Huaqin Co., Ltd.
華勤技術股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 3296)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2026

The Board is pleased to announce the unaudited results of the Company and its subsidiaries for the six months ended June 30, 2026. This announcement, containing the full text of the 2026 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to information to accompany preliminary announcement of interim results.

The Group's interim results for the six months ended June 30, 2026 have been reviewed by the audit committee of the Company.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement will be published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company's website (www.huaqin.com).

The Company's 2026 interim report will be published on the aforesaid websites in due course.

By order of the Board
Huaqin Co., Ltd.
QIU Wensheng
Chairman of the Board and Executive Director

Hong Kong, August 25, 2026

As at the date of this announcement, Directors of the Company are: (i) Mr. Qiu Wensheng, Mr. Cui Guopeng, Mr. Wu Zhenhai, Ms. Chen Xiaorong, Ms. Xi Pinghua and Mr. Deng Zhiguo as executive Directors; and (ii) Mr. Hu Saixiong, Mr. Huang Zhiguo and Dr. Yu Fang as independent non-executive Directors.

CONTENTS

DEFINITIONS AND GLOSSARY

DEFINITIONS

"A Share(s)"	ordinary shares issued by our Company, with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange and traded in Renminbi
"A Shareholder(s)"	holder(s) of our A Share(s)
"Articles of Association"	the articles of association of our Company, as amended from time to time
"Audit Committee"	the audit and risk management committee of the Board
"Board" or "Board of Directors"	the board of directors of the Company
"Company", "our Company"	Huaqin Co., Ltd. (華勤技術股份有限公司), a joint stock company with limited liability established under the laws of the PRC on August 29, 2005, the A Shares of which have been listed on the Shanghai Stock Exchange (stock code: 603296), and the H Shares of which are listed on the Stock Exchange (stock code: 3296)
"Controlling Shareholders" or "Controlling Shareholders Group"	has the meaning ascribed thereto under the Listing Rules and unless the context otherwise requires, refers to Mr. Qiu Wensheng (邱文生), Shanghai Aoqin, Shanghai Haixian, Mr. Qiu Wenhui (邱文輝), Ms. Lin Min (林敏) and Fujian Yuexiang
"Corporate Governance Code"	the Corporate Governance Code in Part 2 of Appendix C1 to the Hong Kong Listing Rules
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Fujian Yuexiang"	Fujian Yuexiang Investment Partnership Enterprise (Limited Partnership) (福建悅翔投資合夥企業(有限合夥)), a limited partnership established in the PRC on October 26, 2017, one of the members of our Controlling Shareholders Group
"Global Offering"	the Hong Kong public offering and International offering as described in the Prospectus
"Group", "Huaqin Technology" or "Huaqin"	the Company and its subsidiaries

"H Share(s)"	shares in the share capital of our Company with a nominal value of RMB1.00 each, which are listed and traded on the Hong Kong Stock Exchange
"H Shareholder(s)"	holder(s) of H Shares(s)
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party"	any entity or person who is not a connected person of the Company within the meaning ascribed to it under the Hong Kong Listing Rules
"Listing Date of H Shares"	April 23, 2026, being the date on which the H Shares were listed on the Main Board of the Hong Kong Stock Exchange
"Listing Rules" or "Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 to the Hong Kong Listing Rules
"PRC Company Law"	the Company Law of the PRC (中華人民共和國公司法), as amended, modified and/or otherwise supplemented from time to time
"PRC" or "China"	the People's Republic of China (中華人民共和國), which excludes, except where the context requires, for the purpose of this report and for geographical reference only, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan, China
"Prospectus"	the prospectus issued by the Company dated April 15, 2026 in relation to the global offering and listing of its H Shares on the Hong Kong Stock Exchange
"Reporting Period"	the six-month period from January 1, 2026 to June 30, 2026
"RMB"	Renminbi, the lawful currency of the PRC; unless otherwise specified, all monetary amounts stated in the report are Renminbi
"SFO"	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS AND GLOSSARY

"Shanghai Aoqin"	Shanghai Aoqin Information Technology Co., Ltd. (上海奧勤信息科技有限公司), a limited liability company established under the laws of the PRC on September 5, 2008, one of the members of our Controlling Shareholders Group
"Shanghai Haixian"	Shanghai Haixian Information Technology Co., Ltd. (上海海賢信息科技有限公司), a limited liability company established under the laws of the PRC on October 13, 2008, one of the members of our Controlling Shareholders Group
"Shanghai Stock Exchange" or "SSE"	the Shanghai Stock Exchange
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"US dollar(s)" or "USD"	U.S. dollars, the lawful currency of the United States of America
"%"	percent

GLOSSARY OF TECHNICAL TERMS

"AI"	Artificial Intelligence
"AI Agent"	An intelligent system that uses a large model as its intelligent foundation, possesses capabilities such as autonomous perception, understanding, planning, memory, decision-making, action and tool use, and is able to automatically execute complex tasks and ultimately achieve set goals
"AI device"	A hardware terminal that natively integrates large AI model capabilities and uses on-device intelligence as its core interaction logic, as distinguished from a traditional Smart Device
"AIoT"	Artificial Intelligence & Internet of Things, the integration of AI with IoT devices, enabling smart, context-aware data processing and automation in connected electronics
"AI PC" or "AI PCs"	Artificial intelligence laptop(s)

"Copilot+ PC Office Productivity Ecosystem"	The next-generation, on-device AI-driven office productivity system built around Microsoft's Copilot+ PC hardware platform as its core, integrating the Windows 11 operating system, the Microsoft 365 office suite, and third-party independent software vendor (ISV) applications
"Embodied Intelligence"	An artificial intelligence system that is integrated with a physical entity and is able to autonomously interact with and adapt to the physical world
"High-Speed Network Switch"	A core data forwarding hub within a data center or intelligent computing center that relies on dedicated hardware chips (ASIC/FPGA) to achieve Tb/s-level data throughput and nanosecond-level ultra-low latency, and is used to connect large numbers of servers, storage devices and GPU clusters
"HiOS"	Huaqin's full-stack, self-developed HiOS smart automotive operating system, which is equipped with high-end Qualcomm chips, integrates the instrument cluster, center console and front passenger display screens, and incorporates DMS and OMS in-cabin sensing and a full ecosystem chain
"HMI"	Human Machine Interface
"IPCAM"	An internet-protocol-based network camera, being the integration of a video server and a camera
"JDM"	Joint Design Manufacturer, referring to collaborative design and manufacturing, whereby the customer and the manufacturer jointly participate in the design and the manufacturer is responsible for production
"OBM"	Original Brand Manufacture, refers to the ultimate brand owner of a smart hardware product, regardless of whether the product is designed or manufactured in-house; major smartphone brand manufacturers include Samsung, Apple, OPPO, vivo and Xiaomi, among others; major laptop brand manufacturers include Lenovo, Dell, Acer, ASUS, Apple, HP and Microsoft, among others
"ODM"	Original Design Manufacturer. The entrusted party (an ODM manufacturer) possesses independent design capability and technical expertise, and researches, designs and manufactures products according to the requirements of the entrusting party

DEFINITIONS AND GLOSSARY

"OEM"	original equipment manufacturer
"R&D"	research and development
"Server"	A type of computer that provides computing or application services over a network to other client devices (such as PCs, smartphones, ATMs and other large terminal devices)
"Smart Device"	Smart Device is a technology concept that emerged following the rise of smartphones, referring to the upgrading of traditional hardware equipment through a combination of software and hardware to give it smart functions. Once made smart, hardware may possess capabilities such as sensing and connectivity, high-speed computing, graphics processing, human-machine interaction, and even big data analytics and artificial intelligence. Typical Smart Device products in the consumer market include smartphones, laptops and tablets, collectively known as the "three major Smart Devices"; emerging Smart Device products that have risen in recent years include smart home appliances, smart wearable devices and smart in-vehicle devices.
"Super Node"	A new type of technical architecture designed for building large-scale AI computing power clusters
"VR"	virtual reality

In this interim report, certain amounts and percentage figures included have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.

For ease of reference, the names of the PRC established companies or entities, governmental authorities, institutions, natural persons, laws or regulations have been included in this interim report in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail. English translation of the official Chinese names are for identification purpose only.

This interim report contains certain forward-looking statements. These forward-looking statements are based on information currently available to the Group or the current belief, expectations and assumptions of the Board. These forward-looking statements are subject to risks, uncertainties and other factors beyond the Company's control which may cause actual results or performance to differ materially from those expressed or implied in such forward looking statements. In light of the risks and uncertainties, the inclusion of forward-looking statements in this interim report should not be regarded as representations by the Board or the Company that the plans and objectives will be achieved, and Shareholders and investors of the Company should not place undue reliance on such statements.

SECTION I COMPANY PROFILE

I. COMPANY PROFILE

Chinese name of the Company	華勤技術股份有限公司
Abbreviation of the Chinese name	華勤技術
English name of the Company	Huaqin Co., Ltd.
Abbreviation of the English name	HUAQIN
Legal representative	Mr. Qiu Wensheng (邱文生)
Registered address	Building 1 No. 399, Keyuan Road China (Shanghai) Pilot Free Trade Zone, PRC
Office address	Huaqin Global R&D Center, No. 699 Luke Road, Pudong New Area, Shanghai, the PRC
Postal code of the office address	201204
Website	www.huaqin.com
Email	ir@huaqin.com
Principal Place of Business in Hong Kong	Room 1912, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong

II. COMPANY STOCK OVERVIEW

Stock class	Stock exchange	Stock short name	Stock code
A Share	Shanghai Stock Exchange	華勤技術	603296
H Share	The Stock Exchange of Hong Kong Limited	HUAQIN	03296

III. INFORMATION DISCLOSURE

Stock class	Media for disclosure of information
A Share	Websites: Shanghai Stock Exchange (http://www.sse.com.cn) Newspapers: Shanghai Securities News, China Securities Journal, Securities Times, Securities Daily, Economic Information Daily
H Share	Websites: HKEXnews website of Hong Kong Stock Exchange (https://www.hkexnews.hk) and the Company's official website (https://www.huaqin.com)

SECTION I COMPANY PROFILE

IV. CONTACT PERSON AND CONTACT INFORMATION

	Board secretary and joint company secretary	**Securities affairs representative**
Name	Li Yutao (李玉桃)	Maoshan Yuntong (冒姍昀彤)
Address	Huaqin Global R&D Center, No. 699 Lvke Road, Pudong New Area, Shanghai, the PRC	Huaqin Global R&D Center, No. 699 Lvke Road, Pudong New Area, Shanghai, the PRC
Telephone	(86) 021-80221108	(86) 021-80221108
Fax	(86) 021-80221109	(86) 021-80221109
E-mail	ir@huaqin.com	ir@huaqin.com

V. OTHER RELATED INFORMATION

Board	*Executive Directors* Mr. Qiu Wensheng (邱文生) (Chairman of the Board) Mr. Cui Guopeng (崔國鵬) Mr. Wu Zhenhai (吳振海) Ms. Chen Xiaorong (陳曉蓉) Ms. Xi Pinghua (奚平華) Mr. Deng Zhiguo (鄧治國) *Independent non-executive Directors* Mr. Hu Saixiong (胡賽雄) Mr. Huang Zhiguo (黃治國) Dr. Yu Fang (余方)
Strategy and Sustainable Development Committee	Mr. Qiu Wensheng (邱文生) (Chairperson) Mr. Cui Guopeng (崔國鵬) Dr. Yu Fang (余方)
Audit and Risk Management Committee	Dr. Yu Fang (余方) (Chairperson) Mr. Huang Zhiguo (黃治國) Mr. Hu Saixiong (胡賽雄)
Nomination Committee	Mr. Huang Zhiguo (黃治國) (Chairperson) Mr. Hu Saixiong (胡賽雄) Ms. Chen Xiaorong (陳曉蓉)

Remuneration and Appraisal Committee	Mr. Hu Saixiong (胡賽雄) (Chairperson) Mr. Huang Zhiguo (黃治國) Ms. Chen Xiaorong (陳曉蓉)
Joint Company Secretaries	Ms. Li Yutao (李玉桃) Ms. Ng Wai Kam (伍偉琴)
Authorized Representatives	Mr. Qiu Wensheng (邱文生) Ms. Ng Wai Kam (伍偉琴)
Legal Advisors as to Laws of Hong Kong	Linklaters 11/F Alexandra House, Chater Road, Central, Hong Kong
Legal Adviser as to PRC Laws	Zhong Lun Law Firm 22-24F & 27-31F, South Tower of CP Center 20 Jin He East Avenue, Chaoyang District, Beijing, PRC
Compliance Adviser	Somerley Capital Limited 20/F, China Building, 29 Queen's Road, Central, Hong Kong
Auditor	BDO Limited 25th Floor, Wing On Centre, 111 Connaught Road, Central, Hong Kong
Custodian of A Shares	China Securities Depository and Clearing Corporation Limited Shanghai Branch No. 188 Yanggao South Road, Pudong New Area, Shanghai, China
H Share Registrar	Tricor Investor Services Limited 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
Headquarters and Principal Place of Business in the PRC	No. 699 Lvke Road, Pudong New District, Shanghai, PRC

SECTION II FINANCIAL HIGHLIGHTS

I. KEY FINANCIAL PERFORMANCE AND ACCOUNTING DATA

1. Major Financial Data prepared in accordance with China Accounting Standards ("PRC GAAP")

Unit: RMB'000

	This Reporting Period	Same Period of Last Year	Year-on-Year Change (%)
Total revenue	**93,719,083**	83,939,258	12%
Net profit attributable to owners of the Company	**2,999,623**	1,888,970	59%
Net cash generated from operating activities	**642,612**	(1,522,476)	-142%
Basic earnings per Share (RMB/Share)	**2.07**	1.33	56%
Diluted earnings per Share (RMB/Share)	**2.07**	1.33	56%
Weighted average return on net assets (%)	**10.52%**	8.08%	2.44 percentage points

	This Reporting Period	At the End of Last Year	Year-on-Year Change (%)
Total assets	**136,669,335**	96,205,628	42%
Net asset attributable to shareholders of the listed company	**32,115,658**	25,797,356	24%

2. Major Financial Data of the Company prepared in accordance with International Financial Reporting Standards ("IFRS")

Unit: RMB'000

Revenue and Profit	This Reporting Period	Same Period of Last Year	Year-on-Year Change (%)
Revenue	**93,719,083**	83,939,258	12%
Profit before taxation	**3,340,157**	2,160,285	55%
Income tax	**(287,317)**	(252,047)	14%
Profit for the year	**3,052,840**	1,908,238	60%
Profit for the year attributable to:			
Owners of the parent	**3,026,173**	1,907,604	59%
Non-controlling interest	**26,667**	634	4,106%
Net cash generated from operating activities	**642,612**	(1,522,476)	-142%
Basic earnings per Share (RMB/Share)	**2.09**	1.35	55%
Diluted earnings per Share (RMB/Share)	**2.09**	1.35	55%
Gearing ratio (%)	**76.1%**	72.6%	3.5 percentage points

Assets and Liabilities	This Reporting Period	At the End of Last Year	Year-on-Year Change (%)
Non-current assets	**29,023,619**	25,458,636	14%
Current assets	**107,645,716**	70,746,992	52%
Current liabilities	**95,343,643**	63,700,621	50%
Net current assets	**12,302,073**	7,046,371	75%
Total assets less current liabilities	**41,325,692**	32,505,007	27%
Non-current liabilities	**8,640,053**	6,159,679	40%
Net assets	**32,685,639**	26,345,328	24%
Total equity attributable to owners of the parent	**32,115,658**	25,797,356	24%
Non-controlling interest	**569,982**	547,971	4%

SECTION II FINANCIAL HIGHLIGHTS

3. Differences in net profits and net assets in the financial report disclosed simultaneously according to the IFRS and PRC GAAP

Unit: RMB'000

	Profit attributable to owners of the Company		Equity attributable to owners of the Company	
	Amount for the Reporting Period	Amount for the Same Period of Last Year	**Amount at the end of the Reporting Period**	Amount at the End of Last Year
According to PRC GAAP	**2,999,623**	1,888,970	**32,115,658**	25,797,356
Items and amounts adjusted according to IFRS				
Passive dilution of equity interest in associates	**26,551**	18,634	**–**	–
According to IFRS	**3,026,174**	1,907,604	**32,115,658**	25,797,356
Difference description:	Under PRC GAAP, the impact of passive dilution of equity interest in associates and joint ventures is recognized as an adjustment to the carrying amount of the long-term equity investment, with a corresponding adjustment to capital reserve. Under IFRS, the impact of passive dilution of equity interest in associates and joint ventures is recognized as an adjustment to the carrying amount of the long-term equity investment and is recognized in profit or loss for the period.			

SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

The Board of Directors is pleased to present their report together with the unaudited financial statements of the Group for the six months ended June 30, 2026.

I. INDUSTRY OVERVIEW DURING THE REPORTING PERIOD

(I) Industry Overview of the Company during the Reporting Period

The electronic information industry is a collection of sub-sectors engaged in the production of electronic information products-related equipment, hardware manufacturing, system integration, software development, and application services using electronic and information technologies. The sectors involved mainly include consumer electronics, computers, communications, home appliances, automotive, electronic components, software, etc. Among them, consumer electronics represented by smartphones, personal computers, smart wearable devices and various AI edge-side devices occupy an important position in the electronic information industry; high-performance computer products represented by servers continue to grow in demand with the development of global cloud computing, artificial intelligence, 5G and other emerging technologies, especially AI-related computing hardware such as AI servers, supernodes, high-speed network switches and other products, showing explosive growth; with the rapid development of new energy vehicles, the automotive electronics industry as a whole is steadily advancing towards electrification, intelligence and connected vehicles; and humanoid robots are moving towards large-scale commercialization, with industrial manufacturing as the core of mature application scenarios, achieving significant efficiency improvements.

The Company is a platform-based enterprise professionally engaged in the R&D, design, manufacturing and operational services of intelligent products. During the Reporting Period, the Company continued to expand into core sub-segments of intelligent products, mainly serving downstream customers in consumer electronics, data centers, automotive electronics, robotics and other industries.

SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

(II) Industry Characteristics and Development Trends

1. Breakthroughs in AI technology, accelerated global investment in AI computing power

Since 2025, AI large models have transitioned from competition in parameter scale to a development stage driven simultaneously by capability efficiency and industrial deployment, achieving systematic iteration in areas such as architecture innovation, reasoning capability, multimodal fusion, and AI agents.

AI computing power, as a core resource, continues to be a core battleground in global technology competition. Major cloud service providers (CSPs) have significantly increased capital expenditures to meet the growing demand for computing power. At the same time, AI infrastructure construction is characterized by large scale, clustering and high efficiency. The "Supernode" solution provides strong support for the accelerated deployment of the AI industry. In 2026, the domestic computing power adaptation process continues to accelerate, with various domestic chip companies and large model enterprises developing rapidly. "Supernode" products based on domestic chip platforms are also successively entering the accelerated mass production stage. As AI technology is gradually integrated into various industrial chain links, the structure of computing power demand is extending from training to inference, and future market demand will continue to show exponential growth.

2. Diverse AI applications are flourishing, with AI smart terminal penetration rising sharply

In 2026, the global AI industry entered a critical stage of technology deployment and value realization. AI empowerment has evolved from single-point functionality penetration to systematic collaboration across the entire chain and multiple scenarios, becoming the core engine driving digital transformation across various industries and digital economic growth. At the application level, AI agents are gradually moving from concept validation to large-scale commercialization, with continuous breakthroughs in multimodal perception, autonomous decision-making and task execution capabilities, achieving a capability leap from passive Q&A interaction to active planning and autonomous execution, and a deep reconstruction of human-computer interaction models. For consumer-facing scenarios, including content creation, office collaboration, lifestyle services and industry-facing verticals, including industrial visual inspection, smart retail operations, medical assisted diagnosis and in-vehicle intelligent interaction, various AI application solutions are gradually achieving large-scale implementation. The level of industry standardization continues to improve, and the value of AI technology in efficiency improvement and experience enhancement is continuously validated.

Lightweight large model algorithms continue to achieve key breakthroughs, and the boundaries of semantic understanding, content generation and reasoning capabilities of small-parameter models continue to expand. Coupled with the increasingly mature end-cloud hybrid deployment architecture, on the premise of fully ensuring user data privacy and security, it effectively meets the demand for low-latency, high-reliability real-time intelligent interaction, laying a solid foundation for the comprehensive penetration of AI technology into consumer-grade hardware. The rapid increase in sales of AI phones, AI PCs, AI wearable devices and other products is accelerating the formation of the AI software and hardware ecosystem.

3. *Global technology giants lead innovation, product strategies evolve towards diversification and ecosystem development*

Global technology giants continue to increase investment in technology R&D and ecosystem building, leveraging the scale effect of capital investment, the network effect of user data and brand image advantages to form a development trend leading industry innovation; various emerging enterprises focus on segmented scenarios to achieve differentiated innovation breakthroughs.

Among overseas enterprises, Amazon and Google are deploying multiple product categories of smart home and "voice assistant+platform" ecosystems, while Microsoft is building a Copilot+PC office productivity ecosystem; among domestic enterprises, Xiaomi is building a human-vehicle-home ecosystem, Lenovo is advancing the AI PC agent ecosystem, and Alibaba is building a hardware empowerment ecosystem of Tongyi large model+computing power+development kits.

Diversification and ecosystem development have become the core strategies for the survival and development of industry participants. Products no longer exist in isolation, but as an important part of the intelligent ecosystem. Their value is realized through deep collaboration with cloud services, smart terminals and user perception experience. The ecosystem synergy advantages of diversified and platform-based enterprises in the AI era are becoming increasingly prominent.

SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

4. The global embodied intelligence industry moves from mass production to commercialization, domestic supply chain ushers in large-scale opportunities

In 2026, the global embodied intelligence industry is simultaneously accelerating technology iteration and commercialization, gradually moving from the pilot validation stage to large-scale commercialization, with the commercial value of multi-scenario implementation continuously being realized. Industrial manufacturing, as the core track where embodied intelligence is the most mature, has extended from single-station, single-link substitution attributes to production-line-level and workshop-level full-process intelligent solutions. It has achieved stable large-scale deployment in scenarios such as automotive assembly, 3C electronics precision manufacturing, and warehousing and logistics sorting and handling, and its effectiveness in improving production efficiency, reducing labour costs, ensuring operational precision and production safety has been widely verified on the industry side. The commercial service sector has covered scenarios such as supermarket inventory, catering delivery, and shopping mall guided tours; medical and healthcare, emergency rescue and other special scenarios are gradually being piloted, while home service scenarios are still in the cultivation stage; products in sub-categories such as cleaning and companionship are accelerating iteration, and end-consumer awareness and acceptance are steadily increasing.

Leading domestic robotics companies, relying on a complete manufacturing industry chain system and rich local application scenarios, have built significant advantages in supply chain integration, cost control, large-scale mass production and rapid scenario iteration: leading manufacturers continue to promote self-development and domestic substitution of core components, effectively supporting the large-scale mass production and delivery of complete machines; some manufacturers are deeply collaborating with downstream manufacturing customers to quickly customize adaptation solutions for rigid demand scenarios such as automotive assembly, warehousing and logistics, and new energy production, with commercialization progress at the forefront globally.

