Shanghai FourSemi Semiconductor Co., Ltd.

上海傅里葉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 : 3625

2026
INTERIM REPORT

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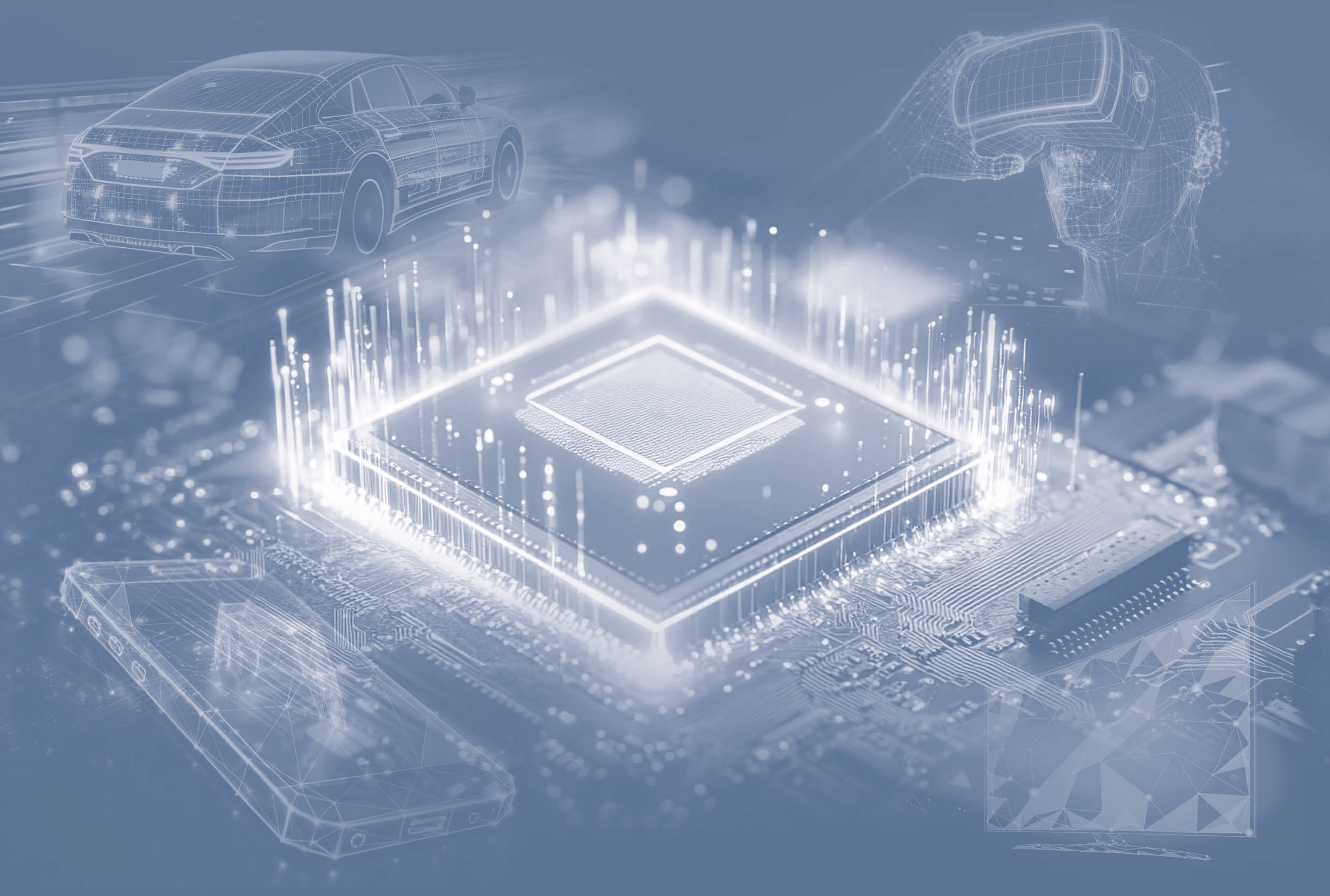

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Xu Xiaolin *(Chairman of the Board)*
Mr. Liu Baoliang
Mr. Qian Shun
Ms. Yu Bingbing

Non-Executive Directors

Mr. Chen Binglin
Mr. Lin Enfeng

Independent Non-Executive Directors

Mr. Liu Hongcan
Ms. Liu Liping
Mr. Dai Xueguang

Joint Company Secretaries

Mr. Gao Wenchao
Mr. Tse Yu Yeung *(appointed on April 10, 2026)*
Mr. Chow Shing Lung *(resigned on April 10, 2026)*

Audit Committee

Mr. Liu Hongcan *(Chairman)*
Ms. Liu Liping
Mr. Dai Xueguang

Remuneration and Appraisal Committee

Mr. Liu Hongcan *(Chairman)*
Ms. Liu Liping
Mr. Xu Xiaolin

Nomination Committee

Mr. Xu Xiaolin *(Chairman)*
Mr. Dai Xueguang
Ms. Liu Liping

Authorised Representatives

Mr. Xu Xiaolin
Mr. Gao Wenchao

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China (Shanghai) Free Trade Pilot Zone
PRC

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STOCK CODE

3625

Company's Website

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LEGAL ADVISORS AS TO HONG KONG LAWS

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Hong Kong

COMPLIANCE ADVISER

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Wan Chai
Hong Kong

Financial Summary

SUMMARY OF CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Six months ended 30 June		YoY Change
	2026	2025	
	(unaudited)	(unaudited)	
	(RMB'000)		
Revenue	**139,241**	176,816	(21.3)%
Gross profit	**38,230**	33,436	14.3%
Gross profit margin	**27.5%**	18.9%	8.6 percentage points
Loss before tax	**(68,380)**	(30,886)	(121.4)%
Loss after tax	**(68,380)**	(30,886)	(121.4)%

SUMMARY OF CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30 June 2026 (unaudited)	As at 31 December 2025 (audited)	**Change**
	(RMB'000)		
Total assets	**648,844**	316,874	104.8%
Total liabilities	**160,682**	206,905	(22.3)%
Total equity	**488,161**	109,969	343.9%
Cash and cash equivalents	**171,397**	118,069	45.2%

I. INDUSTRY LANDSCAPE AND DEVELOPMENT TRENDS

During the Reporting Period, the driving force behind the development of the global semiconductor industry has shifted to a landscape centered on the construction of AI computing power infrastructure. The computing power demand generated by AI training and inference has surged significantly. The expansion of data centers, cloud computing platforms, and hyperscale computing clusters has directly driven the shipment volume of logic and memory products such as GPUs, dedicated AI accelerators, and high-bandwidth memory chips, becoming the main driving force supporting the growth of the global semiconductor industry.

The wave in the semiconductor industry led by AI, while creating new demand, has also had a profound impact on the supply and demand structure of the semiconductor industry. Currently, the advanced process capacity of major global wafer foundries is increasingly skewed towards AI-related chip orders. Against this backdrop, chips in fields such as consumer electronics are facing significant pressure in production scheduling, leading to extended delivery cycles and increased cost pass-through pressure. Meanwhile, end-brand manufacturers, in terms of resource allocation, have also shifted their investment priorities to AI infrastructure. The combined effect of these two factors has placed certain constraints on the pull-in momentum for consumer electronics devices such as smartphones and personal computers. The consumer-grade chip market has generally shown a trend of a slower pace of new product introduction and intensified price competition.

According to reports and statistical data from relevant third-party organizations, the shipment volume in the PRC smartphone market showed an overall adjustment trend during the Reporting Period. At the same time, the rising prices of upstream memory devices also increased the cost control pressure on smartphone manufacturers, suppressing their willingness to stock up on equipment and components. Driven by cost pressure, products with substantial technological innovation and differentiated competitiveness are more favored by consumers, and the smartphone market is showing a divergent landscape of continuous expansion in the high-end market and intensified competition in the low-to-mid-end market. The siphoning effect on global semiconductor capacity from large-scale investment in AI infrastructure has caused smartphone SoCs and memory to face scheduling pressure in capacity acquisition, indirectly affecting the pace of new mobile phone product introductions and supply chain stability, and further exacerbating supply and demand fluctuations in the consumer electronics industry chain.

Despite overall pressure across end markets, technological evolution in the smartphone audio field continues unabated. Low-power design and high-quality sound quality remain key elements for enhancing the end-user experience, driving rapid market adoption of audio chips that offer higher voltage, greater efficiency, a smaller footprint, and support for premium smartphone features. These innovations are expected to become the core driving force leading the next round of smartphone audio technology upgrades.

In addition to smartphones, in the consumer electronics field, the replacement demand for devices such as smart displays, laptops, and smart homes, coupled with the gradual mass production of new product forms such as AI terminals and embodied AI, is expected to lead to a gradual and moderate recovery in orders for signal chain chips. Mainland Chinese semiconductor companies, with their faster customer response speeds and more competitive costs, are expected to achieve continuous market share growth in certain market segments.

During the Reporting Period, smart cockpits continued to upgrade towards AI voice interaction and immersive spatial audio. The number of audio chips such as in-vehicle DSPs and power amplifier audio installed per new energy vehicle (NEV) model and the computing power demand were significantly higher than in traditional fuel vehicles. A traditional fuel vehicle is equipped with only 1–2 basic power amplifier audio chips; current mainstream NEV models are equipped with a total of 5–10 chips per vehicle, including independent in-vehicle DSP audio processors, multi-channel Class-D amplifiers, Smart intelligent power amplifiers, multi-channel audio codec, pickup chips and noise reduction processing chips; high-end flagship models have increased the number of speaker channels to 16–30, with the number of supporting audio processing chips more than doubling, and the per-vehicle value of audio chips has increased by 3 to 5 times compared to traditional models. Coupled with the standardization of functions such as in-cabin AI voice assistants, in-car active road/wind noise cancellation, rear-seat independent audio-visual systems, call voice enhancement, and sound source localization, the demand for audio chips in terms of real-time computing power, parallel channels, and algorithm integration level continues to rise. Individual DSP chips are gradually integrating dedicated NPU audio computing power, bringing cloud-based AI noise reduction and voice separation algorithms down to edge hardware, and driving a surge in demand for high-end automotive-grade audio chips.

