基本半导体
BASiC Semiconductor

BASiC Semiconductor Co., Ltd.
深圳基本半導體股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 9971)

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

The Board (the "**Board**") of directors (the "**Directors**") of BASiC Semiconductor Co., Ltd. (the "**Company**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**", "**we**" or "**our**") for the six months ended June 30, 2026 (the "**Reporting Period**"), together with the comparative figures for the corresponding period of 2025. These unaudited condensed consolidated interim results have been reviewed by the audit committee of the Company (the "**Audit Committee**").

FINANCIAL AND BUSINESS HIGHLIGHTS

1. Solid revenue growth, achieving the milestone of gross profit margin turning positive

Our revenue increased by 15.5% from RMB104.4 million for the six months ended June 30, 2025 to RMB120.6 million for the six months ended June 30, 2026.

The overall gross profit margin improved from -28.8% for the six months ended June 30, 2025 to 2.8% for the six months ended June 30, 2026, representing a significant improvement of 31.6 percentage points, achieving the milestone of the gross profit margin turning positive.

During the Reporting Period, the loss for the period of the Company was RMB161.6 million, representing a year-on-year narrowing of 8.8%, and the adjusted net loss (non-IFRS measure) of the Company was RMB111.8 million, representing a year-on-year narrowing of 15.1%.

2. **Iterative upgrade of the R&D platform and accelerated introduction of emerging application scenarios**

   During the Reporting Period, the Company continued to advance R&D and platform iterations focusing on three major product directions of SiC discrete devices, SiC power modules and power semiconductor gate drivers, thereby continuously enhancing the capabilities of the overall technology platform. With regard to specific application directions: in the automotive sector, automotive-grade SiC power modules continued to undergo iterations, with the launch of multiple new series of products; in the industrial sector, multiple new products have entered the sampling, verification or introduction stages; and the consumer electronics sector completed the development of a new process platform and launched products covering the corresponding demands.

3. **Continuous optimization of customer structure and rapid revenue growth in the industrial and consumer sectors**

   During the Reporting Period, the Company continued to exert its efforts in deepening relationships with existing customers, expanding into new customers and achieving breakthroughs with overseas customers. The industrial-grade SiC power modules expanded to over 60 new customers, and the products were adopted in the AI data centers of leading domestic telecommunications operators. Demand for electroplating power supplies continued to increase, with cumulative orders exceeding 30,000 units. SiC discrete devices were successfully introduced to a number of leading domestic consumer electronics customers, officially entering application scenarios such as LED lighting power supplies, PD fast charging, power adapters and smart home appliances. In respect of overseas expansion, the automotive-grade SiC power modules secured a new project nomination for an overseas complete vehicle project from a European Tier-1 supplier.

MANAGEMENT DISCUSSION AND ANALYSIS

I. COMPANY OVERVIEW AND INDUSTRY TRENDS

We are a Chinese third-generation semiconductor power device enterprise, specializing in the research, development, manufacturing and sales of SiC power devices, and possessing comprehensive capabilities in SiC chip design, wafer fabrication, module packaging, as well as gate driver design and testing. Based on our innovation and R&D capabilities, we have established a comprehensive product portfolio covering automotive- and industrial-grade SiC power modules, SiC discrete devices and power semiconductor gate drivers, serving a wide range of industries including new energy vehicles (NEV), data centers, renewable energy systems, energy storage systems, industrial control, consumer electronics and rail transportation.

In the first half of 2026, the downstream applications of SiC power devices maintained multi-point growth: the construction of artificial intelligence computing power drove the upgrade of power supply architectures in data centers to high-voltage DC, opening up new application scenarios in segments such as server power supplies, uninterruptible power supplies, solid-state circuit breakers and solid-state transformers; the SiC penetration rate in the NEV sector continued to rise, and the launch of 800V high-voltage platform vehicle models drove the steady growth in demand for automotive-grade SiC power modules; the installed capacity of photovoltaic and energy storage systems maintained growth, inverters and energy storage converters migrated towards high-voltage platforms, and modular solutions accelerated the replacement of traditional discrete parallel solutions; the adoption of SiC in traditional industrial power supplies, such as electroplating power supplies, induction heating and welding power supplies, continued to accelerate; and scenarios including power adapters, smart home appliances and lighting in the consumer electronics sector also began to adopt SiC devices.

In terms of industry production capacity and pricing, the transition of wafer sizes from 6 inches to 8 inches accelerated. The supply pressure brought about by previous capacity expansions within the industry was gradually absorbed, and price competition moderated.

In terms of the competitive landscape, international manufacturers still held the major share of the global SiC power device market. Domestic manufacturers continued to propel the domestic substitution process by leveraging their advantages in cost, delivery and localized services. As industry competition returned to rationality, the market share was further concentrated among leading enterprises possessing full-industry-chain capabilities and large-scale manufacturing capabilities.

II. BUSINESS REVIEW

(I) Product R&D

During the Reporting Period, the Company advanced R&D and platform iterations focusing on three major product directions. The mini-pitch and micro-pitch process platforms for SiC chips continued to iterate, driving the technological enhancement of SiC power modules and discrete devices. The industrial-grade SiC power modules completed iterations of multiple series, and multiple new products entered the stages of sampling, verification or introduction in application scenarios such as AI data center power supplies, solid-state transformers, photovoltaics and energy storage. The automotive-grade SiC power modules launched multiple series of new products, and customized models for leading automotive customers have been delivered for verification. The development of a new process platform targeting the consumer electronics market was completed, and products covering the corresponding demands were launched. The prototype development and high-voltage testing of nearly 20 power semiconductor gate driver products were completed, and the design schemes for three next-generation self-developed driver chips progressed smoothly.

(II) Market Expansion

During the Reporting Period, the Company continued to exert its efforts in deepening relationships with existing customers, expanding into new customers and achieving breakthroughs with overseas customers. The automotive-grade SiC power modules continued to be delivered, and cooperation with existing customers was further deepened. The industrial-grade SiC power modules expanded to over 60 new customers, with revenue for the first half of 2026 increasing by 2,825.1% year on year, and the products were adopted in the AI data centers of leading domestic telecommunications operators; demand in areas such as photovoltaics, energy storage, charging facilities and electroplating power supplies continued to increase, among which cumulative orders in the electroplating power supply sector exceeded 30,000 units. SiC discrete devices were successfully introduced to a number of leading domestic consumer electronics customers, officially entering application scenarios such as LED lighting power supplies, PD fast charging, power adapters and smart home appliances, among which revenue from SiC MOSFETs for the first half of 2026 increased by 582.3% year on year. In respect of overseas expansion, the automotive-grade SiC power modules secured a new project nomination for an overseas complete vehicle project from a European Tier-1 supplier, the solid-state circuit breaker project of a leading international electrical enterprise adopting the Company's industrial-grade SiC power modules entered the testing and introduction stage, and photovoltaic inverter products equipped with SiC discrete devices achieved batch overseas delivery.