In terms of industrial policy, the "15th Five-Year Plan" has listed embodied intelligence as one of the six future industries, with supporting special plans and funding support gradually being implemented. The core industrial chain of domestic humanoid robots and industrial robots is accelerating technological breakthroughs. The technical performance of core components such as reducers, servo motors, sensors, and dedicated controllers continues to benchmark against international advanced levels. With cost optimization and efficiency improvement, the domestic supply chain will usher in large-scale development opportunities.

5. *China's new energy vehicles continue to lead, with rapid development in smart cockpits and intelligent driving*

Since 2025, China's new energy vehicle industry has maintained steady growth, accounting for over 60% of global new energy vehicle sales. The penetration rate of new energy vehicles in the domestic market continues to rise, and the industry presents a dual-driven pattern of domestic consumption and overseas exports. The overseas expansion model of Chinese automakers continues to upgrade, gradually moving from pure product exports to a new stage of complete vehicle exports, overseas plant construction and joint localization of the supply chain.

Smart cockpits are deeply coupled with AI technology. With the continuous iteration of in-vehicle large models, cockpit interaction has evolved from basic voice Q&A to in-vehicle AI agents with multimodal perception, intent understanding and task orchestration capabilities, enabling scenario-based proactive services and cross-device collaboration. Technology companies and automakers are accelerating the joint construction of in-vehicle ecosystems, deeply implementing AI capabilities into actual cockpit business scenarios, and continuously optimizing the entire driving and riding experience.

In terms of industrial policy, in 2026, mandatory national standards for L3/L4 autonomous driving were introduced and will be formally implemented in July 2027, further clarifying the unified safety access benchmark for high-level autonomous driving products. The industry regulatory framework continues to improve, promoting the evolution of the intelligent driving industry towards standardised and conditional large-scale application.

6. *Globalization of the electronics industry supply chain and manufacturing system continues*

Currently, the world is facing various macro challenges, and supply chain resilience has become a core industry concern. The electronics manufacturing supply chain is accelerating its globalization layout, showing characteristics of diversification and regionalization.

Leading enterprises generally adopt the "China+N" path for globalization, serving global customers through the "R&D localization+manufacturing localization+supply chain collaboration" model, integrating digitalization and green manufacturing concepts, and continuously improving delivery capabilities and compliance levels. Against the backdrop of electronics industry upgrading and globalization layout iteration, enterprises with larger scale in the supply chain, in order to actively respond to the delivery needs of global customers, have begun to expand their business in Vietnam, India, Mexico and other places. The rapid iteration capability of Chinese enterprises and their keen insight into new application scenarios provide strong support for the implementation of technological innovation.

Under the above industry development trends, manufacturers with multi-product category R&D experience, comprehensive software and hardware technology R&D capabilities, and global supply chain layout advantages can better meet customer needs and have stronger market competitiveness.

SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

II. THE COMPANY'S MAIN BUSINESS DURING THE REPORTING PERIOD

During the Reporting Period, as a platform-based enterprise for intelligent products, the Company provides customers with end-to-end solutions across the entire value chain. The Company's product lines comprehensively cover diversified businesses such as mobile terminals, personal computers, data centers, AIoT, automotive electronics, and robotics, with various businesses developing synergistically and steadily consolidating its competitive advantages in the industry.

(I) Mobile Terminal Business

The Company's mobile terminal business covers three core categories: smartphones, tablets and smart wearables. During the Reporting Period, the Company deeply served global leading terminal brand manufacturers, continuously explored customers' diversified needs, achieved deep collaboration across smartphone, tablet and smart wearable businesses, further expanded the product matrix and customer echelon; at the same time, it seized the transformative opportunity of AI technology empowering various consumer electronics products, leveraged its own software and hardware integration capabilities, invested R&D resources, and promoted the scenario-based implementation of AI capabilities in terminal products.

In the smartphone field, the Company has accumulated deep R&D, manufacturing, supply chain management and quality control capabilities, possesses significant cost advantages and scale effects, and continues to maintain its industry leadership position. In the direction of AI phones and other new generation smart terminals, the Company has already entered into collaborative layout with customers, laying a solid foundation for future industry upgrade opportunities.

In the tablet field, the Company fully leverages the efficient synergy advantages with its smartphone business in customer resources, production processes, supply chain systems, etc., and firmly ranks first in global market share in the tablet ODM field.

In the smart wearable field, during the Reporting Period, the Company's smart wearable product shipments and operating income achieved rapid growth. With the enrichment of brand customers' product portfolios, growth in shipments, and steady increase in industry ODM penetration, the cooperation stickiness with customers will further increase; against the background of rapid AI technology penetration, the cross-device collaboration experience of smart wearable products will continue to upgrade, and future shipments are expected to maintain sustained growth. The Company will continue to consolidate its industry leadership position in smart watches, smart bands, wireless earphones, over-ear headphones and other products, and deepen cooperation with customers across various categories.

(II) AIoT Business

In the AIoT field, the Company is one of the ODM manufacturers with the most extensive product line layout across pan-AIoT scenarios. During the Reporting Period, the Company's AIoT business covered IP cameras, smart speakers, digital photo frames, VR devices, AI glasses, gaming hardware and other diverse emerging smart hardware categories, continuously expanding domestic and international major brand customers and various downstream vertical scenario customers, accelerating the layout of end-side emerging products, and further consolidating the advantages of multi-category synergistic development. The Company closely responds to the medium- and long-term layout needs of domestic and international customers, seizes the industrial transformation opportunity of AI technology penetrating end-side smart hardware, proactively invests in innovative product R&D, and continuously deepens its technology accumulation and product reserve in cutting-edge sub-sectors.

(III) Personal Computer Business

During the Reporting Period, personal computer product shipments and operating income continued to grow, with market share and industry ranking further improving.

In the personal computer field, the Company has built a full-category product matrix, covering laptops, all-in-one PCs, desktops, printers and computer peripherals and other rich categories. In laptop products, the Company fully leverages its platform-based technology advantages, continuously innovating in areas such as antennas, thermal solutions, new materials and new processes, achieving product advantages of "light, thin, cool, quiet, excellent, durable, precise," with product types covering all scenarios from consumer to commercial. The Company maintains deep and stable cooperation with global leading brand customers, continuously expands its customer echelon, and steadily improves its market position. Relying on the synergistic competitive advantages of its intelligent product platform, the Company's personal computer business is at the industry-leading level in R&D capability, quality management, smart manufacturing and operational efficiency. On the manufacturing side, it has connected overseas manufacturing in Vietnam, Mexico and India, effectively supporting customers' diverse delivery needs. Huaqin's product competitiveness and platform-based efficiency advantages are driving the continuous increase in the Company's market share.

SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

(IV) Data Center Business

During the Reporting Period, the Company's data centre business product matrix continued to expand, and R&D and mass production work based on various new computing platforms progressed steadily.

The Company has built a full-stack product system covering AI servers, general servers, switches, and supernode complete cabinet solutions, establishing and consolidating its core supplier position among domestic leading cloud service providers, while continuously expanding industry customers and channel markets. Through long-term and sustained R&D investment in the server business, the Company has formed deep R&D design capabilities and large-scale manufacturing capabilities in this field. Centred on the medium- and long-term layout needs of mainstream customers, leveraging cross-platform R&D advantages, the Company has built a three-tier technology iteration system covering mass production delivery, iterative development, and forward-looking pre-research for various overseas and domestic computing platforms and product forms, enabling efficient response to diversified product needs at different stages of the data centre field and seizing industrial opportunities in AI computing power infrastructure construction.

The Company has an early layout in supernode complete cabinet product solutions and is one of the few manufacturers in the industry with design capabilities for both compute nodes and network nodes. The Company led the formulation of the ODCC (Open Data Center Committee) ETH-X Supernode Complete Cabinet Design Specification in 2024, and has established deep technology accumulation in complete cabinet architecture design, interconnect design, power supply design, and thermal design. On the manufacturing side, leveraging its platform advantages and its own manufacturing capacity, the Company can efficiently integrate upstream supply chains and rapidly mass-produce and deliver complete cabinets, making it a core supplier of supernode products in China.

(V) Automotive Electronics

In the automotive electronics field, relying on the cross-platform R&D design and software and hardware integration capabilities established in consumer electronics, data centers and other areas, the Company has now built a full-stack self-developed capability covering hardware, software, HMI, testing and other links, and has an automotive-grade professional and large-scale manufacturing centre. On the product side, the Company has achieved key breakthroughs and large-scale delivery in major product lines such as smart cockpits, intelligent assisted driving, body domain, and displays. For the medium- and long-term industry trends of future cockpit-driver integration and central computing, the Company has proactively laid out related domain fusion products. On the client side, the Company has simultaneously consolidated its core supplier position among traditional brand OEMs and new energy vehicle manufacturers, while establishing joint ventures with overseas automotive electronics suppliers to accelerate the expansion of domestic and international customer queues. The Company possesses full-process end-to-end solution capabilities from R&D, design to production manufacturing and large-scale delivery, and has gained high recognition from customers through deep collaboration during the product definition stage and high-quality production manufacturing delivery.

(VI) Robotics

The robotics business is the Company's second growth curve that has been cultivated as a key priority since 2025. The Company has unique platform-based advantages in the robotics field: relying on years of deep technology cultivation and industrial accumulation in the consumer electronics field, leveraging hardware platform capabilities, system-level optimization capabilities and computing infrastructure support, the Company has established a core robotics R&D team and gradually built full-chain R&D capabilities from core components to complete machine systems. With a mature large-scale smart manufacturing environment, the Company provides dedicated testing and verification and application implementation carriers for robotics products, creating a full-process support system from scenario verification to business closure, accelerating the pace of industrialization and implementation of the robotics business.

During the Reporting Period, the Company's data collection robots and robot components accelerated mass production and delivery, and wheeled humanoid robots and bipedal humanoid robots completed prototype development and implementation; at the same time, relying on its large-scale manufacturing capabilities, the Company provided manufacturing and delivery support to downstream customers in the embodied intelligence field, helping the industry accelerate mass production and implementation, and building an open ecosystem for the robotics industry.

SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

(VII) Software

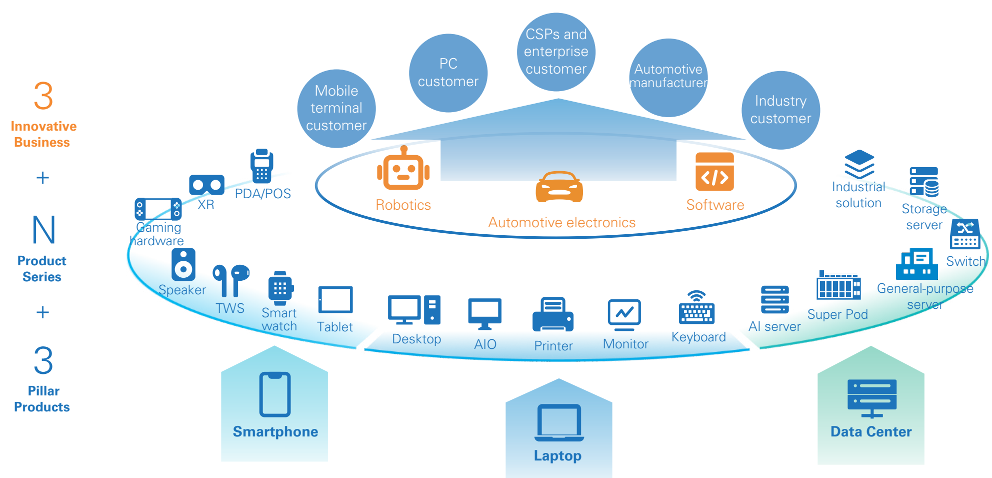
In the software business field, relying on more than 20 years of core software technology accumulation, the Company has built a full-stack software service ecosystem for consumer electronics, automotive electronics, smart industry and other industries, providing complete software solutions for human-vehicle-home connectivity, robotics, and AI device products, and providing customized software services for industry-leading enterprises and innovative companies, continuously strengthening software-hardware synergy effects, empowering the development of new quality productive forces in the industry, and consolidating the Company's core competitiveness.

III. CORE COMPETITIVENESS ANALYSIS

1. 3+N+3 Smart Product Platform-based Positioning

During the Reporting Period, relying on the Company's "3+N+3" smart product platform strategy, the synergistic effects of diversified businesses continued to be prominent. The three core business matrices firmly consolidated the foundation: the mobile terminal product portfolio centred on smartphones, the digital productivity product portfolio centred on personal computers, and the full-stack data centre infrastructure product portfolio; the three strategic business expansions of automotive electronics, robotics and software achieved phased progress, the growth momentum of the second growth curve continued to strengthen, and the Company's industrial layout of multi-track synergistic development was further improved.

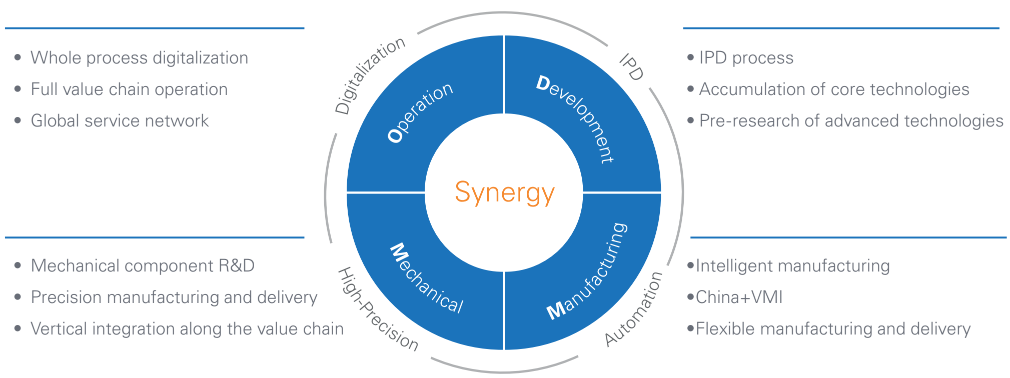
Through the systematic support of the "3+N+3" mega-platform strategy, the Company deeply reuses its years of accumulated R&D design capabilities, global efficient supply chain capabilities, and diversified smart manufacturing capabilities across various business tracks, providing full-chain product solutions to global technology customers in consumer electronics, data centers, automotive electronics and other fields. While continuously creating value for customers and end-users, it continues to broaden the boundaries of growth and consolidate the core foundation for the Company's long-term sustainable development.



2. ODMM Core Capabilities

The Company has been deeply engaged in the smart hardware ODM industry for over 20 years. Leveraging keen insight into industry development trends, continuous technological innovation and full-chain resource integration capabilities, it has broken the boundaries of the traditional ODM model, given new connotations to the ODM business, and built a unique and competitive ODMM core capability system. That is, the four core capabilities of efficient "Operation", research and "Development" and design, advanced "Manufacturing", and precision "Mechanical" components work together synergistically to comprehensively consolidate and continuously expand the Company's leading position in the global smart hardware ODM industry, providing end-to-end full-chain service support to global customers, helping the Company continuously increase market share and expand its customer base.

In terms of efficient operation, the Company continuously improves its global mass delivery capabilities and internal operational efficiency through full-process digitalization and various AI intelligent tools. In terms of R&D and design, R&D investment in the first half of 2026 was RMB3.56 billion, a year-on-year increase of 20.0%. The Company has obtained a cumulative total of 7,067 intellectual property rights, 2,136 software copyrights, 1,562 patent grants, and 55 overseas patent grants. It has established five R&D centers in Shanghai, Dongguan, Xi'an, Nanchang and Wuxi in China, with deep accumulation in key hardware, software and structural core technologies. The Company's end-to-end IPD integrated product development process supports efficient R&D of multiple products and productizes R&D results, focusing on the commercial success of products. In terms of advanced manufacturing, the Company continues to implement the concepts of smart manufacturing and lean manufacturing, continuously developing automation, digitalization and lean operations in its factories. The Company's global five-location diversified manufacturing layout can meet the diverse delivery needs of domestic and international customers. Through the self-development and self-manufacturing of core equipment, the Company continues to deepen its moat in manufacturing capabilities. In terms of precision mechanical components, through the vertical integration of leading precision mould enterprises, the Company enhances its R&D innovation and stable delivery capabilities for components, and on this basis achieves deep synergy between precision mechanical components and complete machine R&D and manufacturing, effectively optimizing product cost structure, enhancing product competitiveness, and building the Company's core competitiveness.



SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

3. "China+VMI" Global Supply Chain Layout, Resilience Builds an Anti-risk Moat

To respond to customers' diversified needs and external environmental uncertainties, the Company continues to promote its global manufacturing layout, forming a dual-supply system of domestic core bases and overseas VMI bases. Leveraging the geographical advantages of Dongguan and Nanchang in China and mature industrial clusters, the Company has established large-scale R&D, manufacturing and supply chain centers in both locations, providing customers with efficient and agile end-to-end services. Overseas, it has completed global multi-customer, multi-category large-scale manufacturing and delivery in VMI (Vietnam, Mexico, India). The Company will continue to strengthen the management and compliant operation of each base, further improve production and operation efficiency in each location, and meet customers' diverse delivery needs.

4. Excellent organizational Management Capabilities and Talent Team Advantages

The Company has a highly professional, experienced and globally-oriented core management team. The management team's management experience, industry accumulation, forward-looking layout and efficient execution provide solid management support for the Company's sustained and stable development, enabling various business units to efficiently achieve strategic goals. The Company adopts a "small group, large BG" organizational model, granting business groups a high degree of operational autonomy, enabling them to deeply cultivate segmented markets, respond quickly to customer needs, improve organizational agility and synergy among various businesses, and ensure the efficient achievement of strategies.

The Company has built an integrated "select, employ, develop, flow" talent system, continuously expanding the scale of recruitment for fresh graduates both domestically and internationally, while precisely introducing professional talents in new businesses and core technology fields to build a diversified and international talent supply chain; improving internal training and promotion mechanisms to ensure that talent matches business needs, while encouraging internal talent rotation to achieve optimal allocation of human resources and continuous stimulation of organizational vitality.

The Company continuously increases investment in talent, focuses on sharing the results of the Company's rapid development with employees, and insists on implementing equity incentive plans every year. Through salaries, long-term incentives, improved career development channels and other means, it enhances the attractiveness and cohesion for outstanding talents, making the organization and talent the core driving force for the Company's technological innovation, business expansion and globalization layout.

IV. FINANCIAL REVIEW

The following discussion and analysis are prepared on the basis of financial information prepared in accordance with IFRS.

Revenue

During the Reporting Period, the Group's revenue primarily derived from (i) mobile terminals, mainly including smartphones, tablets and smart wearables, (ii) computing and data center business, mainly including PCs and digital infrastructure products, (iii) AIoT products, such as smart home devices, XR products, and gaming hardware, (iv) innovative business, mainly including automotive electronics and industrial products, robotics products and software, and (v) others, mainly including sales of materials and scrap. During the Reporting Period, the Group generated revenue of RMB93,719,083 thousand, representing an increase of 11.7% compared to 83,939,258 thousand for the same period in 2025, mainly due to the continued expansion of the Group's business scale during the Reporting Period, resulting in a significant increase in shipment volumes across products during the Reporting Period.

The following table sets forth the Group's revenue analysis by business segment and geographical region:

Unit: RMB'000

	The Reporting Period		Same Period Last Year		
	Amount	**Percentage of Revenue**	Amount	Percentage of Revenue	Year-on-Year Change (%)
Total revenue	**93,719,083**	**100%**	83,939,258	100%	11.7%
Business segment					
Mobile terminals	**41,116,682**	**43.9%**	35,268,928	42.0%	16.6%
Computing and data center business	**43,324,889**	**46.2%**	42,162,381	50.2%	2.8%
AIoT	**6,044,829**	**6.4%**	3,276,016	3.9%	84.5%
Innovative business	**2,535,559**	**2.7%**	1,079,646	1.3%	134.9%
Other business	**697,124**	**0.8%**	2,152,287	2.6%	-67.6%
Geographical region					
China	**32,109,415**	**34.3%**	44,557,849	53.1%	-27.9%
Overseas	**61,609,668**	**65.7%**	39,381,409	46.9%	56.4%

SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

Gross Profit and Gross Profit Margin

During the Reporting Period, the Group's gross profit amounted to RMB7,432,598 thousand, representing a year-on-year increase of 19.7%; primarily due to the continued expansion of the Group's business scale during the Reporting Period, which resulted in a significant increase in shipment volumes across products and a corresponding increase in gross profit from sales. During the Reporting Period, the Group's gross profit margin was 7.9%, representing a year-on-year increase of 0.5%, primarily due to changes in product mix.

Other Income

During the Reporting Period, the Group's other income amounted to RMB465,488 thousand, representing a year-on-year increase of 6.3%, primarily due to an increase in government grants received.

Other Gains and Losses, Net

During the Reporting Period, the Group's other gains and losses, net amounted to RMB1,383,136 thousand, representing a year-on-year increase of 439.3%, primarily due to an increase in the fair value of external equity investments.

Selling Expenses

During the Reporting Period, the Group's selling expenses amounted to RMB185,481 thousand, representing a year-on-year increase of 17.9%, primarily due to the business expansion during the Reporting Period; the selling expense ratio was 0.2%, remaining relatively stable compared to the same period of 2025.

General and Administrative Expenses

During the Reporting Period, the Group's general and administrative expenses amounted to RMB1,684,935 thousand, representing a year-on-year increase of 21.9%, primarily due to the business expansion during the Reporting Period, resulting in an increase in expenses such as staff remuneration and depreciation and amortization. The administrative and other operating expense ratio was 1.8%, remaining relatively stable compared to the same period of 2025.

Research and Development Expenses

During the Reporting Period, the Group's research and development expenses amounted to RMB3,556,786 thousand, representing a year-on-year increase of 20%, primarily due to an increase in R&D investment in line with business expansion during the Reporting Period; the Group's R&D expenses as a percentage of total revenue increased from 3.5% in the first half of 2025 to 3.8% in the first half of 2026, primarily due to increased R&D investment.

Finance Costs

During the Reporting Period, the Group's finance costs amounted to RMB262,373 thousand, representing a year-on-year increase of 144.5%, primarily due to an increase in interest expenses and other effects.

Share of Results of Associates

During the Reporting Period, the Group's share of results of associates recorded a profit of RMB57,216 thousand, representing a year-on-year increase of 10.6%, primarily due to the fluctuations in the performance of some of our associates and changes in the composition of our investment portfolio.

Profit for the Period

As a result of the foregoing factors, the Group's profit for the Reporting Period amounted to RMB3,052,840 thousand, representing a year-on-year increase of 60.0%.

Assets and Liabilities

The Group's total non-current assets increased from RMB25,458,636 thousand as at December 31, 2025 to RMB29,023,619 thousand as at June 30, 2026, primarily due to the increase in property, plant and equipment and investments in associates resulting from the expansion of the Group's business scale during the Reporting Period.