Compared to consumer-grade products, automotive-grade products face more stringent technical barriers, including requirements such as AEC-Q100 automotive-grade certification, stable operation over a wide temperature range, meeting functional safety levels, and long-lifecycle reliability. As intelligent driving continues to evolve from basic drive assistance to high-level autonomous driving, the demand from autonomous driving systems and smart cockpits for ultra-low latency response, high-speed data transmission, and high-precision signal processing has sharply increased. The per-vehicle value of in-vehicle electronics has seen a significant increase compared to the traditional ICE vehicle era.

II. BUSINESS PROGRESS DURING THE REPORTING PERIOD

1. Overview of Overall Performance

During the Reporting Period, the Company continued to promote the commercialization of technological achievements and product mix optimization. While the smartphone audio business faced pressure, emerging application areas such as automotive and sports cameras achieved steady growth in sales scale, the importance of new business segments with continuously growing sales such as mid/high-power audio power amplifier chips and haptic drivers is increasingly prominent, providing solid support for stabilizing the overall scale of operating revenue. While adjusting its revenue structure, the Company continuously optimized its internal management efficiency, which led to a steady increase in its gross profit level, laying a solid internal foundation for future growth in revenue scale and profitability.

Amid the overall business structure adjustment, the proportion of revenue from the audio chip business to main operating revenue remained high but decreased compared to the same period last year. Among which, the in-vehicle audio chip business grew by over 309 times year-on-year, with its share of business revenue bucking the trend to increase to 2.2%; the revenue share of the haptic driver product solution business increased significantly compared to the same period last year, growing by over 330%.

2. Analysis of Operating Performance of Various Business Segments

(1) Audio Chips

Smartphone Field — Proactively Optimizing Business Structure

The current smartphone market exhibits structural characteristics of continuous expansion in the high-end market and intensified competition in the low-to-mid-end market. In response to this change in the industry landscape, the Company, while focusing on enhancing the competitiveness of its low-power amplifier audio product line and meeting the demands of the smartphone market landscape, has extended its resources to application scenarios beyond smartphones, accelerating the proactive adjustment of its business structure.

During the Reporting Period, the Company launched a new generation of 15V/12V flagship-level low-power amplifier audio chip products for the flagship smartphone market to iterate on the FS1985/FS1986 products. Designed for high-end smartphones, they support dual-cell batteries and offer significant improvements in parameters such as size, efficiency, and signal-to-noise ratio (SNR) compared to the previous generation. During the Reporting Period, the aforementioned flagship product is being actively promoted to major smartphone brands and manufacturers. It is expected to provide a competitive advantage for the recovery and growth of the low-power amplifier audio business in the medium to long term. At the same time, the Company continues to enrich its audio product portfolio that covers all market tiers, launching new smartphone audio series products that cover multiple power levels and feature both high dynamic range and low power consumption. It is also expanding its product series based on different customer needs, enhancing product originality and differentiation, creating new product definitions, and avoiding homogenized competition to further consolidate and enhance the Company's competitive position in the smartphone power amplifier audio market.

However, due to the combined impact of multiple factors, including the continuous adjustment of smartphone terminal shipment volumes and the diversion of global semiconductor capacity by large-scale investment in AI infrastructure, the Company's revenue from the smartphone market within its audio business declined during the Reporting Period. Facing these challenges, the Company has proactively optimized its internal resource allocation, shifting its R&D and market development resources towards application areas with stronger growth potential and better cyclical resilience, such as automotive electronics, AR/VR, and sports cameras, to offset the impact of pressure on the mobile phone business on overall performance.

Through the aforementioned business structure rebalancing and diversified business layout, the Company is gradually reducing its dependence on the smartphone audio business and building a more balanced and risk-resilient business portfolio.

Automotive Sector — Continuously Consolidating First-Mover Advantage

Amid the industry wave of automotive intelligence and electrification, the commercialization of various NEVs has placed unprecedented performance demands on in-vehicle audio systems. In-vehicle audio systems are accelerating their evolution towards ultra-low latency response, high-speed data transmission, high-precision signal processing, and high-fidelity to meet consumers' rising expectations for driving safety and cockpit experience. After launching its first in-vehicle audio product in 2023, the Company is advancing a comprehensive upgrade of its in-vehicle audio products. As a major enterprise in the domestic audio chip field, the Company, leveraging its deep experience in the audio industry, a complete quality system, and leading audio signal processing technology, has provided the market with in-vehicle audio chip products featuring high performance, low noise, and low latency.

During the Reporting Period, the Company continued to advance customer nominations and mass production delivery of its automotive-grade high-power audio products. Leveraging its accumulation of algorithms and circuit IP from the consumer electronics audio field, it quickly completed the iteration of automotive-grade products. The new generation of in-vehicle audio chips features product characteristics of high performance, low latency, and rapid diagnostics, combined with a real-time load detection function to ensure system stability and safety, meeting the demanding requirements of the in-vehicle environment, and helping the whole vehicle achieve more tranquil and superior sound quality experience. Existing in-vehicle audio product solutions have been recognized by several leading NEV enterprises and have successfully passed the testing and certification of multiple OEMs and Tier1 suppliers. They are being incorporated into more mass-production model projects, covering models from FAW, GAC, Changan Qiyuan, Chery, and others. At the same time, the Company is developing newly defined in-vehicle audio products, further expanding its in-vehicle product categories such as Class-AB amplifiers and self-defined in-vehicle power amplifier audio with more optimized layouts and higher integration levels. It is also advancing the systematic construction of its in-vehicle product matrix, striving to penetrate "FourSemi Chip (傅裡葉芯)" into more in-vehicle application scenarios and actively increase the per-vehicle value of the Company's chip products. During the Reporting Period, the Company's revenue from the in-vehicle audio business achieved rapid growth, and its market share is expected to continue to consolidate and expand.

Emerging Application Areas — Actively Opening Up Growth Space

The Company is deeply involved in the product application development for emerging device categories such as sports cameras and AI wearables. The core features of the Company's audio chip products, such as miniaturized package and ultra-low power consumption, are highly aligned with the stringent requirements for component size and power consumption of equipment like sports cameras and AI wearables. As a key component of sports cameras, the Company's products, with their excellent signal-to-noise ratio, high-efficiency power amplifier design, and low power consumption, can provide stable and clear audio performance even under harsh conditions. In addition to sports cameras and AI wearables, products compatible with TWS earbuds equipment are also under R&D.

In terms of positioning at the technological frontier, the Company has leveraged its decade of accumulated experience in complex mixed analog-digital signal chip design. By accurately riding the wave of the current AI development trend, the Company has launched smart audio solutions adapted for the AI edge, contributing to industrial innovation. Among them, the new-generation digital-input mid-power amplifier audio chip FS2128E supports a maximum power of 2*60W and is equipped with FourSemi's self-developed AI sound effect algorithm DSP. It integrates the chip with AI algorithms and can be adapted for audio-visual entertainment and voice interaction needs of AI edge devices such as AI speakers, embodied robots, and smart pets. The R&D of the second-generation high-power edge AI amplifier audio chip is progressing in an orderly manner. Its power is increased to 2*150W, and it is equipped with an upgraded and iterated AI sound effect algorithm. It also supports load detection, making terminal equipment applications more efficient and secure.

With the Company's continuous deep cultivation in diversified terminal application fields, its product line has achieved full coverage from mobile devices, personal computers, soundbars, and TV/smart displays to automotive audio, building a complete ecosystem landscape. The Company is continuously pushing the envelope of what its audio products and application solutions can deliver, aiming to bring high-quality audio products to more application scenarios. While maintaining leading performance, it strives for lower power consumption, creating a premium audio experience for a broad customer base and developing more audio products with market originality and differentiation.

(2) Haptic Feedback Products and Others

The Company fully leverages its brand reputation and customer channel resources accumulated in the consumer electronics market, continuously increases investment, further improves its product line layout beyond the audio business, accelerates the pace of customer adoption of its products, and continues to explore incremental market space. The human-machine interaction experience is one of the core competitive dimensions for AI robots and the AI edge. The Company's FS300x series haptic driver products can meet the intelligent and precise operational needs of AI terminals, achieving a comprehensive revolution in touch interaction. With advantages such as small size, ultra-low power consumption, high sensitivity, and precise haptic response, the FS300x series chips have achieved mass shipments for smartwatches and AI glasses, and are adapted for scenarios such as the dexterous hands of embodied robots and handheld gaming consoles/controllers. During the Reporting Period, revenue from haptic driver grew rapidly. With the continuous release of demand from the AI edge, the growth potential of the haptic feedback products business will be further demonstrated. The second-generation closed-loop haptic driver is already under R&D. It features higher detection accuracy and can deliver a more precise and rapid haptic interaction experience. The haptic feedback product line is continuously making innovative breakthroughs to launch differentiated products that meet new market demands.

In the broader analog chip market, the Company is planning its core strategic presence in categories such as smart connectivity and intelligent sensing. During the Reporting Period, the Company continued to deepen its cooperative relationships with downstream customers, actively responding to the profound impact of the AI wave on the industry and its ecosystem. Its product matrix is gradually covering multiple cutting-edge fields such as audio, touch, and intelligent sensing.

3. R&D Investment and Technology Accumulation

During the Reporting Period, the ratio of the Company's R&D investment to its operating revenue remained at a high level and increased compared to the same period last year. The Company has consistently maintained a high intensity of R&D investment, providing sufficient support for product iteration and upgrades, as well as the development of new product lines, thereby steadily enhancing its product competitiveness. Currently, the Company is actively allocating its R&D resources towards high-growth application areas such as automotive electronics, the AI edge, and AR/VR to support its business structure adjustment and long-term growth objectives.

Through years of in-house R&D and continuous iteration, the Company has developed integrated solution capabilities from hardware circuits to algorithms. At the circuit level, the Company has mastered a series of technologies including boost, interference suppression, low power consumption, and high efficiency. At the algorithm level, the Company has self-developed algorithms such as sound effect processing, anti-clipping, and AGC technology. Deep synergy and system integration among various technology modules have formed a complete technology matrix. The Company's core technical solutions can provide terminals with industry-leading sound quality, sound effects, and operational efficiency. Furthermore, in the broader signal chain field, our Group leverages its long-term technology accumulation in the audio field to form technical experience that is transferable to other analog and mixed analog-digital products, applicable to product R&D and applications in fields such as intelligent sensing and power management.

