Montage Technology Co., Ltd.
瀾起科技股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 6809)

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

The board of directors (the "**Board**") of Montage Technology Co., Ltd. (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (together, the "**Group**") for the six months ended June 30, 2026. This announcement, containing the full text of the 2026 interim report (the "**2026 Interim Report**") of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") in relation to the information to accompany preliminary announcement of the interim results.

The audit committee of the Board has reviewed the results of the Group for the six months ended June 30, 2026.

DIVIDEND

The Board has considered and approved the resolution in relation to the 2026 interim profit distribution plan (the "**Interim Profit Distribution Plan**") at the board meeting held on August 28, 2026. According to the 2026 Interim Distribution Plan, the Board proposed to distribute an interim dividend of RMB2.00 (tax inclusive) per 10 shares (the "**Shares**"), based on the total shares registered on the record date for the equity distribution, after deducting shares repurchased and held in the share repurchase reserve account. Dividends on A Shares will be paid in RMB and dividends on H Shares in HKD. The actual dividend amount for H Shares will be calculated based on the RMB-to-HKD central parity rate (HKD1 = RMB0.86535) announced by the People's Bank of China on the trading day immediately preceding the Board's consideration of this plan (27 August 2026). A dividend of HKD2.31 (tax inclusive) will be payable for every 10 H Shares.

As at the date of this announcement, the total number of Shares is 1,220,538,021 Shares, including 11,781,000 repurchased A Shares which are held as treasury shares by the Company. Based on the above, the total interim dividend of the Company under the 2026 Interim Profit Distribution Plan amounts to approximately RMB241,751,404.20 (tax inclusive). The 2026 Interim Profit Distribution Plan has been authorized at the 2025 annual general meeting for formulation by the Board. The Company will announce the record date and the expected payment date for the 2026 Interim Profit Distribution Plan in due course. If there is any change in the total share capital of the Company before the record date for the implementation of the 2026 Interim Profit Distribution Plan, the Company will maintain the distribution amount per share unchanged and adjust the total amount of the interim dividend distribution accordingly, and will announce the details of the adjustment separately.

PUBLICATION OF 2026 INTERIM RESULTS AND 2026 INTERIM REPORT

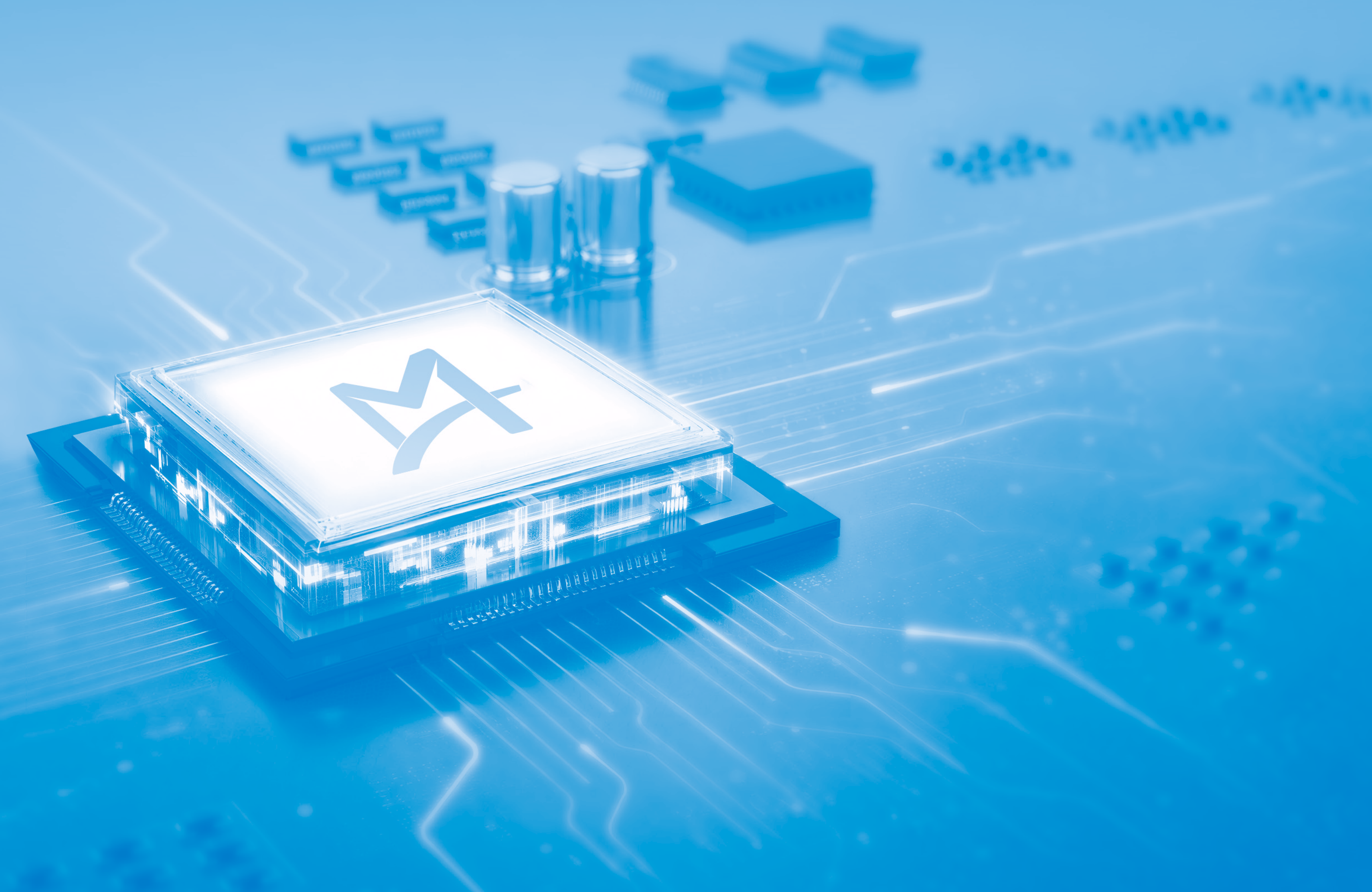
This interim results announcement is published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (www.montage-tech.com). The 2026 Interim Report will be available on the websites of the Company and the Hong Kong Stock Exchange on the same day and will be dispatched to shareholders who have requested for corporate communications in printed copy.

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

Hong Kong, August 28, 2026

As at the date of this announcement, the directors of the Company comprise: (i) Dr. Howard C. Yang and Mr. Stephen Kuong-Io Tai as executive directors; (ii) Mr. Wang Zhicong and Ms. Fang Zhoujie as non-executive directors and (iii) Dr. Li Ruoshan, Professor Ko Ping Keung, Dr. Yuhua Cheng and Dr. Shan Hailing as independent non-executive directors.

CONTENTS



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Dr. Howard C. Yang
Mr. Stephen Kuong-Io Tai

Non-executive Directors

Mr. Wang Zhicong *(appointed on June 24, 2026)*
Ms. Fang Zhoujie
Dr. Wang Rui *(resigned on June 24, 2026)*

Independent Non-executive Directors

Dr. Li Ruoshan
Professor Ko Ping Keung
Dr. Yuhua Cheng
Dr. Shan Hailing

REGISTERED OFFICE, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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LEGAL ADVISERS AS TO HONG KONG LAW

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JOINT COMPANY SECRETARIES

Ms. Fu Xiao
Ms. Lai Siu Kuen

AUTHORIZED REPRESENTATIVES

Dr. Howard C. Yang
Ms. Lai Siu Kuen

AUDIT COMMITTEE

Dr. Li Ruoshan *(Chairman)*
Dr. Yuhua Cheng
Dr. Shan Hailing

REMUNERATION AND APPRAISAL COMMITTEE

Dr. Yuhua Cheng *(Chairman)*
Professor Ko Ping Keung
Dr. Shan Hailing
Ms. Fang Zhoujie

NOMINATION COMMITTEE

Dr. Shan Hailing *(Chairman)*
Dr. Li Ruoshan
Dr. Howard C. Yang

STRATEGY AND ESG COMMITTEE

Dr. Howard C. Yang *(Chairman)*
Mr. Stephen Kuong-Io Tai
Mr. Wang Zhicong *(appointed on June 24, 2026)*
Professor Ko Ping Keung
Dr. Wang Rui *(resigned on June 24, 2026)*

CORPORATE INFORMATION

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AUDITOR

PRC Auditor:
Ernst & Young Hua Ming Accountants LLP

COMPANY WEBSITE

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COMPLIANCE ADVISER

Altus Capital Limited
21 Wing Wo Street
Central
Hong Kong

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS REVIEW FOR THE SIX MONTHS ENDED JUNE 30, 2026

Montage Technology is a leading global fabless IC design company focused on providing innovative, reliable and power-efficient IC interconnect solutions for cloud computing and AI infrastructure. In the first half of 2026, benefiting from the AI industry trend and strong market demand, the Company delivered substantial growth in operating performance compared with the same period last year with multiple key financial metrics reaching record highs, and the operating results were as follows:

1. Capturing Strategic Opportunities from the AI Industry and Delivering Record Operating Results

(1) Significant Growth in Operating Performance with Sustained Profitability Improvement in the First Half of 2026

During the Reporting Period, the Company seized the strategic opportunities arising from the AI industry transformation, continuously increased investment in R&D and innovation, and expanded our market presence both domestically and internationally. Leveraging our deep technological know-how and forward-looking development of high-speed interconnect chips, the Company achieved significant growth in operating performance while continuously optimizing operational quality and efficiency. In the first half of 2026, the Company achieved revenue of RMB3,335 million, with a year-on-year increase of 26.7%. The gross profit margin reached 65.3%, up 4.87 percentage points compared with the same period last year. Profit attributable to shareholders of the parent was RMB1,997 million, representing a year-on-year increase of 72.3%. Profit after deduction of non-recurring profit or loss attributable to shareholders of the parent was RMB1,322 million, representing a year-on-year increase of 21.2%. Net cash flows from operating activities were RMB1,328 million, reflecting a year-on-year increase of 25.4%, with strong operating cash flow and effective conversion of earnings into cash. As at the end of June 2026, the Company's gearing ratio stood at 7.5%, reflecting a healthy asset structure.

In the first half of 2026, the interconnect chip product line achieved sales revenue of RMB3,111 million, up 26.4% year-on-year. Total revenue generated by four new interconnect chip products, namely MRCD/MDB, PCIe Retimer, CKD and CXL MXC chips, was RMB538 million, surging 80.7% year-on-year. The Jintide product line achieved sales revenue of RMB220 million, with a year-on-year increase of 31.2%.

MANAGEMENT DISCUSSION & ANALYSIS

The Company posted a substantial increase in net profit in the first half of 2026 primarily due to the following factors: (1) revenue rose 26.7% year-on-year; (2) an improved product mix. With the rising proportion of revenue contributed by the new-generation DDR5 RCD chips and new interconnect chips, the gross profit margin of interconnect chips climbed to 69.3%, up 4.95 percentage points year-on-year, driving gross profit to RMB2,179 million, with an increase of 36.9% year-on-year; (3) the aggregate amount of investment income and fair value gains reached RMB682 million, up 5,939.4% year-on-year. In addition, the appreciation of the RMB against the US dollar during the Reporting Period resulted in an exchange loss of RMB174 million on foreign currency assets (primarily H-share offering proceeds), compared with RMB7 million in 1H 2025, which had an impact on the net profit for the Reporting Period.

In the first half of 2026, the Company's share-based payment expenses amounted to RMB191 million, which were recognized in recurring profit or loss. The impact of such expenses on profit attributable to shareholders of the parent was RMB183 million (after considering the effect of related income tax expenses). Accordingly, the profit attributable to shareholders of the parent after excluding the impact of share-based payment expenses in the first half of 2026 was RMB2,180 million, representing a year-on-year increase of 63.6%. The profit after deduction of non-recurring profit or loss attributable to shareholders of the parent after excluding the impact of share-based payment expenses was RMB1,505 million, with a year-on-year increase of 19.0%.

(2) Multiple Core Operating Metrics Hit New Quarterly Records in the Second Quarter of 2026

In the second quarter of 2026, the Company achieved revenue of RMB1,875 million, up 32.8% year-on-year and 28.3% quarter-on-quarter, of which the sales revenue from the interconnect chips product line was RMB1,694 million, rising 28.2% year-on-year and 19.5% quarter-on-quarter, with the product line's gross profit margin at 67.4%, up 3.2 percentage points compared with the same period last year. Profit attributable to shareholders of the parent was RMB1,150 million, representing a year-on-year increase of 81.5% and a quarter-on-quarter increase of 35.7%; profit after deduction of non-recurring profit or loss attributable to shareholders of the parent was RMB1,238 million, representing a year-on-year increase of 69.2% and a quarter-on-quarter increase of 31.3%.

In the second quarter of 2026, the Company's revenue, sales revenue from interconnect chips, profit attributable to shareholders of the parent, profit attributable to shareholders of the parent after excluding the impact of share-based payment expenses all reached quarterly record highs.