The Group's total current assets increased from RMB70,746,992 thousand as at December 31, 2025 to RMB107,645,716 thousand as at June 30, 2026, primarily due to the increase in trade receivables and notes receivable measured at amortized cost and inventories.

The Group's total non-current liabilities increased from RMB6,159,679 thousand as at December 31, 2025 to RMB8,640,053 thousand as at June 30, 2026, primarily due to the Group's public issuance of technology innovation corporate bonds and the increase in long-term borrowings.

The Group's total current liabilities increased from RMB63,700,621 thousand as at December 31, 2025 to RMB95,343,643 thousand as at June 30, 2026, primarily due to the increase in the Company's trade payables and notes payable and short-term borrowings.

The Group's net assets increased from RMB26,345,328 thousand as at December 31, 2025 to RMB32,685,639 thousand as at June 30, 2026, primarily due to the growth in the Group's net profit and the increase in equity resulting from the H Share issuance.

SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

Cash Flows

During the Reporting Period, the Group's net cash generated from operating activities amounted to RMB642,612 thousand, the difference between net cash generated from operating activities and profit before taxation of RMB3,340,157 thousand was primarily due to (1) certain adjusting items, mainly comprising depreciation and amortization of non-current assets of RMB987,063 thousand and a decrease in net (gains)/losses from changes in fair value of financial assets and liabilities at FVTPL of RMB1,305,560 thousand; and (2) changes in working capital, mainly comprising an increase in trade payables and notes payable of RMB20,403,480 thousand, partially offset by an increase in inventories of RMB13,943,789 thousand and an increase in trade receivables and notes receivable of RMB8,887,701 thousand.

During the Reporting Period, the Group's net cash used in investing activities amounted to RMB-5,110,768 thousand, primarily due to an increase in fixed asset investments in line with capacity expansion during the Reporting Period, together with an increase in the scale of external equity investments.

During the Reporting Period, the Group's net cash generated from financing activities amounted to RMB10,902,549 thousand, primarily due to the H Share listing, the issuance of corporate bonds and an increase in the scale of bank financing during the period, to support business expansion.

Liquidity, Financial Resources and Capital Structure

As at June 30, 2026, the Group's gearing ratio (defined as the ratio of total liabilities to total assets) was 76.1% (as at December 31, 2025: 72.6%), primarily the increase in assets and liabilities arising from the continued expansion of the Group's business scale, partially offset by the increase in equity resulting from the H Share listing during the Reporting Period and the growth in net profit.

The following table sets out the absolute amounts of total assets and total liabilities of the Group and the gearing ratio as at June 30, 2026 and December 31, 2025:

Unit: RMB'000

	As at June 30, 2026	As at December 31, 2025
Total assets	**136,669,335**	96,205,628
Total liabilities	**103,983,696**	69,860,300
Gearing ratio	**76.1%**	72.6%

The Group's cash and cash equivalents as at June 30, 2026 amounted to RMB16,884,619 thousand (as at December 31, 2025: RMB12,032,425 thousand).

The Group's outstanding borrowings as at June 30, 2026 amounted to RMB26,680,739 thousand (as at December 31, 2025: RMB19,326,784 thousand), of which RMB21,648,363 thousand was repayable within one year. Approximately 88.3% of such outstanding borrowings (as at December 31, 2025: 89.0%) bore interest at fixed rates, with the remainder at floating rates.

During the Reporting Period, the Group met its working capital and other capital requirements primarily through cash generated from business operations and financing activities including share issuances, trade receivables from sales, and bank borrowings.

The Group has sufficient liquidity to meet its daily working capital management needs, repay maturing debts and capital expenditure requirements, and to control its internal operating cash flows.

Capital Expenditure

The Company's capital expenditure includes purchases of property, plant and equipment and intangible assets for production purposes. The Company's capital expenditure (excluding business combinations) decreased from RMB1,454,043 thousand in the first half of 2025 to RMB1,254,290 thousand in the first half of 2026, primarily due to the purchase of property, plant and equipment used in our manufacturing and intangible assets and land use rights..

Capital Commitments

As at June 30, 2026, the Company's capital commitments contracted but not yet provided for amounted to RMB3,627,636 thousand (December 31, 2025: RMB2,053,590 thousand), primarily due to our capital commitments primarily represent capital expenditure contracted for but not provided for purchase of property, plant and equipment, intangible assets and land use rights during the Reporting Period.

Pledged Assets

As at June 30, 2026, the net book value of assets pledged/mortgaged by the Group for establishing bank acceptance bills and obtaining bank borrowings, etc. amounted to RMB11,147,200 thousand (as at December 31, 2025: RMB6,440,959 thousand). Such assets mainly comprised cash, trade receivables, fixed assets, intangible assets, etc..

SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

Foreign Exchange Risk and Related Hedging

The majority of the Group's revenue and cost of sales are denominated in Renminbi. However, as the Group also operates in certain countries and regions outside China and has certain debts and cash denominated in foreign currencies, the Group is exposed to risks associated with foreign exchange fluctuations. The foreign currencies that give rise to such risks are primarily the US dollar and the Euro.

In managing foreign exchange risks, the Group employs natural hedging and relevant hedging instruments (such as derivative instruments, principally including forward contracts, options and swap contracts). Following detailed assessments, the Group selects appropriate hedging instruments based on the nature of the transactions and prevailing financial market conditions. Through the combination of these measures, the Group seeks to minimise foreign exchange risks and mitigate the impact of exchange rate fluctuations on its operating results.

Contingent Liabilities or Guarantees

As at June 30, 2026, the Group did not have any material contingent liabilities or guarantees.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Reference is made to the announcements of the Company dated April 28, 2026 and May 20, 2026 in relation to the acquisition by Hefei Qinhe Electronic Technology Co., Ltd., a wholly-owned subsidiary of the Company, of 100,379,585 A shares of Nexchip Semiconductor Corporation ("**Nexchip Semiconductor**") (representing approximately 5.0% of its total issued share capital) from Powerchip Innovation Investment Holdings Co., Ltd., an Independent Third Party, at a total cash consideration of RMB2,651,024,839.85, which completed on May 19, 2026. The consideration was settled and funded by the Group's cash on hand, without utilising any proceeds from the Global Offering. Upon completion, the Group held approximately 11.0% of the total issued share capital of Nexchip Semiconductor. As such acquisition was aggregated with a previous acquisition pursuant to Rule 14.22 of the Listing Rules, it constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

Save as disclosed above, as at June 30, 2026, the Group did not hold any material investment, being an investment in an investee company where the amount invested represents 5% or more of the Group's total assets, nor undertake any material acquisition or disposal of subsidiaries, associates or joint ventures.

Future Plans for Material Investments or Acquisition of Capital Assets and Expected Sources of Funding

The Group intends to continue to hold its interest in Nexchip Semiconductor over the long term, with a view to deepening the integration of resources and synergies across the upstream and downstream of the industry chain and to seizing the opportunity to make further key strategic investment arrangements, so as to enhance the Group's overall competitiveness and market position. Any such further investment is expected to be funded by the Group's cash on hand (without utilising any proceeds from the Global Offering).

Save as disclosed above, as at June 30, 2026, the Group had no other plans for material investments or acquisition of capital assets.

Employee Information and Remuneration Policy

As at June 30, 2026, the Group had approximately 81,813 employees (December 31, 2025: 70,029 employees), most of whom were based in China. During the Reporting Period, total employee remuneration cost amounted to RMB5,991,330 thousand, accounting for approximately 6.4% of the Group's revenue.

The remuneration packages of our employees include salary and bonuses, which are usually determined based on their seniority, performance appraisal and term of service. The Group also provides share incentives and promotion opportunities to motivate our employees.

We enter into employment contracts with our employees, and enter into confidentiality and non-compete agreements with our key R&D personnel and technical employees.

We attach great importance to attracting, retaining and motivating talent. In recruitment, we comprehensively consider their work experience, educational background and our vacancy needs, through channels include on-campus recruiting, professional recruiters, online recruiting and internal referral.

SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

We have established a structured, progressive talent development system with clearly defined pathways for employee advancement, and launched the "Young Sequoia" (小紅杉) programme for new graduates, offering systematic training. We have developed an integrated, intelligent KMS (knowledge management system), which provides online and offline learning resources. Our employee development framework consists of five modules, encompassing new employee onboarding, general skills training, professional expertise development, management capability building, and business operations proficiency. Through training academies, internal trainer network, sharing internally and external courses, we implement talent development and empowerment programmes.

We conduct periodic performance review and evaluate employee performance through KPIs at the business level and personal business commitments. Their remuneration is based on factors including performance, contributions, years of experience and qualifications.

Dividend

The Board has not made any recommendation on the payment of an interim dividend for the six months ended June 30, 2026.

Subsequent Events

Save as disclosed in note 32 to the interim condensed consolidated financial information set forth in this report, the Company has no material subsequent events since the end of the Reporting Period.

V. THE COMPANY'S FUTURE OUTLOOK

With the development of technologies such as AI, IoT and cloud computing, together with growing consumer demand, the smart hardware industry is undergoing unprecedented transformation. In order to achieve the Company's long-term and steady development, the Company will implement its business plans in the following respects:

1. Continuing to Advance the "3+N+3" Product Layout in All Categories

The Company remains firmly committed to advancing its "3+N+3" global smart product platform strategy, continuously optimizing its diversified product matrix and customer structure, and steadily reinforcing the foundation for long-term growth. Building on the continued increase in market share in its three mature core businesses, namely mobile terminals, personal computers and data centers, the Company is actively expanding into three strategic fields, namely automotive electronics, robotics and software business, to create new engines for future growth.

Mobile Terminal Business: In the smartphone sector, industry ODM penetration continues to rise steadily, with market share increasingly concentrated among leading manufacturers. As a global leader in smart product ODM, the Company continues to deepen strategic cooperation with core customers, strengthen customer loyalty, steadily increase market share and reinforce its leading position in the industry. In the tablet sector, the Company closely aligns with industry development trends and the pace of customers' product iterations, continues to consolidate its leading industry advantages, and maintains its position as the world's largest by shipment volume. In the smart wearables sector, leveraging its full-category R&D and design capabilities across smart watches, smart bands, TWS earphones and over-ear headphones, the Company has become a core supplier to leading global brands. As market share for wearable products continues to accelerate toward concentration among leading smartphone brands, the Company will fully leverage the resource synergies of its smartphone business, deepen multi-category strategic collaboration with global customers, and continue to increase its market share in the smart wearables business. In response to the industry trend of artificial intelligence technology accelerating its penetration into consumer terminals, the Company will continue to invest forward-looking R&D resources, seize the industry opportunities presented by AI-enabled mobile terminal products, and drive the technological iteration and mass production of products such as AI phones and on-device AI hardware.

SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

Personal Computer Business: The Company's laptop business boasts a premium global customer matrix, with shipment scale ranking among the industry's leaders. The business has consistently centered on technological innovation, continuously reinforcing its core competitive barriers. The Company has redeployed the product innovation capabilities, quality control and operational capabilities accumulated in the smartphone sector to its personal computer business, building competitive products and consolidating its technological leadership. Leveraging its integrated core ODM capabilities, the Company continues to optimize R&D and operational efficiency, respond nimbly to customers' diverse customization needs, steadily expand its market share in the global laptop ODM market, and enhance its industry position. Amid the industry wave of AI empowering the PC industry, the Company continues to launch AI PC products geared towards next-generation innovative architectures, conducting R&D planning in tandem with customer needs. At the same time, the Company is accelerating the enrichment of its PC ecosystem product matrix and expanding into pan-PC office scenario categories, opening up a new growth curve for its laptop business.

Data Center Business: The Company continues to adhere to its dual-driver strategy of CSPs (cloud service providers) and industry customers, fully leveraging its full-stack delivery advantages in computing and network node products, and drawing on its cross-platform R&D and design capabilities to drive coordinated leadership in scale, technology and efficiency across its full range of data center products. The Company will continue to consolidate its position as a core supplier to leading CSP customers, steadily increase its share of customer procurement, and continuously optimize its product mix to strengthen its overall product competitiveness. At the product category level, AI servers will continue to maintain a leading market position in the industry, the general-purpose server and switch businesses will sustain rapid growth, and the super node rack-scale category will continue to unlock first-mover advantages, together providing solid support for the Company's continued business growth. The Company has established and refined a three-tier technology iteration system comprising mass production delivery, iterative development and forward-looking pre-research, achieving efficiency gains and supply assurance for mature products, iterative upgrades for core products, and a leading position for innovative products through tiered R&D deployment. This safeguards the Company's technological leadership and market competitiveness across its full range of data center products and enables it to fully capture the long-term development opportunities arising from the build-out of AI computing infrastructure.

In the automotive electronics field, the Company focuses on core product directions such as smart cockpits, intelligent driving assistance, body domain controllers and in-vehicle displays. Drawing on the R&D and design capabilities and software ecosystem advantages built up through years of technological expertise, the Company continues to strengthen its product competitiveness and technological innovation capabilities, upholding high-quality delivery and high reliability assurance, and responding swiftly to customers' diverse needs. Going forward, the Company will continue to consolidate and expand its core business base, actively expand its base of quality customers at home and abroad, and continuously refine its product layout and industry chain collaboration in the smart automotive electronics field. With technological innovation and efficient delivery as its core competitiveness, the Company will continue to increase its market share and industry influence, and work with full effort to create greater industry value and long-term growth momentum.

In the robotics field, the Company aims to become a leading provider of full-stack robotics solutions in the 3C manufacturing sector. Leveraging its extensive manufacturing scenarios and data, the Company is fully committed to developing wheeled robots for manufacturing scenarios, helping to drive continuous improvement in industrial production efficiency. In the data collection robot field, the Company fully leverages its technological accumulation and platform empowerment to efficiently expand its customer base and achieve scaled shipments of its products. In the humanoid robot field, the Company is steadily advancing the R&D and iteration of humanoid robots, positioning itself in this future frontier track, while accelerating the mass production and delivery of product components to gradually build out the industry chain ecosystem. In the household cleaning robot field, the Company fully leverages its platform capabilities to continuously expand its customer resources and strengthen its market competitiveness. In addition, drawing on its mature intelligent manufacturing lines, the Company provides efficient manufacturing services to a number of leading embodied intelligence companies, continuously expanding the scale of its robot manufacturing and further refining the ecosystem layout of its robotics business.

Software Business: The Company will fully leverage the system-level software service experience accumulated across its diverse hardware product categories to continue expanding its independent software development business, broadening its business boundaries and scaling up its operations, thereby driving high-quality development of its software business and forming a positive pattern of coordinated development with its hardware business. Drawing on its underlying software adaptation and system integration capabilities across multiple operating systems and chip platforms, the Company is able to provide one-stop software technology services, including customized software solutions, in-depth system tuning and end-to-end testing and verification. Seizing the development opportunities presented by the AI industry, the Company continues to increase R&D investment in areas such as software algorithms, cross-device collaboration and performance and power optimization, strengthening its capabilities in AI software stack development and deployment to empower experience upgrades across various smart terminal products. Going forward, the Company will further amplify the synergies of its integrated software and hardware capabilities, continue to diversify the revenue sources of its software business, and open up further growth space for the business.

SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

2. Continuing to Enhance R&D Technology Capabilities

The Company maintains sustained and steady annual investment in R&D, and will continue to conduct forward-looking technology research through its X-Lab. The Company has established four core research laboratories covering acoustics, optics, thermal science and radio frequency, and is also conducting research into core humanoid robot technologies and AI large language model technologies, forming a technology framework of "common technology research+incubation of future industries". The team brings together talents from renowned universities in China and abroad, as well as senior industry experts, providing strong talent support for technological innovation. The Company operates laboratories certified to high industry standards and equipped with advanced global equipment, having built a comprehensive evaluation and testing system that provides end-to-end hardware assurance from technology R&D through to verification.

The Company will continue to focus on product innovation and enhancing user experience. In the consumer electronics field, the Company continues to invest R&D resources in technologies such as audio, heat dissipation, communications and product aesthetics to achieve technological breakthroughs. In the data center business, the Company will continue to focus on core technological innovations such as high-speed network data transmission technology, liquid cooling technology, high-efficiency power supply technology and software-hardware system integration, enriching its data center product portfolio. In the automotive electronics field, the Company will strengthen R&D in advanced smart cockpit systems and intelligent driving assistance systems, in order to better serve mainstream vehicle manufacturers. In the robotics field, the Company will focus on cross-hardware-platform software solutions and end-to-end "perception-decision-execution" solutions to achieve real-world deployment, and is committed to delivering a natural, smooth, precise and efficient robot control experience.

3. Continuing to Advance Global Operations and Intelligent Manufacturing Deployment

Leveraging its global supply chain network, end-to-end digital management and internal collaboration mechanisms, the Company has built an efficient global operations system and continues to enhance operational efficiency. The Company will continue to leverage the advantages of its end-to-end integrated ecosystem, achieving efficient coordination from product design through to delivery via the coordinated deployment of its intelligent manufacturing centers and R&D centers, thereby providing customers with faster product iteration, more flexible customization services and more efficient technical support. The Company is committed to better applying advanced technologies such as artificial intelligence and machine vision across the entire manufacturing, supply chain management and quality control process, and to comprehensively optimizing efficiency across the entire end-to-end chain through predictive analytics, automated decision-making and digital collaboration, injecting innovative momentum into its global operations.

The Company has established intelligent manufacturing capabilities centered on automation, digitalization, lean management, sustainability and globalization, achieving industry-leading production efficiency. The Company will continue to advance capacity upgrades at its global manufacturing bases, enhancing the resilience of its manufacturing and supply chain worldwide. Based on the needs of its diverse customers and supply chain requirements, the Company will reasonably expand and optimize its production capacity on a global scale. The Company will continue to build out its glocalized supply chain teams, working closely with suppliers to build a tightly coordinated supply chain network, effectively ensuring the professionalism and efficiency of product selection. It will continue to pursue upstream and downstream vertical integration, establishing strategic partnerships with suppliers of core components, thereby improving production and operational efficiency, deepening its cost advantages and safeguarding supply chain stability. At the same time, the Company will actively align upstream components and finished products through collaborative innovation, enhancing the overall competitiveness of its products.

4. Strengthening the Company's Organizational and Talent Team Development

In 2026, facing the challenges and opportunities arising from the deepening of its global footprint and the high-quality development of its business, the Company will continue to uphold its "strategy-business-organization" coordinated development approach, building an efficient organization and talent team suited to global development. This will provide solid support for the implementation of the Company's business objectives and help the Company achieve steady expansion of its global business and continuous enhancement of its core competitiveness.

In terms of organizational development, the Company will further deepen the implementation of its "small HQ, big BG (小集團，大 BG)" model, further enhancing organizational efficiency and collaboration capability through standards development and empowerment, continuously optimizing its management mechanisms, and strengthening the application of digital systems to make the organization more agile and enable more efficient coordination. The Company will encourage experienced talent to move into new businesses and R&D talent to move toward front-line roles, overall operations and manufacturing, cultivating a core talent team with global vision, diverse expertise and composite capabilities.

The Company places great importance on building its employer brand, upholding a culture of simplicity, inclusiveness and embracing change, and placing emphasis on improving employee benefits and enhancing employee experience. At the same time, the Company will continue to improve its employee development system, establish clear career development pathways, and strengthen employees' sense of belonging and cohesion. In addition, the Company will actively fulfill its corporate social responsibility, integrating social responsibility into the entire process of organizational development and talent cultivation, demonstrating its corporate social value, further enhancing the influence of its employer brand, and attracting and retaining outstanding talents from China and abroad, thereby providing solid talent support for the implementation of the Company's globalization strategy.

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

I. CORPORATE GOVERNANCE

1. Compliance with Corporate Governance Code

The Board is of the view that from the Listing Date of H Shares up to the end of the Reporting Period, the Company has implemented corporate governance practices to comply with all the provisions and most of the recommended best practices of the Corporate Governance Code as set out in Appendix C1 of the Hong Kong Listing Rules. Save for Code Provision C.2.1 of Part 2 of the Corporate Governance Code (as described below), the Company has complied with the applicable code provisions of the Corporate Governance Code. The Board will continue to review and monitor its code of corporate governance practices of the Company with an aim of maintaining a high standard of corporate governance.

The roles of chairman of the Board and general manager of our Company are currently performed by Mr. Qiu Wensheng. In view of Mr. Qiu Wensheng's substantial contribution to our Group since our establishment and his extensive experience, the Group considers that having Mr. Qiu Wensheng acting as both our chairman of the Board and general manager will provide strong and consistent leadership to our Group and facilitate the efficient execution of our business strategies. The Company considers it appropriate and beneficial to its business development and prospects that Mr. Qiu Wensheng continues to act as both our chairman of the Board and general manager, and therefore currently does not propose to separate the functions of chairman of the Board and general manager. While this would constitute a deviation from code provision C.2.1 of Part 2 of the Corporate Governance Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of our Company, given that: (a) there are sufficient checks and balances in the Board, as a decision to be made by our Board requires approval by at least a majority of our Directors, and our Board comprises three independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (b) Mr. Qiu Wensheng and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (c) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether the separation of the roles of chairman of the Board and general manager is necessary.

2. Change of Directors and Chief Executives and Changes in Their Information

The changes in Directors' information which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are as follows:

1. Mr. Qiu Wensheng, an executive Director, was appointed as a director and general manager of Hefei Qinhe Electronic Technology Co., Ltd. (合肥勤合電子科技有限公司), a wholly owned subsidiary of the Company, on March 3, 2026.

2. Mr. Cui Guopeng, an executive Director, resigned as the authorized representative of Guangdong Xiqin Precision Mould Co., Ltd. (廣東省西勤精密模具有限公司), a wholly owned subsidiary of the Company, on April 20, 2026.

3. Ms. Chen Xiaorong, an executive Director, resigned as a director of Dongguan Huabei Electronic Technology Co., Ltd. (東莞華貝電子科技有限公司), a wholly owned subsidiary of the Company, on March 26, 2026.

4. Ms. Chen Xiaorong, an executive Director, resigned as an executive director of Nanchang HuaQin Electronic Technology Co., Ltd. (南昌華勤電子科技有限公司), a wholly owned subsidiary of the Company, on March 24, 2026.

5. Ms. Chen Xiaorong, an executive Director, resigned as an executive director and general manager of Wuxi Ruiqin Technology Co., Ltd. (無錫睿勤科技有限公司), a wholly owned subsidiary of the Company, on March 6, 2026.

6. Ms. Chen Xiaorong, an executive Director, resigned as a director and manager of Nanchang Yiqin Technology Co., Ltd. (南昌逸勤科技有限公司), a wholly owned subsidiary of the Company, on March 4, 2026.

7. Mr. Deng Zhiguo, an executive Director, was appointed as a director of Shanghai Evex Honlink Technology Co., Ltd. (上海遠圖弘聯技術有限公司), a partly owned subsidiary of the Company, on June 18, 2026.

8. Mr. Deng Zhiguo, an executive Director, was appointed as a director of Shanghai Evex Wiscapital Technology Co., Ltd. (上海遠圖智投技術有限公司), a partly owned subsidiary of the Company, on June 18, 2026.