(III) Manufacturing and Supply Chain Management

During the Reporting Period, the supply chain management of the Company advanced around the two main themes of cost reduction and efficiency enhancement, and supply security, with its effectiveness further demonstrated. In respect of cost reduction, through measures such as centralized price negotiations, the introduction of second-source suppliers and domestic substitution, the procurement costs of epitaxial wafers and principal materials achieved a general decrease. The maximum reduction in procurement cost of certain production consumables exceeded 30%, and such cost control provided strong support for the improvement in gross profit; in respect of supply assurance, 11 new qualified suppliers were added during the Reporting Period, covering processes such as epitaxial wafer, outsourced processing and production consumables. The multi-supplier system was further improved, and the delivery assurance capabilities continued to be enhanced.

III. BUSINESS STRATEGIES AND FUTURE PROSPECTS

(I) Strengthen R&D innovation and consolidate technological advantages

The Company will continue to increase its R&D investments, advance technological iterations across the entire value chain including SiC chip design, wafer fabrication, module packaging and gate drivers, steadily develop next-generation process platforms and promote the engineering application of forward-looking technologies, and accelerate the R&D of various new products, thereby continuously consolidating and enhancing its technological advantages and providing solid support for market expansion.

(II) Deepen penetration in application markets and optimize customer structure

While consolidating its core market position, the Company will actively expand into diversified application scenarios, so as to further optimize the customer structure and revenue stream. In the fields of renewable energy and industrial applications, the Company will deepen import substitution across various market segments. In the NEV sector, it will continue to deepen cooperation with existing customers and drive the development of new customers. The Company will seize the market opportunities presented by AI data centers, accelerate customer onboarding and mass delivery, and enhance its product portfolio covering the key segments of power supply and distribution for data centers. Furthermore, the Company will continue to explore the potential of the consumer electronics sector, enrich its product portfolio, and expand coverage of downstream applications.

(III) Accelerate overseas expansion and explore international markets

The Company will leverage the strategic layout of its existing overseas R&D and business teams to accelerate validation, introduction and project conversion for international customers. In the NEV sector, the Company will drive the progressive implementation of designated projects with overseas complete vehicle manufacturers and cooperation with international Tier-1 suppliers, and deepen synergistic cooperation with international semiconductor enterprises in segments such as packaging and testing; in the renewable energy and industrial sectors, it will capture emerging demands such as overseas AI data centers and high-voltage charging platforms, provide ancillary support for the overseas expansion of domestic customers, and actively develop overseas end customers. The overseas teams will rapidly respond to the demands of international customers, enhance the Company’s brand influence in the international market, and explore new horizons for revenue growth.

(IV) Steadily expand production capacity to ensure delivery capabilities

The Company will steadily advance its capacity expansion in line with the growth pace of downstream demand. In respect of in-house production capacity, the Company will advance the construction of the Pingshan production base and the Zhongshan production base as planned, so as to further consolidate its scale advantages in the module packaging process; in respect of collaborative production capacity, the Company will adhere to the production model featuring parallel IDM and foundry collaborations, and promote the transfer of certain self-developed proprietary processes to foundry platforms, in order to achieve substantial capacity expansion with relatively low capital expenditures. The Company will advance the transition of its wafer platforms from 6-inch to 8-inch in an orderly manner, and continuously enhance the utilization rate of its production lines and manufacturing efficiency, thereby providing reliable assurance for order growth and customer deliveries.

Looking ahead, the Company will leverage its full value chain capabilities in SiC and large-scale manufacturing advantages to seize the long-term opportunities in AI data centers, NEV and energy transition, continuously consolidate its market position in the SiC power device sector, and create long-term value for Shareholders.

IV. FINANCIAL REVIEW

Revenue

Our revenue increased by 15.5% from RMB104.4 million for the six months ended June 30, 2025 to RMB120.6 million for the six months ended June 30, 2026, primarily attributable to the ramp-up in sales of SiC discrete devices and industrial-grade SiC power modules, partially offset by a decrease in sales of automotive-grade SiC power modules.

The following table sets forth our revenue by product type for the periods indicated:

	For the six months ended June 30,			
	2026		2025	
	RMB'000	***% of Total***	*RMB'000*	*% of Total*
SiC power modules	**30,639**	**25.4**	49,789	47.7
– Automotive-grade	**16,189**	**13.4**	49,295	47.2
– Industrial-grade	**14,450**	**12.0**	494	0.5
SiC discrete devices	**26,060**	**21.6**	9,982	9.6
– Schottky diodes	**3,722**	**3.1**	6,708	6.5
– MOSFETs	**22,338**	**18.5**	3,274	3.1
Power semiconductor gate drivers	**40,972**	**34.0**	41,604	39.9
Others	**22,901**	**19.0**	2,984	2.8
Total	**120,572**	**100.0**	104,359	100.0

The Group's revenue is primarily derived from three product segments: SiC power modules, SiC discrete devices and power semiconductor gate drivers. During the Reporting Period, the power semiconductor gate drivers segment was the largest revenue contributor, accounting for 34.0% of total revenue (six months ended June 30, 2025: 39.9%). Revenue of this segment remained broadly stable year on year, and the decrease in its proportion was mainly due to faster revenue growth of the other segments. The SiC discrete devices segment accounted for 21.6% of total revenue (six months ended June 30, 2025: 9.6%), primarily due to the accelerated adoption of our MOSFET products in renewable energy and industrial applications, AI data centers and consumer electronics. The SiC power modules segment contributed 25.4% of total revenue (six months ended June 30, 2025: 47.7%), primarily attributable to the decrease in revenue resulting from the downward adjustment of the selling prices of our automotive-grade products and the strategic reduction of sales of low-margin products, partially offset by the rapid ramp-up of industrial-grade SiC power modules. The Company has also introduced consumer electronics products during the Reporting Period, which have begun to contribute to the Group's revenue.

SiC power modules

Our revenue from sales of SiC power modules decreased by 38.5% from RMB49.8 million for the six months ended June 30, 2025 to RMB30.6 million for the six months ended June 30, 2026. On one hand, the decrease was a result of the downward adjustment of the selling prices of our automotive-grade products and the strategic reduction of sales of low-margin products. On the other hand, the decrease was partially offset by the rapid ramp-up of industrial-grade SiC power modules in renewable energy, charging infrastructure and industrial power supply applications. As a result, the proportion of sales revenue from SiC power modules has decreased to 25.4% for the six months ended June 30, 2026 from 47.7% for the six months ended June 30, 2025.

SiC discrete devices

Our revenue from sales of SiC discrete devices increased by 161.1% from RMB10.0 million for the six months ended June 30, 2025 to RMB26.1 million for the six months ended June 30, 2026, primarily due to the accelerated adoption of our MOSFET products in renewable energy and industrial applications, AI data centers and consumer electronics, especially for the revenue contribution from consumer electronics products in MOSFET.