The Company has established a customer-oriented R&D and innovation mechanism, forming a complete R&D process from market demand research and technical solution definition and validation to product development and implementation, tape-out and mass production. As a Fabless chip design company, continuous R&D investment and technological innovation capability are the Company's core competitive barriers. The Company places great importance on the protection of core technologies and the development of its R&D talent pipeline, actively engaging in forward-looking strategic planning and talent reserves for future development.

4. **Listing on the Hong Kong Capital Market and Entering a New Stage of Capitalization**

During the Reporting Period, the Company successfully completed the global offering of its overseas listed foreign shares and was listed on the Main Board of the Hong Kong Stock Exchange. This H Share Offering and Listing is an important strategic move for the Company to improve its domestic and overseas financing platforms and optimize its capital structure. Leveraging the H Share financing platform, the Company will effectively utilize the resource advantages of the capital market, continuously improve its governance structure and operational management system, and enhance its brand awareness both domestically and internationally. The successful receipt of the proceeds has provided a solid financial guarantee for the implementation of the Company's strategic plans.

III. BUSINESS OUTLOOK

After the Reporting Period, the Company will continue to focus on promoting the iteration of its existing product lines, and will continuously adjust its business structure, improve its product layout, and open up new space for business growth. The Company has established business divisions such as mobile audio, in-vehicle audio, and intelligent sensing, categorized by their respective business features and application scenarios, to effectively integrate the Company's business resources and R&D resources. It has increased its R&D investment in areas such as intelligent sensing and in-vehicle audio to further build a foundation for the co-development of multiple product lines and create new growth points for the Group's business. Upon completion of the integration, the Company will form a clearer, more efficient business matrix with significant synergies, approaching the market with a unified team, platform, and strategy. Based on a deep understanding of market demand, each business unit focuses on the R&D and iteration of its respective products, using differentiated product definitions and original product features to provide customers with superior system-level solutions, thereby enhancing the functional synergy and competitiveness of end products. Currently, projects such as the second-generation in-vehicle digital power amplifier audio chips, the second-generation high-power edge AI amplifier audio chips, and the SAR Sensor are progressing smoothly. Some projects under R&D are expected to begin customer promotion and adoption in the second half of the year. Based on the Company's business integration and business development during the Reporting Period, new product lines may still be added at appropriate times in the future.

With its rich product portfolio, mature mixed analog-digital product design, and system-level solution capabilities, the Company has established extensive industry influence and market recognition. The Company is actively embracing the wave of AI technology, and its products are being increasingly applied in various AI-driven terminal scenarios. Leveraging the customer stickiness accumulated in existing application markets and the channel advantages of collaborative promotion across multiple product lines, the Company is expected to further amplify the value created for end customers in the process of large-scale application of AI terminals.

IV. FINANCIAL REVIEW

Revenue

During the Reporting Period, we primarily generated revenue from the sales of low-power audio chips and mid/high-power audio chips, and to a much lesser extent, from the sales of haptic drivers. Our revenue decreased from approximately RMB176.8 million for the six months ended June 30, 2025 to approximately RMB139.2 million for the six months ended June 30, 2026, primarily due to the decrease in the revenue from low-power audio chips, partially offset by strong growth in revenue for haptic drivers and mid/high-power audio chips.

- **Low-power audio chips**: Our revenue from low-power audio chips decreased from approximately RMB161.5 million for the six months ended June 30, 2025 to approximately RMB108.1 million for the six months ended June 30, 2026, primarily attributable to the shipment cut and shipment forecast change of our customers in consumer-electronics industry, especially the mobile-phone customers, which cut shipment volumes and shipment forecasts due to the sharp price surge of raw materials, components and especially memory chips.

- **Mid/high-power audio chips**: Our revenue from mid/high-power audio chips increased by approximately 16% from approximately RMB13.1 million for the six months ended June 30, 2025 to approximately RMB15.2 million for the six months ended June 30, 2026, primarily due to the notable increase in revenue from our automotive-grade audio power-amplifier chips.

- **Haptic drivers**: Our revenue from haptic drivers increased significantly by approximately 339.3% from approximately RMB2.0 million for the six months ended June 30, 2025 to approximately RMB8.9 million for the six months ended June 30, 2026, primarily as the sales volume of haptic drivers increased from approximately 2.3 million units to approximately 6.7 million units, primarily driven by expanded portfolio of our haptic drivers, including FS3002 series and enhanced coverage in haptic driver market.

The following table sets forth a breakdown of our revenue by product line and the sales volume and average selling price of our low-power audio chips, mid/high-power audio chips, haptic drivers and power management chips for the six months ended June 30, 2025 and June 30, 2026.

	Six months ended June 30,							
	2026 (unaudited)				2025 (unaudited)			
	Sales Volume	**Revenue**	**%**	**ASP**	Sales Volume	Revenue	%	ASP
	(RMB in thousands for revenue, except for percentage and ASP; RMB for ASP; units in thousands for sales volume)							
Low-power audio chips	**180,763**	**108,134**	**78%**	**0.60**	236,901	161,566	91%	0.68
— Adaptive power control audio chips	**158,678**	**80,519**	**58%**	**0.51**	170,267	82,106	46%	0.48
— Portable power amplifier audio chips	**22,085**	**27,614**	**20%**	**1.25**	66,634	79,460	45%	1.19
Mid/high-power audio chips	**7,211**	**15,164**	**11%**	**2.10**	6,226	13,096	7%	2.10
— Mid-power audio chips	**6,855**	**12,071**	**9%**	**1.76**	6,225	13,086	7%	2.10
— Automotive-grade audio power-amplifier chips	**356**	**3,093**	**2%**	**8.69**	1	10	0%	8.63
Haptic drivers	**6,727**	**8,944**	**6%**	**1.33**	2,292	2,036	1%	0.89
Others[(1)]	**4,725**	**6,999**	**5%**	**1.48**	612	119	0%	0.19
Total	**199,426**	**139,241**	**100%**	**0.70**	246,031	176,816		0.72

Note:

(1) Others mainly refer to power management chips.

Cost of Sales

As a fabless company, our cost of sales primarily consists of (1) materials and processing cost; (2) transportation costs; (3) provisions; and (4) impairment losses on inventories.

Our cost of sales decreased by approximately 29.6% from approximately RMB143.4 million for the six months ended June 30, 2025 to approximately RMB101.0 million for the six months ended June 30, 2026, which was generally attributable to a decline in overall sales volume, together with the optimization of product mix, specifically the rising revenue share of products featuring higher gross profit margins and lower unit costs, including haptic drivers and multiple flagship smart audio chips with strong market competitiveness, within the company's total product revenue.

Gross Profit and Gross Profit Margin

Our gross profit increased by approximately 14.3% from approximately RMB33.4 million for the six months ended June 30, 2025 to approximately RMB38.2 million for the six months ended June 30, 2026, primarily due to supported by our enhanced market recognition and optimization of product mix. Our gross profit margin significantly increased from approximately 18.9% for the six months ended June 30, 2025 to approximately 27.5% for the six months ended June 30, 2026, primarily driven by the optimization of product mix, specifically the rising revenue share of products featuring higher gross profit margins and lower unit costs, including haptic drivers and multiple flagship smart audio chips with strong market competitiveness, within the company's total product revenue.

- **Low-power audio chips**: Our gross profit from low-power audio chips decreased by approximately 13.0% from approximately RMB30.8 million for the six months ended June 30, 2025 to approximately RMB26.8 million for the six months ended June 30, 2026, primarily due to the decreased revenue caused by reduced shipments in the downstream consumer-electronics industry (particularly mobile phones). Meanwhile, our gross profit margin from low-power audio chips increased from 19% for the six months ended June 30, 2025 to 25% for the six months ended June 30, 2026, primarily due to the optimization of the product mix, namely a significant increase in the proportion of products with higher gross profit margin.

- **Mid/high-power audio chips**: Our gross profit from mid/high-power audio chips decreased by approximately 52.2% from approximately RMB3.4 million for the six months ended June 30, 2025 to approximately RMB1.6 million for the six months ended June 30, 2026, and our gross profit margin decreased from 26% to 11% in the same period, primarily due to the high-cost engineering-batch chips used for the automotive-grade audio amplifier chips and the unit cost of automotive-grade audio amplifier chips is comparatively high in the early stages of mass sales, which lowered product-level margins and weighed on the overall gross margin.

- **Haptic drivers**: Our gross profit for haptic drivers increased significantly by approximately 245.3% from approximately RMB1.2 million for the six months ended June 30, 2025 to approximately RMB4.3 million for the six months ended June 30, 2026, and our gross profit margin decreased from 61% to 48% in the same period, primarily due to the enriched product mix of haptic drivers, including FS3002 series.

Other Income and Gains

Other income and gains primarily consist of foreign exchange gains, unconditional government grants, and bank interest income. Our other income and gains increased by approximately 39% from approximately RMB2.5 million for the six months ended June 30, 2025 to approximately RMB3.5 million for the six months ended June 30, 2026, primarily due to investment income from structured deposits.

Research and Development Costs

Our research and development costs primarily consist of (1) employee benefit expenses including salaries, wages and bonuses for our research and development personnel; (2) materials and consumables for our research and development initiatives; (3) share-based payments before Listing in March 2026; (4) professional service fees, which primarily consist of design and testing fees; (5) depreciation and amortization expenses, which were primarily related to our property, plant and equipment, and right-of-use assets representing our office leases.

Our research and development costs increased from approximately RMB33.9 million for the six months ended June 30, 2025 to approximately RMB41.4 million for the six months ended June 30, 2026, primarily due to (1) higher staff costs arising from the recruitment of additional research and development persons to support business expansion, (2) bonus paid to research and development staff for specific project progress.

Administrative Expenses

Our administrative expenses primarily consist of (1) listing expenses; (2) employee benefit expenses including primarily the salaries, wages and bonuses for our administrative personnel; (3) share-based payments before Listing in March 2026; (4) traveling expenses; (5) professional service fees, primarily including recruitment fees, consulting service fees, agency fees and legal fees; (6) depreciation and amortization expenses, which were primarily related to our property, plant and equipment and right-of-use assets representing our office leases; and (7) rental expenses which primarily consist of property management fees and short-term office rent fees.

Our administrative expenses increased from approximately RMB20.2 million for the six months ended June 30, 2025 to approximately RMB39.0 million for the six months ended June 30, 2026, primarily driven by higher listing-related expenses, an increase in employee benefit expenses.