MANAGEMENT DISCUSSION & ANALYSIS

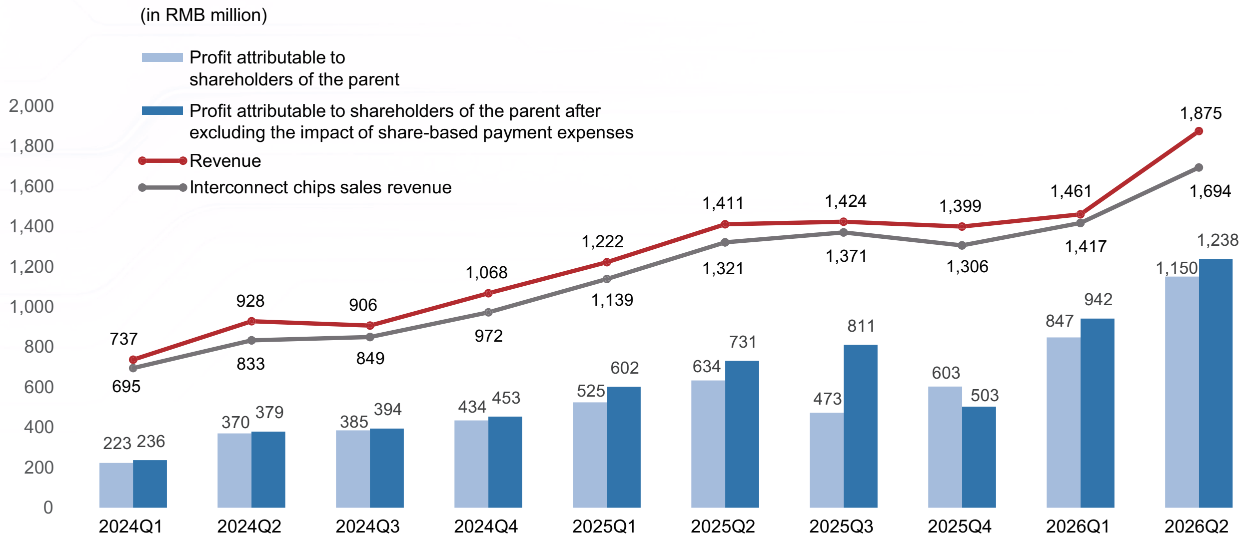


Exhibit: key quarterly financial data of the Group

2. Consolidating Leadership in Memory Interconnect and Driving DDR5 Innovation

(1) Continuous Iteration of DDR5 RCD Chips

The global AI industry maintained strong momentum in the first half of 2026, with sustained growth in demand for servers and memory modules accelerating the iteration of DDR5 sub-generations. Demand for the Company's DDR5 RCD chips grew markedly during the Reporting Period. Combined shipments of Gen 3 and Gen 4 products accounted for over half of total RCD shipments, while Gen 5 entered volume production, sustaining the Company's leading position in the commercialization of advancing sub-generation products. In June 2026, the Company sampled its DDR5 Gen 6 RCD chips with data rates of 9200 MT/s. Meanwhile, the Company commenced preliminary research on DDR6 Gen 1 memory interconnect products, advancing its next generation product pipeline. Building on its long-standing technological expertise and a track record of market-verified product reliability, the Company seized opportunities arising from DDR5 technological iteration to further consolidate its global leading position in core products.

MANAGEMENT DISCUSSION & ANALYSIS

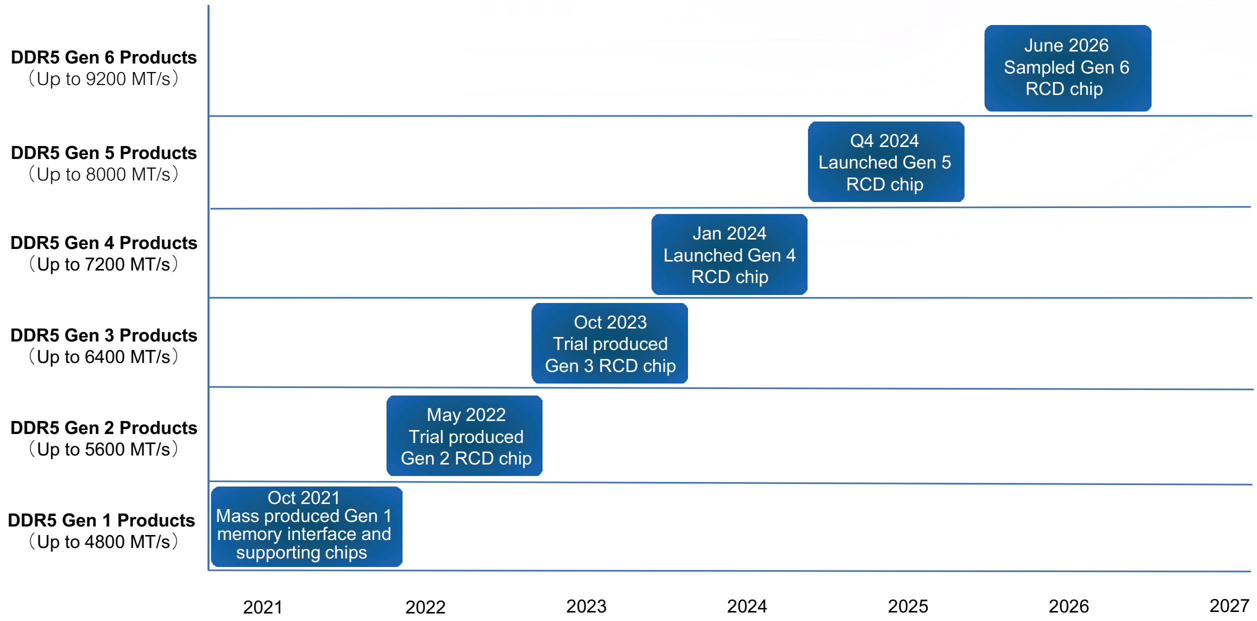


Exhibit: Constant leading position of the Group in R&D of DDR5 memory interface chips

(2) Leading Innovation in DDR Memory Interface Technology and Accelerating Commercialization of New Products

- MRCD/MDB chips are the key components for a new type of high-bandwidth server memory module known as MRDIMM, and are used in AI and cloud computing applications with higher memory bandwidth requirements. As defined by JEDEC, each MRDIMM shall be standard-equipped with one MRCD chip and ten MDB chips. As one of the only two suppliers of DDR5 Gen 1 MRCD/MDB chips in the world, the Company introduced the Gen 2 products which support a data rate of up to 12800 MT/s in 2025. During the Reporting Period, the product entered broad-based customer trials with significantly rising shipments, laying a solid foundation for mass adoption in subsequent periods.

- CKD chips are key clock buffer components for the PC memory module known as CUDIMM and CSODIMM. As defined by JEDEC, when DDR5 data rates reach 6400 MT/s or above, PC memory modules are required to adopt a dedicated CKD chip to maintain the integrity and reliability of high-speed clock signals. The Company was the first in the industry to trial-produce DDR5 CKD chips supporting up to 7200 MT/s in 2024, and launched a new generation product supporting up to 9200 MT/s in 2025, providing crucial technological support for the next generation of advanced PCs. CKD chips continued to be shipped throughout the Reporting Period.

MANAGEMENT DISCUSSION & ANALYSIS

As the JEDEC spec owner of DDR5 RCD, MDB and CKD chips, the Company continues to pioneer technological innovation in the memory interconnect field and solidify its global leadership across the DDR5 product cycle.

3. Expanding PCIe/CXL High-Speed Interconnect Product Portfolio to Strengthen Platform Competitiveness

(1) Sustained Growth in Demand for PCIe Retimer Chips

PCIe Retimer chips are core high-speed interconnect components for AI servers, active electrical cables (AEC), NVMe SSDs and Riser Cards. A typical AI server equipped with 8 GPUs generally requires 8 to 16 PCIe Retimer chips while certain domestic servers are equipped with 24 PCIe Retimer chips in order to meet scalability requirements. The growth in AI server shipments will directly drive increasing demand for these chips.

During the Reporting Period, shipments of the Company's PCIe Retimer chips delivered strong growth. As one of the two major global suppliers of PCIe 5.0 Retimer chips, the Company leverages its in-house SerDes IP to lay a solid foundation for continuous product iteration. In January 2025, the Company began sampling PCIe 6.x/CXL 3.x Retimer chips to customers. In January 2026, the Company launched PCIe 6.x/CXL 3.x AEC solutions. The Company's development of PCIe 7.0 Retimer chips, which still use in-house SerDes IP, is progressing on schedule, with engineering tape-out targeted for the end of 2026. As PCIe protocols evolve toward 6.x and 7.0 standards and new interconnect scenarios such as AEC gain traction, the addressable market for Retimer chips is poised to expand steadily.

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

PCIe Switch chips are core interconnect components enabling efficient communication among multiple devices in data centers, AI acceleration and storage systems. High-speed SerDes technology is the core technology for both PCIe Switch chips and PCIe Retimer chips, which share a common downstream customer base comprising server OEMs/ODMs as well as cloud service providers. The Company has developed deep expertise in SerDes and extensive customer relationships established through the successful commercialization of PCIe Retimer chips, laying a solid foundation for the rollout of PCIe Switch chips. The Company advanced the engineering development of PCIe Switch chips during the Reporting Period, with engineering tape-out scheduled for the end of 2026. Following the launch of the product, it will generate synergies with PCIe Retimer chips to further round out the Company's PCIe high-speed interconnect ecosystem.

MANAGEMENT DISCUSSION & ANALYSIS

(3) Maturing Industrial Ecosystem for CXL MXC Chips

CXL MXC chips are core components enabling memory expansion and memory pooling, effectively addressing the massive capacity and high bandwidth requirements of data-intensive applications such as AI and cloud computing. In May 2022, the Company released the world's first CXL MXC chip. In January 2025, the Company's MXC chips were successfully added to CXL 2.0 Integrators List as one of the first suppliers. Both Samsung Electronics and SK hynix, as memory suppliers on the list, used our MXC chips in their tested products. In September 2025, the Company launched MXC chips which comply with CXL 3.1 standard and sampled to major customers.

During the Reporting Period, the Company, along with its industry chain partners, kept promoting the commercial implementation of CXL technology and actively explored leveraging CXL technology to achieve the reuse of legacy DRAM, aiming to reduce the total cost of ownership (TCO) of data centers. On the industry front, mainstream cloud service providers and server OEM/ODM manufacturers have successively launched test prototypes equipped with CXL memory pooling solutions, marking the entry of CXL MXC chips and their related solutions into the industry trial and validation phase. In July 2026, the Company announced the industry's first trial production of its CXL 3.2 MXC chip, which was successfully integrated into next-generation CXL products by leading memory module manufacturers, including Samsung and SK hynix. As a cutting-edge technology, CXL is in the early stages of accelerated development. As the CXL ecosystem continues to mature and application scenarios such as memory pooling and legacy DRAM reuse gain traction, the long-term market opportunity for MXC chips remains substantial.

4. Sustained R&D Investment to Reinforce Core Technology Strength and New Product Development Capacity

The Company remains firmly committed to its mid-to-long-term development strategy, continuously increasing investment in R&D resources, expanding its team of high-caliber R&D talents, and broadening its portfolio of high-speed interconnect products to reinforce its core competitive strength. During the Reporting Period, the Company's R&D expenses amounted to RMB453 million, reflecting a year-on-year increase of 26.9% and accounting for 13.6% of the revenue. The Company continuously recruits top-tier global R&D professionals with deep technical expertise and extensive experience in large-scale chip development programs. As at the end of June 2026, the Company had 604 R&D staff, representing 74.1% of the total employees; approximately 65.2% of these R&D personnel held a master's degree or above. This strong R&D talent pipeline provides solid support for the continuous advancement of cutting-edge technologies and the mass production of new products.

In the first half of 2026, the Company achieved the following R&D milestones: successfully sampled DDR5 Gen 6 RCD chips; completed tape-out of Gen 3 MRCD/MDB engineering samples; commenced preliminary research on DDR6 Gen 1 memory interconnect products; completed tape-out of the mass production versions of PCIe 6.x/CXL 3.x Retimer and CXL 3.x MXC chips.

MANAGEMENT DISCUSSION & ANALYSIS

For the second half of 2026, the Company sets out the following key R&D priorities: to complete tape-out of engineering samples of PCIe 7.0 Retimer, PCIe Switch and high-speed Ethernet PHY Retimer chips; to complete development of mass production versions of the first and second batch of clock buffer chips and complete tape-out of engineering samples of high-precision RTC (Real Time Clock) chips.

In terms of intellectual property, the Company filed 15 new invention patent applications and was granted 17 invention patents during the Reporting Period. The Company also filed 7 new integrated circuit layout design applications and obtained 2 integrated circuit layout design certificates. As at the end of June 2026, the Company had a total of 233 granted invention patents, 105 integrated circuit layout design registration certificates and 13 computer software copyright registration certificates. A robust IP portfolio continues to strengthen the Company's long-term competitive moat.

5. Establishing a Long-Term Shareholder Return Mechanism and Sharing Corporate Growth Value with Investors

Upholding the Company's investor-oriented development philosophy, the Company balances business expansion, high-quality growth and shareholder returns, and remains committed to establishing a long-term return mechanism to share its growth and operational achievements with its shareholders. As a core constituent stock of the STAR 50 Index, the Company actively implements cash dividend distribution and share repurchase programs to fulfill its responsibilities as a listed company. In terms of cash dividends, the 2025 annual profit distribution plan which was a cash dividend of RMB3.90 (tax inclusive) per 10 shares has been fully implemented, with total distributions of RMB472 million. The Company maintains a regular interim dividend distribution mechanism; the 2026 interim dividend plan provides for a cash dividend of RMB2.00 (tax inclusive) per 10 shares, with total distributions of RMB242 million. In terms of share repurchases, the Company completed the cancellation of 1.662 million repurchased shares in July 2026, effectively boosting earnings per share (EPS) and safeguarding shareholder interests. The Company recently launched a new share repurchase scheme with a planned total investment of between RMB300 million and RMB600 million. From its A-share listing in July 2019 to July 31, 2026, the Company has distributed a total cash dividend of RMB2,839 million and completed share repurchases totaling RMB1,573 million, consistently delivering returns to long-term investors. Meanwhile, the Company has continuously refined its long-term market capitalization management system, incorporating market capitalisation value into annual performance appraisal of the senior management for five consecutive years, guiding management to focus on long-term intrinsic value enhancement and protect shareholders' long-term interests.