Power semiconductor gate drivers

Our revenue from sales of power semiconductor gate drivers slightly decreased by 1.5% from RMB41.6 million for the six months ended June 30, 2025 to RMB41.0 million for the six months ended June 30, 2026, primarily due to a slight change in the sales mix of products with different specifications.

Others

Our revenue from others increased by 667.5% from RMB3.0 million for the six months ended June 30, 2025 to RMB22.9 million for the six months ended June 30, 2026, primarily due to the increase in sales of power stacks, auxiliary products for power semiconductor gate drivers (including IGBTs) and other products, coupled with a relatively low base in the corresponding period of last year, resulting in a more pronounced growth rate.

Cost of Sales

Our cost of sales decreased by 12.8% from RMB134.5 million for the six months ended June 30, 2025 to RMB117.2 million for the six months ended June 30, 2026, primarily due to decrease in costs of sales for automotive-grade SiC power modules, as well as the change from inventory write-down for the six months ended June 30, 2025 to reversal of inventory write-down for the six months ended June 30, 2026.

Gross Profit/(Loss) and Gross Profit/(Loss) Margin

We successfully turned our gross profit positive and achieved gross profit of RMB3.3 million for the six months ended June 30, 2026 from gross loss of RMB30.1 million for the six months ended June 30, 2025. The overall gross profit margin was 2.8% for the six months ended June 30, 2026, compared with gross loss margin at 28.8% for six months ended June 30, 2025.

The significant improvement of overall gross margin was mainly attributed to the improvement of gross margin in business segment of SiC discrete devices, the expansion of industrial-grade SiC power modules and the strategic reduction of sales of low-margin products.

Other Income and Gains

Our other income and gains increased by 246.4% from RMB3.2 million for the six months ended June 30, 2025 to RMB11.2 million for the six months ended June 30, 2026, primarily due to the significant increase in government grants because we received a larger amount of government grants that could be directly recognised as other income and gains during the Reporting Period.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 33.1% from RMB21.8 million for the six months ended June 30, 2025 to RMB29.0 million for the six months ended June 30, 2026, primarily due to (i) the increase in employee benefit expenses driven by headcount growth in our sales and marketing functions to support revenue expansion and (ii) the increase in share-based payment expenses during the Reporting Period.

Administrative Expenses

Our administrative expenses increased by 9.6% from RMB64.4 million for the six months ended June 30, 2025 to RMB70.6 million for the six months ended June 30, 2026, primarily due to (i) the increase in employee benefit expenses in line with the overall growth of the Group's operations and organisational scale; and (ii) the increase in share-based payment expenses during the Reporting Period.

Research and Development Expenses

Our research and development expenses increased by 14.2% from RMB54.0 million for the six months ended June 30, 2025 to RMB61.6 million for the six months ended June 30, 2026, primarily due to (i) the increase in R&D material costs, depreciation and amortization, consistent with our continued commitment in R&D efforts; (ii) the increase in share-based payment expenses during the Reporting Period.

Finance Costs

Our finance costs increased by 40.4% from RMB10.4 million for the six months ended June 30, 2025 to RMB14.6 million for the six months ended June 30, 2026, primarily due to (i) an increase in interest on bank and other borrowings to support our operations and business activities; (ii) an increase in interest on redemption liabilities to non-controlling shareholders.

Net Loss

As a result of the foregoing, we recorded a net loss of RMB161.6 million for the six months ended June 30, 2026, representing a decrease of approximately 8.8% as compared to a net loss of RMB177.2 million for the six months ended June 30, 2025. The decrease in net loss was mainly attributable to the improvement in gross profit.

Non-IFRS Measure

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted net loss for the period (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, IFRS. We believe this non-IFRS measure facilitates comparisons of operating performance from year to year, period to period, and company to company by eliminating potential impacts of certain items. We believe this measure provides useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as it helps our management. However, such non-IFRS financial measure we present may not be directly comparable to similar measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results of operations or financial condition as reported under IFRS.

We define adjusted net loss for the period (non-IFRS measure) as net loss for the period adjusted by adding back (i) share-based payment expenses and (ii) listing expenses. The following table reconciles our adjusted net loss for the period (non-IFRS measure) in accordance with IFRS, which is net loss for the period.

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Loss for the period	**(161,566)**	(177,150)
Add:		
– Share-based payment expenses	**37,941**	31,714
– Listing expenses	**11,780**	13,753
Adjusted net loss (non-IFRS measure)	**(111,845)**	(131,683)

Adjusted net loss (non-IFRS measure) for the six months ended June 30, 2026 amounted to RMB111.8 million, representing a decrease of 15.1% as compared with RMB131.7 million for the six months ended June 30, 2025, which resulted from the increase in revenue and overall gross profit.

Liquidity, Capital Structure and Financial Resources

As of June 30, 2026, the Group had a total of RMB154.3 million in cash and cash equivalents, an increase of RMB55.6 million from RMB98.7 million as of December 31, 2025, mainly due to the increase in new bank and other borrowings and capital contributions from non-controlling shareholder for supporting the business operation and expansion. As of June 30, 2026, the Group's cash and cash equivalents were primarily denominated in RMB.

As of June 30, 2026, we had bank and other borrowings of approximately RMB414.1 million (December 31, 2025: approximately RMB324.3 million). The range of effective interest rates on the borrowings was 2.2% to 6.0% per annum as of June 30, 2026 (December 31, 2025: 2.2% to 7.0%). As of June 30, 2026, 69.0% of the Group's total borrowings were at fixed interest rates and 31.0% were at floating interest rates.

As of June 30, 2026, the Group's bank borrowings were all denominated in RMB. The Group did not use any financial instruments for hedging purposes during the Reporting Period.

Treasury Policies

The Group adopts prudent treasury management policies to regularly monitor liquidity requirements and to ensure that it maintains sufficient reserves of cash and adequate credit facilities from major financial institutions to meet the liquidity requirements and commitments as they fall due.

Financial Risks

The Group is exposed to various types of market risks including interest rate risk, foreign exchange risk, credit risk and liquidity risk.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term and long-term borrowings. The Group's policy is to manage its interest cost using a mix of fixed and variable rate debts. The Group's policy is to maintain certain of its interest-bearing bank borrowings at floating interest rates. The Group currently does not enter into any hedging instrument for both of the fair value interest rate risk and cash flow interest rate risk.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Head of Credit Control.

Foreign exchange risk

The Group's businesses are principally conducted in RMB. As of June 30, 2026, most of the Group's assets and liabilities were denominated in RMB. The Group is exposed to foreign exchange risk primarily with respect to HK$ due to the proceeds received from the Global Offering and certain operating and listing expenses denominated in HK$. The Group did not enter into any hedging transactions to manage the potential fluctuation in foreign currencies during the Reporting Period. The Group will continue to monitor its foreign currency exposure and will consider hedging its foreign exchange exposure should the need arise.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations. The Group aims to utilise interest-bearing bank and other borrowings and lease liabilities to maintain the balance between the consistency and flexibility of financing activities.