Selling and Marketing Expenses

Our selling and marketing expenses primarily consist of (1) employee benefit expenses including primarily the salaries, wages and bonuses for our selling and marketing personnel; (2) business development and traveling expenses; (3) share-based payment expenses before Listing in March 2026; and (4) depreciation and amortization expenses, which were primarily related to our right-of-use assets representing our office leases.

Our selling and marketing expenses increased from approximately RMB9.6 million for the six months ended June 30, 2025 to approximately RMB18.5 million for the six months ended June 30, 2026, primarily attributable to (1) higher staff costs arising from the recruitment of additional sales personnel to support business expansion, (2) bonus paid to sales staff for business development success especially in automotive-grade audio chip, (3) higher spending on marketing promotion activities.

Impairment Losses on Financial Assets, Net

For the six months ended June 30, 2026, we recognized net impairment losses on financial assets of approximately RMB0.6 million. For the six months ended June 30, 2025, we recorded a net reversal of impairment losses of approximately RMB0.03 million, primarily due to higher trade receivable balances.

Other Expenses

Our other expenses increased significantly from approximately RMB0.6 million for the six months ended June 30, 2025 to approximately RMB8.3 million for the six months ended June 30, 2026, primarily due to a net foreign exchange loss of approximately RMB8.1 million recognized in other expenses for the six months ended June 30, 2026, compared to a net gain of approximately RMB0.6 million recognized in other income and gains for the six months ended June 30, 2025, due to exchange rate fluctuations during the currency-conversion process of the proceeds from HK listing.

Finance Costs

Our finance costs consist of interest on interest-bearing bank borrowings and interest on lease liabilities. Our finance costs increased from approximately RMB1.2 million for the six months ended June 30, 2025 to approximately RMB1.6 million for the six months ended June 30, 2026, primarily due to the increased bank borrowing to support our business operations.

Changes in the Carrying Amounts of Redemption Liabilities

For the six months ended June 30, 2025 and June 30, 2026, we recognized changes in the carrying amounts of redemption liabilities of approximately RMB1.4 million and approximately RMB0.7 million, respectively, relating to the accrued interests on a financial liability of approximately RMB30 million arising from one of our Pre-IPO Investors' redemption rights. Following the Listing in March 2026, our redemption liabilities have been automatically re-classified to equity and therefore no more changes in carrying amount of the redemption liabilities will be recognized on our consolidated statements of profit or loss.

Income Tax Expense

We did not recognize any income tax expense for the six months ended June 30, 2025 and June 30, 2026.

Loss for the Period

As a result of the foregoing, our loss for the period increased by approximately 121% from approximately RMB30.9 million for the six months ended June 30, 2025 to approximately RMB68.4 million for the six months ended June 30, 2026.

Discussion of certain selected items from the consolidated statement of financial position and relevant matters.

Inventories

Our inventories primarily consist of raw materials, work in progress and finished goods. Our inventories decreased by approximately 6.8% from approximately RMB101.4 million as of December 31, 2025 to approximately RMB94.6 million as of June 30, 2026, primarily due to our effort to the optimization of inventory management during the six months ended June 30, 2026.

Trade Receivables

Our trade receivables increased by approximately 141.4% from approximately RMB40.3 million as at December 31, 2025 to approximately RMB97.3 million for the six months ended June 30, 2026, due to higher trade receivable balances arising from revenue growth in May and June of 2026 and the higher proportion of revenue generated from customers with credit terms in our total revenue during the reporting period.

Trade Payables

Our trade payables decreased from approximately RMB23.4 million as at December 31, 2025 to approximately RMB17.8 million as of June 30, 2026, primarily due to the optimization of our payables management during the six months ended June 30, 2026.

Prepayments, deposits and other receivables

Our prepayments, deposits and other receivables decreased from approximately RMB23.6 million as at December 31, 2025 to approximately RMB19.2 million as of June 30, 2026, primarily due to our effort on production planning management.

V. LIQUIDITY, FINANCIAL AND CAPITAL STRUCTURE

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders' value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions.

Our primary uses of cash are to fund our working capital requirements and other recurring expenses. During the Reporting Period, we financed our capital expenditures and working capital requirements principally with funds from capital contribution from our Shareholders, cash generated from our operations and bank borrowings. After the Global Offering, our liquidity requirements will continue to be satisfied with cash generated from our operations, bank borrowings and net proceeds from the Global Offering.

Our cash and cash equivalents increased from approximately RMB118.1 million as of December 31, 2025 to approximately RMB171.4 million as of June 30, 2026, primarily due to the proceeds from our Listing in March 2026. Our short-term time deposit as of June 30, 2026 was approximately RMB249.6 million the source of which was primarily from the proceeds from our Listing in March 2026.

As at June 30, 2026, the cash balance held by the Group are as follows:

	June 30, 2026 (unaudited) RMB'000	December 31, 2025 (audited) RMB'000
Cash and cash equivalents		
Denominated in RMB	**151,728**	31,673
Denominated in USD	**19,669**	86,396
Denominated in HKD	**0**	0
Total	**171,397**	118,069

Interest-bearing bank and other borrowings

As of June 30, 2026, our bank facilities available for use were approximately RMB291.8 million and we had utilized RMB118.3 million. We do not anticipate any changes to the availability of financing to fund our operations in the future.

As of June 30, 2026, we recorded pledged time deposits was approximately RMB0 million (2025: RMB21.8 million).

Our interest-bearing bank borrowings of effective and fixed interest rate between 2.20% to 2.70% increased from approximately RMB116.1 million as of December 31, 2025 to approximately RMB118.3 million as of June 30, 2026. Our current interest-bearing bank borrowings decreased from approximately RMB96.5 million as of December 31, 2025 to approximately RMB88.9 million as of June 30, 2026. Our non-current interest-bearing bank borrowings remained at approximately RMB19.6 million and approximately RMB29.4 million as of December 31, 2025 and June 30, 2026, respectively. The increase was primarily due to our increased bank borrowing to support our business operations as we expand our business scale.

Our interest-bearing bank and other borrowing increased from approximately RMB116.1 million as of December 31, 2025 to approximately RMB118.3 million as of June 30, 2026. The maturity groupings of the borrowings are as follows:

	June 30, 2026 (unaudited) RMB'000	December 31, 2025 (audited) RMB'000
Analysed into:		
Bank loans repayable:		
Within 1 year	**88,918**	96,472
1 to 2 years	**29,399**	19,600
Total	**118,316**	116,072

The Group does not currently have any major capital investment plans and has no plans to conduct any fundraising activities.

Redemption Liabilities

Our redemption liabilities decreased from approximately RMB38.8 million as of December 31, 2025 to nil as of June 30, 2026. The redemption liabilities recognized before March 31, 2026 was solely due to the pre-IPO investment from Huzhou Zhuosheng. Upon the Listing, our redemption liabilities will automatically be re-classified to equity and therefore no more changes in carrying amount of the redemption liabilities will be recognized on our consolidated statements of profit or loss.

Significant Investment, Material Acquisitions, Disposals and Future Plans

During the Reporting Period, we did not conduct any significant investment, material acquisition or disposal. In addition, save for the expansion plans as disclosed in the sections headed "Future Plans and Use of Proceeds" in the Prospectus, there were no specific plan authorized by the Board for other material investments or acquisition of capital assets or any plans to conduct any fund-raising activities as at June 30, 2026. However, our Group will make every endeavor to keep abreast of the changing market conditions, proactively identify investment opportunities to broaden the revenue base of the Group, enhance its future financial performance and profitability.

Moreover, the Group intend to pursue the following key strategies to grow our business sustainably and maintain our market position: (1) strengthening research and development in power amplifier audio chips, (2) diversifying product portfolio and broaden customer base in key application scenarios, (3) building an ATE testing platform to strengthen supply chain stability, (4) fortifying our sales network to expand global reach, and (5) pursuing strategic alliances, investments and acquisitions to integrate industry resources. We are confident in the future and committed to continuous growth of the Company.

Capital Expenditures

Our capital expenditures during the Reporting Period primarily consisted of expenditures on purchase of property, plant and equipment and purchase of intangible asset. For the year ended December 31, 2025 and the six months ended June 30, 2026, we incurred capital expenditure of approximately RMB0.9 million and approximately RMB1.2 million, respectively.

Purchase, Sale or Redemption of Our Company's Shares

During the Reporting Period, save for the Listing on March 31, 2026, there was no purchase, sale or redemption of any listed securities of our Company by our Company or any of its subsidiaries (including the sale of treasury shares).

As at June 30, 2026 and up to the date of this interim report, the Company did not hold any H Shares as treasury shares (as defined in the Listing Rules).

Contingent Liabilities

During the Reporting Period, the Company had been a defendant in a patent dispute lawsuit filed by a party alleging that the Company infringed its invention patent in the PRC. The Company's PRC litigation advisor is of the view that there are reasonable grounds to believe the court would dismiss the claims on the basis that the said chip products should not fall under the protection of such invention patent. The directors, based on the advice from Company's PRC litigation advisor, believe that the Company has a valid defense against the allegation and, accordingly, the Group has not provided for any claim arising from the litigation, other than the related legal and other costs.

Save as disclosed above, we did not have any material contingent liabilities.

Gearing Ratio

Our gearing ratio is calculated based on our debt (being our interest-bearing bank borrowings, lease liabilities and redemption liabilities) divided by our total equity as of the respective dates and multiplied by 100%.

Our gearing ratio decreased from approximately 141.7% as of December 31, 2025, to approximately 25.8% as of June 30, 2026, primarily due to the decrease in redemption liabilities and the increase in equity due to the Initial Public Offering in Hong Kong in March 2026.

Foreign Currency Risk

We had transactional currency exposures. Such exposures arose from sales or purchases by operating units in currencies other than the units' functional currencies. We principally conducted business in Renminbi, which is exposed to foreign currency risk with respect to transactions denominated in currencies other than Renminbi. In addition, the functional currency of our Company's subsidiary incorporated in Hong Kong is USD, which is exposed to foreign currency risk with respect to transactions denominated in currencies other than USD. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in currencies that are not the functional currencies of the relevant group entities. As at June 30, 2026, the Group has not entered into any hedging transaction against foreign currency risks. However, the Board will remain alert to any relevant risks and, if necessary, consider hedging any material potential foreign exchange risk.