In terms of capital layout, the Company successfully completed its main board listing on The Stock Exchange of Hong Kong Limited (stock code: 6809.HK) during the Reporting Period, through which it has established its A+H dual platform for capital raising, laying a solid foundation for its global business layout and long-term, sustainable development. The Company was newly included as a constituent stock of the FTSE China A50 Index, significantly expanding coverage by global institutional investors and enhancing visibility across international capital markets.

MANAGEMENT DISCUSSION & ANALYSIS

CORE COMPETITIVENESS

1. Sustained Innovation & R&D Capabilities and Leading Technological Advantages

Since its establishment, the Group has maintained a strong focus on technological R&D as well as product innovation. We own proprietary integrated circuit design platforms covering digital signal processing, memory management and data buffering, analog circuit design, high-speed logic and interface circuit design, low-jitter clock design and low-power design technologies. Our highly integrated solutions effectively enhance system energy efficiency and product performance.

(1) In the field of memory interconnect technology, building on technological innovation, we invented the DDR4 full-buffered “1+9” architecture, which was ultimately adopted as a JEDEC international standard. In the DDR5 generation, the “1+9” architecture evolved into the “1+10” architecture, continuing to serve as the international standard for LRDIMM and has further developed into the international standard for MRDIMM. We maintained our global leadership in the DDR5 generation and further consolidated our technological edge. In emerging technologies, we led industry innovation by launching MRCD/MDB chips for server high-bandwidth memory modules and CKD chips for PC memory modules, both expected to drive substantial market growth in the coming years.

(2) In the PCIe interconnect segment, we are one of the only three companies worldwide with mass-produced PCIe 4.0 Retimer chips, and one of the two major global suppliers of PCIe 5.0/CXL 2.0 Retimer chips. Our in-house developed PCIe SerDes technology has been successfully deployed in related products. Proprietary IP delivers superior integration, and our products hold competitive advantages in latency and channel adaptability. In January 2025, we launched our PCIe 6.x/CXL 3.x Retimer chip and successfully delivered samples to customers.

(3) In the CXL interconnect sector, we maintain an industry-leading position. We maintain close communication and collaboration with ecosystem partners including CPU/GPU manufacturers, DRAM suppliers, cloud service providers (CSPs), and server OEM/ODM vendors, promoting wider adoption and smooth end-customer deployment of CXL solutions. In July 2026, we announced industry-first trial production of CXL 3.2 MXC Chip which has already been integrated into next-generation CXL products by leading memory module manufacturers, including Samsung and SK hynix.

Our core technologies are built on independent intellectual property rights, supported by a structured and strategic patent portfolio. As of the end of the Reporting Period, we held 233 granted invention patents globally.

MANAGEMENT DISCUSSION & ANALYSIS

2. Pioneer in the Formulation of Industry Standards

As a member of the JEDEC Board of Directors with several committee chair and vice-chair positions, we play a pivotal role in establishing and formulating international memory interconnect standards. We have taken the lead in formulating international standards for DDR5 RCD, MDB, and CKD chips.

In this field, we have secured a critical first-mover advantage by establishing and leading industry standards. Memory interconnect chips feature high entry barriers in terms of R&D capabilities and technical expertise. New entrants require years of intensive R&D to keep pace with the latest industry standards and product iteration cycles, while also completing stringent product validation and qualification processes. Leveraging our profound technological accumulation, we deliver each generation of product solutions to high specifications, enabling us to continuously capture market share and solidify our leading position in the industry.

Leveraging our profound expertise in memory interconnects, we have successfully expanded into other high-speed interconnect fields including PCIe/CXL, and hold membership in international industry alliances such as PCI-SIG, CXL and UALink.

3. Leading Market Position and Brand Strength

With over 20 years of development and accumulation, we have grown into a globally renowned integrated circuit design company. Our memory interconnect chips and PCIe Retimer chips are widely deployed in various servers and computers, securing a leading position in the industry.

According to Frost & Sullivan: In 2024, in terms of revenue, the global memory interconnect chip market was highly concentrated, with the top three players accounting for 93.4% of total revenue; we ranked first globally with a market share of approximately 36.8%. In the 2024 global PCIe Retimer chip market, the top two companies captured 96.9% of the market. As a new entrant, we achieved rapid shipment growth in 2024, ranking second globally with a market share of around 10.9%.

We have received numerous industry awards since our founding, including Forbes China Top 50 Most Innovative Companies and Fortune's Top 50 Chinese Tech Companies. In addition, we have received the Best Supplier Award from Samsung Electronics, the Best Supplier Award from SK hynix, as well as the Outstanding Performance Award (Semiconductor Devices) and Outstanding Quality Award (Packaging & Test Materials for Semiconductor Devices) from Micron Technology. We have established a distinct brand advantage that reflects strong market recognition of the Montage brand.

MANAGEMENT DISCUSSION & ANALYSIS

4. Visionary and Experienced Management and R&D Team

Our management and core R&D teams comprise experienced and visionary leaders with profound expertise in the innovation and development of interconnect solutions.

Our founders, Dr. Howard C. Yang and Mr. Stephen Tai, each bring more than 30 years of industry experience in integrated circuit design and R&D. Prior to co-founding Montage Technology in 2004, Dr. Yang founded Newave Technology (Shanghai) Co., Ltd., a company mainly engaged in the design of integrated circuit which was later merged into Integrated Device Technology, Inc.. Dr. Yang was elected as Fellow of the Institute of Electrical and Electronics Engineers (IEEE) in 2010, and elevated to IEEE Life Fellow in 2023. Dr. Yang has received numerous awards, including the IEEE CAS Pioneer Award, the JEDEC Outstanding Leadership Award, the Magnolia Gold Award, etc. Dr Yang was also named to EY Entrepreneur of The Year 2023 Chinese Mainland Award, and was inducted into 2024 Engineering Hall of Fame Oregon State University. In 2025, Dr. Yang was named to the 2025 Forbes China Best CEOs list and successfully retained the honour in 2026. In addition, in recognition of his outstanding performance in advancing sustainable development strategies, Dr. Yang was honoured as the 2025 Forbes China ESG Influential Business Leader. Our co-founder Mr. Tai has extensive experience in engineering design, research and development, and corporate management. Before co-founding our Company, Mr. Tai participated in the founding of Marvell Technology Group and served as the director of engineering and research and development thereof, where he was responsible for leading the research and development of key products, including hard disk read channel, Ethernet Gigabit PHY, and Wi-Fi technologies. Mr. Tai is recognized with the Shanghai Magnolia Gold Award.

Most members of our core team graduated from prestigious universities worldwide and possess extensive experience and proven track records in technology R&D, sales, engineering management and other fields. Approximately 74% of our employees are R&D technical personnel, of whom around 65% hold master's degrees or above, providing a strong talent foundation for sustained technological innovation.

5. Strong Industry Ecosystem Advantages and Globalized Industrial Layout

Building on over two decades of deep engagement in interconnect solutions, we have built a strong industry reputation and established and maintained strategic cooperative relationships with globally renowned enterprises across the AI infrastructure ecosystem, including memory module manufacturers, server OEM/ODM vendors, CPU and GPU suppliers, and cloud service providers.

We have established long-term partnerships with world-leading CPU and GPU manufacturers to jointly develop next-generation interconnect products for cloud computing and AI infrastructure. Within the global supply chain, we maintain in-depth cooperation with leading global integrated circuit wafer foundries and packaging & testing enterprises to ensure the production and delivery of products meeting customers' high-quality standards.

Rooted in China, we have also established branches or offices in the United States, South Korea and other regions, forming a global operational footprint.

MANAGEMENT DISCUSSION & ANALYSIS

OUR GROWTH STRATEGIES

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

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

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

(1) Memory interconnect: We will continue to invest in upgrading our DDR memory interface products, enhancing their performance and quality while driving technological innovation for next-generation products such as MRCD/MDB and CKD chips. We seek to address market demand for memory interconnect chip solutions with enhanced data transfer speed, reliability and efficiency, further strengthening our technological and market leadership in the memory interconnect sector.

(2) PCIe/CXL interconnect: We will continue to enhance our R&D efforts in core fundamental technologies, including SerDes, to drive the evolution of PCIe/CXL Retimer and CXL MXC products while actively capturing market share. We will also further deepen our strategic cooperation with cloud service providers (CSP), server OEMs/ODMs, CPU/GPU vendors, and DRAM memory suppliers. Leveraging our in-house developed SerDes technology, we are developing new product lines such as PCIe Switch, providing customers with comprehensive PCIe/CXL interconnect chip solutions, steadily broadening our market presence in this sector and further enhancing our comprehensive competitiveness and market influence.

(3) Ethernet and optical interconnect: Ethernet and optical interconnect are important avenues for high-speed interconnect with promising growth potential. We plan to leverage our extensive technological expertise in the memory interconnect and PCIe/CXL interconnect domains to further explore novel markets aligned with our strategic goals. Through flexible strategies including in-house R&D, partnerships, and investments, we plan to expand our product portfolio to the field of Ethernet and optical interconnect, injecting new momentum into our business growth.

MANAGEMENT DISCUSSION & ANALYSIS

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

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

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

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

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

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

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

FINANCIAL REVIEW

Revenue

Our revenue was RMB3,335 million for the six months ended June 30, 2026, representing a 26.7% increase from RMB2,633 million for the six months ended June 30, 2025. Revenue from interconnect chips, accounting for 93.3% of our revenue, was RMB3,111 million for the six months ended June 30, 2026, a 26.4% increase from RMB2,461 million for the six months ended June 30, 2025, primarily due to the increased benefit from the AI market trend and strong industry demand, the Group delivered substantial growth in operating performance for the six months ended June 30, 2026 compared with the same period last year.

Revenue from Jintide products, accounting for 6.6% of our revenue, was RMB220 million for the six months ended June 30, 2026, a 31.2% increase from RMB168 million for the six months ended June 30, 2025.

Revenue from others was RMB4 million and RMB5 million for the six months ended June 30, 2026 and 2025, respectively.

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

	Six months ended 30 June 2026		Six months ended 30 June 2025	
	RMB'000	***%***	*RMB'000*	*%*
Interconnect chips	**3,111,292**	**93.3**	2,460,653	93.4
Jintide products	**220,014**	**6.6**	167,708	6.4
Others	**4,192**	**0.1**	5,095	0.2
Total	**3,335,498**	**100.0**	2,633,456	100.0

MANAGEMENT DISCUSSION & ANALYSIS

Cost of Sales

Our cost of sales is primarily material cost, processing cost and others. Our cost of sales was RMB1,157 million for the six months ended June 30, 2026, a 11.1% increase from RMB1,042 million for the six months ended June 30, 2025. The increase in revenue led to a corresponding rise in cost of sales.

Gross Profit and Gross Profit Margin

As a result of the foregoing, the Group's gross profit was RMB2,179 million for the six months ended June 30, 2026, representing a 36.9% increase from RMB1,592 million for the six months ended June 30, 2025. Our gross profit margin was 65.3% and 60.4% for the six months ended June 30, 2026 and 2025, respectively. The overall increase of our gross profit margin was mainly due to the increase in the proportion of sales revenue of products with higher gross profit margin.

Research and Development ("R&D") Expenses

Our R&D expenses primarily comprise (i) staff costs, (ii) engineering expenses, (iii) tools and licenses, (iv) depreciation and amortization and (v) others. Our R&D expenses were RMB453 million and RMB357 million for the six months ended June 30, 2026 and 2025 respectively.

Administrative Expenses

Our administrative expenses consist of (i) staff costs, (ii) depreciation and amortization, (iii) professional services and consulting fees, (iv) rental fee, (v) office and meeting expenses, (vi) external services fees, (vii) transportation and communication expenses, and (viii) others. Our administrative expenses increased from RMB222 million for the six months ended June 30, 2025 to RMB288 million for the six months ended June 30, 2026, primarily due to an increase in staff costs.

Finance Expenses

Our finance expenses consist of (i) interest expenses, (ii) interest income, (iii) exchange gains and losses and (iv) others. We recorded finance income of RMB29 million and RMB126 million for the six months ended June 30, 2026 and 2025 respectively. The decrease in finance income was primarily attributable to exchange losses of RMB174 million resulting from the appreciation of the RMB against the US Dollar during the Reporting Period.

MANAGEMENT DISCUSSION & ANALYSIS

Other Income

Other income consists of (i) government grants and (ii) others. Our other income was RMB8 million and RMB61 million for the six months ended June 30, 2026 and 2025 respectively.

Investment Income

Investment income primarily comprise (i) investment income obtained from the disposal of other non-current financial assets, (ii) investment income obtained from the disposal of financial assets held for trading, (iii) investment income from structured deposits, (iv) investment income from long-term equity investments under the equity method, and (v) others. Investment income were RMB252 million and RMB20 million for the six months ended June 30, 2026 and 2025 respectively. The increase is primarily attributable to an increase in investment income arising from the disposal of other non-current financial assets during the Reporting Period.

For details, please refer to the "Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures" in the "Management Discussion & Analysis" of this report.