Save as disclosed above, from the Listing Date of H Shares and up to the end of the Reporting Period, there were no changes in the biographical details of the Directors or senior management of the Company that would otherwise be required to be disclosed under Rule 13.51B(1) of the Listing Rules.

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

3. Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as set out in Appendix C3 to the Hong Kong Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, each of the Directors has confirmed compliance with the required standard set out in the Model Code from the Listing Date of H Shares up to the end of the Reporting Period.

II. CHANGES IN SHARE CAPITAL OF THE COMPANY (AS AT JUNE 30, 2026)

As at June 30, 2026, the Company's issued Shares were 1,516,201,463 Shares. During the Reporting Period, details of changes in the Company's share capital are set out below:

Unit: Shares

Class of Shares	Number of issued shares (excluding treasury shares) as at January 1, 2026	Changes of issued shares (excluding treasury shares) during the Reporting Period			Number of treasury shares as at January 1, 2026	Changes of treasury shares during the Reporting Period	Number of issued shares as at June 30, 2026
		Issue of new shares	Issue of new shares due to 2025 Profit Distribution Plan and Capital Reserve Capitalization Plan	Subtotal			
A Shares	1,015,516,397	–	406,206,559	406,206,559	215,947	–	**1,421,938,903**
H Shares	–	67,330,400	26,932,160	94,262,560	–	–	**94,262,560**
Total	1,015,516,397	67,330,400	433,138,719	500,469,119	215,947	–	**1,516,201,463**

III. DISCLOSURE OF INTERESTS

1. Substantial Shareholders' Interests in Shares and Underlying Shares of the Company

As at June 30, 2026, to the knowledge of the Directors of the Company, the following Shareholders had interests in A Shares and H Shares which were required to be disclosed to the Company and the Hong Kong Stock Exchange under Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded into the register kept by the Company under section 336 of the SFO:

Name of substantial Shareholders	Nature of interest	Class of shares	Long position/ Short position	Number of shares directly or indirectly held	Approximate percentage of shareholding in the relevant class of shares	Approximate percentage of shareholding in the Company's issued share capital
Mr. Qiu Wensheng	Beneficial owner	A Shares	Long position	68,314,456	4.80%	4.51%
	Interest in controlled corporations		Long position	529,200,000	37.22%	34.90%
	Interest of person acting in concert [4]		Long position	19,276,604	1.36%	1.27%
	Beneficial owner	H Shares	Long position	110,000	0.12%	0.01%
Shanghai Aoqin [1]	Beneficial owner	A Shares	Long position	449,820,000	31.63%	29.67%
	Interest of person acting in concert [4]		Long position	166,971,060	11.74%	11.01%
		H Shares	Long position	110,000	0.12%	0.01%
Shanghai Haixian [2]	Beneficial owner	A Shares	Long position	79,380,000	5.58%	5.24%
	Interest of person acting in concert [4]		Long position	537,411,060	37.79%	35.44%
		H Shares	Long position	110,000	0.12%	0.01%
Mr. Qiu Wenhui	Beneficial owner	A Shares	Long position	25,284	0.00%*	0.00%*
	Interest in controlled corporations		Long position	19,251,320	1.35%	1.27%
	Interest of person acting in concert [4]		Long position	597,514,456	42.02%	39.41%
		H Shares	Long position	110,000	0.12%	0.01%

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

Name of substantial Shareholders	Nature of interest	Class of shares	Long position/ Short position	Number of shares directly or indirectly held	Approximate percentage of shareholding in the relevant class of shares	Approximate percentage of shareholding in the Company's issued share capital
Fujian Yuexiang [3]	Beneficial owner	A Shares	Long position	19,251,320	1.35%	1.27%
	Interest of person acting in concert [4]		Long position	597,539,740	42.02%	39.41%
		H Shares	Long position	110,000	0.12%	0.01%
Ms. Lin Min [3]	Interest in controlled corporations	A Shares	Long position	616,791,060	43.38%	40.68%
		H Shares	Long position	110,000	0.12%	0.01%
Hainan Qinyuan Venture Investment Partnership Enterprise (Limited Partnership) (海南勤沅創業投資合夥企業(有限合夥))	Beneficial owner	A Shares	Long position	70,111,442	4.93%	4.62%
	Interest of person acting in concert [5]		Long position	31,820,600	2.24%	2.10%
Mr. Cui Guopeng	Beneficial owner	A Shares	Long position	31,820,600	2.24%	2.10%
	Interest of person acting in concert [5]		Long position	70,111,442	4.93%	4.62%
Hainan Mozhi Investment Partnership Enterprise (Limited Partnership) (海南摩致投資合夥企業(有限合夥))	Beneficial owner	A Shares	Long position	59,728,300	4.20%	3.94%
	Interest of person acting in concert [6]		Long position	26,571,200	1.87%	1.75%

Name of substantial Shareholders	Nature of interest	Class of shares	Long position/ Short position	Number of shares directly or indirectly held	Approximate percentage of shareholding in the relevant class of shares	Approximate percentage of shareholding in the Company's issued share capital
Mr. Wu Zhenhai	Beneficial owner	A Shares	Long position	26,571,200	1.87%	1.75%
	Interest of person acting in concert (6)		Long position	59,728,300	4.20%	3.94%
Ms. Chen Xiaorong	Beneficial owner	A Shares	Long position	21,275,700	1.50%	1.40%
	Interest of person acting in concert (7)		Long position	65,504,807	4.61%	4.32%
Hainan Ruansheng Venture Investment Partnership Enterprise (Limited Partnership) (海南軟勝創業投資合夥企業(有限合夥))	Beneficial owner	A Shares	Long position	65,504,807	4.61%	4.32%
	Interest of person acting in concert (7)		Long position	21,275,700	1.50%	1.40%
Mr. Deng Zhiguo	Interest in controlled corporations (8)	A Shares	Long position	64,626,179	4.54%	4.26%
Hainan Huaxiao Venture Investment Partnership Enterprise (Limited Partnership) (海南華效創業投資合夥企業(有限合夥))	Interest of person acting in concert (8)	A Shares	Long position	64,626,179	4.54%	4.26%

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

Name of substantial Shareholders	Nature of interest	Class of shares	Long position/ Short position	Number of shares directly or indirectly held	Approximate percentage of shareholding in the relevant class of shares	Approximate percentage of shareholding in the Company's issued share capital
JPMorgan Chase & Co.	Beneficial owner	H Shares	Long position	579,440	0.99%	0.05%
	Beneficial owner		Short position	604,140	1.03%	0.06%
	Investment manager		Long position	13,647,400	23.31%	1.27%
	Person having a security interest in shares		Long position	20	0.00%*	0.00%*
	Approved lending agent		Long position	256,759	0.44%	0.02%
JPMORGAN ASSET MANAGEMENT (ASIA PACIFIC) LIMITED	Investment manager	H Shares	Long position	8,213,400	14.02%	0.76%
BofAML Jersey Holdings Limited	Interest in controlled corporations	H Shares	Long position	4,407,400	7.53%	0.41%
NB Holdings Corporation	Interest in controlled corporations	H Shares	Long position	4,407,400	7.53%	0.41%
Bank of America Global Holdings, LLC	Interest in controlled corporations	H Shares	Long position	4,303,300	7.35%	0.40%
GHS Singapore Holding Pte. Ltd.	Interest in controlled corporations	H Shares	Long position	4,303,300	7.35%	0.40%
Merrill Lynch (Asia Pacific) Limited	Beneficial owner	H Shares	Long position	4,303,300	7.35%	0.40%
Merrill Lynch HK Services Limited	Interest in controlled corporations	H Shares	Long position	4,303,300	7.35%	0.40%

Notes:

(1) As at June 30, 2026, Shanghai Aoqin is held by Mr. Qiu Wensheng as to 51%. Therefore, under the SFO, Mr. Qiu Wensheng is deemed to be interested in A Shares held by Shanghai Aoqin.

(2) As at June 30, 2026, Shanghai Haixian is held by Mr. Qiu Wensheng as to 51%. Therefore, under the SFO, Mr. Qiu Wensheng is deemed to be interested in A Shares held by Shanghai Haixian.

(3) As at June 30, 2026, Fujian Yuexiang is held by as to (i) 10% by its general partner, Ms. Lin Min, the spouse of Mr. Qiu Wenhui; and (ii) 90% by its limited partner, Mr. Qiu Wenhui. As advised by our PRC Legal Advisor, Ms. Lin Min is the general partner of Fujian Yuexiang, and Fujian Yuexiang is deemed to be controlled by Ms. Lin Min pursuant to applicable PRC laws and the partnership agreement of Fujian Yuexiang. Therefore, under the SFO, Mr. Qiu Wenhui and Ms. Lin Min are deemed to be interested in A Shares held by Fujian Yuexiang.

(4) Mr. Qiu Wenhui is the brother of Mr. Qiu Wensheng. Ms. Lin Min, the spouse of Mr. Qiu Wenhui, is the general partner of Fujian Yuexiang. As advised by our PRC Legal Advisor, Shanghai Aoqin, Shanghai Haixian, Mr. Qiu Wenhui and Fujian Yuexiang are parties acting in concert with Mr. Qiu Wensheng pursuant to applicable PRC laws. Each of Mr. Qiu Wensheng, Shanghai Aoqin, Shanghai Haixian, Mr. Qiu Wenhui and Fujian Yuexiang is deemed to be interested in all the A Shares and H Shares in which each of them is interested.

(5) Mr. Cui Guopeng is the managing partner of Hainan Qinyuan Venture Capital Partnership Enterprise (Limited Partnership). Therefore, under the SFO, Mr. Cui Guopeng is deemed to be interested in A Shares held by Hainan Qinyuan Venture Capital Partnership Enterprise (Limited Partnership). As advised by our PRC Legal Advisor, Mr. Cui Guopeng and Hainan Qinyuan Venture Capital Partnership Enterprise (Limited Partnership) are the parties acting in concert pursuant to PRC Law.

(6) Mr. Wu Zhenhai is the managing partner of Hainan Mozhi Investment Partnership Enterprise (Limited Partnership). Therefore, under the SFO, Mr. Wu Zhenhai is deemed to be interested in A Shares held by Hainan Mozhi Investment Partnership Enterprise (Limited Partnership). As advised by our PRC Legal Advisor, Mr. Wu Zhenhai and Hainan Mozhi Investment Partnership Enterprise (Limited Partnership) are the parties acting in concert pursuant to PRC Law.

(7) Ms. Chen Xiaorong is the managing partner of Hainan Ruansheng Venture Capital Partnership Enterprise (Limited Partnership). Therefore, under the SFO, Ms. Chen Xiaorong is deemed to be interested in A Shares held by Hainan Ruansheng Venture Capital Partnership Enterprise (Limited Partnership). As advised by our PRC Legal Advisor, Ms. Chen Xiaorong and Hainan Ruansheng Venture Capital Partnership Enterprise (Limited Partnership) are the parties acting in concert pursuant to PRC Law.

(8) Mr. Deng Zhiguo is the managing partner of Hainan Huaxiao Venture Investment Partnership Enterprise (Limited Partnership). Therefore, under the SFO, Mr. Deng Zhiguo is deemed to be interested in A Shares held by Hainan Huaxiao Venture Investment Partnership Enterprise (Limited Partnership). As advised by our PRC Legal Advisor, Mr. Deng Zhiguo and Hainan Huaxiao Venture Investment Partnership Enterprise (Limited Partnership) are the parties acting in concert pursuant to PRC Law.

* Denotes less than 0.005%

Save as disclosed above, as at June 30, 2026, to the knowledge of the Directors of the Company, none of persons (other than Directors or chief executive of the Company) had any interests or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company and the Hong Kong Stock Exchange under Divisions 2 and 3 of Part XV of the SFO or which were required to be entered in the register referred to therein pursuant to section 336 of the SFO.

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

2. Interests of Directors and Chief Executives

As at June 30, 2026, to the knowledge of the Directors of the Company, the interests and short positions of our Directors and chief executives in the share capital and underlying shares of our Company or its associated corporation (within the meaning of Part XV of the SFO) which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or the Model Code, were set out as follows:

Interests in Shares of the Company:

Name of Directors	Position	Nature of interest	Class of shares	Long position/ Short position	Number of shares directly or indirectly held	Approximate percentage of shareholding in the relevant class of shares	Approximate percentage of shareholding in the Company's issued share capital
Mr. Qiu Wensheng	Chairman of the Board, Executive Director and General Manager	Beneficial owner	A Shares	Long position	68,314,456	4.80%	4.51%
		Interest in controlled corporations (2)		Long position	529,200,000	37.22%	34.90%
		Interest of person acting in concert (3)		Long position	19,276,604	1.36%	1.27%
		Beneficial owner	H Shares	Long position	110,000	0.12%	0.01%
Mr. Cui Guopeng	Deputy Chairman of the Board and Executive Director	Beneficial owner	A Shares	Long position	31,820,600	2.24%	2.10%
		Interest in controlled corporations (4)		Long position	70,111,442	4.93%	4.62%

Name of Directors	Position	Nature of interest	Class of shares	Long position/ Short position	Number of shares directly or indirectly held	Approximate percentage of shareholding in the relevant class of shares	Approximate percentage of shareholding in the Company's issued share capital
Mr. Wu Zhenhai	Executive Director and Deputy General Manager	Beneficial owner	A Shares	Long position	26,571,200	1.87%	1.75%
		Interest in controlled corporations (5)		Long position	59,728,300	4.20%	3.94%
Ms. Chen Xiaorong	Executive Director	Beneficial owner	A Shares	Long position	21,275,700	1.50%	1.40%
		Interest of person acting in concert (6)		Long position	65,504,807	4.61%	4.32%
Ms. Xi Pinghua	Executive Director and Chief Financial Officer	Beneficial owner	A Shares	Long position	111,100	0.01%	0.01%
Mr. Hu Saixiong	Independent Non-executive Director	Beneficial owner	A Shares	Long position	392	0.00%*	0.00%*
Mr. Deng Zhiguo	Executive Director and Deputy General Manager	Interest in controlled corporations (7)	A Shares	Long position	64,626,179	4.54%	4.26%

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

Notes:

(1) *Denotes less than 0.005%

(2) As at June 30, 2026, Shanghai Aoqin is held by Mr. Qiu Wensheng as to 51%. Therefore, under the SFO, Mr. Qiu Wensheng is deemed to be interested in A Shares held by Shanghai Aoqin. As at June 30, 2026, Shanghai Haixian is held by Mr. Qiu Wensheng as to 51%. Therefore, under the SFO, Mr. Qiu Wensheng is deemed to be interested in A Shares held by Shanghai Haixian.

(3) Mr. Qiu Wenhui is the brother of Mr. Qiu Wensheng. Ms. Lin Min, the spouse of Mr. Qiu Wenhui, is the general partner of Fujian Yuexiang. As advised by our PRC Legal Advisor, Shanghai Aoqin, Shanghai Haixian, Mr. Qiu Wenhui and Fujian Yuexiang are parties acting in concert with Mr. Qiu Wensheng pursuant to applicable PRC laws. Each of Mr. Qiu Wensheng, Shanghai Aoqin, Shanghai Haixian, Mr. Qiu Wenhui and Fujian Yuexiang is deemed to be interested in all the A Shares and H Shares in which each of them is interested.

(4) Mr. Cui Guopeng is the managing partner of Hainan Qinyuan Venture Capital Partnership Enterprise (Limited Partnership). Therefore, under the SFO, Mr. Cui Guopeng is deemed to be interested in A Shares held by Hainan Qinyuan Venture Capital Partnership Enterprise (Limited Partnership).

(5) Mr. Wu Zhenhai is the managing partner of Hainan Mozhi Investment Partnership Enterprise (Limited Partnership). Therefore, under the SFO, Mr. Wu Zhenhai is deemed to be interested in A Shares held by Hainan Mozhi Investment Partnership Enterprise (Limited Partnership).

(6) Ms. Chen Xiaorong is the managing partner of Hainan Ruansheng Venture Capital Partnership Enterprise (Limited Partnership). Therefore, under the SFO, Ms. Chen Xiaorong is deemed to be interested in A Shares held by Hainan Ruansheng Venture Capital Partnership Enterprise (Limited Partnership).

(7) Mr. Deng Zhiguo is the managing partner of Hainan Huaxiao Venture Investment Partnership Enterprise (Limited Partnership. Therefore, under the SFO, Mr. Deng Zhiguo is deemed to be interested in A Shares held by Hainan Huaxiao Venture Investment Partnership Enterprise (Limited Partnership).

Interests in the Shares of the Company's Associated Corporations:

Name	Position	Nature of interest	Name of associated corporation	Long position/ Short position	Number of shares directly or indirectly held [2]	Percentage of shareholding (%)
Mr. Deng Zhiguo [1]	Executive Director and Deputy General Manager	Beneficial owner	EVEX TECHNOLOGY CO., LTD (廣東遠圖未來科技有限公司)	Long position	38,400,000	4.80
Mr. Wu Zhenhai [1]	Executive Director and Deputy General Manager	Beneficial owner	EVEX TECHNOLOGY CO., LTD (廣東遠圖未來科技有限公司)	Long position	20,000,000	2.50

Notes:

(1) As at June 30, 2026, EVEX TECHNOLOGY CO., LTD (廣東遠圖未來科技有限公司) is a non-wholly owned subsidiary of the Company.

(2) The above associated corporation has not issued any shares as they are not joint stock companies. The number of shares directly or indirectly held as set out in the table above represents the equivalent amount of registered capital in RMB.

Save as disclosed above, as at June 30, 2026, to the knowledge of the Directors of the Company, none of the Directors or chief executives of the Company had any interests or short positions or interest in debentures in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Hong Kong Stock Exchange.

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

IV. PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES OR SALE OF TREASURY SHARES

1. 2025 Profit Distribution Plan and Capital Reserve Capitalization Plan

References are made to the announcement dated April 29, 2026, the annual general meeting circular dated April 29, 2026 and the announcement dated May 6, 2026 in relation to, among other things, the proposed adjustment to the Company's profit distribution plan (the "**2025 Profit Distribution Plan**") and capitalization of capital reserve for the year 2025 (the "**2025 Capital Reserve Capitalization Plan**") (collectively, the "**Adjustment to the 2025 Profit Distribution Plan and Capital Reserve Capitalization Plan**").

Having considered factors including the operation and financial conditions of the Company as a whole and in order to share the results of the operation and development of the Company with all Shareholders, the proposal on Adjustment to the 2025 Profit Distribution Plan and Capital Reserve Capitalization Plan was reviewed and approved at a Board meeting held on April 26, 2026. The Company proposed to distribute a cash dividend of RMB12 per 10 Shares (tax inclusive) to all Shareholders and to capitalize its capital reserve by allotting 4 Shares for every 10 Shares to all Shareholders.

The Adjustment to the 2025 Profit Distribution Plan and Capital Reserve Capitalization Plan was approved by the Shareholders of the Company at the annual general meeting of the Company held on May 20, 2026. On June 17, 2026, an aggregate of approximately RMB1,299,416,156.40 was distributed as 2025 final dividend; (ii) 433,138,719 new Shares (comprising 406,206,559 new A Shares and 26,932,160 new H Shares) were allotted, under the Capitalization Issue. Immediately upon completion of the Capital Reserve Capitalization Plan, the total number of Shares in issue of the Company was increased to 1,516,201,463 Shares (comprising 1,421,938,903 A Shares and 94,262,560 H Shares). For further details of the 2025 Profit Distribution Plan and Capital Reserve Capitalization Plan, please refer to the announcements of the Company dated April 29, 2026 and May 6, 2026 and the annual general meeting circular of the Company dated April 29, 2026, in relation to, among others, the Adjustment to the 2025 Profit Distribution Plan and Capital Reserve Capitalization Plan.

Save as disclosed above, during the Reporting Period, neither the Company nor its subsidiaries had purchased, sold or redeemed any of the securities of the Company listed on the Hong Kong Stock Exchange, nor sold any treasury shares of the Company.

As of June 30, 2026, the Company has held 215,947 treasury A Shares for the purpose of the A Share employee stock ownership plan or share incentive scheme and neither the Company nor any of its subsidiaries held any treasury H Shares.

V. USE OF PROCEEDS

1. Issuance of H Shares and Use of Net Proceeds

To further advance the Company's globalization, build an international capital operation platform, and enhance our comprehensive competitiveness, the Company completed the Global Offering and listing of H Shares on the Main Board of the Hong Kong Stock Exchange on April 23, 2026, and the over-allotment option in connection with the Global Offering was fully exercised on May 20, 2026. The Company issued a total of 67,330,400 H Shares at an issue price of HK$77.7 per H Share in connection with the Global Offering, raising gross proceeds of approximately HK$5,231.6 million, with net proceeds of approximately HK$5,142.2 million after deducting underwriting commissions and other estimated offering expenses payable by us in connection with the Global Offering.

During the Reporting Period, the Company has utilized the net proceeds from the issuance of H Shares in the same manner and proportions as described in the Prospectus. Details of the utilization of proceeds as at June 30, 2026 are as follows:

Unit: HKD million

Use of proceeds	Percentage of net proceeds	Planned use of net proceeds	Net amount utilized as at June 30, 2026	Remaining balance as at June 30, 2026	Expected timeline for full utilization of net proceeds [(1)] (yy/mm/dd)
(i) Product-centric R&D investment to enhance our technological capabilities	40%	2,056.9	6.2	2,050.7	2027/12/31
(ii) Expanding and optimizing our manufacturing network	35%	1,799.8	161.9	1,637.9	2027/12/31
(iii) Strategic investment and vertical integration	15%	771.4	57.2	714.2	2027/12/31
(iv) Working capital and general corporate purposes	10%	514.2	127.5	386.7	2027/12/31
Total	**100%**	**5,142.2**	**352.8**	**4,789.5**	**–**

Note:

(1) The expected timeline for the utilization of net proceeds set out in the table above represents the Group's best estimates based on the anticipated market conditions, which may be subject to change in response to current and future market developments.

We currently have no intention to change the use of the unutilized net proceeds and have been actively monitoring the market environment for appropriate timing to implement our plans. It is currently expected that the unutilized net proceeds will be fully utilized by December 31, 2027, subject to changes in market conditions and policies and the emergence of appropriate opportunities in the industry.

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

2. Issuance of A Shares and Use of Net Proceeds

To implement the Company's overall development strategy, capture industry development opportunities, strengthen and expand the Company's flagship business operations, and further consolidate and enhance its competitive advantages, the Company, following the approval by the China Securities Regulatory Commission of "Reply on Approving the Registration of the Initial Public Offering of Shares by Huaqin Co., Ltd." (CSRC License [2023] No. 1340) and with the consent of the Shanghai Stock Exchange, the Company issued 72,425,200 ordinary shares denominated in RMB, with a nominal value of RMB1.00 each, at an issue price of RMB80.80 per share ("**A Share Issuance**").

As at August 3, 2023, the Company had raised total proceeds of RMB5,851,959,472.80, and after deducting issuance expenses of RMB121,275,920.93, net proceeds of RMB5,730,683,551.87.

During the Reporting Period, the Company utilized the net proceeds from the A Share Issuance in accordance with the applicable laws and regulations.