Use of Proceeds from the Global Offering

The H Shares were listed on the Main Board of the Stock Exchange on March 31, 2026. The gross proceeds from the Global Offering was HK$480.0 million. The net proceeds received from the Global Offering, after deducting the underwriting fees and commissions and expenses payable by our Company in connection with the Global Offering, amounted to approximately HK$422.7 million at the final offer price of HK$40.00 per H Share. The issue price per H share and the net price per H Share offered under the Global Offering were HK$40.00 and approximately HK$35.23, respectively. As of June 30, 2026, our Company did not change its plan on the use of proceeds as stated in the Prospectus. Our Company intends to use the net proceeds in the same manner and proportion as set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus.

The following table sets forth a summary of the intended use of net proceeds and their expected timeline of full utilization.

	Percentage of Intended Use of Net Proceeds	Net Proceeds from the Global Offering	Amount Utilised as of June 30, 2026	Amount Unutilised as of June 30, 2026	Expected Timeframe for Utilizing the Remaining Unutilized Net Proceeds
Establishing a new R&D center to enhance our R&D capabilities and technological competitiveness	46.8%	HK$197.8 million	HK$32.0 million	HK$165.8 million	By the end of 2030
Procurement of automatic testing equipment and construction of an in-house testing verification line, and recruiting supply chain engineers	17.8%	HK$75.2 million	HK$0.8 million	HK$74.4 million	By the end of 2030
Strategic acquisitions and partnerships to enhance industry integration and strengthen market position	17.3%	HK$73.1 million	HK$0 million	HK$73.1 million	By the end of 2027
Marketing and sales of products, including hiring sales personnel and launching promotion campaigns	8.1%	HK$34.3 million	HK$5.0 million	HK$29.3 million	By the end of 2029
Working capital and other general corporate purposes	10.0%	HK$42.3 million	HK$23.9 million	HK$18.4 million	By the end of 2027

Note: The expected timeframe for utilizing the remaining unutilized net proceeds is subject to confirmation by the Company based on actual business needs and market conditions. The Company will, in accordance with the Listing Rules, make further announcements and/or disclosures in its annual/interim report as appropriate regarding any changes to the timetable to keep Shareholders and potential investors informed. Any discrepancies between the totals shown in the table above and the sum of the amounts listed are due to rounding.

VI. CORPORATE GOVERNANCE

Corporate Governance Practices

Our Company was listed on the Main Board of the Stock Exchange on March 31, 2026. Our Company is committed to achieving high standards of corporate governance to safeguard the interests of Shareholders. The Board is of the opinion that, during the period from the Listing Date to the date of this interim report, save as disclosed in "Chairman and Chief Executive Officer" below and in this interim report, our Company has complied with the principles and all applicable code provisions set out in Part 2 of the Corporate Governance Code.

Chairman and Chief Executive Officer

The Chairman plays a leadership role, responsible for ensuring the effective functioning of the Board of Directors and leading the Board in providing overall guidance to our Group on business, strategy and corporate development. The Chief Executive Officer focuses on the formulation of our Group's overall strategic planning, business development and daily operations. Pursuant to code provision C.2.1 of Part 2 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Our Company does not have a separate chairman and chief executive officer, and Mr. Xu currently holds both positions. Our Board believes that vesting the roles of both the chairman of our Board and the chief executive officer in the same person has the benefit of (1) ensuring consistent leadership within our Company, (2) enabling more effective and efficient overall strategic planning for our Company, and (3) facilitating the flow of information between the management and our Board. Our Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively. Our Board will continue to review and consider splitting the roles of the chairman of our Board and the chief executive officer of our Company at a time when it is appropriate by taking into account the circumstances of our Company as a whole.

Model Code for Securities Transactions

Our Company has, since the Listing Date, adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by Directors. Having made specific enquiry of all Directors, all Directors have confirmed that they have strictly complied with the required standards set out in the Model Code during the period from the Listing Date to the date of this interim report.

At the request of our Company, relevant staff and employees of our Company are also required to comply with the Model Code, which prohibits them from dealing in the relevant securities at any time when they are in possession of inside information relating to the securities of our Company. Our Company is not aware of any violation of the Model Code by the relevant employees who may be in possession of inside information of our Company.

Employees

As of June 30, 2026, we had 159 full-time employees, with most based in China at our headquarters in Shanghai. We recruit talents, with high standards and rigorous procedures and through various methods, including online recruitment, internal referrals, and third-party recruiters, to select the best-fit personnel for the corresponding positions in response to various talent demands. During the Reporting Period, the Group's total employee benefit expenses amounted to approximately RMB54.4 million, comprising wages, salaries and other allowances of RMB44.9 million, pension scheme contributions and social welfare of RMB6.9 million, and share-based payments of RMB2.6 million. We offer competitive remuneration package to our employees, which are generally based on their qualifications, industry experience, position and performance. We regularly evaluate the performance of our employees and reward well-performing employees with bonus and promotion. In addition, we provide training programs to our employees, including corporate-wide and department-specific trainings to improve their professional knowledge and management skills, and keep them abreast with market developments.

AUDIT COMMITTEE

The Company has established the Audit Committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The Audit Committee currently comprises three independent non-executive Director, namely Mr. Liu Hongcan (Chairman), Ms. Liu Liping and Mr. Dai Xueguang. The Audit Committee has discussed with the management and reviewed the unaudited interim results of the Group for the Reporting Period. There were no disagreements between the Board and the Audit Committee in relation to the accounting treatment adopted by the Company.

Interim Dividend

The Board does not declare an interim dividend for the six months ended June 30, 2026.

CHANGES TO DIRECTORS' INFORMATION

During the Reporting Period, there has been no change to the information of the Directors which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Save as disclosed in this interim report, our Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITION IN SHARES AND UNDERLYING SHARES

So far as was known to the Directors, as at June 30, 2026, as recorded in the register required to be kept by the Company under section 336 of the SFO, the following persons/entities, other than the Directors or chief executive of our Company, had an interest or short position in 5% or more of the Shares or underlying Shares of our Company:

Name of Substantial Shareholder	Capacity/Nature of Interest	Number of Shares Held	Approx. % of H Shares/ Domestic Shares	Approx. % of total issued Shares
Mr. Xu (2)(3)	Beneficial owner	8,859,800 H Shares	7.99%	7.91%
	Interest in controlled corporation	23,897,600 H Shares	21.55%	21.34%
	Interest held jointly with other person	2,518,500 H Shares	2.27%	2.25%
Mr. Liu (3)	Beneficial owner	2,518,500 H Shares	2.27%	2.25%
	Interest held jointly with other person	32,757,400 H Shares	29.54%	29.25%
Shanghai FourSemi Management (2)	Beneficial owner	12,617,800 H Shares	11.38%	11.27%
Xiamen FourSemi Management (2)(4)	Beneficial owner	7,073,700 H Shares	6.38%	6.32%
Mr. Qian Shun (錢舜) (4)	Interest in controlled corporation	7,073,700 H Shares	6.38%	6.32%
Gansheng Investment (5)	Beneficial owner	6,406,800 H Shares	5.78%	5.72%
Xianyun Management (5)	Interest in controlled corporation	6,406,800 H Shares	5.78%	5.72%
Ye Feng (葉楓) (5)	Interest in controlled corporation	6,406,800 H Shares	5.78%	5.72%
Moqin Intelligent (6)	Beneficial owner	6,361,400 H Shares	5.74%	5.68%
Huaqin Technology (6)	Interest in controlled corporation	6,361,400 H Shares	5.74%	5.68%
Shanghai Aoqin (6)(7)	Interest in controlled corporation	7,684,200 H Shares	6.93%	6.86%
Qiu Wensheng (6)(7)	Interest in controlled corporation	7,684,200 H Shares	6.93%	6.86%
Vinno Intelligent and Health	Beneficial owner	5,776,900 H Shares	5.21%	5.16%
Vinno Capital (8)	Interest in controlled corporation	5,776,900 H Shares	5.21%	5.16%
Ding Mingfeng (8)(9)	Interest in controlled corporation	5,894,800 H Shares	5.32%	5.26%
Huzhou Zhuosheng	Beneficial owner	1,110,200 Domestic Shares	100%	0.99%

Notes:

(1) The calculation is based on a total number of 112,000,000 Shares, comprising 110,889,800 H Shares and 1,110,200 Domestic Shares in issue.

(2) As of June 30, 2026, Mr. Xu Xiaolin (徐小林) acted as the general partner of Shanghai FourSemi Management, Xiamen FourSemi Management and Xiamen FourSemi Chuangke. Under the SFO, Mr. Xu is deemed to be interested in the entire H Shares held by Shanghai FourSemi Management, Xiamen FourSemi Management and Xiamen FourSemi Chuangke.

(3) Pursuant to the Concert Party Agreement, Mr. Liu Baoliang (劉保良) irrevocably agreed to, among others, act in concert with Mr. Xu and follow his instructions in exercising his vote at the general meetings of our Company within one year after the Listing. Under the SFO, Mr. Xu is deemed to be interested in the H Shares held by Mr. Liu Baoliang, and Mr. Liu Baoliang is deemed to be interested in the H Shares held by Mr. Xu.

(4) As of June 30, 2026, Xiamen FourSemi Management was owned as to approximately 35.60% by Mr. Qian Shun (錢舜) as a limited partner. Under the SFO, Mr. Qian Shun is deemed to be interested in the 7,073,700 H Shares held by Xiamen FourSemi Management.

(5) As of June 30, 2026, Gansheng Investment was owned as to approximately 1% by Xianyun (Shanghai) Investment Management Co., Ltd (顯鋆(上海)投資管理有限公司) ("**Xianyun Management**") as the general partner, which in turn was owned as to 65% by Ye Feng (葉楓). None of the limited partners holds more than one-third partnership interests in Gansheng Investment. Under the SFO, each of Xianyun Management and Ye Feng (葉楓) is deemed to be interested in the 6,406,800 H Shares held by Gansheng Investment.