Fair Value Gains/(Losses)

Fair value gains/(losses) consist of (i) gains/(losses) from other non-current financial assets and (ii) gains from financial assets held for trading. We recorded fair value gains of RMB430 million for the six months ended June 30, 2026, compared to fair value losses of RMB9 million for the six months ended June 30, 2025. The increase is primarily attributable to an increase in fair value gains recognized from other non-current financial assets and financial assets held for trading during the Reporting Period.

For details, please refer to the "Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures" in the "Management Discussion & Analysis" of this report.

Profit Attributable to Shareholders of the Parent for the Period

We recorded profit attributable to shareholders of the parent for the period of RMB1,997 million and RMB1,159 million for the six months ended June 30, 2026 and 2025 respectively. The increase is primarily due to (1) the revenue increased by 26.7%, (2) the gross profit margin increased from 60.4% to 65.3%, and (3) the total of investment income and fair value gains amounted to RMB682 million, representing a year-on-year increase of 5,939.4%.

LIQUIDITY AND CAPITAL RESOURCES

We expect our liquidity requirements will be satisfied by a combination of cash generated from operating activities. We will continue to evaluate potential financing opportunities based on our need for capital resources and market conditions.

We had cash and cash equivalents of RMB15,012 million as at June 30, 2026 and RMB8,416 million as at December 31, 2025 respectively. For the details of currencies in which cash and cash equivalents are held, please refer to Note V.52 of the Consolidated Financial Statements.

The following table sets forth our cash flows for the periods indicated:

	Six months ended 30 June 2026 ***(RMB'000)***	Six months ended 30 June 2025 *(RMB'000)*
Net cash flows from operating activities	**1,328,028**	1,058,689
Net cash flows (used in)/from investing activities	**(1,651,979)**	1,020,577
Net cash flows from/(used in) financing activities	**7,222,155**	(530,630)
Effect of foreign exchange rate changes, net	**(302,680)**	(21,846)
Net increase in cash and cash equivalents	**6,595,524**	1,526,790
Cash and cash equivalents at beginning of period	**8,416,074**	6,698,932
Closing balance of cash and cash equivalents	**15,011,598**	8,225,722

Net Cash Flows from Operating Activities

For the six months ended June 30, 2026, net cash flows from operating activities were RMB1,328 million, compared to RMB1,059 million for the six months ended June 30, 2025.

Net Cash Flows (used in)/from Investing Activities

For the six months ended June 30, 2026, net cash flows used in investing activities were RMB1,652 million, compared to net cash flows from investing activities of RMB1,021 million for the six months ended June 30, 2025. This was mainly due to cash payments for investments exceeding cash receipts from returns of investments during the Reporting Period.

Net Cash Flows from/(used) in Financing Activities

For the six months ended June 30, 2026, net cash flows from financing activities were RMB7,222 million, compared to net cash flows used in financing activities of RMB531 million for the six months ended June 30, 2025, primarily due to the net proceeds from the H-Share global offering during the Reporting Period.

MANAGEMENT DISCUSSION & ANALYSIS

Foreign Exchange Exposure

Our Group is primarily exposed to exchange rate risk related to the USD. In addition to our domestic subsidiaries, Montage Semiconductor (Kunshan) Co., Ltd., Montage Electronics (Shanghai) Co., Ltd., and Montage Electronics (Zhuhai Hengqin) Co., Ltd. and overseas subsidiaries, which mainly conduct procurement and sales in USD, our other major business activities are settled in RMB. Fluctuations in exchange rates may impact our Group's operating performance. Our Group closely monitors the impact of exchange rate fluctuations and uses hedging methods such as foreign exchange forward contracts to lock in exchange rates and control the impact of exchange rate risk on the Group. For details of the sensitivity analysis please refer to Note X.1.(3) of the financial statements.

ANALYSIS OF ASSETS AND LIABILITIES

Assets and Liabilities

Unit: RMB'0,000

Items	As at June 30, 2026 Amount	Percentage of Total Assets (%)	As at December 31, 2025 Amount	Percentage of Total Assets (%)	Change in Balance (%)	Explanations
Currency funds	1,510,952.95	65.19	847,898.44	61.67	78.20	primarily due to the net proceeds from the H-Share global offering
Financial assets held for trading	291,704.21	12.59	82,330.43	5.99	254.31	primarily due to the increase in structured deposits
Accounts receivable	97,461.14	4.20	56,753.22	4.13	71.73	primarily due to the increase in revenue
Prepayments	20,591.45	0.89	13,289.04	0.97	54.95	primarily due to the increase in prepayments for material purchase
Long-term equity investments	26,284.24	1.13	9,196.04	0.67	185.82	primarily due to the increase in investments in associates
Other non-current financial assets	37,289.98	1.61	58,351.43	4.24	-36.09	primarily due to the disposal of certain investments
Long-term prepaid expenses	21,339.21	0.92	13,662.83	0.99	56.18	primarily due to the increase in photomasks
Accounts payable	33,033.38	1.43	20,823.35	1.51	58.64	primarily due to the increase in purchases

MANAGEMENT DISCUSSION & ANALYSIS

Items	As at June 30, 2026 Amount	As at June 30, 2026 Percentage of Total Assets (%)	As at December 31, 2025 Amount	As at December 31, 2025 Percentage of Total Assets (%)	Change in Balance (%)	Explanations
Taxes and surcharges payable	17,598.28	0.76	11,208.15	0.82	57.01	primarily due to the increase in income tax payable
Other payables	67,533.98	2.91	14,048.92	1.02	380.71	primarily due to the increase in dividends payable
Current portion of non-current liabilities	2,078.90	0.09	1,477.55	0.11	40.70	primarily due to the increase in bank borrowings due within one year
Long-term borrowings	10,707.99	0.46	–	–	N/A	primarily due to the addition of bank borrowings by Montage Electronics (Zhuhai Hengqin) Co., Ltd., a controlling subsidiary of the Company
Deferred tax liabilities	4,609.63	0.20	909.94	0.07	406.59	primarily due to the increase in deferred tax liabilities from fair value adjustment

Gearing ratio

The gearing ratio (calculated as total liabilities divided by total assets) of the Group as at June 30, 2026 was 7.5% (December 31, 2025: 6.4%).

The Board and the Audit Committee constantly monitor current and expected liquidity requirements to ensure that the Group maintains sufficient reserves of cash to meet its liquidity requirements in the short and long term.

MANAGEMENT DISCUSSION & ANALYSIS

Inventories

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

	As at June 30, 2026	As at December 31, 2025
	(RMB'000)	*(RMB'000)*
Raw materials	**108,925**	101,254
Finished goods	**382,257**	526,303
Materials consigned for processing	**712,879**	463,361
Provision for impairment of inventories	**(207,708)**	(194,783)
Total	**996,353**	896,135

PLEDGE OF ASSETS

Save as disclosed in Note V.19 to the Consolidated Financial Statements, the Group did not have any other pledged assets as at June 30, 2026.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

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

As at the end of the Reporting Period, the aforesaid transaction has been completed. Montage Cayman has received the corresponding consideration in accordance with the terms of the agreement. During the Reporting Period, the Company recognised gains from the disposal of XConn and the sale of Marvell's shares received as part of transaction consideration, totalling RMB456 million, exerting a positive impact on the Company's net profit for the Reporting Period.

Save as disclosed in this report, during the Reporting Period, the Company did not have significant investments, material acquisitions or disposals of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSET INVESTMENTS

As at June 30, 2026, the Group had no material investments (including any investments in investee companies whose value accounted for 5% or more of the Group's total assets as of June 30, 2026) with a value representing 5% or more of the Group's total asset value as at June 30, 2026.

As at June 30, 2026, save as disclosed in this interim report and the section headed "Future Plans and Use of Proceeds" in the Prospectus, the Group did not have any future plans for material investments or capital assets.

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

BUSINESS OVERVIEW

OUR PRODUCTS

We are a leading global fabless IC design company dedicated to providing innovative, reliable and power-efficient IC interconnect solutions for cloud computing and AI infrastructure. We currently have two major product lines: interconnect chips and the Jintide products. Our interconnect chips primarily include memory interface chips, memory module supporting chips, PCIe Retimer chips, CXL MXC chips and clock chips. Our Jintide products mainly consist of our Jintide CPU and Security & Trust Computing Accelerator. The following chart provides an overview of our products along with their functions and applications.

	Main Products	Function Introduction	Major Applications
Interconnect Chips			
Memory Interconnect Chips	RCD、DB、MRCD、MDB、CKD	• Serve as a pathway for CPUs to access memory data, enhance the speed and stability of memory data access	Server and PC memory modules
	SPD、PMIC、TS	• Memory module supporting chips that function as the communication center between the system master and the components on the memory module, provide power support for other chips on the memory module, and enable temperature monitoring of memory modules	
PCIe/CXL Interconnect Chips	PCIe Retimer	• Mainly used to address signal issues in high-speed, long-distance transmission scenarios, such as timing misalignment, attenuation, and integrity degradation	Server
	CXL MXC	• Facilitate memory pooling and memory expansion	Server
Clock Chips	clock generator chips, clock buffer, spread-spectrum oscillator	• Provide precise clock pulse signals to various system devices to ensure reliable system operation	Widely applicable to various electronic systems
Jintide Products			
Jintide Products	Jintide CPU	• Jintide CPU is an x86 architecture CPU with PrC (Pre-Check) or DSC (Dynamic Security Check) features	Server
	Security & Trust Computing Accelerator	• Address the demand for high-concurrency data encryption and decryption	Server

Interconnect Chips

Memory Interconnect Chips

- ***Memory Interface Chips (RCD/DB, MRCD/MDB and CKD)***

  Memory interface chips are the core components of server memory modules and serve as a pathway for server CPUs to access memory data. Their primary function is to optimize data transfer speeds, improve signal integrity, and ensure stability for the computing systems. These chips must be compatible with other components of memory modules produced by different manufacturers and undergo rigorous qualification processes from server CPU vendors and memory modules manufacturers before they can be deployed at scale in commercial applications.

  Our memory interface products are founded on memory interface technologies, which act as high-speed bridges between processors and memory modules to realize faster and more reliable access to the computer's memory, so as to keep up with the increasingly higher demand in speed and capacity of CPUs. The development of these technologies closely follows the evolution of memory module standards set by the JEDEC. Among the most widely adopted standards is DDR SDRAM (Double Data Rate Synchronous Dynamic Random Access Memory), which improves data throughput by transferring data on both the rising and falling edges of the clock signal. Since the commercial launch of DDR1 around 2000, DDR standards have advanced significantly, with each new generation offering substantial improvements in data transfer speed, bandwidth, capacity, and power efficiency.

  Currently, DDR5 has become the mainstream standard, especially in server and high-throughput applications. DDR4, which became widely adopted in 2016, was available in several speed grades to meet diverse computing needs. DDR5 further delivered higher data rates, increased bandwidth, and greater power efficiency. JEDEC has already standardized multiple sub-generations of DDR5. Furthermore, to accommodate higher transfer rates and emerging requirements, JEDEC has also defined new memory module architectures such as MRDIMM (for servers) and CUDIMM/CSODIMM (for desktops and laptops), and is developing standards related to DDR6.

  I. *RCD/DB*

     Typically, DDR4 and DDR5 memory interface chips used for RDIMM and LRDIMM can be divided into two types according to their functions: one is the RCD, which is used to buffer addresses, commands, clocks, and control signals from the memory controller; the second is the DB, which is used to buffer data signals from memory controllers or DRAM dies.

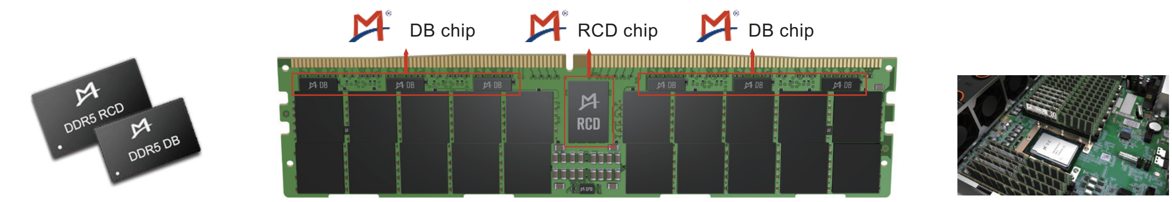
     As JEDEC standards and memory technologies have evolved, we have successively introduced a comprehensive set of industry-leading of DDR2 to DDR5 memory interface chips. Compared to DDR4, DDR5 offers higher data transfer speeds, greater memory capacity, improved power efficiency, and enhanced performance. DDR5 memory module operates at a lower voltage of 1.1V, making it more power-efficient. The final sub-generation of DDR4 products support a data rate of 3,200 MT/s. In contrast, DDR5 RCD chips have six sub-generations, with data rates continuing to increase across each iteration. Specifically, DDR5 Gen6 RCD chips can support a data transfer rate of 9,200 MT/s, which is 2.875 times the JEDEC standard maximum speed of DDR4.

BUSINESS OVERVIEW

We are at the forefront of the industry in terms of technological innovations. During the DDR4 generation, we innovatively adopted a distributed architecture consisting of one RCD chip and nine DB chips. This design significantly reduces the load effect between the CPU and DRAM chips, lowers signal transmission loss, and resolved the trade-off between high capacity and high speed in memory subsystems. This technical architecture was ultimately adopted by JEDEC and became the international standard for DDR4 LRDIMM, substantially enhancing the Company's international influence. In the DDR5 generation, the "1+9" architecture evolved into the "1+10" architecture, continuing to serve as the international standard for LRDIMM and has further developed into the international standard for a new type of high bandwidth memory module MRDIMM.

Our DDR5 memory interface chips are now widely deployed across global mainstream memory modules and servers, occupying a significant share of the global market. Our new DDR5 Gen6 RCD chips, supporting data rates up to 9,200 MT/s, were sampled to customers in June 2026.