Capital Expenditures

Our capital expenditure decreased by 79.9% from RMB44.0 million for the six months ended June 30, 2025 to RMB8.9 million for the six months ended June 30, 2026, primarily in line with our business development plan.

Capital Commitments

As at 30 June 2026, the Group had capital commitments contracted but not provided for of RMB153.0 million (31 December 2025: RMB39.7 million), mainly relating to the purchase of property, plant and equipment.

Contingent Liabilities

The Group had no material contingent liabilities as of June 30, 2026 (December 31, 2025: Nil).

Information on Employees

As of June 30, 2026, the Group had 500 employees, including the executive Directors. Total staff costs (including Directors' emoluments) were approximately RMB110.9 million for the six months ended June 30, 2026, as compared to approximately RMB85.9 million for the six months ended June 30, 2025. Remuneration is determined with reference to market norms and individual employees' performance, qualification and experience.

We place high value on recruiting, training and retaining employees. We adopt high recruitment standards and strict procedures to ensure the quality of new hires and use various methods to attract different types of talent. We offer competitive remuneration packages, mainly comprising base salary, performance-based salary and bonuses. We also provide continuing education and training programs, including internal and external training, to upgrade the skills and knowledge of our employees.

As required under PRC regulations, we participate in various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury, maternity, and unemployment benefit plans. We contribute to defined contribution plans for our employees, including social pension insurance organised and implemented by local labour and social security bureau in the PRC, whereby we are required to contribute a certain percentage of the basic salaries of our employees to the plans. There is no provision under the defined contribution plans for forfeited contributions to be used by the Group to reduce the existing level of contributions.

In recognition of the contributions of our Directors and employees and to incentivize them to further promote our development, Shenzhen BASiC Createnjoy Holding Partnership (Limited Partnership) (the "**BASiC Createnjoy LP**"), Shenzhen BASiC Innovation Technology Partnership (Limited Partnership) (the "**BASiC Innotech LP**"), Shenzhen BASiC Creation Holding Partnership (Limited Partnership) (the "**BASiC Creation LP**"), and Shenzhen BASiC Entrepreneur Management Partnership (Limited Partnership) (the "**BASiC Entrepreneur LP**") were established as our employee shareholding platforms (the "**Employee Shareholding Platform(s)**"). Pursuant to the partnership agreements and/or incentive schemes, partnership interests in the relevant Employee Shareholding Platforms were awarded to our Directors and employees. Each of the Employee Shareholding Platforms is controlled by Dr. Wang Zhihan as its general partner, who can independently exercise the voting rights attached to the Shares owned by such Employee Shareholding Platform.

Emolument Policy

The Remuneration and Appraisal Committee of the Company (the "**Remuneration and Appraisal Committee**") is responsible for reviewing the Group's remuneration policy and structure for the Directors and senior management. The emoluments of the Directors and senior management are determined by the Board, taking into account their respective responsibilities, duties, experience, individual performance and time devoted to the Group, and may be adjusted upon the recommendation of the Remuneration and Appraisal Committee.

Significant Investments Held

As of June 30, 2026, the Group did not hold any significant investment (including any investment in equity interest in any other company) (December 31, 2025: Nil).

Future Plans for Material Investments and Capital Assets

Save as disclosed in the prospectus dated June 29, 2026 (the "**Prospectus**") and in the section headed "Use of Proceeds from the Global Offering" in this announcement, as of June 30, 2026, the Group did not have plan for material investments and capital assets.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

The Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures for the six months ended June 30, 2026 (for the six months ended June 30, 2025: Nil).

Charges on Group Assets

As of June 30, 2026, certain machinery and equipment of the Group with a net book value of RMB38.6 million (December 31, 2025: RMB70.1 million) were subject to sale and leaseback arrangements, and land use rights with a net book value of RMB60.6 million (December 31, 2025: RMB62.6 million) had been pledged as security for the Group's bank borrowings. As of June 30, 2026, certain machinery and equipment with a net book value of RMB199.3 million (December 31, 2025: RMB212.1 million) had been pledged to secure the performance of the Group's obligations under the redemption liabilities to non-controlling shareholders. In addition, as of June 30, 2026, the Group had pledged deposits and restricted cash with a net book value of RMB6.2 million (December 31, 2025: Nil).

Use of Proceeds from the Global Offering

The H Shares of the Company ("**H Shares**") were listed on the Stock Exchange by way of Global Offering on July 8, 2026 (the "**Listing Date**"), with a total of 287,534,442 H Shares (among which, (i) 260,148,242 H Shares converted from the domestic shares of the Company ("**Domestic Shares**"); and (ii) 27,386,200 new H Shares issued at HK$31.62 per H Share) and 16,755,283 Domestic Shares in issue, each with a nominal value of RMB0.20. The net proceeds received from the Global Offering, after deducting the underwriting fees and commissions and expenses payable by the Company in connection with the Global Offering, amounted to approximately HK$766.13 million. As of June 30, 2026, the net proceeds from the Global Offering have not been utilised as the Global Offering has not yet been completed. The Company intends to use the net proceeds from the Global Offering in accordance with the intended use of proceeds and proportion as well as the expected timetable as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	**Six months ended 30 June** **2026** ***RMB'000*** **(Unaudited)**	2025 *RMB'000* (Audited)
REVENUE	*4*	**120,572**	104,359
Cost of sales		**(117,245)**	(134,456)
Gross profit/(loss)		**3,327**	(30,097)
Other income and gains	*4*	**11,189**	3,230
Selling and distribution expenses		**(29,021)**	(21,803)
Administrative expenses		**(70,588)**	(64,408)
Research and development costs		**(61,628)**	(53,969)
Impairment losses on financial assets, net		**245**	1,040
Other expenses		**(497)**	(227)
Finance costs		**(14,583)**	(10,389)
LOSS BEFORE TAX	*5*	**(161,556)**	(176,623)
Income tax expense	*6*	**(10)**	(527)
LOSS FOR THE PERIOD		**(161,566)**	(177,150)
Attributable to:			
Owners of the parent		**(161,566)**	(177,150)
Non-controlling interests		**–**	–
		(161,566)	(177,150)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	*8*	**(0.58)**	(0.65)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
LOSS FOR THE PERIOD	**(161,566)**	(177,150)
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	**(1,047)**	(205)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	**(1,047)**	(205)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	**(1,047)**	(205)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(162,613)**	(177,355)
Attributable to:		
Owners of the parent	**(162,613)**	(177,355)
Non-controlling interests	**–**	–
	(162,613)	(177,355)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**As at 30 June 2026** *RMB'000* **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**417,285**	436,672
Right-of-use assets		**101,169**	107,275
Intangible assets		**4,779**	5,602
Financial assets at fair value through profit or loss		**2,000**	1,900
Prepayments, other receivables and other assets		**45,414**	41,146
Total non-current assets		**570,647**	592,595
CURRENT ASSETS			
Inventories		**88,356**	82,957
Trade and bills receivables	*9*	**164,662**	175,054
Prepayments, other receivables and other assets		**78,420**	65,242
Financial assets at fair value through other comprehensive income		**719**	159
Pledged deposits and restricted cash		**6,236**	–
Cash and cash equivalents		**154,324**	98,676
Total current assets		**492,717**	422,088
CURRENT LIABILITIES			
Trade payables	*10*	**176,082**	188,376
Contract liabilities		**2,721**	2,297
Other payables and accruals		**176,877**	134,578
Interest-bearing bank and other borrowings	*11*	**375,019**	313,987
Lease liabilities		**13,912**	13,395
Redemption liabilities to non-controlling shareholders	*12*	**47,816**	45,795
Provision		**2,103**	2,562
Total current liabilities		**794,530**	700,990