(6) As of June 30, 2026, Moqin Intelligent was wholly owned by Huaqin Technology Co., Ltd. (華勤技術股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 603296) and the Hong Kong Stock Exchange (stock code: 03296)) ("**Huaqin Technology**"), which in turn was controlled by Shanghai Aoqin Telecom Technology Co., Ltd. (上海奧勤信息科技有限公司) ("**Shanghai Aoqin**"). As of June 30, 2026, Shanghai Aoqin was owned as to 51% by Qiu Wensheng (邱文生). None of other shareholders holds more than one-third equity interests in Huaqin Technology and Shanghai Aoqin. Under the SFO, each of Huaqin Technology, Shanghai Aoqin and Qiu Wensheng is deemed to be interested in the 6,361,400 H Shares held by Moqin Intelligent.

(7) Further, as of June 30, 2026, Shanghai Kuanlian Investment Co., Ltd. (上海寬聯投資有限公司) ("**Kuanlian Investment**") was a wholly-owned subsidiary of Shanghai Aoqin which is ultimately controlled by Qiu Wensheng. Under the SFO, each of Qiu Wensheng and Shanghai Aoqin is deemed to be interested in the 1,322,800 H Shares held by Kuanlian Investment.

(8) As of June 30, 2026, Shenzhen City Vinno Intelligent and Health was owned as to approximately 1.78% by Vinno Capital Co., Ltd. (深圳市合創資本管理有限公司) ("**Vinno Capital**") as the general partner, which in turn was owned as to 72% by Ding Mingfeng (丁明峰). None of the limited partners holds more than one-third partnership interests in Vinno Intelligent and Health. Under the SFO, each of Vinno Capital and Ding Mingfeng (丁明峰) is deemed to be interested in the 5,776,900 H Shares held by Vinno Intelligent and Health.

(9) Further, as of June 30, 2026, the general partner of Qingdao Xinda Venture Capital Center (Limited Partnership) (青島信達普創投資中心(有限合夥)) ("**Xinda Venture Capital**") was Ding Mingfeng (丁明峰). Under the SFO, Ding Mingfeng is deemed to be interested in the 117,900 H Shares held by Xinda Venture Capital.

(10) All interests are held in long positions.

Save as disclosed above, as of June 30, 2026, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of our Company) who had interests or short positions in the Shares or underlying Shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by our Company under the SFO.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF OUR COMPANY AND ANY OF ITS ASSOCIATED CORPORATIONS

Save as disclosed below, as of June 30, 2026, so far as our Directors are aware, none of our Directors and chief executive has any interest or short positions in our Shares, underlying Shares or debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

Name of Director	Capacity/Nature of Interest	Number of H Shares Held	Approx. % of H Shares	Approximate % of total issued share capital[1]
Mr. Xu Xiaolin [2][3]	Beneficial owner; interest in controlled corporations; interest held jointly with another person	35,275,900	31.81%	31.50%
Mr. Liu Baoliang [3]	Beneficial owner; interest held jointly with another person	35,275,900	31.81%	31.50%
Mr. Qian Shun [4]	Interest in controlled corporations	7,073,700	6.38%	6.32%

Notes:

(1) The calculation is based on a total number of 112,000,000 Shares, comprising 110,889,800 H Shares and 1,110,200 Domestic Shares in issue.

(2) As of June 30, 2026, Mr. Xu Xiaolin (徐小林) acted as the general partner of Shanghai FourSemi Management, Xiamen FourSemi Management and Xiamen FourSemi Chuangke. Under the SFO, Mr. Xu is deemed to be interested in the entire H Shares held by Shanghai FourSemi Management, Xiamen FourSemi Management and Xiamen FourSemi Chuangke. Mr. Xu beneficially holds 8,859,800 H Shares. Shanghai FourSemi Management, Xiamen FourSemi Management and Xiamen FourSemi Chuangke hold 12,617,800 H Shares, 7,073,700 H Shares and 4,206,100 H Shares, respectively.

(3) Pursuant to the Concert Party Agreement, within the period of one year following the Listing, Mr. Liu Baoliang (劉保良) irrevocably agreed to, among others, act in concert with Mr. Xu and follow his instructions in exercising his vote at the general meetings of our Company. Under the SFO, Mr. Xu is deemed to be interested in the H Shares held by Mr. Liu Baoliang, and Mr. Liu Baoliang is deemed to be interested in the H Shares held by Mr. Xu. Mr. Liu Baoliang beneficially holds 2,518,500 H Shares.

(4) As of June 30, 2026, Xiamen FourSemi Management was owned as to approximately 35.60% by Mr. Qian Shun (錢舜) as a limited partner. Under the SFO, Mr. Qian Shun is deemed to be interested in the H Shares held by Xiamen FourSemi Management.

(5) All interests are held in long positions.

LOCK-UP PERIOD

Pursuant to the applicable PRC law, within the 12 months following the Listing Date, all existing Shareholders (including our Pre-IPO Investors) are prohibited from disposing of any of the H Shares held by them. Based on information that is publicly available to the Company or otherwise within the knowledge of the Directors, the following H Shares are subject to lock-up requirements pursuant to Rule 18C.13 and Rule 18C.14 of the Listing Rules as of the Latest Practicable Date:

Name	Capacity	Aggregate number of H Shares held	Approximate percentage of shareholding	Lock-up period
Controlling shareholders:				
Mr. Xu	Controlling shareholder	8,859,800	7.91%	Lock-up period commencing on the date of the Prospectus and ending on expiry of 12 months from the Listing Date (i.e. March 31, 2026)
Mr. Liu	Controlling shareholder	2,518,500	2.25%	
Shanghai FourSemi Management	Controlling shareholder	12,617,800	11.27%	
Xiamen FourSemi Management	Controlling shareholder	7,073,700	6.32%	
Xiamen FourSemi Chuangke	Controlling shareholder	4,206,100	3.76%	
Key persons and their close associates:				
Mr. Xu	Our founder, chairman of the Board, executive Director and president	8,859,800	7.91%	Lock-up period commencing on the date of the Prospectus and ending on expiry of 12 months from the Listing Date (i.e. March 31, 2026)
Mr. Liu	Co-founder, executive Director, vice president and director of algorithm applications	2,518,500	2.25%	
Shanghai FourSemi Management (1)	Employee shareholding platform controlled by Mr. Xu	12,617,800	11.27%	
Xiamen FourSemi Management (1)	Employee shareholding platform controlled by Mr. Xu	7,073,700	6.32%	
Xiamen FourSemi Chuangke (1)	Employee shareholding platform controlled by Mr. Xu	4,206,100	3.76%	
Pathfinder SIIs:				
Moqin Intelligent	Pathfinder SII	6,361,400	5.68%	Commencing on the date of the prospectus and ending on expiry of six months from the Listing Date (i.e. March 31, 2026) (2)
Fortune Chuanghong	Pathfinder SII	4,696,800	4.19%	
Caizhi Chuangying	Pathfinder SII	221,300	0.20%	
Gansheng Investment	Pathfinder SII	6,406,800	5.72%	
Ark Investment	Pathfinder SII	4,601,600	4.11%	

Notes:

(1) As of the Latest Practicable Date, each of Shanghai FourSemi Management, Xiamen FourSemi Management and Xiamen FourSemi Chuangke was controlled by Mr. Xu as the general partner. Therefore, each of Shanghai FourSemi Management, Xiamen FourSemi Management and Xiamen FourSemi Chuangke is a close associate of Mr. Xu under the Listing Rules and is subject to the lock-up requirements pursuant to Rule 18C.14 of the Listing Rules.

Certain limited partners of Shanghai FourSemi Management, Xiamen FourSemi Management and Xiamen FourSemi Chuangke, namely Mr. Qian Shun, Mr. Liu, Mr. Shi Hongxiao, Mr. He Xiuan, Mr. Yang Xiaoming, Mr. Liu Yanhai and Mr. Zhu Huaping, are also key persons under Rule 18C.14 of the Listing Rules and shall be subject to a lock-up period commencing from the date of the prospectus and ending on expiry of 12 months from the Listing Date. They undertake that they will not dispose of their interests in the above partnerships within the aforementioned lock-up period.

Pursuant to the respective partnership agreement of Shanghai FourSemi Management, Xiamen FourSemi Management and Xiamen FourSemi Chuangke, any transfer of partnership interest by limited partners shall be approved by the general partner, Mr. Xu and the majority of the limited partners. Mr. Xu as the general partner of the aforementioned three employee shareholding platforms will ensure that the lock-up restriction will be effectively enforced in respect of the indirect interests held by these key persons as limited partners.

(2) Pursuant to the applicable PRC law, within the 12 months following the Listing Date, all existing Shareholders (including our Pathfinder SIIs) are prohibited from disposing of any of the H Shares held by them.

EMPLOYEE SHAREHOLDING PLATFORMS

In recognition of the contributions of our key employees and to incentivize them to further promote our development, we award the partnership interest in our employee shareholding platforms to the employees and adopted the employee stock ownership plan, which is not subject to the provisions of Chapter 17 of the Listing Rules. Shanghai FourSemi Management, Xiamen FourSemi Management and Xiamen FourSemi Chuangke were established as our employee shareholding platforms. Shanghai FourSemi Management, Xiamen FourSemi Management and Xiamen FourSemi Chuangke are controlled by the same general partner, Mr. Xu.

According to the employee stock ownership plan and the respective grant agreements, all management and voting powers of the employee shareholding platforms are exercised by their respective sole general partner, Mr. Xu, whereas the relevant employees as the limited partners of such employee shareholding platforms are entitled to the economic interest. All of the underlying Shares under the employee stock ownership plan had already been issued to the Employee Shareholding Platforms and all the participants have been granted with relevant limited partnership interests in the Employee Shareholding Platforms pursuant to the employee stock ownership plan.

EVENTS AFTER THE REPORTING PERIOD

On August 28, 2026, the Board proposed the adoption of the 2026 share incentive scheme, which is subject to the approval of Shareholders at an extraordinary general meeting. For further details, please refer to the announcement published by the Company dated August 28, 2026.

Save as disclosed in this interim report, we are not aware of any material subsequent events from the end of the Reporting Period to the date of this interim report.

NO MATERIAL CHANGES

Save as disclosed in this interim report, there have been no material changes in respect of the future development of the business of the Group (including the Company's prospects for the current financial year) since the publication of the Company's 2025 annual report.

