong Kong Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

DEFINITION

“2025 AGM”	the 2025 annual general meeting or the adjournment thereof to be convened and held by the Company
“2025 Profit Distribution Plan”	the profit distribution plan of paying cash dividend of RMB3.90 (tax inclusive) per 10 Shares as the final dividend for the year ended December 31, 2025 to the Shareholders as proposed by the Board, which is subject to consideration and approval at the 2025 AGM
“A Shares”	ordinary share(s) issued by our Company with a nominal value of RMB1.00 each, which is/are traded in Renminbi and listed on the Shanghai Stock Exchange STAR Market
“AEC”	active electrical cables, high-speed data transmission cables that contain IC to boost signal quality, enabling longer reach and improved performance compared to passive cables while using traditional copper conductors
“AI”	artificial intelligence
“Board” or “Board of Directors”	the board of Directors of the Company
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
“China” or “the PRC”	the People’s Republic of China
“Company”, “the Company”, “we”, “us” or “our”	Montage Technology Co., Ltd. (瀾起科技股份有限公司), a limited liability company incorporated in the PRC on May 27, 2004, the A Shares of which are listed on the Shanghai Stock Exchange STAR Market (stock code: 688008) and the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 6809)

“CKD”	a DDR5 clock driver, a specialized buffer IC used on client DDR5 memory modules to buffer and re-drive signals from the memory controller to the DRAM chips, which improves signal integrity by reducing clock jitter and loading, supporting higher frequencies for client modules
“CXL”	compute express link, an open industry standard highspeed interconnect that enables efficient, low-latency communication between CPUs and accelerators, memory expanders, or other devices, supporting memory coherence and advanced computing
“DDR”	double data rate, a memory technology used to double the data transfer rate by transmitting data on both the rising and falling edges of the clock signals
“Director(s)”	the director(s) of the Company
“DRAM”	dynamic random access memory, a semiconductor storage device
“GPU”	A specialized processor primarily designed for rapid rendering of images and video, which is now widely used for parallel processing tasks in scientific computing, AI, and cloud machine learning
“H Share(s)”	foreign shares of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“HK\$”, “HKD” or “Hong Kong dollars”	Hong Kong dollar(s), 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
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“IC”	integrated circuit, a small unit or package which is made as a single indivisible structure (such as a chip) and is electrically equivalent to a conventional circuit of many separate components
“JEDEC”	Joint Electron Device Engineering Council (now known as the JEDEC Solid State Technology Association), a global organization in developing open standards for the microelectronics industry
“LRDIMM”	load reduced dual in-line memory module, a type of memory module that uses a buffer to reduce the electrical load on the memory controller, enabling higher memory capacity and improved signal integrity, particularly in servers and advanced systems

“MDB”	multiplexed rank data buffer, a memory buffer chip that manages data signals for multiple memory ranks by multiplexing them, which improves memory system performance and capacity by efficiently handling data flow between the memory controller and several DRAM ranks on a module
“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
“MRCD”	multiplexed rank registering clock driver, a specialized buffer chip used in memory modules to buffer and re-drive clock, address, and command signals efficiently across multiple memory ranks, improving signal integrity and enabling higher memory speeds and capacities
“MRDIMM”	multiplexed rank dual in-line memory module, a high-bandwidth server memory module based on the DDR5 LRDIMM architecture adopting the “1+10” design consisting of one MRCD chip and 10 MDB chips, which, compared with RDIMM and LRDIMM, enables simultaneous access to two memory arrays on the module and effectively doubles the bandwidth; the first generation of MRDIMM is also referred to as MCRDIMM by some manufacturers
“MT/s”	mega transfers per second, a unit measuring data transfer rate
“MXC”	memory expansion controller, the core chip of high-bandwidth and high-capacity memory expansion modules based on the CXL protocol, which connects to the host via the CXL interface and enables high-bandwidth and low-latency memory access for server systems
“NVMe SSD”	non-volatile memory express solid-state drive, a high-speed storage device that provides fast data transfer, low latency and efficient access to flash memory
“PCIe Retimer”	a high-speed PCIe signal conditioning chip that compensates for channel attenuation and mitigates jitter to enhance signal integrity and extend signal reach, which serves as a critical interconnect component in applications such as cloud computing, AI, and data centers
“PCIe Switch”	PCIe switch chip, a core interconnect component in data centers, AI acceleration systems, and storage systems, expands PCIe topology to enable efficient communication among multiple devices, addressing bandwidth bottleneck issues between hosts and peripheral devices
“PCIe”	peripheral component interconnect express, a high-speed serial interface standard used to connect components like graphics cards, SSDs, and NICs to a computer’s motherboard, offering fast data transfer and scalable bandwidth through multiple lanes
“Reporting Period”	the period from January 1, 2025 to December 31, 2025

“RCD”	registering clock driver, a device used to buffer and re-drive address, command and control signals coming from the memory controller to DRAM devices
“RDIMM”	registered dual in-line memory module, a type of memory module that uses RCD chips to buffer address, command, and control signals. It is mainly used in servers
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SerDes”	Serializer/Deserializer, a reusable hardware design block used in chip design, which enables high-speed serial data communication by converting parallel data into serial form for transmission and converting it back on reception
“Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising A Shares and H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“year-on-year”	compared with the same period last year
“%”	percent

By Order of the Board
Montage Technology Co., Ltd.
Dr. Howard C. Yang
Chairman

PRC, March 30, 2026

As at the date of this announcement, the executive directors of the Company are Dr. Howard C. Yang and Mr. Stephen Kuong-Io Tai; the non-executive directors of the Company are Dr. Wang Rui and Ms. Fang Zhoujie; and the independent non-executive directors of the Company are Dr. Li Ruoshan, Dr. Yuhua Cheng, Dr. Shan Hailing and Professor Ko Ping Keung.