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
NET CURRENT LIABILITIES		**(301,813)**	(278,902)
TOTAL ASSETS LESS CURRENT LIABILITIES		**268,834**	313,693
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	*11*	**39,092**	10,310
Lease liabilities		**34,848**	36,362
Redemption liabilities to non-controlling shareholders	*12*	**230,278**	168,467
Deferred income		**77,938**	80,444
Provision		**5,004**	4,319
Total non-current liabilities		**387,160**	299,902
Net assets		**(118,326)**	13,791
EQUITY			
Equity attributable to owners of the parent			
Share capital	*13*	**55,381**	55,381
Deficits		**(173,707)**	(41,590)
Total equity		**(118,326)**	13,791

1. CORPORATE INFORMATION

BASiC Semiconductor Co., Ltd. (深圳基本半導體股份有限公司) was incorporated in the People's Republic of China (the "**PRC**") as a limited liability company on 7 June 2016 and converted into a joint stock company with limited liability in November 2024. The address of the Company's registered office is Room 801, Building 1, Bronze Technology Tower, No. 6 Guangke 1st Road, Laokeng Community, Longtian Subdistrict, Pingshan District, Shenzhen, PRC.

During the Reporting Period, the Company and its subsidiaries (collectively, the "**Group**") are primarily engaged in the research, development, manufacturing, and sales of SiC power devices, the core business includes SiC chip design, wafer fabrication, module packaging, and gate driver design and testing.

In the opinion of the directors, Dr. Wang Zhihan, Bronze Technologies Group Co., Ltd., Ms. Wang Yongmiao, Shenzhen Bronze Holding Partnership (Limited Partnership), Shenzhen InteBridge Technology Limited, Employee Shareholding Platforms, Shenzhen BASiC Original Holding Partnership (Limited Partnership) and Shenzhen BASiC Principle Holding Partnership (Limited Partnership) are collectively considered as the controlling shareholders of the Group as of the end of Reporting Period.

The Company completed the initial public offering ("**IPO**") and had its H shares listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") on 8 July 2026.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with IAS 34 Interim Financial Reporting. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the historical financial information of the Group for the three years ended December 31, 2023, 2024 and 2025 included in Appendix I of the Company's prospectus dated 29 June 2026 (the "**Historical Financial Information**") which have been prepared in accordance with IFRS Accounting Standards.

Going concern basis

The interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared on the assumption that the Group will continue as a going concern notwithstanding that as at 30 June 2026, the Group recorded net current liabilities of RMB301,813,000 and incurred losses from operations. The directors of the Company have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 30 June 2026 and are based on the following:

(1) The Company completed the IPO with gross proceeds of HK$866 million on 8 July 2026.

(2) As of 30 June 2026, the Group has access to borrowing facilities totalling RMB317 million;

Taking into account the financial resources available to the Group, including cash and cash equivalents on hand, the proceeds from the IPO, available bank facilities and financing agreements, the directors of the Company are of the opinion that the Group will have sufficient working capital to meet its financial liabilities and obligations as and when they fall due for the next twelve months from 30 June 2026. Accordingly, the directors of the Company consider it is appropriate to prepare the financial statements on a going concern basis.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

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*
Annual Improvements to IFRS Accounting Standards – Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*

The application of the above amendments to IFRS Accounting Standards and interpretation in the current interim period has had no material impact on the Group's consolidated financial position and financial performance for the current and prior periods and/or on the disclosures set out in the interim condensed consolidated financial statements.

3. OPERATING SEGMENT INFORMATION

Management monitors the operating results of the Group as a whole for the purpose of making decision on resources allocation and performance assessment, therefore, no operating segment information is presented.

Geographical information

Most of the operating entities are domiciled in Mainland China. Since the revenues of the Group mainly derived from external customers based in Mainland China during the Reporting Period and most of the Group's non-current assets are located in Mainland China, no further geographical information in accordance with IFRS 8 Operating Segments is presented.

Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue during the Reporting Period are set out below:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Customer A	**16,530**	N/A*
Customer B	**15,301**	N/A*
Customer C	**N/A***	38,718

* The corresponding revenue of these customers is not disclosed as the revenue individually did not account for 10% or more of the Group's revenue during the respective periods.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Revenue from contracts with customers	**120,572**	104,359

Revenue from contracts with customers

(i) Disaggregated revenue information

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Power semiconductor gate drivers	**40,972**	41,604
SiC discrete devices	**26,060**	9,982
SiC power modules	**30,639**	49,789
Others*	**22,901**	2,984
	120,572	104,359
Timing of revenue recognition		
Goods transferred at a point in time	**118,285**	104,331
Services transferred at a point in time	**2,287**	28
	120,572	104,359

* Others primarily include sales of power stack, power semiconductor testing equipment, IGBTs, silicon discrete devices and raw materials as well as provision of module technology development services.

The following table shows the amounts of revenue recognised in the Reporting Period that were included in the contract liabilities at the beginning of the respective periods:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	**439**	303

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

(a) Sale of products

The performance obligation is satisfied upon delivery and acceptance of the products and payment is generally due within 90 days from delivery.

(b) Provision of services

The performance obligation is satisfied upon completion and acceptance of the services and payment is generally due upon completion of the services.

For the above contracts with customers, they are rendered in a short period of time, which is generally less than one year, and the Group has elected the practical expedient for not to disclose the remaining performance obligations for these types of contracts.

Other income and gains

An analysis of other income and gains is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Other income		
Government grants*	**10,597**	2,615
Individual income tax handling fee refund	**154**	68
Interest income	**110**	447
Investment income from financial assets at fair value through profit or loss	**62**	14
Others	**166**	3
Total other income	**11,089**	3,147
Gains		
Foreign exchange gains	**–**	61
Fair value gains on financial assets at fair value through profit or loss	**100**	–
Gain on disposal of right-of-use assets	**–**	17
Gain on disposal of items of property, plant and equipment	**–**	5
Total gains	**100**	83
Total other income and gains	**11,189**	3,230

* The amount mainly represented government incentive and support to the Group received during the Reporting Period. There are no unfulfilled conditions or contingencies relating to these grants.