Condensed Consolidated Statements of Profit or Loss

For the six-month period ended 30 June 2026

	Notes	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
REVENUE	4	**139,241**	176,816
Cost of sales			
Cost of sales of goods		**(95,734)**	(141,432)
Impairment losses on inventories		**(5,277)**	(1,948)
Gross profit		**38,230**	33,436
Other income and gains	4	**3,530**	2,544
Selling and marketing expenses		**(18,541)**	(9,577)
Administrative expenses		**(39,047)**	(20,212)
Research and development costs		**(41,382)**	(33,913)
(Impairment) losses/reversal of impairment losses on financial assets, net		**(582)**	32
Other expenses		**(8,272)**	(605)
Finance costs	6	**(1,573)**	(1,194)
Changes in the carrying amounts of redemption liabilities		**(743)**	(1,397)
LOSS BEFORE TAX	5	**(68,380)**	(30,886)
Income tax expense	7	**–**	–
LOSS FOR THE YEAR/PERIOD		**(68,380)**	(30,886)
Loss attributable to:			
Owners of the parent		**(68,380)**	(30,886)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	9	**(0.61)**	(0.31)

Condensed Consolidated Statements of Financial Position

At 30 June 2026

	Notes	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*10*	**8,434**	9,920
Right-of-use assets		**7,476**	1,077
Other intangible assets		**754**	540
Prepayments, deposits and other receivables		**124**	139
Non-pledged time deposits		**—**	—
Pledged time deposits		**—**	—
Total non-current assets		**16,789**	11,676
CURRENT ASSETS			
Inventories		**94,569**	101,426
Trade receivables	*11*	**97,324**	40,310
Prepayments, deposits and other receivables		**19,160**	23,582
Pledged time deposits		**0**	21,811
Short-term time deposits		**249,605**	—
Cash and cash equivalents		**171,397**	118,069
Total current assets		**632,055**	305,198
CURRENT LIABILITIES			
Trade payables	*12*	**17,836**	23,418
Other payables and accruals		**8,490**	14,750
Contract liabilities		**92**	6,537
Interest-bearing bank and other borrowings		**88,918**	96,472
Lease liabilities		**2,252**	931
Provision		**6,259**	3,720
Redemption liabilities		**—**	38,776
Total current liabilities		**123,846**	184,604
NET CURRENT ASSETS		**508,209**	120,594
TOTAL ASSETS LESS CURRENT LIABILITIES		**524,998**	132,270

Condensed Consolidated Statements of Financial Position

At 30 June 2026

	Notes	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		**29,399**	19,600
Lease liabilities		**5,407**	40
Deferred income		**2,030**	2,661
Total non-current liabilities		**36,836**	22,301
Net assets		**488,161**	109,969
EQUITY			
Equity attributable to owners of the parent			
Paid-in capital/Share capital	*13*	**112,000**	100,000
Reserves		**376,161**	9,969
Total equity		**488,161**	109,969

Condensed Consolidated Statement of Changes in Equity

For the six-month period ended 30 June 2026

	Paid-in capital RMB'000	**Capital reserve RMB'000**	**Share-based payment reserve RMB'000**	**Exchange fluctuation reserve RMB'000**	**Accumulated deficits RMB'000**	**Total equity RMB'000**
As at 31 December 2025 (audited)	**100,000**	**80,139**	**35,896**	**(2,543)**	**(103,523)**	**109,969**
Loss for the period (unaudited)	**–**	**–**	**–**	**–**	**(68,380)**	**(68,380)**
Other comprehensive income for the period (unaudited)	**–**	**–**	**–**	**2,175**	**–**	**2,175**
Exchange differences related to foreign operations (unaudited)	**–**	**–**	**–**	**–**	**–**	**–**
Total comprehensive income for the period (unaudited)	**–**	**–**	**–**	**2,175**	**(68,380)**	**(66,204)**
Issue of share capital (unaudited)	**12,000**	**390,280**	**–**	**–**	**–**	**402,280**
Expiration of the redemption rights upon the listing of the Company's shares (unaudited)	**–**	**39,519**	**–**	**–**	**–**	**39,519**
Share-based payments (unaudited)	**–**	**–**	**2,597**	**–**	**–**	**2,597**
As at 30 June 2026 (unaudited)	**112,000**	**509,938**	**38,493**	**(368)**	**(171,903)**	**488,161**

	Paid-in capital RMB'000	Capital reserve RMB'000	Share-based payment reserve RMB'000	Exchange fluctuation reserve RMB'000	Accumulated deficits RMB'000	Total equity RMB'000
As at 1 January 2025 (audited)	26,122	491,557	151,049	(2,712)	(504,143)	161,873
Loss for the period (audited)	–	–	–	–	(30,886)	(30,886)
Other comprehensive income for the period: (audited)						
Exchange differences related to foreign operations (audited)	–	–	–	86	–	86
Total comprehensive income for the period (audited)	–	–	–	86	(30,886)	(30,800)
Share-based payments (audited)	–	–	3,921	–	–	3,921
Conversion into joint stock company (audited)	73,878	(411,418)	(122,247)	–	459,787	–
As at 30 June 2025 (audited)	100,000	80,139	32,723	(2,626)	(75,242)	134,994

Condensed Consolidated Statements of Cash Flows

For the six-month period ended 30 June 2026

	Notes	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
CASH FLOWS USED IN OPERATING ACTIVITIES			
Loss before tax		**(68,380)**	(30,886)
Adjustments for:			
Depreciation of property, plant and equipment	5	**2,504**	2,827
Depreciation of right-of-use assets	5	**1,288**	1,360
Amortisation of other intangible assets	5	**58**	35
Share-based payment expenses	5	**2,597**	3,921
Impairment losses/(reversal) of impairment losses on financial assets, net	5	**581**	(32)
Impairment losses on inventories		**5,277**	1,948
Finance costs	6	**1,573**	1,194
Bank interest income	4	**(582)**	(773)
Investment income from structured deposits		**(1,860)**	—
Foreign exchange differences, net	5	**2,016**	595
Changes in the carrying amounts of redemption liabilities		**743**	1,397
		(54,185)	(18,414)
Increase in inventories		**6,328**	(2,630)
(Increase)/decrease in trade receivables		**(57,014)**	3,142
Decrease/(increase) in prepayments, deposits and other receivables		**5,114**	8,986
(Increase)/decrease in restricted cash		**—**	—
Increase/(decrease) in trade payables		**(5,582)**	924
(Decrease)/increase in other payables and accruals		**(4,556)**	1,882
(Decrease)/increase in contract liabilities		**(6,444)**	(2,847)
Increase in deferred income		**(630)**	3,291
Increase/(decrease) in provision		**528**	(492)
Cash used in operations		**(116,441)**	(6,158)
Interest received		**—**	472
Income tax paid		**—**	—
Net cash flows used in operating activities		**(116,441)**	(5,686)

Condensed Consolidated Statements of Cash Flows

For the six-month period ended 30 June 2026

	Notes	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		**(1,660)**	(617)
Purchases of other intangible assets		**(178)**	(179)
Placement of non-pledged time deposits		**—**	—
Withdrawal of non-pledged time deposits		**—**	30,000
Placement of pledged deposits		**—**	—
Purchase of structured deposits classified as financial assets at fair value through profit or loss		**(948,357)**	—
Redemption of structured deposits classified as financial assets at fair value through profit or loss		**700,000**	—
Withdrawal of pledged deposits		**20,000**	—
Interest received		**2,470**	3,204
Net cash flows (used in)/from investing activities		**(227,725)**	32,408
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		**424,692**	0
Proceeds from interest-bearing bank and other borrowings		**52,413**	59,960
Repayment of interest-bearing bank and other borrowings		**(50,160)**	(20,000)
Capital contribution from shareholders		**—**	—
Payment of listing expense		**(20,747)**	(326)
Interest paid		**(1,540)**	(1,082)
Lease payments		**(1,246)**	(1,638)
Net cash flows from/(used in) financing activities		**403,412**	36,914
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**59,246**	63,636
Cash and cash equivalents at beginning of year/period		**118,069**	66,075
Effect of foreign exchange rate changes, net		**(5,918)**	(1,211)
Cash and cash equivalents at end of year/period		**171,397**	128,500
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		**171,397**	149,998
Less: Non-pledged time deposits		**—**	—
Pledged time deposits		**—**	21,498
Restricted cash		**—**	—
Cash and cash equivalents as stated in the statements of cash flows and statements of financial position		**171,397**	128,500

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

In the Reporting Period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 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 — Volume 11

The application of the amendments to IFRS Accounting Standards in the Reporting Period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. OPERATING SEGMENT INFORMATION

The board of directors reviews the consolidated results of the Group when making decisions about resource allocation and assessing the performance of the Group. The board of directors considers that the Group operates in one business segment and the measurement of segment results is based on the profit from operations as presented in the consolidated statements of profit or loss and the consolidated statements of comprehensive income.

Geographical information

(a) Revenue from external customers

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
PRC (including Hong Kong)	**139,241**	176,816

The revenue information above is based on the locations of the customers.

(b) Non-current assets

Almost all of the Group's non-current assets were located in Mainland China. Thus, no geographic information is presented.

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)	(unaudited)
Revenue from contracts with customers	**139,241**	176,816

Revenue from contracts with customers

Disaggregated revenue information

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Types of goods		
Low-power audio chips	**108,134**	161,565
Mid/high-power audio chips	**15,164**	13,096
Haptic drivers	**8,944**	2,036
Others	**6,999**	119
Total	**139,241**	176,816
Timing of revenue recognition		
Transferred at a point in time	**139,241**	176,816

4. REVENUE, OTHER INCOME AND GAINS *(Continued)*

Revenue from contracts with customers *(Continued)*

Disaggregated revenue information *(Continued)*

An analysis of other income and gains is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Government grants	**767**	1,757
Bank interest income	**582**	773
Investment income from structured deposits	**1,860**	—
Others	**321**	14
Total other income	**3,530**	2,544
Gains		
Foreign exchange differences, net	**—**	—
Total other income and gains	**3,530**	2,544

5. LOSS BEFORE TAX

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Cost of goods	**95,734**	141,432
Depreciation of property, plant and equipment*	**2,504**	2,827
Depreciation of right-of-use assets*	**1,288**	1,360
Amortisation of other intangible assets*	**58**	35
Research and development costs*	**41,382**	33,913
Listing expenses	**9,445**	8,930
Foreign exchange differences, net	**2,016**	595
Investment income from structured deposits	**(1,860)**	—
Bank interest income	**(582)**	(773)
Impairment losses/(reversal) of impairment losses on financial assets, net	**581**	(32)
Impairment losses on inventories	**5,277**	1,948
Expenses relating to short-term leases and low-value assets	**459**	80
Employee benefit expense (including directors' and chief executive's remuneration):		
Wages, salaries and other allowances	**44,911**	27,878
Pension scheme contributions and social welfare	**6,924**	5,499
Share-based payments	**2,597**	3,921

* The depreciation of property, plant and equipment, the depreciation of right-of-use assets and the amortisation of other intangible assets related to manufacturing and research and development for the Relevant Periods and in the period covered by the Interim Comparative Financial Information are included in "Depreciation of property, plant and equipment", "Depreciation of right-of-use assets" and "Amortisation of other intangible assets", respectively. The labour costs related to the manufacture and research and development for the Relevant Periods and in the period covered by the Interim Comparative Financial Information are included in "Employee benefit expense".

6. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest on interest-bearing bank and other borrowings	**1,531**	1,145
Interest on lease liabilities	**42**	49
Total	**1,573**	1,194

7. INCOME TAX

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

Mainland China

The subsidiaries established in Mainland China are subject to tax at the statutory rate of 25% on the taxable profits determined in accordance with the PRC Corporate Income Tax Law which became effective on 1 January 2008, except for these subject to tax preferential set out below: Shanghai FourSemi Semiconductor Co., Ltd. obtained its “High and New Technology Enterprise” qualification in 2025, so it was entitled to the preferential tax rate of 15% during the Relevant Periods and in the period covered by the Interim Comparative Financial Information.

Shenzhen FourSemi Electronics Company Limited has applied the Small-Scaled Minimal Profit Corporate Income Tax Preferential Policy announced by the PRC’s State Administration of Taxation. Pursuant to the policy, during the period from 1 January 2022 to 31 December 2027, the portion of annual taxable income amount of a small-scaled minimal profit corporate shall be eligible for a 75% reduction, and tax shall be levied at a reduced tax rate of 20%.

Hong Kong

The subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 8.25% for taxable income not exceeding HKD2,000,000, and 16.5% for taxable income exceeding HK$2,000,000 on any estimated assessable profits arising in Hong Kong during the Relevant Periods and in the period covered by the Interim Comparative Financial Information. No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the Relevant Periods and in the period covered by the Interim Comparative Financial Information.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	Six months ended 30 June	
	2026	2025
	RMB’000	RMB’000
	(unaudited)	(unaudited)
Current income tax	**–**	–
Deferred tax expense	**–**	–
Total tax expense for the year/period	**–**	–

8. DIVIDENDS

No dividend was paid or declared by the Company during the period ended 30 June 2026.

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

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Loss		
Loss for the year/period attributable to ordinary equity shareholders of the Company	**(68,380)**	(30,886)
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic loss per share calculation	**112,000**	100,000
Loss per share		
Basic and diluted (RMB)	**(0.61)**	(0.31)

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired equipment assets at a cost of RMB1.2 million (31 December 2025: RMB0.9 million).

During the six months ended 30 June 2026, no impairment loss was recognised (30 June 2025: nil) by the Group.

11. TRADE RECEIVABLES

The Group:

	30 June 2026	31 December 2025
	RMB'000	RMB'000
	(unaudited)	(audited)
Trade receivables	**98,307**	40,718
Less: Impairment losses	**(983)**	(408)
Net carrying amount	**97,324**	40,310

An ageing analysis of the trade receivables as at the end of the reporting period, based on the past due information and net of loss allowance, is as follows:

	30 June 2026	31 December 2025
	RMB'000	RMB'000
	(unaudited)	(audited)
Within 3 months	**90,312**	39,557
3 to 6 months	**7,013**	753
Total	**97,324**	40,310

12. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of Relevant Periods, based on the invoice date, is as follows:

The Group:

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Within 1 year	**15,702**	23,226
1 to 2 years	**1,215**	112
2 to 3 years	**918**	80
Total	**17,836**	23,418

13. PAID-IN CAPITAL/SHARE CAPITAL

Shares

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Issued and fully paid:		
Paid-in capital/Share capital	**112,000**	100,000

A summary of movements in the Company's paid-in capital/share capital is as follows:

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
At the beginning of the year/period	**100,000**	26,122
Capital contribution from shareholders	**12,000**	0
Conversion into a joint stock company	**0**	73,878
At the end of the year/period	**112,000**	100,000

In March 2026, the Company publicly issued an additional of 12,000,000 H shares at the price of HK$40 per share and funded totally HK$480,000,000 (equivalent to RMB423,816,000), and after deducting capitalized issuance expense of RMB21,535,513.78, the amount of RMB12,000,000 was included in share capital and RMB390,280,486.22 was included in share premium.

Definitions and Glossary

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

"adaptive power control audio chip"	a type of low-power audio chip that uses adaptive power control algorithm technology to dynamically adjust power output
"AEC-Q100"	automotive electronics qualification standard for integrated circuits published by the Automotive Electronics Council
"ASP"	Average selling price
"associate"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors of our Company
"Caizhi Chuangying"	Shenzhen Caizhi Chuangying Private Equity Investment Enterprise (Limited Partnership), a Pathfinder SII
"China" or "PRC"	the People's Republic of China, and for the purposes of this interim report only, excluding Hong Kong, Macau and Taiwan
"Company" or "our Company" or "the Company"	Shanghai FourSemi Semiconductor Co., Ltd. (上海傅里葉半導體股份有限公司), a joint stock company with limited liability incorporated under the laws of the PRC and H Shares of which are listed on the Stock Exchange (stock code: 3625)
"Concert Party Agreement"	the acting-in-concert agreement dated June 25, 2019 entered into by, among others, Mr. Xu and Mr. Liu, pursuant to which Mr. Liu has irrevocably agreed to act in concert with Mr. Xu
"Controlling Shareholders"	has the meaning ascribed thereto under the Listing Rules, and in the context of our Company, refers to Mr. Xu, Mr. Liu, Shanghai FourSemi Management, Xiamen FourSemi Management and Xiamen FourSemi Chuangke
"Director(s)"	the director(s) of our Company
"Domestic Share(s)"	ordinary Share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB and are unlisted Shares
"ESOP Platform(s)"	Shanghai FourSemi Management, Xiamen FourSemi Management and Xiamen FourSemi Chuangke, each being a limited partnership established in the PRC and controlled by Mr. Xu as the general partner
"fabless"	a business model in which a company designs and sells semiconductor chips but outsources the fabrication to specialized manufacturers
"Fortune Chuanghong"	Shenzhen Fortune Chuanghong Private Equity Investment Enterprise (Limited Partnership), a Pathfinder SII

Definitions and Glossary

"Gansheng Investment"	Shaoxing Gansheng Equity Investment Partnership (Limited Partnership)(紹興淦盛股權投資合夥企業(有限合夥)), a Pathfinder SII
"Global Offering"	the global offering of 12,000,000 H Shares as described in the Prospectus
"Group", "our Group", "we", "us" or "our"	our Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require)
"H Share(s)"	shares in the share capital of our Company with a nominal value of RMB1.00 each, which are listed on the Stock Exchange and traded in Hong Kong dollars
"H Share Registrar"	Computershare Hong Kong Investor Services Limited
"haptic driver"	an integrated circuit that provides haptic (touch) feedback in electronic devices by driving linear resonant actuators or other haptic actuators
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Huzhou Zhuosheng"	Huzhou Zhuosheng Equity Investment Partnership (Limited Partnership) (湖州卓昇股權投資合夥企業(有限合夥))
"Latest Practicable Date"	August 28, 2026, the latest practicable date prior to the publication of this interim report for the purpose of ascertaining certain information contained herein
"Listing" or "Listing Date"	the listing of the H Shares on the Main Board of the Stock Exchange on March 31, 2026
"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
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
"Moqin Intelligent"	Shanghai Moqin Intelligent Technology Co., Ltd. (上海摩勤智能技術有限公司), a Pathfinder SII
"Mr. Liu" or "Mr. Liu Baoliang"	Mr. Liu Baoliang (劉保良), our co-founder, executive Director, vice president and director of algorithm applications
"Mr. Xu" or "Mr. Xu Xiaolin"	Mr. Xu Xiaolin (徐小林), our founder, chairman of the Board, executive Director and president
"Nomination Committee"	the nomination committee of the Board

"Offer Price"	the final offer price per H Share of HK$40.00
"Pathfinder SII(s)"	the Sophisticated Independent Investor(s) who invested in our Company prior to the Listing and met the requirements under Chapter 18C of the Listing Rules
"power amplifier"	an electronic amplifier that converts a low-power audio signal into a signal with higher power output to drive speakers
"power amplifier audio chip"	an integrated circuit module based on mixed-signal design that incorporates audio algorithms, digital input interfaces and integrated sound processing modules
"Pre-IPO Investor(s)"	investor(s) who subscribed for shares of our Company prior to the Listing
"Prospectus"	the prospectus of the Company dated March 23, 2026 in connection with the Global Offering
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of the Board
"Reporting Period"	the period ended June 30, 2026
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"R&D"	research and development
"SAR sensor"	specific absorption rate sensor, a sensor that regulates radiation emitted by mobile devices and enables touchscreen interaction sensing
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Shanghai FourSemi Management"	Shanghai FourSemi Management Consulting Partnership (Limited Partnership) (上海傅里葉管理諮詢合夥企業(有限合夥)), an ESOP Platform
"Share(s)"	the Domestic Shares and H Shares in the share capital of our Company
"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"Vinno Intelligent and Health"	Shenzhen City Vinno Intelligent and Health Venture Investment Fund (Limited Partnership) (深圳市合創智能及健康創業投資基金(有限合夥)), a Pathfinder SII
"Xiamen FourSemi Chuangke"	Xiamen FourSemi Chuangke Enterprise Management Consulting Partnership (Limited Partnership) (廈門傅里葉創科企業管理諮詢合夥企業(有限合夥)), an ESOP Platform

Definitions and Glossary

“Xiamen FourSemi Management”	Xiamen FourSemi Enterprise Management Consulting Partnership (Limited Partnership) (廈門傅里葉企業管理諮詢合夥企業(有限合夥)), an ESOP Platform
“%”	per cent