Details of the utilization of such proceeds as at June 30, 2026 are as follows:

Unit: RMB million

Item	Percentage of net proceeds	Planned use of net proceeds	Net amount utilized as at June 30, 2026	Remaining balance as at June 30, 2026	Expected timeline for utilization of unutilized net proceeds (1) (yy/mm)
Shanghai Emerging Technology R&D Center Project	26.2%	1,501.5	1,234.3	267.2	The project investment has been fully completed, and the remaining balance will be transferred to supplement the working capital of the Company.
Nanchang Laptop Intelligent Production Line Renovation and Expansion Project	7.0%	401.9	293.0	109.0	The project investment has been fully completed, and the remaining balance will be transferred to supplement the working capital of the Company.
New Generation Laptop and Supporting Technology R&D Project for AI PCs	6.1%	346.8	339.4	7.4	2026/10
Huaqin Technology Wuxi R&D Center Phase II	8.0%	457.1	404.5	52.6	The project investment has been fully completed, and the remaining balance will be transferred to supplement the working capital of the Company.

Item	Percentage of net proceeds	Planned use of net proceeds	Net amount utilized as at June 30, 2026	Remaining balance as at June 30, 2026	Expected timeline for utilization of unutilized net proceeds [1] (yy/mm)
Ruiqin Technology Consumer Electronics Intelligent Terminal Manufacturing Project	16.1%	923.8	898.5	25.3	The project investment has been fully completed, and the remaining balance will be transferred to supplement the working capital of the Company.
Huaqin Silk Road Headquarters Project	13.8%	791.3	773.8	17.5	2026/08
Nanchang Phase II Intelligent Terminal Technology R&D and Production Line Renovation and Upgrade Project	8.3%	477.7	457.1	20.6	2027/05
Replenishment of working capital	10.5%	600.0	600.0	–	Fully utilized
Automotive Electronics R&D and Industrialization Project	4.0%	230.7	154.1	76.6	2027/05
Total	100.0%	5,730.7	5,155	576.2	–

Note:

(1) The expected timeline for the utilization of unutilized net proceeds set out in the table above represents the Group's best estimates based on the anticipated market conditions, which may be subject to change in response to current and future market developments.

VI. CONVERTIBLE DEBT, OPTIONS, WARRANTS AND OTHER EQUITY-LINKED AGREEMENTS

Save for the share incentive plans, the Company has not entered into or participated in any equity-linked agreements that would or might result in the Company issuing shares during the six months ended June 30, 2026.

VII. SHARE INCENTIVE SCHEMES

During the Reporting Period, the Company had three share incentive plans in effect, including the 2023 Restricted Share Incentive Scheme (as defined below), the 2025 Restricted Share Incentive Scheme (as defined below), and the 2026 Restricted Share Incentive Scheme (as defined below).

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

1. Summary of the key terms of the Restricted Share Incentive Schemes

The following is a summary of the principal terms of the restricted share incentive scheme (the "**2023 Restricted Share Incentive Scheme**") adopted by the Board on December 12, 2023, the restricted share incentive scheme (the "**2025 Restricted Share Incentive Scheme**") adopted by the Board on January 6, 2025 and the restricted share incentive scheme (the "**2026 Restricted Share Incentive Scheme**", and collectively with the 2023 Restricted Share Incentive Scheme and the 2025 Restricted Share Incentive Scheme, the "**Restricted Share Incentive Schemes**") adopted by the Board on January 12, 2026. The terms of the Restricted Share Incentive Schemes are not subject to the provisions of Chapter 17 of the Listing Rules as they do not involve the grant of new options or awards by our Company after the Listing.

A. Purpose

The main purpose of the Restricted Share Incentive Schemes is to optimize the governance structure of our Group, attract and retain talents, incentivize the participants, align the interests of the Group and the participants and promote long-term growth of the Group.

B. Administration

The Board shall be the administrative body of the Restricted Share Incentive Schemes and shall be responsible for the implementation of the schemes in accordance with their provisions, including determining the eligible participants of the schemes.

C. Eligible Participants

Subject to applicable laws and regulations and the Articles of Association, the eligible participants of the 2023 Restricted Share Incentive Scheme, 2025 Restricted Share Incentive Scheme and 2026 Restricted Share Incentive Scheme include (i) our middle-level and senior managers and core employees, (ii) our Directors, senior management, middle-level and senior managers and core employees, and (iii) our Directors, senior management, middle-level and senior managers and core employees, respectively. Eligible participants shall exclude independent Directors, shareholders who individually or collectively hold 5% or more of the Shares of our Company and actual controllers of our Company, and their respective spouses, parents and children.

D. Source and maximum number of restricted Shares (the "Restricted Shares")

The source of the Restricted Shares underlying the Restricted Share Incentive Schemes are issued A Shares in the issued share capital of our Company (in the case of 2023 Restricted Share Incentive Scheme) or A Shares purchased by our Company from the secondary market (in the case of 2025 Restricted Share Incentive Scheme and 2026 Restricted Share Incentive Scheme). Each grantee may purchase one A Share at the grant price. Subject to the adjustment mechanisms set out in paragraph I below, the maximum numbers of Restricted Shares that may be granted under the 2023 Restricted Share Incentive Scheme, 2025 Restricted Share Incentive Scheme and 2026 Restricted Share Incentive Scheme are 3,768,819 (taking into account the capitalization reserves in June 2024 and June 2026), 4,873,575 Restricted Shares (taking into account the capitalization reserves June 2026) and 3,538,500 Restricted Shares (taking into account the capitalization reserves in June 2026), respectively.

E. Date of grant and term of the schemes

The date on which the Restricted Shares are granted shall be determined by the board after approval of the Restricted Share Incentive Schemes by the Shareholders at a general meeting. The grant of Restricted Shares to the grantees shall be approved by the Board and registered and announced within 60 days after the approval of the Restricted Share Incentive Schemes by the Shareholders' meeting.

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

The Restricted Share Incentive Schemes shall be effective from the date of registration of Restricted Shares up to the date when the Restricted Shares are no longer subject to any lock-ups or have been repurchased, provided that the terms of the 2023 Restricted Share Incentive Scheme, 2025 Restricted Share Incentive Scheme and 2026 Restricted Share Incentive Scheme shall not exceed 48 months, 60 months and 48 months, respectively.

F. Restrictions on sale under applicable PRC laws and regulations

If the grantee is a Director or senior management of our Company, the Shares to be transferred each year shall not exceed 25% of the total Shares held by the grantee and no Shares held by such grantee can be transferred within six months of termination of employment. If the grantee is a Director or senior management of our Company, gains realized through sale of Shares within six months of purchase, or purchase of Shares within six months of sale, shall belong to our Company and will be forfeited to the board. If there is any change in the applicable laws and regulations on the foregoing requirements, the grantee shall comply with the amended laws and regulations.

G. Conditions to the grant of Restricted Shares

The Restricted Shares will only be granted to selected participants upon the following conditions:

i. with respect to our Company, none of the following circumstances having occurred:

a) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the reporting accountant with respect to our Company's accountants' report for the most recent fiscal year;

b) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the reporting accountant with respect to the internal control report contained in accountants' report for the most recent fiscal year;

c) the Company has not distributed dividends in accordance with the laws and regulations, the Articles of Association or public undertakings within the most recent 36 months after its listing;

d) applicable laws and regulations prohibit the implementation of any share incentive scheme; or

e) any other circumstances determined by the CSRC; with respect to the grantee, none of the following circumstances having occurred:

ii. with respect to the grantee, none of the following circumstances having occurred:

a) the grantee has been regarded as an improper person by the relevant stock exchange within the last 12 months;

b) the grantee has been regarded as an improper person by the CSRC or its local office within the last 12 months;

c) the grantee has been punished or prohibited from participating in the securities market by the CSRC or its local office within the last 12 months;

d) the grantee is disqualified from serving as a director or senior management according to PRC Company Law;

e) the grantee is prohibited from participating in any share incentive plan of listed companies by applicable laws and regulations; or

f) any other circumstances determined by the CSRC.

H. *Unlocking of Restricted Shares*

The Restricted Shares are subject to lock-up and the grantees may not transfer the Restricted Shares or use the Restricted Shares as collateral or to repay debts. The Restricted Shares under the Restricted Share Incentive Schemes shall be subject to the following lock-up periods:

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

Restricted Share Incentive Scheme	Lock-up periods
2023 Restricted Share Incentive Scheme	The Restricted Shares may be released from lock-up (i) as to 50% during the period between the first trading day after the 12-month anniversary of the date of registration and the last trading day before the 24-month anniversary of the date of registration and (ii) as to 50% during the period between the first trading day after the 24-month anniversary of the date of registration and the last trading day before the 36-month anniversary of the date of registration, respectively, subject to fulfillment of applicable conditions, including those set out in paragraph G above, the financial performance of the Group and individual performance targets.
2025 Restricted Share Incentive Scheme	The Restricted Shares may be released from lock-up (i) as to 30% during the period between the first trading day after the 12-month anniversary of the date of registration and the last trading day before the 24-month anniversary of the date of registration, (ii) as to 30% during the period between the first trading day after the 24-month anniversary of the date of registration and the last trading day before the 36-month anniversary of the date of registration, and (iii) as to 40% during the period between the first trading day after the 36-month anniversary of the date of registration and the last trading day before the 48-month anniversary of the date of registration, respectively, subject to fulfillment of applicable conditions, including those set out in paragraph G above, the financial performance of the Group and individual performance targets.

Restricted Share Incentive Scheme	Lock-up periods
2026 Restricted Share Incentive Scheme	The Restricted Shares may be released from lock-up (i) as to 30% during the period between the first trading day after the 12-month anniversary of the date of registration and the last trading day before the 24-month anniversary of the date of registration, (ii) as to 30% during the period between the first trading day after the 24-month anniversary of the date of registration and the last trading day before the 36-month anniversary of the date of registration, and (iii) as to 40% during the period between the first trading day after the 36-month anniversary of the date of registration and the last trading day before the 48-month anniversary of the date of registration, respectively, subject to fulfillment of applicable conditions, including those set out in paragraph G above, the financial performance of the Group and individual performance targets.

If the applicable conditions are not fulfilled, the relevant Restricted Shares shall be repurchased by the Company and cancelled. Subject to the adjustment mechanisms set out in paragraph I below, the price payable by our Company for the repurchase of Restricted Shares shall be equal to the grant price of the relevant Restricted Shares.

I. *Adjustment*

Subject to the terms and conditions of the Restricted Share Incentive Schemes, the number and purchase price of Restricted Shares granted are subject to adjustment upon the occurrence of certain events from the date of the announcement of the relevant Restricted Share Incentive Scheme to the registration of the Restricted Shares to the grantees, including capitalization of reserves, distribution of scrip dividends, distribution of cash dividends, share subdivision, rights issue and share consolidation.

J. *Dividends and voting rights*

Upon registration of the Restricted Shares, the grantees of the Restricted Shares are entitled to exercise the rights of Shareholders, including but not limited to the right to receive dividends and voting rights.

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

2. Movements of Restricted Shares during the Reporting Period:

As at June 30, 2026, the number of Restricted Shares subject to lock-up granted under the Restricted Share Incentive Schemes was 6,999,876 Shares, representing 0.46% of the Company's issued A Shares (excluding treasury shares) as of the same date. The following table sets forth the details of Restricted Shares granted to all grantees (including directors, senior management members, other connected persons and employees of our Company) under the Restricted Share Incentive Schemes as at June 30, 2026.

			Number of A Shares underlying the Restricted Shares [1]							
Name of grantee	Position	Grant price (RMB)	Number of locked-up restricted A Shares as at January 1, 2026 (shares)	Granted during the Reporting Period (shares)	Number of restricted A Shares unlocked (i.e. vested) during the Reporting Period (shares)	Lapsed during the Reporting Period (shares)	Number of restricted A Shares repurchased and cancelled during the Reporting Period (shares)[2]	Repurchase price of the cancelled restricted A Shares (RMB)	Number of locked-up restricted A Shares as at June 30, 2026 (shares)	Weighted average closing price of relevant Shares immediately before the vesting date (RMB/share)
Directors or senior management members										
Ms. Xi Pinghua	Executive Director and chief financial officer	23.03 (under 2025 Restricted Share Incentive Scheme)	53,200	–	15,960	–	–	–	37,240	23.03
		33.39 (under 2026 Restricted Share Incentive Scheme)	–	43,400	–	–	–	–	43,400	33.39

			Number of A Shares underlying the Restricted Shares [1]							
Name of grantee	Position	Grant price (RMB)	Number of locked-up restricted A Shares as at January 1, 2026 (shares)	Granted during the Reporting Period (shares)	Number of restricted A Shares unlocked (i.e. vested) during the Reporting Period (shares)	Lapsed during the Reporting Period (shares)	Number of restricted A Shares repurchased and cancelled during the Reporting Period (shares)[2]	Repurchase price of the cancelled restricted A Shares (RMB)	Number of locked-up restricted A Shares as at June 30, 2026 (shares)	Weighted average closing price of relevant Shares immediately before the vesting date (RMB/share)
Mr. Liao Haoran	Deputy general manager	18.46 (under 2023 Restricted Share Incentive Scheme)	27,153	–	–	–	–	–	27,153	18.46
		23.03 (under 2025 Restricted Share Incentive Scheme)	95,760	–	28,728	–	–	–	67,032	23.03
		33.39 (under 2026 Restricted Share Incentive Scheme)	–	65,100	–	–	–	–	65,100	33.39

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

			Number of A Shares underlying the Restricted Shares [1]							
Name of grantee	Position	Grant price (RMB)	Number of locked-up restricted A Shares as at January 1, 2026 (shares)	Granted during the Reporting Period (shares)	Number of restricted A Shares unlocked (i.e. vested) during the Reporting Period (shares)	Lapsed during the Reporting Period (shares)	Number of restricted A Shares repurchased and cancelled during the Reporting Period (shares)[2]	Repurchase price of the cancelled restricted A Shares (RMB)	Number of locked-up restricted A Shares as at June 30, 2026 (shares)	Weighted average closing price of relevant Shares immediately before the vesting date (RMB/share)
Mr. Wang Qijun	Deputy general manager	18.46 (under 2023 Restricted Share Incentive Scheme)	27,153	–	–	–	–	–	27,153	18.46
		23.03 (under 2025 Restricted Share Incentive Scheme)	79,800	–	23,940	–	–	–	55,860	23.03
		33.39 (under 2026 Restricted Share Incentive Scheme)	–	65,100	–	–	–	–	65,100	33.39
Mr. Zou Zongxin	Deputy general manager	23.03 (under 2025 Restricted Share Incentive Scheme)	53,200	–	11,172	4,788	–	–	42,028	23.03
		33.39 (under 2026 Restricted Share Incentive Scheme)	–	30,380	–	–	–	–	30,380	33.39

			Number of A Shares underlying the Restricted Shares [1]							
Name of grantee	Position	Grant price (RMB)	Number of locked-up restricted A Shares as at January 1, 2026 (shares)	Granted during the Reporting Period (shares)	Number of restricted A Shares unlocked (i.e. vested) during the Reporting Period (shares)	Lapsed during the Reporting Period (shares)	Number of restricted A Shares repurchased and cancelled during the Reporting Period (shares)[2]	Repurchase price of the cancelled restricted A Shares (RMB)	Number of locked-up restricted A Shares as at June 30, 2026 (shares)	Weighted average closing price of relevant Shares immediately before the vesting date (RMB/share)
Mr. Zhang Wenguo	Deputy general manager	23.03 (under 2025 Restricted Share Incentive Scheme)	47,880	–	10,055	4,309	–	–	37,825	23.03
		33.39 (under 2026 Restricted Share Incentive Scheme)	–	30,380	–	–	–	–	30,380	33.39
Mr. Wang Shichao	Deputy general manager	23.03 (under 2025 Restricted Share Incentive Scheme)	53,200	–	11,172	4,788	–	–	42,028	23.03
Mr. Wang Zhigang	Deputy general manager	23.03 (under 2025 Restricted Share Incentive Scheme)	53,200	–	12,600	–	–	–	40,600	23.03
		33.39 (under 2026 Restricted Share Incentive Scheme)	–	65,100	–	–	–	–	65,100	33.39

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

			Number of A Shares underlying the Restricted Shares [1]							
Name of grantee	Position	Grant price (RMB)	Number of locked-up restricted A Shares as at January 1, 2026 (shares)	Granted during the Reporting Period (shares)	Number of restricted A Shares unlocked (i.e. vested) during the Reporting Period (shares)	Lapsed during the Reporting Period (shares)	Number of restricted A Shares repurchased and cancelled during the Reporting Period (shares)[2]	Repurchase price of the cancelled restricted A Shares (RMB)	Number of locked-up restricted A Shares as at June 30, 2026 (shares)	Weighted average closing price of relevant Shares immediately before the vesting date (RMB/share)
Ms. Li Yutao	Board secretary	23.03 (under 2025 Restricted Share Incentive Scheme)	35,000	–	2,520	–	–	–	–	32,480
		33.39 (under 2026 Restricted Share Incentive Scheme)	–	28,560	–	–	–	–	28,560	33.39
Connected persons										
Other connected persons	Middle-level management personnels	23.03 (under 2025 Restricted Share Incentive Scheme)	39,900	–	11,970	–	–	–	27,930	23.03
		33.39 (under 2026 Restricted Share Incentive Scheme)	–	35,000	–	–	–	–	35,000	33.39

			Number of A Shares underlying the Restricted Shares [1]							
Name of grantee	Position	Grant price (RMB)	Number of locked-up restricted A Shares as at January 1, 2026 (shares)	Granted during the Reporting Period (shares)	Number of restricted A Shares unlocked (i.e. vested) during the Reporting Period (shares)	Lapsed during the Reporting Period (shares)	Number of restricted A Shares repurchased and cancelled during the Reporting Period (shares)[2]	Repurchase price of the cancelled restricted A Shares (RMB)	Number of locked-up restricted A Shares as at June 30, 2026 (shares)	Weighted average closing price of relevant Shares immediately before the vesting date (RMB/share)
Other grantees										
Employees[1]	Middle-level management personnels or core employees	18.46 (under 2023 Restricted Share Incentive Scheme)	1,738,218	–	1,290,527	220,088	–	–	447,691	18.46
		23.03 (under 2025 Restricted Share Incentive Scheme)	3,728,797	–	850,154	164,458	–	–	2,878,643	23.03
		33.39 (under 2026 Restricted Share Incentive Scheme)	–	2,873,193	–	–	–	–	2,873,193	33.39
Total	**2023 Restricted Share Incentive Scheme**	18.46	1,792,524	–	1,290,527	220,088	–	18.46	501,997	18.46
	2025 Restricted Share Incentive Scheme	23.03	4,239,937	–	978,271	178,343	–	23.03	3,261,666	23.03
	2026 Restricted Share Incentive Scheme	33.39	–	3,236,213	–	–	–	33.39	3,236,213	33.39

SECTION IV SHARE, SECURITIES AND OTHER INFORMATION

Notes:

(1) No employee grantees have been granted Restricted Shares in excess of 1% of the issued Shares of our Company on a standalone basis.

(2) During the Reporting Period, certain employee grantees under the relevant Restricted Share Incentive Schemes departed from the Company or failed to meet their individual performance appraisal requirements. In accordance with the rules of the relevant Restricted Share Incentive Schemes, the Company decided to repurchase and cancel 398,431 Restricted Shares. Such Restricted Shares have been repurchased and cancelled on August 24, 2026, and therefore, the number of restricted shares set out in the table above has not included those as described above.

VIII. OTHER INFORMATION

1. Financial assistance and guarantees provided by the Company to affiliated companies

For the six months ended June 30, 2026, the Group did not provide any financial assistance or guarantees to its affiliated companies in an amount exceeding 8% of the Group's total assets and there were no matters required to be disclosed under Rules 13.16 and 13.22 of the Hong Kong Listing Rules.

2. Loan to an entity

For the six months ended June 30, 2026, the Group did not grant any loans to any entity in an amount exceeding 8% of the Group's total assets, and there were no loans required to be disclosed under Rules 13.13 and 13.20 of the Hong Kong Listing Rules.

3. Pledge of shares by controlling shareholder

On March 30, 2026, Shanghai Haixian, one of the Controlling Shareholder Group, pledged 28,560,000 A Shares in favour of Tibet Trust Co., Ltd. (西藏信託有限公司), an Independent Third Party in connection with a loan in the amount of RMB500,000,000. The pledged Shares represent approximately 1.88% of the total Shares in issue as at June 30, 2026.

4. Loan facility with covenants relating to specific performance of the controlling shareholder

For the six months ended June 30, 2026, none of the loan agreements entered into by the Group contained any specific performance obligations imposed on the controlling shareholder of the Company, and there were no loan agreements required to be disclosed under Rule 13.18 of the Hong Kong Listing Rules.

5. Guarantees in respect of the financial performance of any company or business acquired

For the six months ended June 30, 2026, there were no guarantees in respect of the financial performance of any company or business acquired required to be disclosed under Rules 14.36B and/or 14A.63 of the Hong Kong Listing Rules.

6. Breach of loan agreements by the Company

For the six months ended June 30, 2026, there were no instances of loans involved in any breaches of loan agreements that had a material impact on the Group's business operations.

7. Review of the Interim Report

We have established the Audit Committee pursuant to Rule 3.21 of the Hong Kong Listing Rules and the Corporate Governance Code, comprising three independent non-executive directors namely Mr. Hu Saixiong, Mr. Huang Zhiguo and Dr. Yu Fang. The Audit Committee has reviewed with the management of the Company the accounting standards and practices adopted by the Group and discussed matters relating to auditing, risk management, internal controls and financial reporting.

The Audit Committee has reviewed the unaudited interim report of the Group for the six months ended 30 June 2026 and is of the opinion that the 2026 interim report complies with the applicable accounting standards and relevant laws and regulations, and contains adequate disclosures.