5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Note	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Audited)
Cost of inventories sold*		**116,954**	134,450
Cost of services provided*		**291**	6
Depreciation of property, plant and equipment**		**27,326**	26,775
Depreciation of right-of-use assets**		**8,949**	9,141
Amortisation of intangible assets**		**776**	452
Research and development expenses		**61,628**	53,969
Lease payments not included in the measurement of lease liabilities		**90**	142
Loss/(gain) on disposal of right-of-use assets***		**59**	(17)
Gain on disposal of items of property, plant and equipment***		**–**	(5)
Listing expenses		**11,780**	13,753
Impairment losses on financial assets, net:			
Reversal of impairment of trade receivables	*9*	**(245)**	(1,110)
Impairment of other receivables		**–**	70
(Reversal of write down)/write down of inventories to net realisable value****		**(5,526)**	3,820
Finance costs		**14,583**	10,389
Fair value (gain)/loss on financial assets at fair value through profit or loss		**(100)**	90
Foreign exchange losses/(gains)		**160**	(61)
Employee benefit expense (including directors', supervisors' and chief executive's remuneration):			
Wages and salaries		**67,031**	49,644
Pension scheme contributions		**5,896**	4,493
Equity-settled share-based payments		**37,941**	31,714
		110,868	85,851

* The amounts disclosed for cost of inventories sold included the write-down of inventories to net realisable value.

** The depreciation of property, plant and equipment, amortisation of intangible assets, and depreciation of right-of-use assets are included in "Cost of sales", "Selling and distribution expenses", "Administrative expenses" and "Research and development costs" in the interim condensed consolidated statement of profit or loss.

*** The amounts are included in "Other expenses" and "Other income and gains" in the interim condensed consolidated statement of profit or loss.

**** The amounts are included in "Cost of sales" in the interim condensed consolidated statement of profit or loss.

6. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profit arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Mainland China

No provision for Mainland China income tax pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "**CIT Law**") has been made as the Company and its subsidiaries which operate in Mainland China are in loss position and have no estimated taxable profits.

BASiC Semiconductor Co., Ltd., Bronze Technologies Limited, BASiC Semiconductor (Wuxi) Co. Ltd ("**Wuxi BASiC**"), BASiC Semiconductor (Shenzhen) Limited were approved as the "High and New Technology Enterprise" under the relevant tax rules and regulations, and accordingly were entitled to a preferential CIT rate of 15%. This qualification is subject to review by the relevant tax authority in the PRC for every three years.

Shenzhen BASiC Innovation Research Limited, BASiC Semiconductor (Shanghai) Co., Ltd., BASiC Semiconductor (Hangzhou) Co., Ltd. have met the requirement under the relevant tax rules and regulations for small and low-profit enterprises, and accordingly, are subject to a reduced preferential CIT at a rate of 20%, and the portion of the annual taxable income exceeding RMB1,000,000 but not exceeding RMB3,000,000 is entitled to be included in the actual taxable income at reduced rates of 25% and the enterprise income tax will be paid at the rate of 20% in 2026 and 2025.

Overseas subsidiaries

For BASiC Semiconductor Kabushiki Kaisha, the portion of the annual taxable income exceeding JPY8,000,000 will be paid at the rate of 23.2% while the portion not exceeding JPY8,000,000 will be paid at the rate of 15% in 2026 and 2025.

BASiC Semiconductor (HK) Limited is subject to profits tax at the current tax rate of 8.25% on assessable profits up to HK$2,000,000 and 16.5% on any part of assessable profits over HK$2,000,000 under the laws of Hong Kong.

The income tax expense of the Group for the Reporting Period is analysed as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Current income tax	**10**	527
Deferred income tax	**–**	–
Total tax charge for the period	**10**	527

A reconciliation of the tax expense applicable to loss before tax at the applicable tax rate in Mainland China which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Loss before tax	**(161,556)**	(176,623)
Tax charge at the statutory tax rate of 25%	**(40,389)**	(44,156)
Effect of different tax rates enacted by local authorities	**12,804**	17,284
Additional deduction for qualified research and development expenses	**(5,460)**	(5,256)
Effect of withholding tax	**10**	527
Deductible temporary differences and tax losses not recognised	**27,093**	27,189
Expenses not deductible for tax	**5,952**	4,939
Tax charge at the Group's effective tax rate	**10**	527

According to the CIT Law, the Company is entitled to additional deduction of qualified research and development expenses from the taxable income. The additional deduction percentage was 100% during the reporting period.

Deferred tax assets have not been recognised in respect of the following items:

	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Tax losses	**1,426,033**	1,223,298
Deductible temporary differences	**212,203**	234,319
Total	**1,638,236**	1,457,617

The Group has accumulated tax losses of RMB1,426,033,000 and RMB1,223,298,000 in aggregate as at 30 June 2026 and 31 December 2025, respectively, which will expire in one to ten years to offset against future taxable profits of the companies in which losses were incurred. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

7. DIVIDENDS

During the Reporting Period, no dividends have been paid or declared by the Company.

The Board did not recommend the declaration of an interim dividend for the six months ended June 30, 2026 (for the six months ended June 30, 2025: Nil).

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the Reporting Period.

No adjustment has been made to the basic loss per share amounts presented for the Reporting Period in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue.

The calculations of basic and diluted loss per share are based on:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Audited)
Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculations (RMB'000)	**(161,566)**	(177,150)
Weighted average number of ordinary shares in issue during the period, used in the basic loss per share calculation	**276,903,525**	271,633,535

9. TRADE AND BILLS RECEIVABLES

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade receivables	**165,991**	166,108
Bills receivable*	**14,012**	24,532
Less: Impairment of trade receivables	**(15,341)**	(15,586)
Net carrying amount	**164,662**	175,054

* Bills receivable are subject to impairment under the general approach and the impairment is considered to be minimal.

The Group's trading terms with its customers are mainly on credit. The credit period is generally 30 to 90 days upon receipt of invoice or after monthly clearance. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

As at 30 June 2026 and 31 December 2025, included in the Group's trade receivables are amounts due from the Group's related parties of RMB140,000 and RMB519,000 respectively, which are repayable on credit terms similar to those offered to the major customers of the Group.

The fair values of trade receivables at the end of the Reporting Period approximated to their corresponding carrying amounts due to their relatively short maturity terms.