The following diagram sets forth an illustration of the DDR5 LRDIMM memory module and the placement of our memory interface chips.



Memory interface chips (RCD, DB) | DDR5 LRDIMM memory module | Enterprise Server

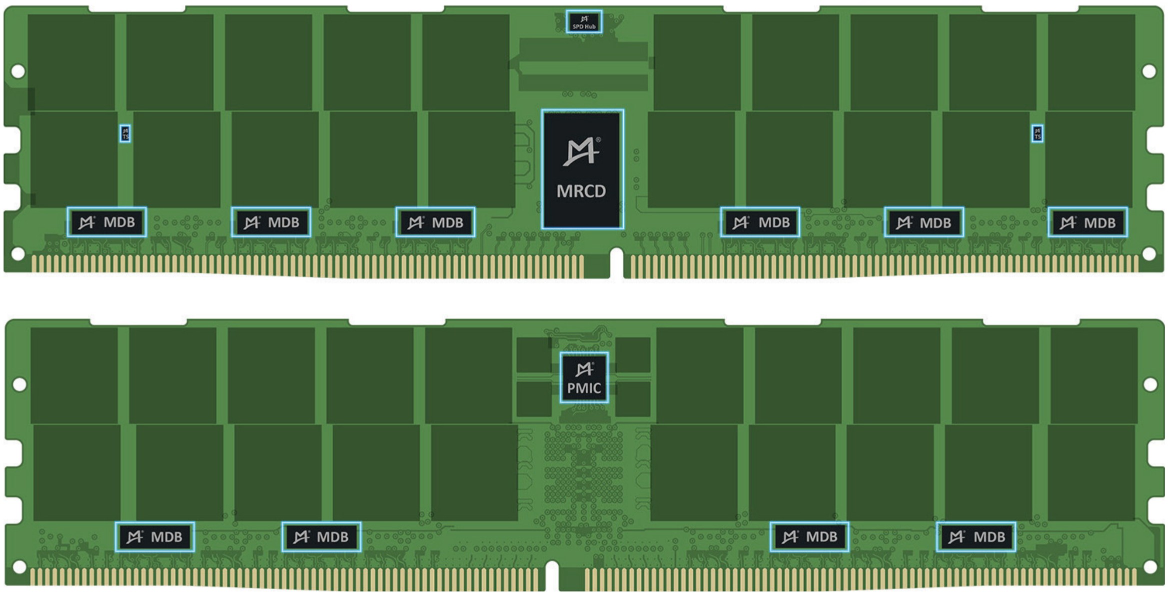
II. *MRCD/MDB*

The MRCD and MDB chips serve as core logic devices for a new type of high-bandwidth server memory modules — MRDIMM. MRCD chip is used to buffer addresses, commands, clocks, and control signals from the memory controller. MDB chip is used to buffer data signals from either the memory controller or DRAM chips. At standard data rates, the MDB chip allows simultaneous access to two DRAM arrays (whereas conventional RDIMMs can only access one array), thereby achieving double the bandwidth.

Our first-generation MRCD and MDB products support data rates of up to 8,800 MT/s, meeting the high memory bandwidth demands of applications such as cloud computing and AI infrastructure. We are one of the only two global suppliers that can mass produce first-generation MRCD and MDB chips, with significant advantages in key technical metrics such as power consumption. These advancements position us as a leader in the high-bandwidth memory interface chips market.

In January 2025, we launched second-generation MRCD and MDB chips, which support a data rate of up to 12,800 MT/s, representing a 45% improvement compared to the first-generation products. This substantial performance boost addresses the growing demand for higher bandwidth in applications requiring high-speed and reliable computing. As the JEDEC SPEC owner for MDB chips, we drive innovation in this space to maintain our industry leadership in empowering next-generation memory solutions.

The following diagram sets forth an illustration of our MRCD and MDB chips and their positioning in a MRDIMM.

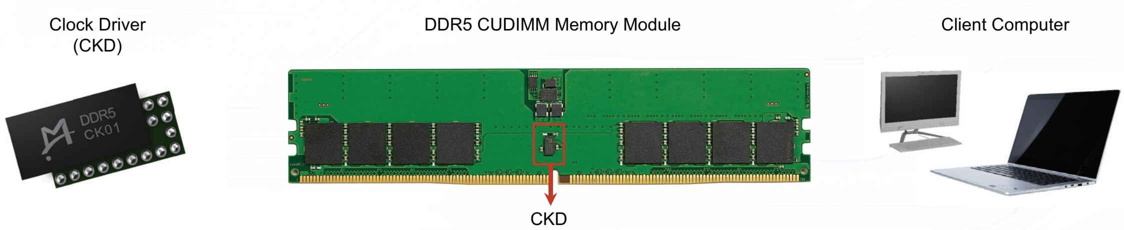


III. CKD

CKD is used in PC memory module to buffer and re-drive clock signals in order to maintain the integrity and reliability of high-speed clock signals. According to the JEDEC standard, when DDR5 data rates reach 6,400 MT/s or higher, PC memory modules will need to introduce a dedicated CKD chip. Our CKD chip is compliant with the JEDEC specification, and Gen 1 products support data rates up to 7,200 MT/s. Prior to the adoption of DDR5 memory module, the clock driving functionality was integrated into the RCD chip and primarily used in server memory modules. This feature was not deployed in PC memory modules at the early stage of DDR5, such as those for PCs. However, as DDR5 data transfer rates continue to increase, the clock signal frequencies have also risen significantly, leading to growing challenges with signal integrity.

DDR5 CKD chip is designed for the PC memory modules to enhance the speed and stability of memory data access, matching the increasing CPU operating speed and performance. We launched a new generation of CKD chips in November 2025, which support data rates up to 9,200 MT/s.

The following diagram sets forth an illustration of our CKD chip and its positioning in a CUDIMM and application in a PC.



BUSINESS OVERVIEW

- ***Memory Module Supporting Chips (SPD, TS and PMIC)***

  According to JEDEC standard, along with key memory interface chips, we have also rolled out supporting devices for DDR5 memory modules, including SPD, PMIC and TS. These devices deliver one-stop memory interface solutions with improved performance and greater capacity for servers and PCs based on their wide applications in DDR5 memory modules.

  The SPD chip facilitates communication between the main control devices and other components, allowing the main control devices to efficiently exchange data with other components to ensure smooth operation and optimal performance. The TS chip monitors the temperature of the memory module, ensuring that the memory module operates reliably, even under heavy workloads or high-temperature conditions. The PMIC performs a primary function to provide stable and efficient power support to other components on the memory module.

  The following diagram sets forth an illustration of our SPD, TS and PMIC products and their positioning in a typical memory module.

PCIe/CXL Interconnect Chips

PCIe Retimer

PCIe Retimer is an ultra-high-speed signal conditioning chip designed for the PCIe data transmission protocol. The protocol is a high-speed serial expansion bus standard that serves as a core technology for fast data interconnection in data centers and servers. Since its introduction in 2003, the evolution of PCIe from 1.0 (2.5 GT/s), 2.0 (5 GT/s), 3.0 (8 GT/s) to 4.0 (16 GT/s), 5.0 (32 GT/s), and now moving toward 6.0 (64 GT/s) and 7.0 (128 GT/s) has brought exponential increases in data transfer rates. This protocol has enabled the development of a wide range of chip products, such as PCIe Retimers and PCIe Switches, which enhance signal integrity and expand connectivity in complex computing environments. However, these advancements have also led to challenges, such as signal attenuation and reference clock timing issues, demanding for optimization of high-speed circuit and interconnect designs.

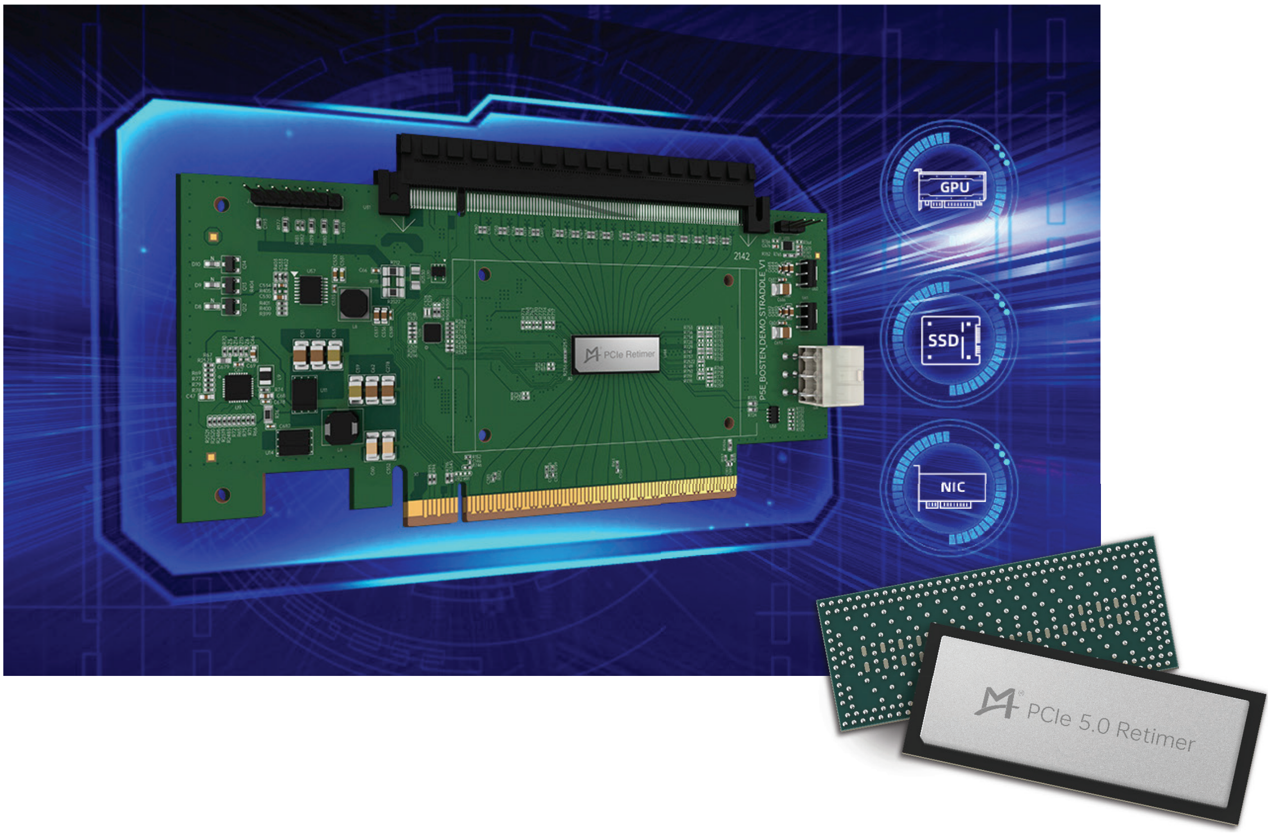
To address these challenges, PCIe Retimer chips have gradually become indispensable key components in high-speed circuits. Particularly in high-speed and long-distance data transmission scenarios within data centers, they can effectively address issues such as unaligned signal timing, severe signal attenuation, and poor signal integrity. Our PCIe Retimer utilizes advanced signal conditioning technology, which compensates for channel losses and eliminates the effects of various jitter sources. This enhances signal integrity and extends the effective transmission distance of high-speed signals, providing a reliable and efficient PCIe interconnect solution for applications such as servers, storage devices, and hardware accelerators.

Our mass produced PCIe Retimer portfolio consists of a PCIe 4.0 Retimer and PCIe 5.0/CXL 2.0 Retimer. Our PCIe 4.0 Retimer complies with the PCIe 4.0 specification, supports a 16 GT/s transmission rate, and can compensate for up to 28 dB of channel loss. Our PCIe 5.0/CXL 2.0 Retimer meets the PCIe 5.0 and CXL 2.0 specifications, supports a 32 GT/s transmission rate, and compensates for up to 36 dB of channel loss. It is compatible with mainstream industry packaging standards, with outstanding performance metrics including power consumption and transmission latency. Both PCIe 4.0 Retimer and PCIe 5.0/CXL 2.0 Retimer have undergone extensive interoperability testing with CPUs, PCIe Switches, NVMe SSDs, GPUs and NICs.

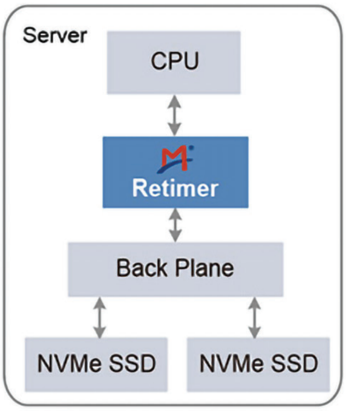
In addition, we have introduced the PCIe 6.x/CXL 3.x Retimer, which supports a 64 GT/s transmission rate and utilizes PAM4 SerDes technology. This chip provides superior signal integrity with up to 43 dB link budget and low latency. It is designed for various applications, including AI servers, active electrical cables (AEC), and storage devices.

BUSINESS OVERVIEW

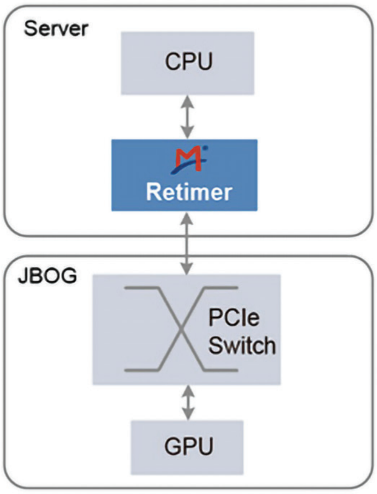
The following diagram sets forth an illustration of our PCIe Retimer chip in a PCIe card.