SECTION V FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Six months ended June 30, 2026 RMB'000 (unaudited)	Six months ended June 30, 2025 RMB'000 (unaudited)
Revenue	3	**93,719,083**	83,939,258
Cost of sales		**(86,286,485)**	(77,728,535)
Gross profit		**7,432,598**	6,210,723
Other income	5	**465,488**	437,913
Other gains and losses, net	6	**1,383,136**	256,455
Provision for impairment losses	7	**(308,706)**	(187,356)
Selling expenses		**(185,481)**	(157,320)
General and administrative expenses		**(1,684,935)**	(1,381,679)
Research and development expenses		**(3,556,786)**	(2,962,904)
Finance costs	8	**(262,373)**	(107,298)
Share of results of associates		**57,216**	51,751
Profit before tax	9	**3,340,157**	2,160,285
Income tax expenses	10	**(287,317)**	(252,047)
Profit for the period		**3,052,840**	1,908,238
Other comprehensive loss for the period			
Items that may be subsequently reclassified to profit or loss:			
Change in foreign currency translation of the financial statements of the subsidiaries of the Company		**(151,993)**	(35,927)
(Loss)/gain of cash flow hedge		**(32,615)**	7,254
Share of other comprehensive income of investment in associates		**(5,332)**	(4)
Items that will not be subsequently reclassified to profit or loss:			
Share of other comprehensive income of investment in an associate		**123,416**	–
Other comprehensive loss for the period, net of tax		**(66,524)**	(28,677)
Total comprehensive income for the period		**2,986,316**	1,879,561
Profit for the period attributable to:			
Owners of the parent		**3,026,173**	1,907,604
Non-controlling interests		**26,667**	634
		3,052,840	1,908,238

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Six months ended June 30, 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Total comprehensive income attributable to:			
Owners of the parent		**2,964,428**	1,880,586
Non-controlling interests		**21,888**	(1,025)
		2,986,316	1,879,561
Earnings per share attributable to ordinary equity holders of the Parent			
Basic (RMB)	*11*	**2.09**	1.35
Diluted (RMB)	*11*	**2.09**	1.35

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Non-current assets			
Property, plant and equipment	*14*	**13,641,093**	13,216,560
Intangible assets	*15*	**641,862**	653,874
Right-of-use assets	*16*	**2,129,452**	1,904,713
Goodwill		**1,331,176**	1,376,301
Investments in associates	*13*	**7,087,340**	4,161,827
Financial assets at fair value through profit or loss ("FVTPL")	*17*	**3,182,812**	2,687,906
Deferred tax assets		**553,976**	417,498
Prepayments	*19*	**455,908**	513,653
Time deposits	*20*	**–**	526,304
Total non-current assets		**29,023,619**	25,458,636
Current assets			
Inventories	*21*	**28,422,965**	14,623,928
Trade and bills receivables	*18*	**43,656,612**	34,368,702
Prepayments, deposits and other receivables	*19*	**6,914,644**	5,082,864
Financial assets at fair value through other comprehensive income ("FVTOCI")	*17*	**126,755**	331,229
Financial assets at FVTPL	*17*	**2,465,613**	777,909
Derivative Financial Instruments	*17*	**133,821**	134,060
Tax recoverable		**64,948**	50,605
Time deposits	*20*	**1,390,168**	952,861
Certificates of deposits held	*20*	**–**	434,260
Restricted bank deposits	*20*	**7,585,571**	3,720,326
Cash and bank balances	*20*	**16,884,619**	10,270,248
Total current assets		**107,645,716**	70,746,992
Total assets		**136,669,335**	96,205,628

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Current liabilities			
Trade and bills payables	*22*	**66,988,553**	45,206,094
Other payables and accruals	*22*	**4,795,838**	2,326,400
Contract liabilities		**835,818**	673,531
Borrowings	*23*	**21,648,363**	14,577,287
Tax payables		**554,630**	516,377
Derivative Financial Instruments	*17*	**241,584**	158,262
Lease liabilities		**235,728**	225,710
Provision		**32,844**	16,960
Bonds payable	*24*	**10,285**	–
Total current liabilities		**95,343,643**	63,700,621
Net current assets		**12,302,073**	7,046,371
Total assets less current liabilities		**41,325,692**	32,505,007
Non-current liabilities			
Borrowings	*23*	**5,032,376**	4,749,497
Bonds payable	*24*	**1,998,278**	–
Deferred income		**369,673**	327,561
Lease liabilities		**423,807**	465,601
Deferred tax liabilities		**564,990**	413,047
Other payables and accruals	*22*	**44,734**	44,433
Provision		**206,195**	159,540
Total non-current liabilities		**8,640,053**	6,159,679
NET ASSETS		**32,685,639**	26,345,328
Capital and reserves			
Equity attributable to owners of the Company			
Share capital	*26*	**1,516,201**	1,015,732
Reserves	*27*	**14,833,814**	10,746,777
Retained earnings		**15,765,642**	14,034,848
		32,115,657	25,797,357
Non-controlling interests		**569,982**	547,971
TOTAL EQUITY		**32,685,639**	26,345,328

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Unaudited	Share capital (Note 26) RMB' 000	Capital reserve RMB' 000	Treasury shares reserve (Note 27) RMB' 000	Statutory reserve RMB' 000	Share award reserve RMB' 000	Share of OCI of investment in associates reserve RMB' 000	Cash flow hedge reserve RMB' 000	Exchange and other reserve RMB' 000	Retained earnings RMB' 000	Subtotal RMB' 000	Non-controlling interests RMB' 000	Total RMB' 000
	Attributable to owners of the Company											
Balance as of January 1, 2026	1,015,732	10,494,248	(279,783)	385,031	177,811	(36,465)	17,507	(11,572)	14,034,848	25,797,357	547,971	26,345,328
Profit for the period	-	-	-	-	-	-	-	-	3,026,173	3,026,173	26,667	3,052,840
Change in foreign currency translation of the financial statements of the subsidiaries of the Company	-	-	-	-	-	-	-	(147,214)	-	(147,214)	(4,779)	(151,993)
Change in fair value of cash flow hedge	-	-	-	-	-	-	(32,615)	-	-	(32,615)	-	(32,615)
Share of other comprehensive income of investment in associates	-	-	-	-	-	118,084	-	-	-	118,084	-	118,084
Total comprehensive income for the period	-	-	-	-	-	118,084	(32,615)	(147,214)	3,026,173	2,964,428	21,888	2,986,316
Transfer of an associate' s gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	-	-	-	(3,685)	-	-	3,685	-	-	-
Transactions with owners												
Issuance of ordinary H shares	67,330	4,438,552	-	-	-	-	-	-	-	4,505,882	-	4,505,882
Treasury shares transferred to the grantees	-	(17,942)	17,942	-		-	-	-	-	-	-	-
Vesting of restricted share	-	55,338	46,348	-	(55,338)	-	-	-	-	46,348	-	46,348
Recognition of equity-settled share-based payment expenses	-	-	-	-	60,280	-	-	-	-	60,280	123	60,403
Transfer from share premium to share capital	433,139	(433,139)	-	-	-	-	-	-	-	-	-	-
Others*	-	32,481	-	-	-	-	-	-	-	32,481	-	32,481
2025 final dividend paid	-	-	7,945	-	-	-	-	-	(1,299,064)	(1,291,119)	-	(1,291,119)
Balance as of June 30, 2026	1,516,201	14,569,538	(207,548)	385,031	182,753	77,934	(15,108)	(158,786)	15,765,642	32,115,657	569,982	32,685,639

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Unaudited	Share capital (Note 26) RMB' 000	Capital reserve RMB' 000	Treasury shares reserves (Note 27) RMB' 000	Statutory reserves RMB' 000	Share option/ share award reserves RMB' 000	Share of OCI of investment in associates reserves RMB' 000	Cash flow hedge reserve RMB' 000	Exchange and other reserves RMB' 000	Retained earnings RMB' 000	Subtotal RMB' 000	Non-controlling interests RMB' 000	Total RMB' 000
	Attributable to owners of the Company											
Balance as of January 1, 2025	1,015,891	10,342,432	(382,062)	320,800	208,556	(29,857)	5,658	81,458	10,980,382	22,543,258	380,802	22,924,060
Profit for the period	–	–	–	–	–	–	–	–	1,907,604	1,907,604	634	1,908,238
Change in foreign currency translation of the financial statements of the subsidiaries of the Company	–	–	–	–	–	–	–	(34,268)	–	(34,268)	(1,659)	(35,927)
Gain of cash flow hedge	–	–	–	–	–	–	7,254	–	–	7,254	–	7,254
Share of other comprehensive income of investment in associates	–	–	–	–	–	(4)	–	–	–	(4)	–	(4)
Total comprehensive income for the period	–	–	–	–	–	(4)	7,254	(34,268)	1,907,604	1,880,586	(1,025)	1,879,561
Transactions with owners												
Treasury shares transferred to the grantees or cancelled under share award schemes	(136)	(58,856)	58,992	–	–	–	–	–	–	–	–	–
Vesting of restricted share	–	23,219	25,804	–	(23,219)	–	–	–	–	25,804	–	25,804
Recognition of equity-settled share-based payment expenses	–	–	–	–	51,966	–	–	–	–	51,966	58	52,024
Capital injection by NCI	–	58,347	–	–	–	–	–	–	–	58,347	99,115	157,462
Purchase a subsidiary	–	–	–	–	–	–	–	–	–	–	15,129	15,129
Transaction with NCI	–	–	–	–	–	–	–	–	(51,012)	(51,012)	6,011	(45,001)
Others*	–	(9,371)	–	–	–	–	–	–	–	(9,371)	–	(9,371)
2024 final dividend paid	–	–	4,652	–	–	–	–	–	(911,630)	(906,978)	–	(906,978)
Balance as of June 30, 2025	1,015,755	10,355,771	(292,614)	320,800	237,303	(29,861)	12,912	47,190	11,925,344	23,592,600	500,090	24,092,690

* Other changes in equity of investment in associates

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months ended 30 June,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Profit before tax	**3,340,157**	2,160,285
Adjustments for:		
Impairment loss on inventories	**293,141**	154,162
Impairment loss on goodwill	**–**	26,782
Depreciation of property, plant and equipment	**785,301**	605,899
Depreciation of right-of-use assets	**123,872**	117,807
Amortization of intangible assets	**77,890**	66,638
Impairment losses on trade and bills receivables	**8,200**	4,537
Impairment losses on other receivables	**7,365**	1,875
Net (gains)/losses from changes in fair value of financial assets and liabilities at FVTPL	**(1,305,560)**	37,061
Net gains on disposal of equity interests in associates	**(6,181)**	(18)
Net gains on disposal of financial assets/liabilities at FVTPL	**(63,990)**	(132,714)
Gain on deemed disposal of shares in associates	**(26,550)**	(18,634)
Dividend income from equity investment measured at FVTPL	**(10,947)**	(10,007)
Loss on disposal of financial assets at amortized cost	**–**	913
Share of results of associates	**(57,216)**	(51,751)
Share-based payment expense	**57,377**	51,943
Finance costs	**264,786**	107,298
Loss on disposal of property, plant and equipment, intangible assets and other non-current assets	**7,746**	(60)
Net foreign exchange gains	**(203,616)**	(190,049)
Others	**6,431**	–
Operating cash flows before movements in working capital	**3,298,206**	2,931,967
Increase in receivables	**(8,887,701)**	(10,413,616)
Increase in payables	**20,403,480**	9,072,225
Increase in inventories	**(13,943,789)**	(2,939,019)
Cash generated from/(used in) operations	**870,196**	(1,348,443)
Income taxes paid	**(227,584)**	(174,033)
Net cash generated from/(used in) operating activities	**642,612**	(1,522,476)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months ended 30 June,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
INVESTMENT ACTIVITIES		
Payments for acquisition of subsidiaries, net of cash acquired	**(5,000)**	(1,311,682)
Purchase and disposal of investments in associates, net	**(305,710)**	(25,778)
Net proceeds from financial assets and liabilities at FVTPL, FVTOCI and derivative instruments	**(599,741)**	55,099
Proceeds from disposal of property, plant and equipment, intangible assets and other non-current assets	**45,694**	51,350
Payments for purchase of property, plant and equipment, intangible assets and other non-current assets	**(1,846,270)**	(1,476,553)
Dividends received	**20,822**	20,187
Restricted cash	**(2,420,563)**	–
Net cash used in investing activities	**(5,110,768)**	(2,687,377)
FINANCING ACTIVITIES		
Proceeds from issuance of ordinary H shares relating to initial public offering, net of issuing costs	**4,544,847**	–
Proceeds from restricted share schemes	**110,840**	88,878
Capital injection by NCI	**–**	157,460
Transaction with NCI	**–**	(45,000)
Payments for repurchase of shares	**(7,907)**	(3,679)
Time deposit, certificate of deposit, restricted cash and other receivable pledged for borrowing and lease	**(1,737,068)**	(1,853,409)
Proceeds from borrowings	**29,111,453**	23,999,195
Proceeds from corporate bonds	**2,000,000**	–
Repayments of borrowings	**(21,494,563)**	(16,532,159)
Interests paid	**(237,196)**	(200,984)
Dividends paid to the Company's shareholders	**(1,299,064)**	(911,630)
Repayment of lease liabilities	**(55,804)**	(104,183)
Interest paid for lease liabilities	**(15,353)**	(14,016)
Payment of listing expense	**(17,636)**	–
Net cash generated from financing	**10,902,549**	4,580,473
Net increase in cash and cash equivalents	**6,434,393**	370,620
Cash and cash equivalents at the beginning of the period	**10,270,248**	11,425,180
Effect of exchange rate changes	**179,978**	236,625
Cash and cash equivalents at the end of the period, represented by bank balance and cash	**16,884,619**	12,032,425

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Huaqin Co., Ltd. (the "Company") was established in the People's Republic of China (the "PRC") on August 29, 2005. The Company's A Shares have been listed on Shanghai Stock Exchange since August 8, 2023, and the Company's H Shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since April 23, 2026. The address of the Company's registered office is Building 1, No. 399, Keyuan Road, China (Shanghai) Pilot Free Trade Zone, PRC.

The Company and its subsidiaries (collectively, the "Group") are principally engaged in design, development, manufacture and sales of smart products, including mobile terminals, computing and data center business, AIoT, and innovative business.

Mr. Qiu Wensheng is the largest shareholder of the Company.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

2.1 Basis of preparation

This interim condensed consolidated financial information, comprising interim condensed consolidated statement of financial position as of June 30, 2026, the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six month ended June 30, 2026 (collectively referred to as the "Interim Financial Information"), has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("IAS") 34, "Interim financial reporting", issued by the International Accounting Standards Board ("IASB"). The Interim Financial Information was approved for issue by the board of directors of the Company on August 25, 2026 and has not been audited.

The Interim Financial Information has been prepared in accordance with the same accounting policies adopted in the Accountants' Report disclosed in Appendix I to the prospectus of the Company dated April 15, 2026 (the "Prospectus"), except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.2.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

This Interim Financial Information contains condensed consolidated interim financial statements and selected explanatory notes. The selected notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the Accountants' Report disclosed in Appendix I to the Prospectus. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards"). Accordingly, this Interim Financial Information should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2025, which have been prepared in accordance with IFRS Accounting Standards, as set out in the Appendix I to the Prospectus.

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

In preparing the Interim Financial Information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied to the historical financial information for the three years ended December 31, 2023, 2024 and 2025 incorporated in the Appendix I to the Prospectus.

This Interim Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

The financial information relating to the financial year ended December 31, 2025 that is included in the Interim Financial Information as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from the Accountants' Report as disclosed in Appendix I to the Prospectus.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies

2.2.1 Amendments to IFRS Accounting Standards adopted by the Group

In the current interim period, the Group has applied, for the first time, the following amendment to IFRS Accounting Standards issued by the IASB which are mandatorily effective for the annual periods beginning on or after 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards

The adoption of these amendments to standards does not have significant impact on the Interim Financial Information of the Group.

2.2.2 New and amendments to IFRS Accounting Standards issued but not yet effective

At the date of this report, the following new standard and amendments to IFRS Accounting Standards that have been issued but are not effective and have not been early adopted by the Group:

IFRS 18	Presentation and Disclosure in Financial Statements[1]
IFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures[1]
IFRS 20	Regulatory Assets and Regulatory Liabilities[2]
Amendments to IAS 28	Amendments to the Fair Value Option for Investments in Associates and Joint Ventures[1]
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[1]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]

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

2 Effective for annual periods beginning on or after January 1, 2029.

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

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

2.2.2 *New and amendments to IFRS Accounting Standards issued but not yet effective* (Continued)

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies*, *Changes in Accounting Estimates and Errors*, which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRS Accounting Standards. IFRS 18 and the consequential amendments to other IFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The application of IFRS 18 is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the statements of profit or loss and disclosures.

The Group has already commenced an assessment of the impact of these new and revised IFRS, which are relevant to the Group's operations. According to the preliminary assessment made by the directors, no significant impact on the financial performance and financial position of the Group is expected when new and amended IFRS Accounting Standards become effective.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. REVENUE

Disaggregation of revenue from contracts with customers

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Mobile terminal	**41,116,682**	35,268,928
Computing & data Products	**43,324,889**	42,162,381
AIOT	**6,044,829**	3,276,016
Innovative Business	**2,535,559**	1,079,646
Others*	**697,124**	2,152,287
	93,719,083	83,939,258

* Others primarily include sales of materials and scrap.

The Group applies the practical expedient of not disclosing the transaction prices allocated to the remaining performance obligations as the original expected duration of all the contracts from customers of the Group are within one year or less.

Timing of revenue from contracts with customers recognition

All revenue from contracts with customers within the scope of IFRS 15 are recognized at a point in time.

4. SEGMENT INFORMATION

The operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). Management reviews the performance of the Group as a single operating segment based on the internal organisation structure, management requirements and internal reporting system. No separate analysis of the segment results by reportable segment is necessary.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

4. SEGMENT INFORMATION (Continued)

Geographical information

An analysis of the Group's revenue from external customers, based on location of customers and analysed by regions, is presented below:

	Six months ended June 30, 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Revenue from external customers		
– Mainland China	**32,109,415**	44,557,849
– Overseas*	**61,609,668**	39,381,409
	93,719,083	83,939,258

* Included Hong Kong SAR, Asia (other than Chinese Mainland and Hong Kong SAR) and other regions.

Information about major customer

Revenue from a customer which contributing over 10% of the total revenue of the Group are as follows:

	Six months ended June 30, 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Company A	**16,336,518**	9,225,440
Company B	**12,989,333**	11,362,490
Company C	*	12,217,271
Company D	*	9,280,649
	29,325,851	42,085,850

All the revenues derived from other single customer were less than 10% of the Group's total revenues during the six months ended June 30, 2026 and 2025.

* Less than 10% of the Group's revenue

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. OTHER INCOME

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Government grants *(Note i)*	**245,047**	205,839
Interest income from bank deposit, time deposits and certificates of deposits held	**205,113**	208,943
Super-input value-added tax ("VAT") credit *(Note ii)*	**6,323**	13,156
Others	**9,005**	9,975
	465,488	437,913

Note i: Asset-related deferred income systematically released to profit or loss over the estimated useful lives of the related assets or the designated period. During the six months ended June 30, 2026, the amount of government grants recognised from asset-related deferred income was approximately RMB33,057,000 (six months ended June 30, 2025: RMB46,295,000).

Note ii: Pursuant to the Notice on the Additional Value-added Tax ("VAT") Credit Policy for Advanced Manufacturing Enterprises (Announcement [2023] No. 43) issued by the Ministry of Finance and the State Taxation Administration in September 2023, advanced manufacturing enterprises are eligible for a 5% additional VAT deduction based on deductible input VAT.

6. OTHER GAINS AND LOSSES, NET

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Net gains/(losses) on fair value changes of financial assets and financial liabilities at FVTPL	**1,305,560**	(37,061)
Net gains on disposal of financial assets and financial liabilities at FVTPL	**63,990**	132,714
Dividend income from equity investment at FVTPL	**10,947**	10,007
Net gains on disposal of equity interest in associates	**6,181**	18
Gain on deemed disposal of shares in associates	**26,550**	18,634
Exchange (losses)/gains	**(28,122)**	94,966
Others	**(1,970)**	37,177
	1,383,136	256,455

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

7. PROVISION FOR IMPAIRMENT LOSSES

	Six months ended June 30, 2026 RMB'000 (unaudited)	Six months ended June 30, 2025 RMB'000 (unaudited)
Impairment losses under ECL model, net of reversal		
Trade and bills receivables	**8,200**	4,537
Other receivables	**7,365**	1,875
	15,565	6,412
Other impairment losses		
Impairment of inventories	**293,141**	154,162
Impairment of goodwill	**–**	26,782
	293,141	180,944
Total	**308,706**	187,356

8. FINANCE COSTS

	Six months ended June 30, 2026 RMB'000 (unaudited)	Six months ended June 30, 2025 RMB'000 (unaudited)
Interest expenses on borrowings	**247,020**	93,282
Interest expenses on lease liabilities	**15,353**	14,016
	262,373	107,298

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

9. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging/(crediting):

	Six months ended June 30, 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Raw materials and consumables used	**82,250,132**	74,398,325
Write-down on inventories *(Note (i))*	**293,141**	154,162
Depreciation for property, plant and equipment	**785,301**	605,899
Amortization of intangible assets	**77,890**	66,638
Depreciation of right-of-use assets	**123,872**	117,807
Staff costs (including directors' emoluments):		
– Salaries and other benefits	**5,657,709**	4,722,487
– Retirement benefits scheme contributions	**333,621**	239,346
– Share-based payment expenses	**57,377**	51,943
Short-term leases with application of recognition exemption.	**86,253**	71,398

Note:

(i) This represents write down for inventories with carrying amounts exceeding their estimated selling prices due to market conditions.

10. INCOME TAX EXPENSES

The income tax expenses of the Group during the six months ended June 30, 2026 and 2025 are analyzed as follows:

	Six months ended June 30, 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Current tax		
– Tax for the year	**235,735**	303,479
– Over provision in respect of prior year	**15,759**	26,324
Deferred tax	**35,823**	(77,756)
Total income tax expenses	**287,317**	252,047

Income tax expenses are recognized based on management's best knowledge of the income tax rates that would be applicable to the full financial year.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

10. INCOME TAX EXPENSES (Continued)

(i) Enterprise income tax in mainland China ("EIT")

The income tax provision of the Group in respect of its operations in Chinese Mainland was calculated at a tax rate of 25% on the assessable profits for the periods presented, based on the existing legislation, interpretation and practices in respect thereof.

The Company and certain subsidiaries in Chinese Mainland were approved as "High and New Technology Enterprise" by the relevant government authorities and was subject to a preferential rate of 15% during the six months ended 30 June 2026 and 2025.

Subsidiaries of the Company in Chinese Mainland obtained "Software Enterprise Certificate" in the third quarter of 2025 and is exempted from enterprise income tax for the first and second years starting from its first profitable year. From the third to the fifth year, enterprise income tax is levied at half of the 25% statutory tax rate.

For qualified Small Low-profit Enterprise, the annual taxable income up to RMB3,000,000 (inclusive) is subject to an effective CIT rate of 5% from January 1, 2023 to December 31, 2027.

(ii) Hong Kong profits tax

Hong Kong profits tax has been provided for at the rate of 16.5% on the estimated assessable profits during the six months ended June 30, 2026 and 2025.

(iii) Corporate income tax in other jurisdictions

A subsidiary of the Company incorporated in the United State of America ("USA") is subject to Federal Corporate Tax and State Income Tax. The tax rate for Federal Corporate Tax and State Income Tax are 21% and 8.84% during the six months ended June 30, 2026 and 2025, respectively.

Subsidiaries of the Company incorporated in India, Singapore and Japan are subject to the tax rates at 25.168%, 17% and 23.20%, respectively.

Subsidiaries of the Company incorporated in Vietnam are subject to the standard corporate income tax rate of 20%, while eligible new investment projects qualify for a preferential tax scheme of "2-year tax exemption followed by 4-year 50% reduction (effective rate: 10%)" starting from their first profitable year, with the standard 20% rate applying after the incentive period.