An aging analysis of the trade receivables as at the end of the reporting period, based on the revenue recognition date and net of loss allowance, is as follows:

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Within 1 year	**143,976**	143,044
1 to 2 years	**4,983**	5,582
2 to 3 years	**1,691**	1,896
Total	**150,650**	150,522

The movements in the loss allowance for impairment of trade receivables are as follows:

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
At the beginning of the period/year	**15,586**	9,435
Impairment losses, net *(note 5)*	**(245)**	6,575
Amount written off as uncollectible	**–**	(424)
At the end of the period/year	**15,341**	15,586

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Trade receivables for which the counterparties failed to make the demanded repayments are defaulted receivables. The Group has provided impairment for the defaulted receivables based on the cash flows that the Group expects to receive.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

	As at 30 June 2026 (Unaudited)		
	Gross carrying amount	**Expected credit loss rate**	**Expected credit losses**
	RMB'000		***RMB'000***
Within 1 year	**152,917**	**6%**	**8,941**
1 to 2 years	**5,904**	**16%**	**921**
2 to 3 years	**3,001**	**44%**	**1,310**
3 to 4 years	**17**	**100%**	**17**
At the end of the period	**161,839**	**7%**	**11,189**
Defaulted receivables	**4,152**	**100%**	**4,152**
Total	**165,991**	**9%**	**15,341**

	As at 31 December 2025 (audited)		
	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Within 1 year	151,928	6%	8,884
1 to 2 years	6,613	16%	1,031
2 to 3 years	3,364	44%	1,468
3 to 4 years	16	100%	16
At the end of the year	161,921	7%	11,399
Defaulted receivables	4,187	100%	4,187
Total	166,108	9%	15,586

10. TRADE PAYABLES

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade payables	**176,082**	188,376

As at 30 June 2026 and 31 December 2025, included in the trade payables are amounts of RMB74,000 and RMB196,000 due to the Group's related parties which are repayable on credit terms similar to those offered by the major suppliers of the Group.

An ageing analysis of the trade payables as at the end of the Reporting Period, based on the date of goods received from the suppliers, is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**82,971**	139,444
Over 1 year	**93,111**	48,932
Total	**176,082**	188,376

The trade payables are non-interest-bearing and are normally settled within 90 days upon monthly clearance.

11. INTEREST-BEARING BANK AND OTHER BORROWINGS

	As at 30 June 2026 (Unaudited)			As at 31 December 2025 (Audited)		
	Effective Interest rate (%)	**Maturity**	***RMB'000***	Effective Interest rate (%)	Maturity	*RMB'000*
Current						
Bank loans – unsecured	**2.70~3.10**	**2027**	**25,000**	2.90~3.10	2026	15,000
Other loans – unsecured	**3.00**	**2027**	**6,700**	–	–	–
Other loans – secured *(iii)*			**–**	6.75	2026	16,885
Bank loans – secured *(ii)*	**2.20~3.80**	**2027**	**317,330**	2.20~7.00	2026	248,789
Current portion of long term bank loans – secured *(ii)*	**2.95~3.35**	**2027**	**11,324**	3.23~6.88	2026	4,596
Current portion of long term other loans – secured *(iii)*	**6.00**	**2027**	**14,665**	6.00	2026	28,717
Total – current			**375,019**			313,987
Non-current						
Long term bank loans – secured *(ii)*	**2.95~3.00**	**2028~2035**	**39,092**	2.95~6.88	2027~2035	10,310
Total – non-current			**39,092**			10,310
Total			**414,111**			324,297

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Analysed into:		
Within 1 year or on demand	**375,019**	313,987
1 to 2 years	**18,625**	310
2 to 5 years	**–**	–
Over 5 years	**20,467**	10,000
Total	**414,111**	324,297

Notes:

(i) All bank borrowings are denominated in RMB as at 31 December 2025 and 30 June 2026.

(ii) As at 31 December 2025 and 30 June 2026, leasehold land with a net carrying amount of RMB62,613,000 and RMB60,604,000 were pledged to secure the bank and other borrowings.

As at 31 December 2025 and 30 June 2026, the Group pledged certain invention patents and utility model patents developed by the Group as collateral to secure bank loans. These patent rights had not previously been capitalised in the financial statements.

(iii) As at 31 December 2025 and 30 June 2026, certain directors and related parties of the Group provided guarantees for the bank and other borrowings of the Group.

12. REDEMPTION LIABILITIES TO NON-CONTROLLING SHAREHOLDERS

(1) On 9 April 2019, the Company has entered into an investment agreement with Leaguer Zhongke Private Equity Fund Management (Shenzhen) Co., Ltd. and Nanjing Pukou Development Zone High-Tech Investment Co., Ltd. (the "**Two Investors**") to jointly conduct a capital increase in the Company's subsidiary, BASiC Semiconductor (Nanjing) Limited ("**Nanjing BASiC**"). Leaguer Zhongke Private Equity Fund Management (Shenzhen) Co., Ltd. is wholly owned by Leaguer Qingzhi Sci Tech Innovation (Shenzhen) Co., Ltd. which is a subsidiary of Shenzhen Leaguer Venture Capital Co., Ltd., a state-owned holding company. Nanjing Pukou Development Zone High-Tech Investment Co., Ltd. is a wholly state-owned enterprise, with Nanjing Pukou Economic Development Co., Ltd. as its controlling shareholder. Pursuant to the investment agreement, the investors shall have the right to issue a written notice to Nanjing BASiC and the Company requesting the repurchase of all or part of the equity held by these investors in Nanjing BASiC, if, on or before 31 December 2025, Nanjing BASiC fails to complete a qualified acquisition (with an aggregate valuation of no less than RMB390 million) or to officially submit and obtain acceptance of the application for an initial public offering in Mainland China (including listings on the Main Board, SME Board, ChiNext, Sci-Tech Innovation Board (STAR Market), or any other securities trading markets recognized by the Shanghai Stock Exchange or Shenzhen Stock Exchange at the time of application, excluding the New Third Board). The capital injection in Nanjing BASiC by the Two Investors was conducted through Nanjing BASiC Zhongke Venture Capital Management Partnership ("**BASiC Zhongke**") which has a limited lifespan not exceeding 9 years.

Upon the closure of the investment, at the Group's consolidated statements of the financial position, the Group recognised the contractual obligation to the Two Investors as financial liabilities measured at amortised cost using the effective interest rate method over the period from the closure date to the maturity date of 31 December 2025. At the Company's statements of financial position, the Company classified it as financial liabilities at fair value through profit or loss, with the change in fair value charged to profit or loss except for the portion attributable to credit risk change that shall be charged to other comprehensive income. Management considered that fair value change in this repurchase liability attributable to changes of its own credit risk is not significant.

As the redemption rights have been triggered as at 31 December 2025, Two Investors have issued a written notice to Nanjing BASiC and the Company on 20 January 2026, requesting the repurchase of all or part of the equity held by these investors in Nanjing BASiC within 180 days. This redemption price is to be calculated based on the higher of (i) the capital contribution and a return of interest rate of 8% per annum; and (ii) the fair value of the net assets of Nanjing BASiC corresponding to the proportion of shares redeemed. The Group has settled the liability as at the date of this announcement.

(2) On 23 May 2025, the Company, Dr. Wang Zhihan, Dr. He Weiwei, Shenzhen Investment Holding Cornerstone New Energy Vehicle Industry Private Equity Investment Fund Partnership (Limited Partnership) ("**SZ Investment NEV**"), an Independent Third Party, and BASiC Packaging (Shenzhen) Limited ("**SZ Packaging**"), a subsidiary of the Group, entered into a capital increase agreement. The Company and SZ Investment NEV have agreed to subscribe to a total of RMB300 million in newly issued registered capital of SZ Packaging, which have been received and completed on 31 December 2025.