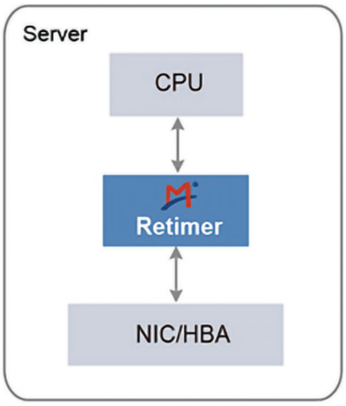
The following graphics illustrate the typical application scenarios of our PCIe Retimer chip.



NVMe SSD



AI Server



Riser Card

BUSINESS OVERVIEW

CXL MXC

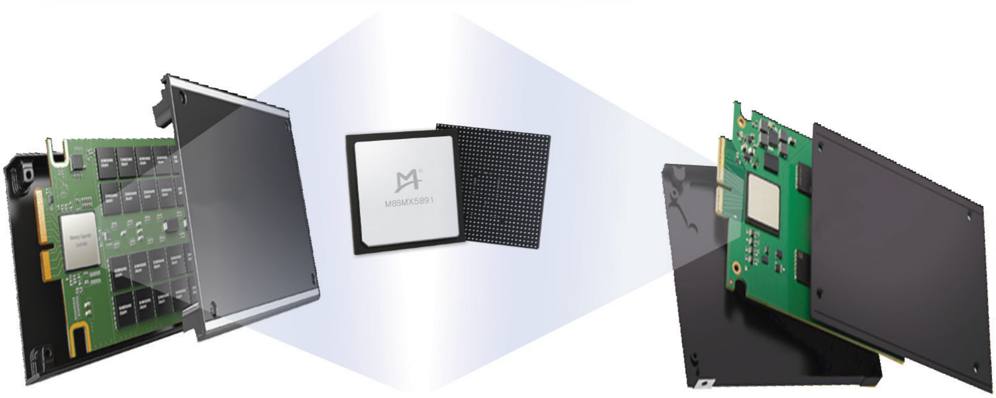
MXC is a Type 3 CXL DRAM memory expander controller. MXC chip offers high-bandwidth and low-latency interconnect between the CPU and the CXL-based devices, allowing them to share memory for enhanced performance and less complicated software stacking, therefore lowering the total cost of ownership (TCO) of data centers.

The Compute Express Link (CXL) protocol was introduced in 2019 and it leverages the PCIe physical layer to facilitate high-speed, low-latency data exchange among CPUs, GPUs and memory modules. Through its three foundational protocols, CXL.io, CXL.cache and CXL.memory, CXL supports diverse application scenarios, including direct memory access between smart devices and CPUs, as well as memory expansion and pooling.

In May 2022, we released the world's first CXL MXC chip and supported memory manufacturers such as Samsung Electronics and SK hynix in introducing related CXL memory modules, accelerating the commercialization process of next-generation memory solutions. Our MXC chip has successfully passed dozens of rigorous tests by the CXL Consortium and is listed as a compliant supplier for both CXL 1.1 and CXL 2.0 standards. We collaborate with a broad range of partners, including CPU/GPU manufacturers, DRAM manufacturers, cloud service providers (CSPs), and server OEM/ODMs, to drive the broader adoption of CXL. In September 2025, we launched the CXL 3.1 MXC chip and delivered engineering samples to key customers for testing. In July 2026, we announced industry-first trial production of CXL 3.2 MXC Chip which has already been integrated into next-generation CXL products by leading memory module manufacturers, including Samsung and SK hynix.

In the age of AI, CXL technology facilitates efficient collaboration between accelerators such as GPUs and FPGAs (field-programmable gate arrays) with the main processor, significantly enhancing the speed of AI model training and inference, and enabling low latency, high-speed data transmission to greatly improve computational efficiency. Meanwhile, CXL technology supports memory expansion and memory sharing, providing AI applications with greater memory capacity and more flexible resource allocation.

MXC chips are primarily used in two application scenarios: (i) AIC (Add-in Card) connected to standard DDR5/4 memory modules and (ii) EDSFF modules. The following graphics illustrate such applications:

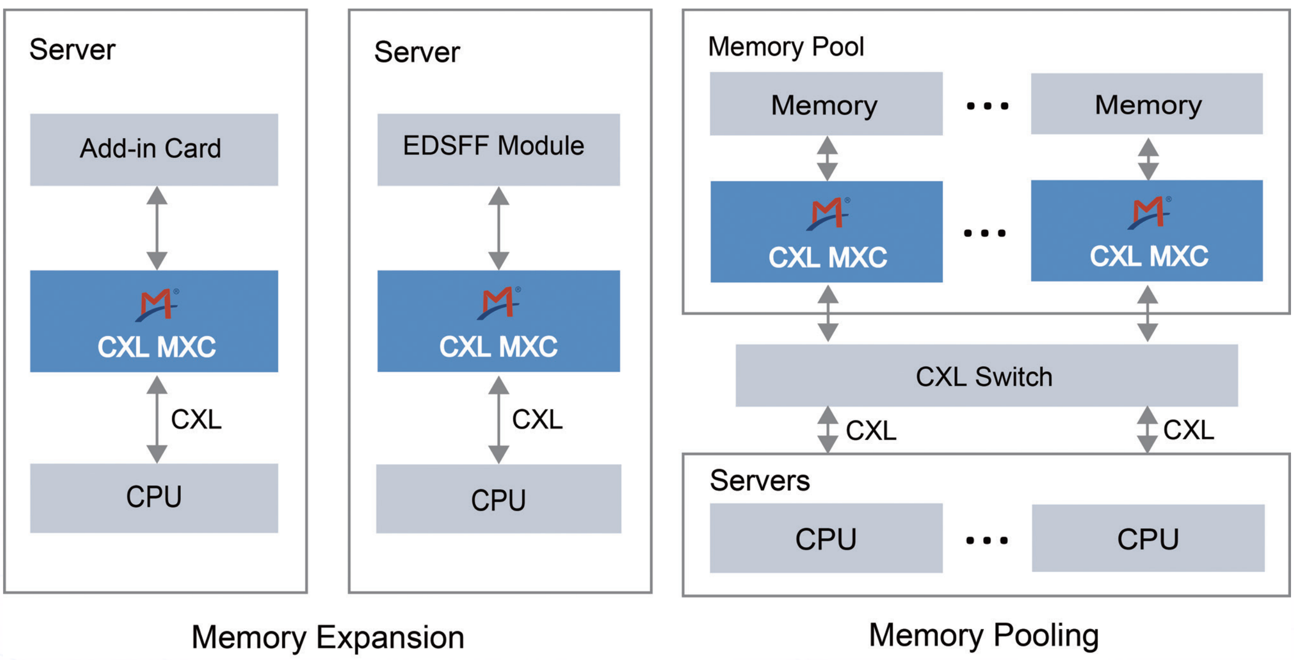


MXC application in AIC

BUSINESS OVERVIEW

MXC application in EDSFF

The following graphics illustrate the typical application scenarios of our MXC chips.



Clock Chips

A clock chip is designed to provide the essential clock pulses required for the operation of electronic systems. It provides a unified timing reference for different chips and functional modules within the system, ensuring coordinated and stable operation of all components. Main types of clock chips include clock generator chips, clock buffers, jitter attenuator chips, oscillators and real-time clock chips (RTC), etc.

The portfolios of our clock chips consist of clock generator chips, clock buffer and spread-spectrum oscillator (differential oscillator with spread-spectrum capability) products. Our clock generators support up to 4 independent differential outputs and deliver highly accurate timing signals; our clock buffers provide 4 to 10 scalable outputs for lossless signal distribution; our spread-spectrum oscillator effectively suppress electromagnetic interference (EMI) to enhance system stability while providing high-precision clock source. The clock chips adopt advanced mixed-signal architecture for industry-leading ultra-low output phase noise. Each channel output can separately configure relevant parameters, such as I/O type, drive strength, voltage, frequency, spread spectrum, for precise receiver alignment. All of these can enhance signal integrity, reduce power consumption and lower design complexity.

With the rapid growth of AI computing power, continuous upgrading of 5G communications and ongoing advancement of industrial automation, the market has imposed increasingly stringent requirements on the accuracy and stability of clock signals. Our clock chips, offering high reliability, low jitter and multi-application flexibility, have passed stringent validation by leading industry partners. These products will be well-suited for deployment in data centers, communication infrastructure, industrial control systems, consumer electronics and automotive electronics in the future.

The following diagram sets forth an illustration of our clock chips.

BUSINESS OVERVIEW

Jintide Products

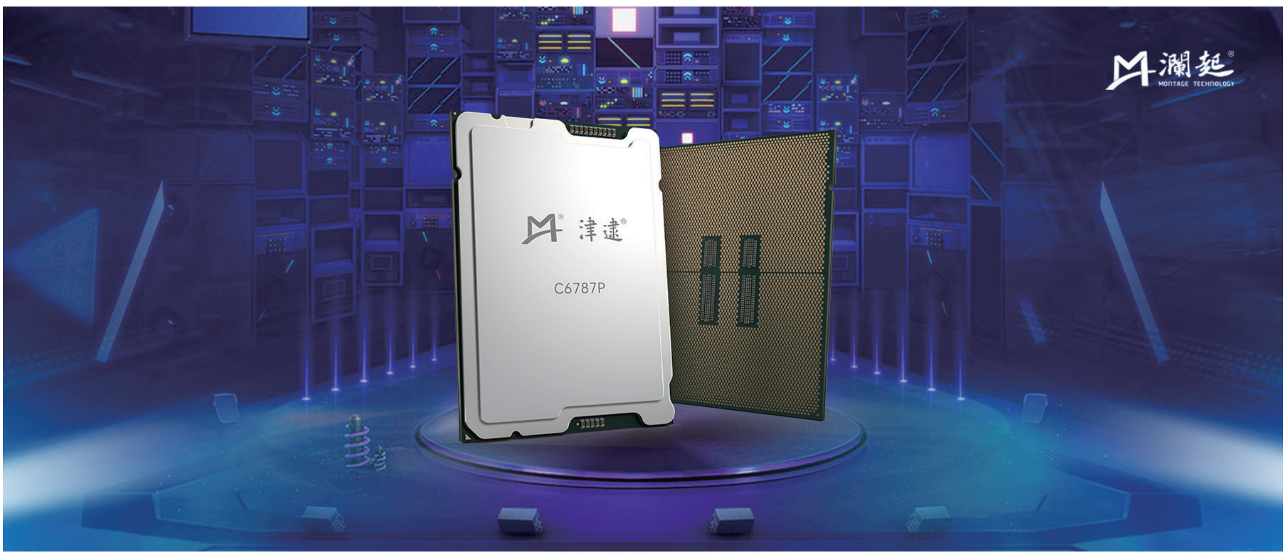
Our Jintide products encompass Jintide CPU and Security & Trust Computing Accelerator.

Jintide CPU

With the x86 cores that we procured from Intel, we have developed Jintide CPU, an x86 processor family with PrC (Pre-Check) or DSC (Dynamic Security Check) features. In August 2025, we released our latest Jintide Gen6 P-core CPU. Each CPU supports up to 86 Performance-cores, 172 threads and a maximum Level 3 cache capacity of 336MB. The Jintide CPU has eight memory channels, supporting DDR5 RDIMM with a data rate of up to 6,400 MT/s or MRDIMM with a data rate of up to 8,000 MT/s. In terms of I/O capabilities, the Jintide CPU supports PCIe 5.0 and CXL 2.0 extensions, offering up to 88 PCIe lanes, providing outstanding scalability for advanced computing and data-intensive applications.

As a domestic brand of server CPU, our Jintide CPU supports the world's mainstream server operation systems including RHEL (Red Hat Enterprise Linux), Windows Server, VMWare ESXi (a bare-metal hypervisor developed by VMware) and SLES (SUSE Linux Enterprise Server), among other applications, and has completed compatibility certification with a number of partners on products covering operating system, cloud infrastructure, database and hardware (such as SSD, GPU and memory). Multiple domestic server OEM/ODMs have been closely collaborating with us to develop servers based on Jintide CPU. These servers have been widely deployed in many industries.

The following diagram sets forth an illustration of our Jintide CPU.



Security & Trust Computing Accelerator

Leveraging our proprietary Mont-TSSE (Trust & Security System Extension) technology architecture and technology, our Security & Trust Computing Accelerator integrates two essential functions, hardware-level data encryption/decryption and platform trust computing measurement, onto a single chip. It could serve as a Hardware Root of Trust (HRoT), a foundational security mechanism built into hardware to secure a system, or for use in commercial cryptography and decryptography applications.

The TSSE technology utilized in the Security & Trust Computing Accelerator is an extension of the DSC functionality originally developed for the Jintide CPU. The Security & Trust Computing Accelerator can be offered as a standalone product or integrated into Jintide CPU.

OUR CORE TECHNOLOGIES

We have developed a proprietary IC design platform, which encompasses key technologies such as digital signal processing, memory management and data buffering, analog design, high-speed logic and interface circuit design, low-jitter clock design and low-power design. With a high degree of integration, our IC design platform can improve energy efficiency and product performance.

Memory Interface Technologies

Through rigorous R&D, we have established ourselves as one of the few global suppliers capable of delivering a comprehensive set of memory interface chips spanning DDR2 to DDR5.