Pursuant to the rules and regulations of the British Virgin Islands (the "BVI"), the Group is not subject to any income tax in the BVI.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

10. INCOME TAX EXPENSES (Continued)

(iv) Organization for Economic Co-operation and Development ("OECD") Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules and Pillar Two legislation was enacted or to be enacted in several tax jurisdictions in which the group entities are incorporated or operated. The Group applies the IAS 12 exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its Global Anti-Base Erosion ("GloBE") effective tax rate in each jurisdiction and the 15% minimum rate.

In 2025, Pillar Two legislation is effective in certain jurisdictions where the Group operates. For these jurisdictions, the Group has evaluated the potential impact based on the available information on the Group's financial performance for the relevant period and concluded that the Group does not face significant tax exposure in these jurisdictions, and no current tax expense for Pillar Two income tax was recognized for the six months ended June 30, 2026 and 2025.

11. EARNINGS PER SHARE

Basic and diluted earnings per share

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

(a) Basic

Basic earnings per share ("EPS") is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the six months ended June 30, 2026 and 2025, excluding treasury shares held for restricted share schemes as these shares are not considered outstanding for earnings per share calculation purposes.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

11. EARNINGS PER SHARE (Continued)

Basic and diluted earnings per share (Continued)

(a) Basic (Continued)

Earnings:

	Six months ended June 30, 2026 RMB'000 (unaudited)	Six months ended June 30, 2025 RMB'000 (unaudited)
Profit attributable to owners of the Company	**3,026,173**	1,907,604
Less: Dividends payable to expected vested restricted shares	**(5,553)**	(3,676)
Earnings for the purpose of calculating basic earnings per share	**3,020,620**	1,903,928

Number of shares:

	Six months ended June 30, 2026 Thousands shares (unaudited)	Six months ended June 30, 2025 Thousands shares (unaudited)
Weighted average number of ordinary shares in issue excluding shares held for share award scheme *(note)*	**1,443,014**	1,413,875
Basic EPS (RMB per share)	**2.09**	1.35

Note:

Treasury shares were excluded in calculating the weighted average number of ordinary shares for the purpose of basic earnings per share.

In June 2026, the Company adopted stock dividend by issuing 4 share per 10 shares to all shareholders of the Company, and the earnings per share was calculated as if the stock dividend occurred as of January 1, 2025.

11. EARNINGS PER SHARE (Continued)

Basic and diluted earnings per share (Continued)

(b) Diluted

The share schemes granted by the Company have potential dilutive effect on the EPS. Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares.

For the six months ended June 30, 2026 and 2025, the restricted share schemes had either anti-dilutive effect or insignificant dilutive effect to the Group's diluted earnings per share.

Earnings:

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Profit attributable to owners of the Company	**3,026,173**	1,907,604

Number of shares:

	Six months ended June 30,	
	2026	2025
	Thousands shares	Thousands shares
	(unaudited)	(unaudited)
Weighted average number of ordinary shares for the purpose of calculating basic earnings per shares	**1,443,014**	1,413,875
Effect of restricted shares	**1,828**	921
Weighted average number of ordinary shares for the purpose of calculating diluted EPS	**1,444,842**	1,414,796
Diluted EPS (RMB per share)	**2.09**	1.35

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12. DIVIDENDS

A final dividend in respect of the year ended December 31, 2025 of RMB12 per 10 shares (tax inclusive) was proposed pursuant to a resolution passed by the Board of Directors on April 29, 2026 and approved by the shareholders at the Company's 2025 annual general meeting held on May 20, 2026. Such dividend amounted to RMB1,299,064,000 was fully paid during the six months ended June 30, 2026.

13. INVESTMENTS IN ASSOCIATES

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Investments in associates accounted for using the equity method		
– Listed entity *(Note (i))*	**5,219,195**	2,424,982
– Unlisted entities	**1,868,145**	1,736,845
	7,087,340	4,161,827

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Opening balance	**4,161,827**	1,648,298
Additions *(Note (ii))*	**2,766,538**	2,495,141
Disposals	**(34,394)**	(1,266)
Share of income of associates, net	**57,687**	52,929
Share of other comprehensive income/(loss) of associates, net	**118,083**	(6,608)
Gains on deemed disposal of investments in associates	**26,550**	27,046
Dividends	**(9,875)**	(62,634)
Exchange difference	**(32,632)**	(21,302)
Others	**33,556**	30,223
	7,087,340	4,161,827

Note:

(i) As of June 30, 2026, the fair value of the investment in an associate which was a listed entity was RMB13,030,736,000 (December 31, 2025: RMB3,995,018,000).

(ii) For the six months ended June 30, 2026, the Group acquired 6% equity interest of Nexchip Semiconductor (China) Limited from an independent third party at total considerations of RMB2,651,025,000.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. PROPERTY, PLANT AND EQUIPMENT

	Property, Buildings and Self-owned land RMB'000	Machinery RMB'000	Furniture, fixtures and equipment RMB'000	Transportation vehicle RMB'000	Decoration and Leasehold improvement RMB'000	Construction in progress RMB'000	Total RMB'000
Cost							
As of January 1, 2025	4,644,575	6,143,166	974,713	58,823	534,768	1,759,717	14,115,762
Additions	–	637,770	190,974	3,586	129,874	2,008,702	2,970,906
Acquisition of subsidiaries	2,053,868	112,171	16,675	120	10,355	–	2,193,189
Transfer from CIP to other property, plant and equipment, net	1,333,334	1,495,643	26,930	9,865	86,884	(2,952,656)	–
Disposals	–	(86,828)	(35,105)	(1,078)	(13,130)	(16,856)	(152,997)
Exchange difference	1,687	(16,061)	(571)	(236)	(229)	(1,193)	(16,603)
As of December 31, 2025 and January 1, 2026	8,033,464	8,285,861	1,173,616	71,080	748,522	797,714	19,110,257
Additions	6,512	215,683	127,084	2,153	132,643	776,194	1,260,269
Transfer from CIP to other property, plant and equipment, net	292,527	539,237	16,944	6,130	43,334	(898,172)	–
Disposals	–	(79,668)	(23,499)	(1,878)	(3,545)	–	(108,590)
Exchange difference	(703)	(9,262)	(897)	(349)	(162)	(3,712)	(15,085)
As of June 30, 2026	8,331,800	8,951,851	1,293,248	77,136	920,792	672,024	20,246,851
Accumulated Depreciation							
As of January 1, 2025	762,627	2,660,791	706,294	29,534	301,189	–	4,460,435
Charge for the year	269,667	773,569	115,406	10,607	109,846	–	1,279,095
Charged through acquisition of subsidiaries	175,603	61,864	11,302	44	73	–	248,886
Written back on disposal	–	(50,743)	(28,405)	(990)	(12,141)	–	(92,279)
Exchange difference	905	(4,615)	(111)	(82)	195	–	(3,708)
As of December 31, 2025 and January 1, 2026	1,208,802	3,440,866	804,486	39,113	399,162	–	5,892,429
Charge for the period	176,968	476,375	61,710	5,823	64,425	–	785,301
Written back on disposal	–	(43,889)	(22,043)	(1,754)	(2,208)	–	(69,894)
Exchange difference	(276)	(2,141)	(599)	(149)	(181)	–	(3,346)
As of June 30, 2026	1,385,494	3,871,211	843,554	43,033	461,198	–	6,604,490
Accumulated Impairment							
As of January 1, 2025	–	1,276	9	–	–	–	1,285
Written back on disposal	–	(16)	(1)	–	–	–	(17)
As of December 31, 2025, January 1, 2026 and June 30, 2026	–	1,260	8	–	–	–	1,268
Net book value							
As of December 31, 2025 (audited)	6,824,662	4,843,735	369,122	31,967	349,360	797,714	13,216,560
As of June 30, 2026 (unaudited)	6,946,306	5,079,380	449,686	34,103	459,594	672,024	13,641,093

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

15. INTANGIBLE ASSETS

	Patent RMB'000	Software RMB'000	Customer relationship (note) RMB'000	Non-patented technology RMB'000	Development costs RMB'000	Total RMB'000
Cost						
As of January 1, 2025	122,834	340,822	340,000	3,051	12,734	819,441
Addition	1,206	77,325	–	–	13,492	92,023
Transfer from development costs to intangible assets	–	–	–	15,820	(15,820)	–
Acquisition of subsidiaries	32,226	928	49,616	–	–	82,770
Disposals	–	(971)	–	–	–	(971)
Exchange difference	(33)	(1,037)	896	–	–	(174)
As of December 31, 2025 and January 1, 2026	156,233	417,067	390,512	18,871	10,406	993,089
Addition	–	66,955	–	–	–	66,955
Transfer from development costs to intangible assets	–	–	–	10,406	(10,406)	–
Disposals	–	(303)	–	–	–	(303)
Exchange difference	(50)	(1,982)	(26)	–	–	(2,058)
As of June 30, 2026	**156,183**	**481,737**	**390,486**	**29,277**	**–**	**1,057,683**
Amortization						
As of January 1, 2025	7,925	193,191	2,810	–	–	203,926
Amortization for the year	28,933	69,926	34,554	2,983	–	136,396
Charged through acquisition of subsidiaries	–	372	–	–	–	372
Disposal – written back	–	(906)	–	–	–	(906)
Exchange difference	(32)	(548)	7	–	–	(573)
As of December 31, 2025 and January 1, 2026	36,826	262,035	37,371	2,983	–	339,215
Amortization for the period	14,405	42,200	19,398	1,887	–	77,890
Charged through acquisition of subsidiaries	–	–	–	–	–	–
Disposal – written back	–	(215)	–	–	–	(215)
Exchange difference	(51)	(1,003)	(15)	–	–	(1,069)
As of June 30, 2026	**51,180**	**303,017**	**56,754**	**4,870**	**–**	**415,821**
Net book value						
As of December 31, 2025 (audited)	119,407	155,032	353,141	15,888	10,406	653,874
As of June 30, 2026 (unaudited)	**105,003**	**178,720**	**333,732**	**24,407**	**–**	**641,862**

Note: Such intangible assets arose from the acquisition of Innovation Enterprises Holdings Limited (易路達企業控股有限公司) ("Innovation Enterprises") in December 2024 and Plamex, S.A de C.V. ("Plamex") in November 2025 based on the valuation prepared by independent external valuers adopting the multi-period excess earnings method under the income approach, respectively. The intangible assets were evaluated based on Innovation Enterprises's and Plamex's Core Customers preceding the acquisition. As of the dates of the valuation, the relationships between Innovation Enterprises, Plamex and their Core Customers have been well-established, strong and achieved through track records of quality product deliveries, respectively. These intangible assets enable Innovation Enterprises and Plamex to have stable source of revenue and also provide a solid foundation for business growth and development, respectively.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

16. RIGHT-OF-USE ASSETS

Details of the right-of-use assets recognized and movements during the six months ended June 30, 2026:

	Land use rights RMB'000	Other properties leased for own use RMB'000	Total RMB'000
Costs			
As of January 1, 2025	1,296,969	1,036,774	2,333,743
Additions	22,075	329,611	351,686
Lease termination	–	(275,051)	(275,051)
Acquisition of subsidiaries	100,448	10,273	110,721
Exchange difference	(1,745)	(4,470)	(6,215)
As of December 31, 2025 and January 1, 2026	1,417,747	1,097,137	2,514,884
Additions	269,647	83,618	353,265
Lease termination	–	(119)	(119)
Exchange difference	(1,971)	(1,658)	(3,629)
As of June 30, 2026	**1,685,423**	**1,178,978**	**2,864,401**
Depreciation			
As of January 1, 2025	108,560	460,029	568,589
Depreciation	29,703	220,650	250,353
Charged through acquisition of subsidiaries	4,774	5,462	10,236
Eliminated on lease termination	–	(218,011)	(218,011)
Exchange difference	(96)	(900)	(996)
As of December 31, 2025 and January 1, 2026	142,941	467,230	610,171
Depreciation	17,952	107,053	125,005
Eliminated on lease termination	–	(119)	(119)
Exchange difference	(78)	(30)	(108)
As of June 30, 2026	**160,815**	**574,134**	**734,949**
Carrying amounts			
As of December 31, 2025 (audited)	1,274,806	629,907	1,904,713
As of June 30, 2026 (unaudited)	**1,524,608**	**604,844**	**2,129,452**

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

17. FINANCIAL ASSETS AT FVTOCI, FINANCIAL ASSETS AT FVTPL AND DERIVATIVE FINANCIAL INSTRUMENTS

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Financial assets		
Non-current assets		
Financial assets at FVTPL		
– Equity investments *(Note (i))*	**3,182,812**	2,687,906
Current assets		
Financial assets at FVTPL		
– Structured deposits and wealth management products *(Note (ii))*	**156,299**	452,316
– Equity investments *(Note (i))*	**2,309,314**	325,593
	2,465,613	777,909
Financial assets at FVTOCI		
– Note receivables measured at FVTOCI	**126,755**	331,229
Derivatives financial instruments		
– Derivatives financial instruments not under hedge accounting *(Note (iii))*	**133,593**	103,384
– Derivatives financial instruments under hedge accounting *(Note (iii))*	**228**	30,676
	133,821	134,060
Current liabilities		
Derivatives financial instruments		
– Derivatives financial instruments not under hedge accounting *(Note (iii))*	**223,121**	150,085
– Derivatives financial instruments under hedge accounting *(Note (iii))*	**18,463**	8,177
	241,584	158,262

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

17. FINANCIAL ASSETS AT FVTOCI, FINANCIAL ASSETS AT FVTPL AND DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

Notes:

(i) Equity investments

The equity investments are classified as non-current or current as the management expects to realize these financial assets after twelve months or within twelve months after each reporting period for the six months ended June 30, 2026 and year ended December 31, 2025.

(ii) Structured deposits and wealth management products

The Group purchased series of structured deposit and wealth management products from banks and other financial institutions in the PRC. The investments are yield enhancement deposits with expected but not guaranteed rates of return.

(iii) Derivative financial instruments

The Group enters into derivative financial instruments contracts with banks. Derivative financial instruments are mainly about foreign currency forward contracts and foreign currency options. The fair values of derivative financial instruments are measured based on the valuation report obtained from banks.

18. TRADE AND BILLS RECEIVABLE AND PREPAYMENT, DEPOSIT AND OTHER RECEIVABLES

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Trade receivables		
– Third parties	**40,249,025**	31,477,109
– Related parties *(Note (i))*	**3,227,441**	2,765,286
	43,476,466	34,242,395
Less: loss allowance for trade receivables	**(70,106)**	(62,722)
Sub-total	**43,406,360**	34,179,673
Bills receivables		
– Commercial	**43,683**	54,897
– Bank	**206,591**	134,159
	250,274	189,056
Less: loss allowance for bill receivables	**(22)**	(27)
Sub-total	**250,252**	189,029
Trade and bills receivables	**43,656,612**	34,368,702

Notes:

(i) Details of the trade and other receivables due from related parties are set out in Note 31.

18. TRADE AND BILLS RECEIVABLE AND PREPAYMENT, DEPOSIT AND OTHER RECEIVABLES (Continued)

The Group generally allows a credit period of generally 30 to 90 days to its customers. The following is aging analysis of trade receivables, presented based on the respective revenue recognition dates, at the end of each financial period during the six months ended June 30, 2026:

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Within 1 year	**43,405,234**	34,179,126
1 to 2 years	**31,852**	24,828
2 to 3 years	**1,064**	513
Over 3 years	**38,316**	37,928
	43,476,466	34,242,395
Less: loss allowance for trade receivables	**(70,106)**	(62,722)
	43,406,360	34,179,673

19. PREPAYMENT, DEPOSIT AND OTHER RECEIVABLES

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Included in non-current assets:		
Prepayments for items of property, plant and equipment and other intangible assets	**455,908**	313,653
Advance payment for equity investment	**–**	200,000
	455,908	513,653
Included in current assets:		
Prepayments to suppliers	**248,955**	154,838
Deductible input VAT	**5,404,431**	4,147,132
Refund receivables for export value-added tax	**1,022,854**	646,182
Others	**263,615**	152,461
	6,939,855	5,100,613
Less: provision for impairment	**(25,211)**	(17,749)
	6,914,644	5,082,864
	7,370,552	5,596,517

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

20. CASH AND BANK BALANCES, RESTRICTED BANK DEPOSITS, CERTIFICATES OF DEPOSITS HELD AND TIME DEPOSITS

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Non-current asset		
Time deposit	**–**	526,304
	–	526,304
Current assets		
Time deposit	**1,390,168**	952,861
Cash and bank balances	**16,884,619**	10,270,248
Restricted bank deposits *(Note (i))*	**7,585,571**	3,720,326
Certificates of deposits held	**–**	434,260
	25,860,358	15,377,695
	25,860,358	15,903,999

Notes:

(i) As of June 30, 2026, the restricted bank deposits mainly consist of escrow amount in the jointly controlled account for investment consideration, bank acceptance bill deposits and borrowing deposits.

21. INVENTORIES

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Raw materials	**17,564,897**	8,525,743
Outsourced Processing Materials	**3,073,934**	2,641,789
Work in progress	**958,497**	278,176
Finished goods	**6,934,363**	3,206,813
Goods in Transit to Customers	**234,562**	166,735
Less: provision for inventory impairment	**(343,288)**	(195,328)
Total	**28,422,965**	14,623,928

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

22. TRADE, BILLS AND OTHER PAYABLES AND ACCRUALS

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Trade payables		
– Third parties	**55,216,608**	32,856,936
– Related parties *(Note (i))*	**1,260,807**	1,326,929
	56,477,415	34,183,865
Bills payables		
– Third parties	**10,511,138**	11,022,229
Trade and bills payables	**66,988,553**	45,206,094
Other payables and accruals		
– Salary and bonus payables	**1,612,961**	1,504,539
– Interest payables	**9,015**	6,730
– Other taxes payable	**242,955**	354,198
– Related parties *(Note (ii))*	**2,000**	1,500
– Deposits received	**163,985**	159,573
– Accrued expense	**82,961**	68,903
– Endorsed note receivables without been derecognized and not yet due	**11,219**	22,805
– Purchase consideration payables for investee companies	**2,447,384**	31,889
– Accrual for repurchase of restricted shares	**186,788**	138,970
– Others	**36,570**	37,293
Current	**4,795,838**	2,326,400
Other long-term employee benefits payable	**44,734**	44,433
Non-current	**44,734**	44,433

Notes:

(i) Details of the trade payables due to related parties are set out in Note 31.

(ii) Details of the other payable due to related parties are set out in Note 31.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

22. TRADE, BILLS AND OTHER PAYABLES AND ACCRUALS (Continued)

Payment terms with suppliers are mainly on credit ranging from 30 to 120 days. The following is an aging analysis of trade payables presented based on transaction date at the end of each of the reporting period:

Trade payables	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Within 1 year	**56,243,547**	34,005,331
Over 1 year	**233,868**	178,534
Total	**56,477,415**	34,183,865

23. BORROWINGS

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Current portion		
Bank borrowings, secured	**319,962**	136,700
Bank borrowings, unsecured	**2,780,556**	1,426,543
Discounting of acceptance bill	**18,547,845**	13,014,044
	21,648,363	14,577,287
Non-current portion		
Bank borrowings, secured	**3,168,067**	2,168,602
Bank borrowings, unsecured	**1,864,309**	2,580,895
	5,032,376	4,749,497
Total borrowings	**26,680,739**	19,326,784

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

24. BONDS PAYABLE

On January 19, 2026, the Company completed the issuance of "26 Huaqin K1", and the actual issuance scale was RMB800 million. The bond was issued at the rate of 1.98%. The term of the bond is 3 years, and the interest is payable annually in arrears on and of each year.

On May 6, 2026, the Company completed the issuance of "26 Huaqin K2", and the actual issuance scale was RMB1,200 million. The bond was issued at the rate of 1.80%. The term of the bond is 3 years, and the interest is payable annually in arrears on and of each year.

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Nominal value of bonds issued during the period	**2,000,000**	–
At beginning of period:	**–**	–
Addition	**1,998,113**	–
Interest expense	**10,450**	–
Liability component at the end of the period	**2,008,563**	–
Analyzed into:		
Non-current portion	**1,998,278**	–
Current portion	**10,285**	–

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

25. PLEDGE ASSETS

The Group's certain assets have been primarily pledged to secure bills payable, borrowings and banking facilities granted to the Group. The carrying amounts of the pledged assets of the Group at the end of each reporting period are as follows:

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Restricted bank deposits	**7,585,571**	3,720,326
Other receivables	**25,605**	2,340
Property, plant and equipment	**1,903,878**	462,781
Right-of-use assets	**107,959**	85,620
Trade and bills receivables	**134,018**	256,467
Time deposits and certificates of deposits held	**1,390,168**	1,913,425
Total	**11,147,199**	6,440,959

26. SHARE CAPITAL

	Unaudited Six months ended June 30, 2026	
	Number of ordinary shares '000	Equivalent nominal value of shares '000
Ordinary shares of RMB1.00 each		
At the beginning of the period	**1,015,732**	**1,015,732**
Issuance of ordinary H shares *(Note)*	**67,330**	**67,330**
Transfer from share premium to share capital	**433,139**	**433,139**
At the end of the period	**1,516,201**	**1,516,201**

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

26. SHARE CAPITAL (Continued)

	Unaudited Six months ended June 30, 2025 Number of ordinary shares '000	 Equivalent nominal value of shares '000
Ordinary shares of RMB1.00 each		
At the beginning of the period	1,015,891	1,015,891
Transfer from share premium to share capital	(136)	(136)
At the end of the period	1,015,755	1,015,755

Note:

In April 2026, the Company completed its H-share IPO and listed on the Main Board of the Stock Exchange of Hong Kong Limited. After the exercise of the over-allotment option of global offering in May 2026, total 67,330,400 ordinary shares at HKD77.70 per share were issued and fully paid. The issuance of 67,330,400 ordinary shares, net of underwriting commission and other issuance cost, led to an increase of share capital and capital reserve by RMB67,330,000 and RMB4,438,552,000, respectively.

27. TREASURY SHARES

	Unaudited Six months ended June 30, 2026 Number of ordinary shares	 RMB'000
At the beginning of the period	**6,836,426**	**279,783**
Treasury shares transferred to the grantees under share award schemes	**–**	**(17,942)**
Vesting of share award schemes	**(1,620,570)**	**(46,348)**
2025 final dividend paid	**–**	**(7,945)**
Conversion of capital reserve into share capital	**1,999,967**	**–**
At the end of the period	**7,215,823**	**207,548**

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

27. TREASURY SHARES (Continued)

	Unaudited Six months ended June 30, 2025 Number of ordinary shares	 RMB'000
At the beginning of the period	8,136,690	382,062
Treasury shares transferred to the grantees under share award schemes	(136,040)	(58,992)
Vesting of share award schemes	(954,107)	(25,804)
2024 final dividend paid	–	(4,652)
At the end of the period	7,046,543	292,614

28. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The table below analyses the Group's financial instruments carried at fair value as of June 30, 2026 and December 31, 2025 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorized into three levels within a fair value hierarchy as follows:

(i) Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of each reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

(ii) Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

(iii) Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The carrying amounts of the financial assets and liabilities, which are measured at amortized cost, approximated their fair value as of June 30, 2026 and December 31, 2025.

28. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

(a) Fair value hierarchy

The following table presents the Group's financial assets and liabilities that are measured at fair value as of June 30, 2026.

(Unaudited)	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Assets				
Financial assets at FVTPL				
Equity instruments	**2,292,156**	**–**	**3,199,970**	**5,492,126**
Structured deposits and wealth management products	**–**	**–**	**156,299**	**156,299**
Derivative financial instruments	**–**	**133,821**	**–**	**133,821**
Note receivables measured at FVTOCI	**–**	**–**	**126,755**	**126,755**
	2,292,156	**133,821**	**3,483,024**	**5,909,001**
Liabilities				
Derivative Financial Instruments	**–**	**241,584**	**–**	**241,584**

The following table presents the Group's financial assets and liabilities that are measured at fair value as of December 31, 2025.

(Audited)	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Assets				
Financial assets at FVTPL				
Equity instruments	308,435	–	2,705,064	3,013,499
Structured deposits and wealth management products	–	–	452,316	452,316
Derivative financial instruments	–	134,060	–	134,060
Note receivables measured at FVTOCI	–	–	331,229	331,229
	308,435	134,060	3,488,609	3,931,104
Liabilities				
Derivative Financial Instruments	–	158,262	–	158,262

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

28. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

(b) Valuation techniques used to determine fair values

Assets and liabilities subject to Level 2 fair value measurement mainly included foreign currency forwards contracts. The fair values of derivative financial instruments are measured based on the valuation report obtained.

Assets subject to Level 3 fair value measurement mainly included equity investments in unlisted entities at FVTPL. These assets were measured mainly using market approach, net assets approach and recent transaction price approach. The judgment of Level 3 of the fair value hierarchy is based on the materiality of unobservable inputs towards calculation of whole fair value.

The Group did not change any valuation techniques in determining the level 2 and level 3 fair values.

The following table presents the changes in level 3 items for the six months ended June 30, 2026

	Equity Instruments RMB' 000	Structured deposits and wealth management products RMB' 000	Note receivables measured at FVTOCI RMB' 000	Total RMB' 000
Opening balance	**2,705,064**	**452,316**	**331,229**	**3,488,609**
Additions	**507,545**	**8,496,653**	**126,755**	**9,130,953**
Disposals	**(10,255)**	**(8,794,461)**	**(331,229)**	**(9,135,945)**
Change in fair value of financial assets at FVTPL	**–**	**1,791**	**–**	**1,791**
Translation of foreign currency accounting statements	**(2,384)**	**–**	**–**	**(2,384)**
Closing balance	**3,199,970**	**156,299**	**126,755**	**3,483,024**

28. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

(b) Valuation techniques used to determine fair values (Continued)

The following table presents the changes in level 3 items for the year ended December 31, 2025

	Equity Instruments RMB'000	Structured deposits and wealth management products RMB'000	Note receivables measured at FVTOCI RMB'000	Total RMB'000
Opening balance	2,549,898	824,431	24,691	3,399,020
Additions	15,900	6,288,500	331,229	6,635,629
Disposals	(41,164)	(6,661,231)	(24,691)	(6,727,086)
Transfer to Level 1	(64,286)	–	–	(64,286)
Change in fair value of financial assets at FVTPL	245,894	616	–	246,510
Translation of foreign currency accounting statements	(1,178)	–	–	(1,178)
Closing balance	2,705,064	452,316	331,229	3,488,609

The Group has a team that manages the valuation of level 3 instruments for financial reporting purposes. The team manages the valuation exercise of the investments on a case by case basis. At least once every year, the team would use valuation techniques to determine the fair value of the Group's level 3 instruments. External valuation experts will be involved when necessary.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

28. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

(c) Valuation inputs and relationships to fair value

The information of fair value measurements for Level 3 as of June 30, 2026 and December 31, 2025 is as follows:

Financial assets at FVTPL	Fair values As of June 30,2026 RMB'000 (unaudited)	As of December 31,2025 RMB'000 (audited)	Valuation Technique	Significant unobservable input	Relationship of key assumptions to fair value
Equity instruments	**1,049,040**	849,040	Market approach	Comparable company valuation multiples (including Price Earnings Ratio ("PE"), Price Sales Ratio ("PS") and Price Book Ratio ("PB"))	The higher comparable company valuation multiples (including PE, PS and PB), the higher the fair value.
				Discount for lack of marketability ("DLOM")	The higher DLOM, the lower the fair value.
	872,231	572,590	Recent transaction price approach	N/A	N/A
	1,261,125	1,254,715	Net asset value approach	N/A	The higher the net asset value, the higher the fair value.
	17,574	28,719	Option model	Expected volatility	The higher expected volatility, the higher the fair value.
				Risk-free rate	The higher risk-free rate, the lower the fair value.
Structured deposits and wealth management products	**156,299**	452,316	Income approach	Expected rate of return	N/A
Financial assets at FVTOCI					
Note receivables measured at FVTOCI	**126,755**	331,229	Discounted cash flow	DLOM	N/A

29. SHARE-BASED PAYMENT

(a) Restricted share schemes

Restricted share scheme before IPO in Shanghai Stock Exchange ("SSE") (2017 – 2021)

The Company adopted various restricted share schemes from 2017 to 2021 (the "pre-SSE IPO Restricted Share Scheme") for the primary purpose of attracting, retaining and motivating the directors and employees of the Group. In 2017 the Company completed the grant of 2,114,000 and 14,478,000 restricted stock with to 8 and 124 incentive participants at a price of Nil and RMB3.22 per share, respectively. In 2018 the Company completed the grant of 2,216,000 restricted stock to 26 incentive participants at a price of RMB3.5 per share. In 2019 the Company completed the grant of 1,970,000 restricted stock to 45 incentive participants at a price of RMB3.96 per share. In 2020 the Company completed the grant of 13,464,900 restricted stock to 183 incentive participants at a price of RMB4.31 per share. In 2021 the Company completed the grant of 70,000 restricted stock to 1 incentive participant at a price of RMB6.73 per share. The incentive employees include high and middle-level management. The number and price of shares granted were determined with reference to the then Company's share capital and valuation.

Set out below are details of the movements of the outstanding restricted shares granted under the pre-SSE IPO Restricted Share Scheme:

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Opening balance	**5,400**	10,799
Vested	**(5,400)**	–
Closing balance	**–**	10,799

Restricted share scheme in 2023

The Company adopted a restricted share scheme in 2023 (the "2023 Restricted Share Scheme") for the primary purpose of attracting, retaining and motivating the directors and employees of the Group. Under the 2023 Restricted Share Scheme, the directors granted 1,549,395 and 411,483 newly issued restricted shares under the scheme to eligible employees, including the directors and employees of the Group, at a price of RMB40.32 per share and RMB28.95 per share, in January 2024 and July 2024, respectively, which settled upon the date of grant, to obtain ordinary shares of the Company upon vesting. The price difference is due to the capital premium conversion in July 2024 which cause the shares of the Company to increase. The number and price of shares granted were determined with reference to the then Company's share capital and valuation.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

29. SHARE-BASED PAYMENT (Continued)

(a) Restricted share schemes (Continued)

Restricted share scheme in 2023 (Continued)

Set out below are details of the movements of the outstanding restricted shares granted under the 2023 Restricted Share Scheme:

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Opening balance	**1,089**	2,581
Capital premium conversion	**143**	–
Vested	**(922)**	(954)
Lapsed	**(61)**	(45)
Repurchased	**–**	(136)
Closing balance	**249**	1,446

Restricted share scheme in 2025

The Company adopted a restricted share scheme in 2025 (the "2025 Restricted Share Scheme") for the primary purpose of attracting, retaining and motivating the directors and employees of the Group. Under the 2025 Restricted Share Scheme, the directors granted 2,588,177 and 440,350 restricted shares under the scheme from the treasury shares to eligible employees, including the directors and employees of the Group, at a price of RMB34.34 per share and 39.96 per share, in February 2025 and August 2025, respectively, which settled upon the date of grant, to obtain ordinary shares of the Company upon vesting. The number and price of shares granted were determined with reference to the then Company's share capital and valuation.

Set out below are details of the movements of the outstanding restricted shares granted under the 2025 Restricted Share Scheme:

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Opening balance	**2,870**	–
Granted	**–**	2,588
Capital premium conversion	**932**	–
Vested	**(699)**	(26)
Lapsed	**(103)**	–
Closing balance	**3,000**	2,562

29. SHARE-BASED PAYMENT (Continued)

(a) Restricted share schemes (Continued)

Restricted share scheme in 2026

The Company adopted a restricted share scheme in 2026 (the "2026 Restricted Share Scheme") for the primary purpose of attracting, retaining and motivating the directors and employees of the Group. Under the 2026 Restricted Share Scheme, the directors granted 2,311,580 restricted shares under the scheme from the treasury shares to eligible employees, including the directors and employees of the Group, at a price of RMB47.95 per share, in February 2026, which settled upon the date of grant, to obtain ordinary shares of the Company upon vesting. The number and price of shares granted were determined with reference to the then Company's share capital and valuation.

Restricted shares granted to incentive recipients are subject to lock-up periods, which commence from the grant date. According to the Company's performance appraisal and individual performance appraisal, 30% of the shares will be vested after 12 months, 30% of the shares will be vested after 24 months, and the rest will be vested after 36 months. During the lock-up period, the incentive recipients' restricted shares shall not be transferable, used as collateral, or applied to debt settlement.

Restricted shares held by recipients who do not meet vesting conditions shall not be released and cannot be deferred to subsequent periods; such shares shall be repurchased and canceled by the Company at the grant price.

Cash dividends are paid to recipients directly. If vesting conditions are not met, such dividends shall be reclaimed by the Company. Shares acquired by incentive recipients through capitalization (e.g., capital premium conversion, stock dividends, or stock splits) during the lock-up period shall be subject to the same restrictions and may not be sold or transferred in secondary markets; such shares shall also be repurchased and canceled by the Company if vesting conditions are not met.

Upon termination of the restricted share incentive plan, the Company shall repurchase all unvested restricted shares and dispose of them in accordance with the provisions of the Company Law.

The fair value of restricted shares is determined by the closing share price at grant day. The fair value of restricted shares granted for 2026 Restricted Share Scheme at grant date was RMB89.56.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

29. SHARE-BASED PAYMENT (Continued)

(a) Restricted share schemes (Continued)

Restricted share scheme in 2026 (Continued)

Set out below are details of the movements of the outstanding restricted shares granted under the 2026 Restricted Share Scheme:

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Opening balance	**–**	–
Granted	**2,312**	–
Capital premium conversion	**925**	–
Lapsed	**(6)**	–
Closing balance	**3,231**	–

The total expenses recognized in the interim condensed consolidated statement of profit or loss and other comprehensive income in connection with share-based payments schemes described above are RMB55,807,000 and RMB51,943,000 for the six months ended June 30, 2026 and 2025, respectively.

(b) Restricted share scheme adopted by a subsidiary

A subsidiary of the Group issued restricted share units ('RSU') of its own shares to senior executives and other employees in 2026.

The fair value at grant date is independently determined using the Discounted Cash Flow model.

Share-based payment expenses of approximately RMB1,570,000 (2025: nil) related to the above share awards were recognized in the interim condensed consolidated statement of profit or loss and other comprehensive income for the six months ended June 30, 2026

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30. CAPITAL COMMITMENTS

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Capital expenditure contracted for but not provided for purchase of property, plant and equipment and intangible assets	**3,627,636**	1,974,772

31. RELATED PARTY TRANSACTIONS AND BALANCES

During the six months ended June 30, 2026, the following parties are identified as related parties to the Group and the respective relationships are set out below:

Names of related parties	Relationship
江西志博信科技股份有限公司 Jiangxi Zhiboxin Technology Co., Ltd.	The associate of the Group
南昌英力精密製造有限公司 Nanchang Yingli Precision Manufacturing Co., Ltd.	The associate of the Group
深圳智賽精密裝備有限公司 Shenzhen Zhisai Precision Equipment Co., Ltd.	The associate of the Group
合泰盟方電子(深圳)股份有限公司 Hotland Electronics (Shenzhen) Co., Ltd.	The associate of the Group
嘉興微瑞光學有限公司 Jiaxing Weirui Optics Co., Ltd	The associate of the Group
金華市創捷電子有限公司 Jinhua TROQ Electronic Co., LTD	The associate of the Group
重慶市天實精工科技有限公司 Chongqing Tianshi Precision Technology Co., Ltd.	The associate of the Group
Bhagwati Products Limited	The associate of the Group
惠州市合升科技有限公司 Huizhou Hosen Electronic Co., Ltd	The associate of the Group
三旗日本株式會社 Tricheer Japan Limited	The associate of the Group

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Names of related parties	Relationship
THine HyperData,Inc	The associate of the Group (disposal of in April 2025)
惠州光弘科技股份有限公司 DBG Technology Co., Ltd *(Note)*	A subsidiary of the Group's associate
惠州光弘通訊技術有限公司 Huizhou Guanghong Communication Technology Co., Ltd.	A Subsidiary of the Group's associate
嘉興光弘科技電子有限公司 Jiaxing DBG Technology Electronics Co., Ltd *(Note)*	A Subsidiary of the Group's associate
DBG Technology (India) Private Limited	A Subsidiary of the Group's associate
DBG Technology (Vietnam) Co. Ltd.	A Subsidiary of the Group's associate
南昌聯決電子有限公司 Nanchang Lianjue Electronics Co., Ltd. *(Note)*	A Subsidiary of the Group's associate
珠海聯決電子科技有限公司 Zhuhai Lianjue Electronics Co., Ltd. *(Note)*	A Subsidiary of the Group's associate
南昌市千一科技有限公司 Nanchang Qianyi Technology Co., Ltd.(Note)	An associate of the Group before December 2025
南昌勤悅置業有限公司 Nanchang Qinyue Real Estate Co., Ltd. *(Note)*	Controlled by Mr. Qiu Wensheng
成都速易聯芯科技有限公司 Chengdu Suyi Lianxin Technology Co., Ltd. *(Note)*	The associate of the Group
揚州揚傑電子科技股份有限公司 Yangzhou Yangjie Electronic Technology Co., Ltd	Controlled by Mr. Huang Zhiguo
正弘電子有限公司 Zheng Hong Electronics Limited	The associate of the Group

Note: The English names of the related parties registered in the PRC mentioned above represent the best efforts made by management of the Company to translate their Chinese names as they do not have official English names.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(a) Transactions with related parties

(i) Purchase

	Six months ended June 30,	
– For services:	2026	2025
Name of related party	RMB'000	RMB'000
	(unaudited)	(unaudited)
THine HyperData, Inc	–	697
	–	697
– For goods:		
Jiangxi Zhiboxin Technology Co., Ltd. 江西志博信科技股份有限公司	**380,480**	274,368
Nanchang Lianjue Electronics Co., Ltd. 南昌聯決電子有限公司	**9,218**	49,821
Nanchang Yingli Precision Manufacturing Co., Ltd. 南昌英力精密製造有限公司	**160,044**	163,104
Chongqing Tianshi Precision Technology Co., Ltd. 重慶市天實精工科技有限公司	**62**	–
Hotland Electronics (Shenzhen) Co., Ltd 合泰盟方電子(深圳)股份有限公司	**2,273**	6,201
Zhuhai Lianjue Electronics Co., Ltd. 珠海市聯決電子有限公司	**14,738**	–
Jinhua TROQ Electronic Co., Ltd 金華市創捷電子有限公司	**1,336**	382
Jiaxing Weirui Optics Co., Ltd 嘉興微瑞光學有限公司	**303**	–
Huizhou Hosen Electronic Co., Ltd 惠州市合升科技有限公司	**3,255**	12,313
Tricheer Japan Limited 三旗日本株式會社	**1,251**	783
Yangzhou Yangjie Electronic Technology Co., Ltd 揚州揚傑電子科技股份有限公司	**1,501**	487
	574,461	507,459

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(a) Transactions with related parties (Continued)

(i) Purchase (Continued)

– For services: Name of related party	Six months ended June 30, 2026 RMB'000 (unaudited)	 2025 RMB'000 (unaudited)
– For goods and processing		
DBG Technology Co., Ltd 惠州光弘科技股份有限公司	**294,187**	207,277
DBG Technology (India) Private Limited	**388,199**	501,752
DBG Technology (Vietnam) Co. Ltd.	**304,822**	204,123
Jiaxing DBG Technology Electronics Co., Ltd 嘉興光弘科技電子有限公司	**1,299**	9,206
Bhagwati Products Limited	**575,819**	422,216
Shenzhen Zhisai Precision Equipment Co., Ltd. 深圳智賽精密裝備有限公司	**38,693**	2,049
	1,603,019	1,346,623
– For property, plant and equipment and services		
Shenzhen Zhisai Precision Equipment Co., Ltd. 深圳智賽精密裝備有限公司	**24,258**	8,181
	24,258	8,181

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(a) Transactions with related parties (Continued)

(ii) Revenue

– For goods: Name of related party	Six months ended June 30, 2026 RMB'000 (unaudited)	 2025 RMB'000 (unaudited)
Nanchang Lianjue Electronics Co., Ltd. 南昌聯決電子有限公司	**1,298**	1,462
Jiang Xi Zhiboxin Technology Co., Ltd 江西志博信科技股份有限公司	**73**	1,315
Shenzhen Zhisai Precision Equipment Co., Ltd. 深圳智賽精密裝備有限公司	**31**	31
DBG Technology (India) Private Limited	**2**	31,077
Bhagwati Products Limited	**3,136,761**	2,411,433
Tricheer Japan Co., Ltd. 三旗日本株式會社	**19,317**	37,199
Chengdu Suyi Lianxin Technology Co., Ltd. 成都速易聯芯科技有限公司	**–**	1,858
	3,157,482	2,484,375

– Services: Name of related party	Six months ended June 30, 2026 RMB'000 (unaudited)	 2025 RMB'000 (unaudited)
DBG Technology Co., Ltd 惠州光弘科技股份有限公司	**–**	29
	–	29

31. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(a) Transactions with related parties (Continued)

(iii) Lessee

Name of related party	Six months ended June 30, 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Nanchang Qianyi Technology Co., Ltd. 南昌市千一科技有限公司	–	9,925
Nanchang Qinyue Real Estate Co., Ltd. 南昌勤悅置業有限公司	–	193
DBG Technology (Vietnam) Co. Ltd.	**23,765**	2,958
	23,765	13,076

(iv) Capital increase in related parties

Name of related party	Six months ended June 30, 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Nanchang Yingli Precision Manufacturing Co., Ltd. 南昌英力精密製造有限公司	–	13,000
Zheng Hong Electronics Limited 正弘電子有限公司	–	8,822
Nanchang Qianyi Technology Co., Ltd. 南昌市千一科技有限公司	–	3,000
	–	24,822

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(b) Related party balances

(i) Trade and bill receivables

Name of related party	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Jiang Xi Zhiboxin Technology Co., Ltd 江西志博信科技股份有限公司	–	83
Nanchang Lianjue Electronics Co., Ltd. 南昌聯決電子有限公司	**831**	205
DBG Technology (India) Private Limited	–	10,820
Bhagwati Products Limited	**3,226,610**	2,742,133
Tricheer Japan Co., Ltd. 三旗日本株式會社	–	12,045
	3,227,441	2,765,286

The amounts are in trade nature, unsecured, non-interest bearing and aged within one year at the end of each reporting period.

(ii) Prepayments

Name of related party	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Jiaxing DBG Technology Electronics Co. Ltd. 嘉興光弘科技電子有限公司	**2,587**	888
Nanchang Yingli Precision Manufacturing Co., Ltd. 南昌英力精密製造有限公司	–	1
DBG Technology (Vietnam) Co. Ltd.	**528**	–
	3,115	889

The amounts are in trade nature.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(b) Related party balances (Continued)

(iii) Other receivables

Name of related party	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Nanchang Qinyue Real Estate Co., Ltd. 南昌勤悅置業有限公司	**–**	38
DBG Technology (Vietnam) Co. Ltd.	**8,763**	9,043
	8,763	9,081

The amounts are in trade nature.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(b) Related party balances (Continued)

(iv) Trade payables

Name of related party	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
DBG Technology Co., Ltd 惠州光弘科技股份有限公司	**131,972**	73,227
Jiang Xi Zhiboxin Technology Co., Ltd 江西志博信科技股份有限公司	**70,974**	70,581
Nanchang Lianjue Electronics Co., Ltd. 南昌聯決電子有限公司	**4,690**	5,677
Nanchang Yingli Precision Manufacturing Co., Ltd. 南昌英力精密製造有限公司	**90,274**	70,436
Shenzhen Zhisai Precision Equipment Co., Ltd. 深圳智賽精密裝備有限公司	**15,378**	31,742
Zhuhai Lianjue Electronics Co., Ltd. 珠海聯決電子科技有限公司	**11,490**	15
Hotland Electronics (Shenzhen) Co., Ltd. 合泰盟方電子(深圳)股份有限公司	**1,495**	2,701
Jinhua TROQ Electronic Co., LTD 金華市創捷電子有限公司	**1,349**	439
Chongqing Tianshi Precision Technology Co., Ltd. 重慶市天實精工科技有限公司	**386**	30
DBG Technology (India) Private Limited	**48,637**	88,795
DBG Technology (Vietnam) Co. Ltd.	**113,410**	128,882
Jiaxing DBG Technology Electronics Co., Ltd 嘉興光弘科技電子有限公司	**1,296**	1,907
Bhagwati Products Limited	**767,000**	845,512
Huizhou Hosen Electronic Co., Ltd 惠州市合升科技有限公司	**978**	6,142
Tricheer Japan Co., Ltd. 三旗日本株式會社	**533**	228
Yangzhou Yangjie Electronic Technology Co., Ltd 揚州揚傑電子科技股份有限公司	**945**	615
	1,260,807	1,326,929

The amounts are in trade nature.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(b) Related party balances (Continued)

(v) Other payables

Name of related party	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Jinhua TROQ Electronic Co., Ltd. 金華市創捷電子有限公司	**1,000**	1,000
Huizhou Hosen Electronic Co., Ltd 惠州市合升科技有限公司	**–**	500
Jiang Xi Zhiboxin Technology Co., Ltd 江西志博信科技股份有限公司	**1,000**	–
	2,000	1,500

The amounts are in trade nature.

(c) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management of the Group during the six months ended June 30, 2026 is as follows:

	Six months ended June 30, 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Directors' fee, salaries and other benefits	**19,292**	17,489
Share-based compensation	**5,381**	4,973
Social security costs and housing benefits	**843**	877
	25,516	23,339

32. SUBSEQUENT EVENTS

(a) As approved by the resolutions of the Company's A share repurchase plan in the board meeting on July 20, 2026, the Company had repurchased a total of 2,619,360 A shares in the period from July 1, 2026 to the approval date of the Interim Financial Information by the Board on August 25, 2026.

(b) As approved by Company's board meeting on June 26, 2026, the Company cancelled 398,431 unvested restricted shares under 2023 Restricted Share Scheme and 2025 Restricted Share Scheme on August 24, 2026.