Pursuant to the capital increase agreement, SZ Investment NEV has the right to request the Company to redeem all or any portion of the capital held by SZ Investment NEV, at any time after 31 December 2028 or from time to time on or after the earliest date of the occurrence of certain trigger events, at a redemption price of the issued capital and a return of interest rate of 8% per annum.

In the Group's consolidated statements of the financial position, the Group recognised the contractual obligation to SZ Investment NEV as financial liabilities measured at amortised cost using the effective interest rate method. Any difference between the amount of non-controlling interest derecognised and the redemption liabilities is accounted for within equity. At the Company's statements of financial position, the Company classified it as financial liabilities at fair value through profit or loss, with the change in fair value charged to profit or loss except for the portion attributable to credit risk change that shall be charged to other comprehensive income. Management considered that fair value change in this repurchase liability attributable to changes of its own credit risk is not significant.

(3) On 28 January 2026, the Company, Wuxi Innovation Chuangrong Equity Investment Partnership (Limited Partnership) ("**the Investor**"), an Independent Third Party, and Wuxi BASiC, a subsidiary of the Group, entered into a capital increase agreement. The Company and the Investor have agreed to subscribe to a total of RMB50 million in newly issued registered capital of Wuxi BASiC, which have been received and completed on 30 January 2026.

Pursuant to the capital increase agreement, the Investor has the right to request the Company to redeem all or any portion of the capital held by the Investor, at any time after 31 December 2031 or from time to time on or after the earliest date of the occurrence of certain trigger events, at a redemption price of the issued capital and a return of interest rate of 8% per annum.

In the Group's consolidated statements of the financial position, the Group recognised the contractual obligation to the Investor as financial liabilities measured at amortised cost using the effective interest rate method. Any difference between the amount of non-controlling interest derecognised and the redemption liabilities is accounted for within equity. At the Company's statements of financial position, the Company classified it as financial liabilities at fair value through profit or loss, with the change in fair value charged to profit or loss except for the portion attributable to credit risk change that shall be charged to other comprehensive income. Management considered that fair value change in this repurchase liability attributable to changes of its own credit risk is not significant.

The movements of this redemption liability during the Reporting Period are as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Carrying amount at 1 January	**214,262**	41,976
Additions	**57,445**	166,043
Accretion of interest recognised during the period/year	**6,387**	6,243
Carrying amount at 30 June/31 December	**278,094**	214,262
Analysed into:		
Current portion	**47,816**	45,795
Non-current portion	**230,278**	168,467

The redemption liabilities were classified as non-current liabilities unless the investors had the right to demand the Company to redeem the investments within 12 months after the end of the Reporting Period.

13. SHARE CAPITAL

A summary of movements in the share capital is as follows:

	Number of shares in issue	Share capital *RMB'000*
As at 1 January 2025	53,770,801	53,771
Issue of ordinary shares upon capital investment*	1,609,904	1,610
Share sub-division**	221,522,820	–
As at 31 December 2025, 1 January 2026 and 30 June 2026	276,903,525	55,381

* During the year ended 31 December 2025, the Company received capital contributions of RMB150,000,000. The capital contributions increased the share capital and capital reserve by RMB1,610,000 and RMB148,390,000, respectively.

** On 10 May 2025, the ordinary shares with nominal value RMB1.00 each were subdivided on a one-for-five basis, and the nominal value was changed to RMB0.20 each. The total number of shares was changed from 55,380,705 shares to 276,903,525 shares.

14. CONTINGENT LIABILITIES

At the end of the Reporting Periods, the Group did not have any significant contingent liabilities.

15. COMMITMENTS

(a) The Group had the following contractual commitments at the end of the Reporting Period:

	30 June 2026 ***RMB'000*** **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Contracted, but not provided for:		
Purchase of items of property, plant and equipment	**152,973**	39,748
Total	**152,973**	39,748

(b) The Group had the following short-term lease commitments at the end of the Reporting Period. The future lease payments for these non-cancellable lease contracts are falling due as follows:

	30 June 2026 ***RMB'000*** **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Within one year	**89**	173

16. EVENTS AFTER THE REPORTING PERIOD

The H shares of the Company were listed on the Main Board of the Stock Exchange on 8 July 2026.

Save as otherwise disclosed in this announcement, there were no other significant events that may affect the Group since the end of the Reporting Period and up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

For the six months ended June 30, 2026, there was no purchase, sale or redemption of any listed securities (including sale of treasury shares (as defined under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"))) of the Company by the Company or any of its subsidiaries. As at June 30, 2026, the Company did not hold any treasury shares.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors.

As the H Shares had not been listed on the Stock Exchange as of June 30, 2026, the Model Code was not applicable to the Company during the Reporting Period. Having made specific enquiry of all Directors, each of the Directors has confirmed that he/she has fully complied with all relevant requirements set out in the Model Code from the Listing Date to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standards of corporate governance practices to safeguard the interests of shareholders and enhance corporate value.

As the H Shares had not been listed on the Stock Exchange as of June 30, 2026, the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the "**CG Code**") was not applicable to the Company during the Reporting Period. From the Listing Date to the date of this announcement, the Company has complied with all code provisions set out in Part 2 of the CG Code. The Board will continue to review and monitor the corporate governance position of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance of the Company.

INTERIM DIVIDEND

The Board did not recommend the declaration of an interim dividend for the six months ended June 30, 2026 (for the six months ended June 30, 2025: Nil).

EVENTS AFTER THE REPORTING PERIOD

Save for the listing of H Shares on the Stock Exchange on July 8, 2026, the Directors are not aware of other significant events affecting the Company and its subsidiaries which have occurred after the end of the Reporting Period and up to the date of this announcement.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Audit Committee, comprises three independent non-executive Directors, namely Mr. Wang Susheng (Chairperson), Mr. Li Juping, and Mr. Ye Xiang. The primary responsibilities of the Audit Committee are to review and supervise the Group's financial reporting process, risk management and internal control system. The terms of reference of the Audit Committee are available on the Stock Exchange's website and the Company's website.

The Audit Committee has reviewed the unaudited interim condensed consolidated financial statements of the Group for the six months ended June 30, 2026 and this announcement, and discussed the relevant accounting matters. The Audit Committee considers that this announcement has been prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been made.

PUBLICATION OF THE RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the Company's website at www.basicsemi.com and the website of the Stock Exchange at www.hkexnews.hk. The interim report of the Company for the six months ended June 30, 2026 will be despatched to the shareholders in the manner in which the shareholders have selected to receive corporate communications and made available on the Company's and the Stock Exchange's websites in due course.

By order of the Board
BASiC Semiconductor Co., Ltd.
Dr. Wang Zhihan
Chairman

Shenzhen, the PRC, August 28, 2026

As at the date of this announcement, the Board of the Company comprises: (i) Dr. Wang Zhihan, Dr. He Weiwei, Mr. Fu Junyin and Ms. Yan Rui as executive directors; and (ii) Mr. Li Juping, Mr. Ye Xiang and Mr. Wang Susheng as independent non-executive directors.