In the DDR4 generation, our invention of the “1+9” distributed buffer memory subsystem architecture was adopted by JEDEC as the international standard for LRDIMM. In the DDR5 generation, it evolved into the “1+10” architecture, continuing to serve as the international standard for LRDIMM and has further developed into the international standard for a new type of high bandwidth memory module MRDIMM.

We have introduced multiple innovative circuits and algorithms to address the signal integrity challenges of DDR5’s high-speed parallel bus. On the circuit level, we developed high-speed, low-noise transceivers, supplemented by multi-tap decision feedback equalization (DFE) to compensate for far-end crosstalk and inter-symbol interference. On the algorithm level, we proposed bias calibration and adaptive algorithms tailored for complex electromagnetic environments, utilizing a DFE training algorithm with adaptive equalization coefficients to enhance the voltage and timing margins of the signal eye diagram. Additionally, we introduced innovative technologies such as adaptive power management and dynamic clock distribution, significantly reducing the power consumption of memory interface chips.

At the industry forefront, our latest DDR5 Gen 6 RCD supports data rates up to 9,200 MT/s, while our released DDR5 Gen2 MRCD/MDB chips support data rates up to 12,800 MT/s.

We are steadily advancing the upgrade of memory interface technologies. Our DDR5 Gen 3 MRCD/MDB chips which are currently under development will support data rates of up to 16,000 MT/s.

BUSINESS OVERVIEW

High-speed SerDes (Serializer/Deserializer) Serial Interface Technologies

SerDes (Serializer/Deserializer) is a foundational technology in the field of high-speed interconnects. It is a mainstream time-division multiplexing and point-to-point serial communication technology. At the transmitter side, SerDes converts multiple low-speed parallel signals into a high-speed serial signal, which is transmitted through a medium such as optical fiber or copper cables, and then reconverted it to low-speed parallel signals at the receiver side. As the physical layer foundation for various high-speed transmission technologies, including PCIe, USB and Ethernet, SerDes plays a critical role in enabling reliable, high-speed data transfer. Its broad applications span servers, heterogeneous computing, automotive electronics and communication systems, making it an essential component in modern high-speed interconnect solutions.

We have consistently invested in the R&D of SerDes technology, achieving significant breakthroughs that lay a solid foundation for the development of innovative solutions. We have developed 32 GT/s SerDes IP, which has been applied to the PCIe 5.0/CXL 2.0 Retimer, a product that has secured large-scale procurement from downstream customers since 2024. Building on this success, we further developed 64 GT/s SerDes IP, which has been applied into the PCIe 6.x/CXL 3.x Retimer.

We seek to continue advancing the upgrading of SerDes technology. We are currently in the processing of researching and developing PCIe 7.0 SerDes IP, which could support data rates of up to 128 GT/s, positioning us at the forefront of high-speed interconnect solution.

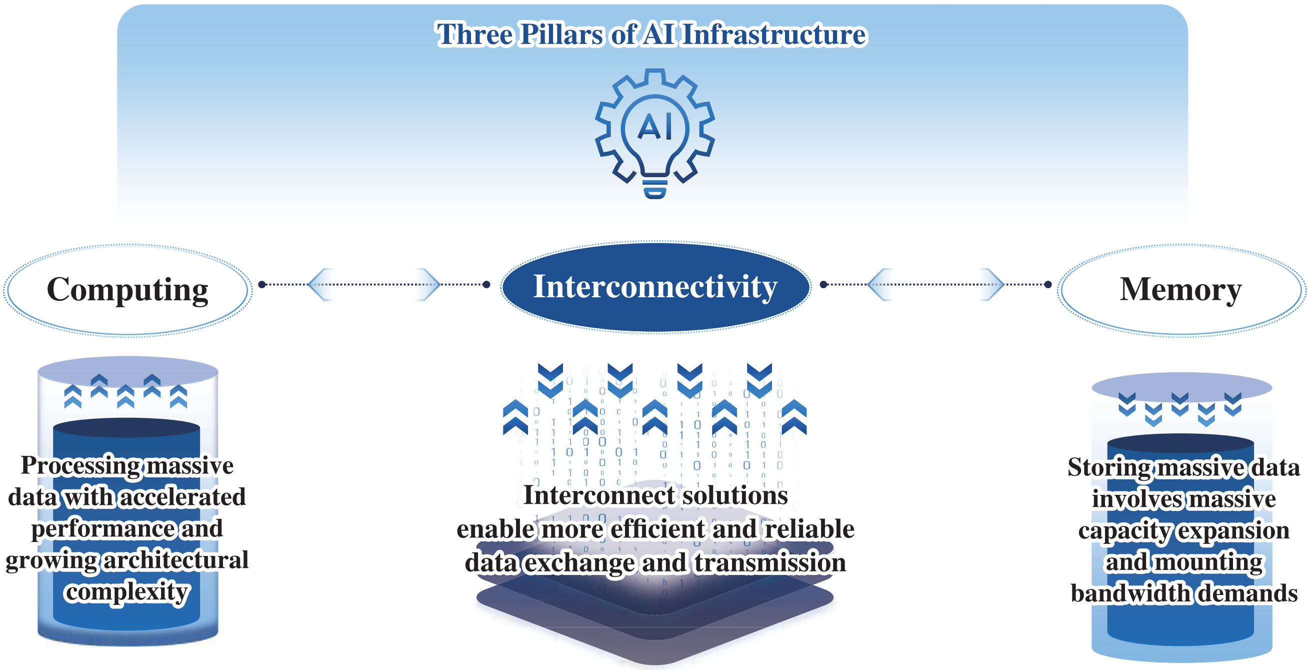
INDUSTRY TRENDS AND LANDSCAPE

Amid rapid advancements in artificial intelligence, the industry is undergoing a profound transformation from general computing to intelligent computing. Generative AI and large language models (LLMs) are poised to reshape the technology sector and exert a far-reaching influence across numerous facets of daily life. The rapid development of generative AI is expected to drive robust growth in the AI server market. According to TrendForce projections, the total addressable market value of AI servers is forecast to reach US$300 billion in 2025, representing a year-on-year increase of 46.1%, with AI servers accounting for over 72% of the total value of the overall server market.

Against the backdrop of a thriving AI industry, the underlying infrastructure is set to maintain strong growth momentum. AI infrastructure rests on three core pillars: (1) Computing – primarily GPUs, CPUs, and various AI accelerators that perform complex computational operations, typically representing the most critical and costly component of the system; (2) Memory – including DRAM, NVMe SSDs, HBM, and other storage media, which provide efficient and reliable data access to support AI model training and inference, serving as the data foundation for AI workloads; (3) Interconnectivity – referring to the multi-layer connectivity and communication capabilities that span chips, servers, clusters and data centers.

BUSINESS OVERVIEW

As AI infrastructure grows more complex, the role of interconnect becomes increasingly critical. It relies on a variety of high-speed interconnect chips to ensure efficient, stable and low-latency collaboration and data flow among components, thereby comprehensively enhancing the overall efficiency, reliability and scalability of data centers.



We possess profound technological expertise in the field of high-speed interconnect chips. Leveraging open industry standards, we have established ourselves as a market leader in memory interconnect and continue to deepen our capabilities and drive innovation. Through proprietary key technologies such as in-house high-speed SerDes, we have extended our competitive advantages into the PCIe/CXL interconnect domain. Our products are committed to reducing interconnect bottlenecks, delivering substantial improvements in data transfer rates, bandwidth, reliability, and system energy efficiency.

BUSINESS OVERVIEW

Memory Interconnect Chip Market

Development Trends in Memory Interconnect Chip Market

The development of the memory interconnect chip market is now characterized by two key trends:

- Surge in computing drives growing demand for memory capacity and bandwidth

  The strong demand for computing in large model training and inference continues to drive upgrades in memory capacity and bandwidth. Large language models represented by GPT and DeepSeek have surpassed the trillion-parameter scale, prompting significant upgrades in memory configurations for AI servers. A typical AI server generally requires more than 20 DDR5 memory modules, with memory capacity and quantity far exceeding those of general-purpose servers. Meanwhile, the computing boom has also raised higher requirements for memory bandwidth. DDR5 Gen1 RDIMMs support speeds of 4,800 MT/s, DDR5 Gen6 RDIMMs reach 9,200 MT/s, and DDR5 Gen3 MRDIMMs will hit 16,000 MT/s. As technologies mature and the ecosystem evolves, MRDIMMs, with their higher bandwidth and overall performance, are expected to replace RDIMMs as the preferred main memory solution for AI server systems, driving increase in demand for MRCD/MDB chips. To ensure signal integrity under high-speed operation, nearly all PC memory modules are expected to be equipped with CKD chips as standard by 2029 to 2030.

- Rising Importance of CPUs Fuels Demand for Memory Interconnect Chips

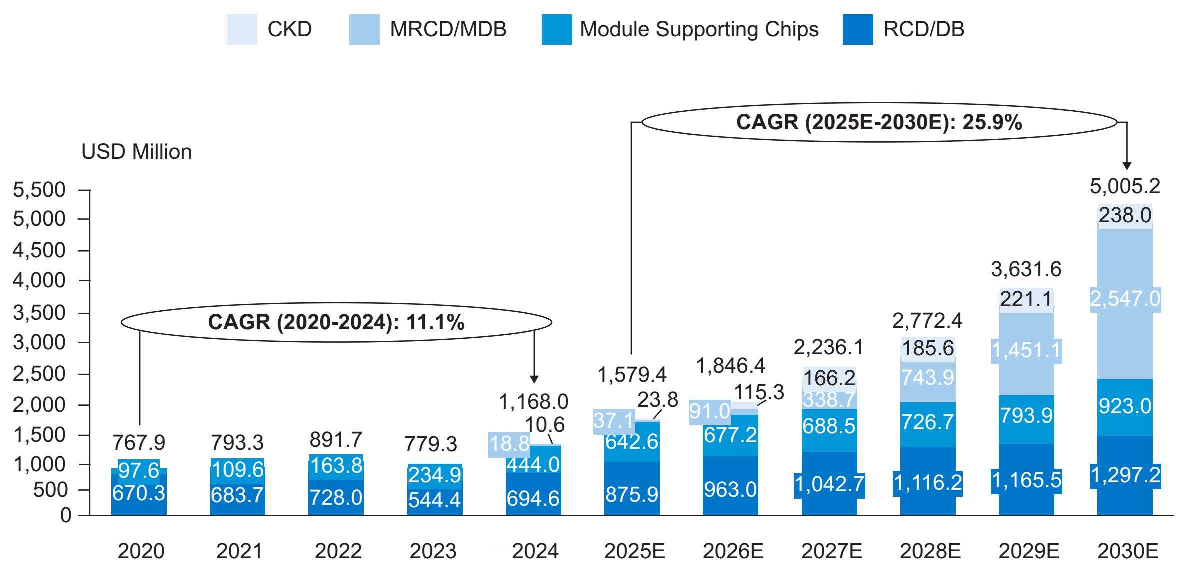
  With the rapid advancement of AI inference and Agent applications, AI workloads are shifting on a large scale from training to inference and intelligent agent workloads. This transition raises higher requirements for systems in terms of logical judgment, task scheduling and real-time interaction, highlighting the value of CPUs' general-purpose computing architectures and elevating their importance within AI systems. The industry anticipates that the configuration ratio of CPUs to GPUs in AI servers will keep rising, and growing CPU demand will drive higher consumption of memory modules. Furthermore, the number of memory channels supported by server CPUs continues to evolve. While mainstream server CPUs currently support 8 or 12 memory channels, next-generation CPUs are expected to expand support to 16 memory channels. An increase in memory channels means a corresponding rise in the maximum number of memory modules that can be paired with each CPU. Since the volume of memory interconnect chips is positively correlated with memory module consumption, the aforementioned industrial trends are poised to further expand the market for memory interconnect chips.

  In addition, the JEDEC Solid State Technology Association continues to deliberate on DDR6 memory interconnect technologies and product specifications. The prevailing industry trend is that DDR6 memory modules will be equipped with a larger number of memory interconnect chips featuring more complex designs.

Market Size of Memory Interconnect Chips

According to forecasts by industry consultant, the global market size of memory interconnect chips is expected to further expand from USD1,579 million in 2025 to USD5,005 million in 2030.

Market Size of Memory Interconnect Chips (by Revenue), Breakdown by Product Types, 2020-2030E



Source: Frost & Sullivan, 2025-2030 are estimated data (as of July 2025).

Competitive Landscape and Our Key Strategic Directions in Memory Interconnect Chip Market

As an active JEDEC board member with several committee chair level positions, we play a critical role in shaping and establishing international standards for memory interconnects. We are the JEDEC spec owner of DDR5 RCD, MDB and CKD chips, driving the innovation and migration of memory interface technologies. Our memory interconnect chips hold a significant share of the global market. According to Frost & Sullivan, we have emerged as the largest memory interconnect chip supplier in the world, with 36.8% market share in terms of revenue in 2024.

Our key strategic directions in the memory interconnect chip market are as follows:

On the one hand, we will continue to drive the iteration of our DDR5 memory interface chips and expand into DDR6 memory interconnect chips. With the ongoing penetration and generational advancement of DDR5, our industry leadership in traditional memory interface chips will be further consolidated. At present, the JEDEC organization has initiated preliminary technical discussions and standard-setting for Gen1 DDR6 memory module and its memory interconnect chips, in which we are deeply involved.

BUSINESS OVERVIEW

On the other hand, we will lead innovation in memory interconnect technologies and facilitating the commercialization of new products. As the industry's demand for higher memory bandwidth and faster data transfer rates continues to grow, new products in memory interconnect domain are gradually moving into commercial-scale deployment, including MRCD/MDB chips for high-bandwidth server memory modules and CKD chips for PC memory modules. Leveraging our leading technological capabilities and superior product performance, we will fully benefit from the rapid development of new technologies and the widespread adoption of new products in the memory interconnect industry.

PCIe Interconnect Chip Market

Development Trends in PCIe Interconnect Chip Market

PCIe, as the core bus standard in modern computing, has become the cornerstone for high-speed data transfer between hosts and peripheral devices, owing to its flexible topology, low-latency architectural design and excellent compatibility. The future development of the PCIe interconnect chip market is primarily driven by the following key factors:

- Surge in AI server shipments drives robust demand for related chips

  As the number of GPUs and AI chips continues to rise and model sizes expand rapidly, demand for system bandwidth and high-speed interconnectivity has increased substantially. PCIe interconnect chips have become critical components for high-speed interconnect between devices. Taking a typical AI server equipped with eight GPUs as an example, such a system generally requires two to four PCIe switches for topology expansion, together with eight to 16 Retimers to extend the effective transmission distance between the CPU and peripheral devices. Demand for PCIe interconnect chips is therefore positively correlated with shipments of such AI servers.

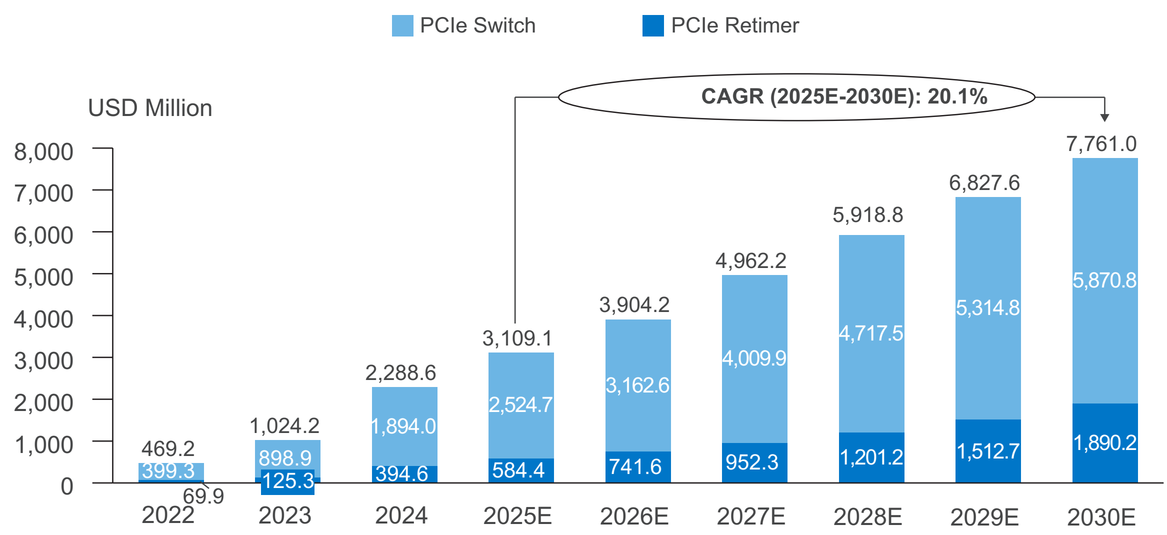
- Continuous upgrading of the PCIe protocol expand the application scenarios

  PCIe 5.0 is gradually becoming mainstream in the market and will further evolve toward PCIe 6.0 and PCIe 7.0 in the future. Each iteration of PCIe protocol doubles data transfer rates, driving two major growth dynamics. On the one hand, higher speeds give rise to more complex signal integrity challenges, extending the application scope of PCIe Retimers from current interconnect among CPUs, GPUs, AI accelerators, SSDs and network interface cards to connection-intensive scenarios such as active electrical cables (AEC), edge computing devices and intelligent vehicles. On the other hand, protocol iteration fuels demand for server cluster networking. PCIe switches are tasked with optimizing multi-device bandwidth and upgrading topology architectures, rendering them increasingly important in AI inference services and high-density data center deployments.

Market Size of PCIe Interconnect Chips

According to forecasts by industry consultant, the global PCIe interconnect chip market is expected to further expand from USD3,109 million in 2025 to USD7,761 million in 2030.

Market Size of PCIe Interconnect Chips (by Revenue), Breakdown by Product Types, Global, 2022-2030E



Source: Frost & Sullivan, 2025-2030 are estimated data (as of July 2025).

Competitive Landscape and Our Key Strategic Directions in PCIe Interconnect Chip Market

PCIe Retimer

We are one of the world's three leading suppliers of PCIe 4.0 Retimer chips. In the PCIe 5.0 era, we became the second company globally to achieve mass production of PCIe 5.0/CXL 2.0 Retimers, incorporating our proprietary SerDes IP in the process. Driven by rapidly growing demand for AI servers and the maturing PCIe 5.0 ecosystem, the global PCIe Retimer market has experienced explosive growth. Leveraging our products' strengths in low latency and channel flexibility, we have captured this market opportunity, achieving rapid shipment growth and significant market share gains over the past two years. As a result, we are now one of the two primary global suppliers of PCIe Retimer chips. According to Frost & Sullivan, we accounted for 10.9% of the global PCIe Retimer market by revenue in 2024, ranking second worldwide.

BUSINESS OVERVIEW

In January 2025, we introduced a PCIe 6.x/CXL 3.x Retimer chip supporting data rates of up to 64 GT/s, with low transmission latency and a link budget of up to 43 dB. Compared to PCIe 5.0, PCIe 6.0's shift from NRZ to PAM4 encoding significantly increases SerDes IP design complexity. Through sustained R&D innovation, we have successfully developed PCIe 6.0 SerDes technology and integrated it into this new-generation product, underscoring our technological leadership in PCIe interconnect solutions. In 2026, we launched a PCIe 6.x/CXL 3.x AEC (active electrical cables) solution designed to address the evolution of data center architecture from within-rack to rack-to-rack configurations, delivering high-bandwidth, low-latency interconnects for hyperscale data centers and high-performance server platforms. We are currently developing PCIe 7.0 Retimer chips, which will further elevate PCIe interconnect performance with a maximum data rate of 128 GT/s.

Looking ahead, we will continue to monitor the iterative advancement of PCIe interconnect technology. Through persistent technological innovation and product optimisation, we will provide customers with higher-quality and more comprehensive PCIe interconnect chip solutions, further enhance our core competitiveness and market share in this sector, and build a solid foundation for the Group's global market competition.

PCIe Switch

In addition to PCIe Retimer chips, AI servers also require PCIe Switch chips to enable non-blocking, high-throughput and low-latency switching, supporting high-performance interconnect between CPUs and GPUs, as well as between GPUs and peripherals including network interface cards and NVMe SSDs. Building on our technological expertise and customer base accumulated in PCIe Retimer chips, we are steadily advancing the development of PCIe Switch chips.

CXL Interconnect Chip Market

Development Trends in CXL Interconnect Chip Market

Amid the rapid development of AI and cloud computing, market demand for computing performance and storage capacity continues to grow. CXL interconnect technology, with its advantages in cache coherence, low latency and scalability, is emerging as a key enabler for large-scale computing applications. CXL-based new memory solutions, capable of delivering high-speed interfaces and elastic expansion, have demonstrated significant market potential. The future growth of the CXL interconnect chip market is primarily driven by two factors:

BUSINESS OVERVIEW

- AI infrastructure requires flexible multi-tier storage architecture; Rising importance of CXL technology

  CXL supports memory expansion and sharing mechanisms, providing larger memory capacity and more flexible resource allocation for AI applications and effectively alleviating memory bandwidth bottlenecks. As a key evolutionary direction for AI memory and heterogeneous computing, global chip companies are increasing their investments in CXL. As an essential enabler for the deployment of this technology, demand for CXL interconnect chips in the AI field will continue to rise.

- Evolution of system architecture and rising connection complexity expand application scenarios

  CXL MXC significantly enhances capacity and bandwidth in memory expansion and pooling, making it suitable for data-intensive applications such as cloud computing and AI. Certain TPU and GPU products have begun to support CXL. Leveraging memory expansion via CXL, these TPUs and GPUs are provisioned with high-capacity, high-bandwidth memory resources to accommodate ultra-long context windows and static knowledge bases for large language model inference workloads. Meanwhile, against the backdrop of persistently elevated memory prices, numerous cloud service providers (CSPs) are exploring the adoption of CXL technology to reuse legacy-generation DRAM products.

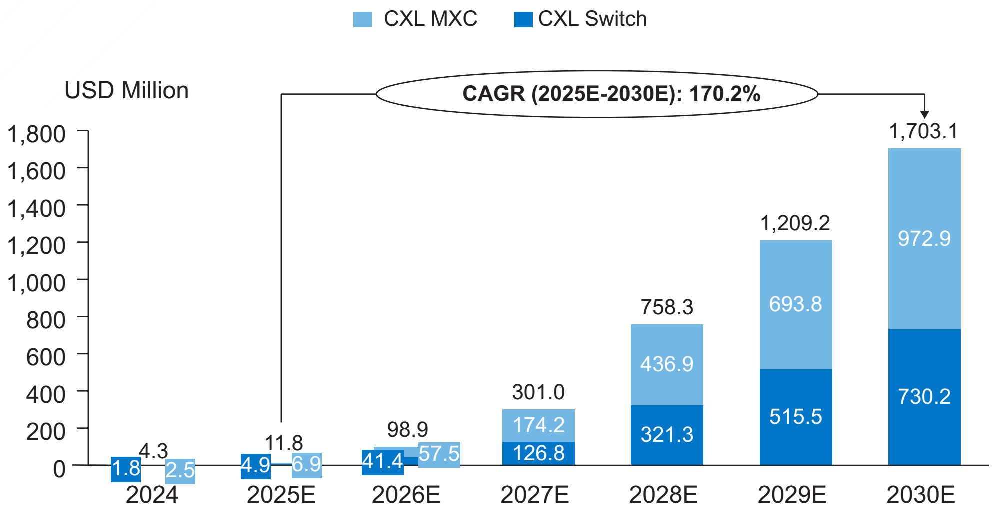
  Leading international cloud service providers have already deployed CXL memory pools in new-generation server clusters, where a single memory pool typically incorporates 16 to 32 CXL MXC chips and 2 to 4 CXL Switch chips.

BUSINESS OVERVIEW

Market Size of CXL Interconnect Chips

According to forecasts by industry consultant, the CXL interconnect chip was still in the early stage of commercialization in 2025, with an estimated market size of approximately USD11.8 million. It is projected to grow significantly, reaching USD1,703 million by 2030.

Market Size of CXL Interconnect Chips, Global, Breakdown by Product Types, Global, 2024-2030E



Source: Frost & Sullivan, 2025-2030 are projected data (as of July 2025).

Competitive Landscape and Our Key Strategic Directions in CXL Interconnect Chip Market

We are a pioneer in CXL interconnect technology. In 2022, we launched the world's first CXL MXC chip, collaborating with multiple memory manufacturers to advance the commercialization of CXL memory. In 2023, we became the first MXC chip supplier globally to be included in the CXL Compliance Vendor List. In January 2025, we once again demonstrated our technical strength by being listed among the first suppliers compliant with the CXL 2.0 standard. Notably, Samsung Electronics and SK hynix, which were listed concurrently, used our MXC chips in their tested products. In September of the same year, we introduced our CXL 3.1 MXC chip, which has begun sampling to key customers for testing. In July 2026, we announced industry-first trial production of CXL 3.2 MXC Chip which has already been integrated into next-generation CXL products by leading memory module manufacturers, including Samsung and SK hynix. Leveraging our profound technological expertise and continuous innovation, we maintain a relatively leading position in product development. Through close collaboration with industry chain partners, we contribute to the advancement of the CXL ecosystem. In November 2025, the CXL Consortium released the latest CXL 4.0 specification, which doubles the data transfer rate compared to CXL 3.x, reaching 128 GT/s – corresponding to the speed of PCIe 7.0.

At present, memory expansion applications based on CXL are becoming increasingly mature. The ecosystem and applications relating to CXL memory pooling and sharing are expected to further mature in the next one to two years. We will continue to invest in innovative R&D of CXL interconnect technology, capitalize on our first-mover advantage to gain an edge in the MXC chip market, and provide more efficient and reliable CXL memory solutions for AI and data center applications.

ETHERNET AND OPTICAL INTERCONNECT CHIP MARKET

Ethernet Interconnect Chips

Ethernet interconnect chips are core hardware components in data centers, cloud computing and AI infrastructure. They enable high-speed data exchange and low-latency communication between devices. These chips are mainly classified into three categories: (i) Ethernet Switches, which handle packet forwarding and traffic management and serve as the backbone of data center networks; (ii) NICs, which are deployed on servers as the key interface for connecting the host to the Ethernet and enabling data transmission; and (iii) Ethernet Retimers, which address timing distortion and signal attenuation in long-distance high-speed signal transmission, ensuring data integrity and system stability, particularly critical for AI servers and cloud computing nodes.

In future, the accelerated deployment of large AI models, AI servers, hyperscale data centers and high-bandwidth storage systems is generating surging demand for high-speed, low-latency networking. As 400G and 800G Ethernet solutions become mainstream and the market moves toward 1.6T, both the demand and value of Ethernet interconnect chips are expected to increase significantly.

The Company's in-development Ethernet PHY Retimer chips focus on securing signal integrity and stability of high-speed links connecting AI servers and network switches.

Optical Interconnect Chips

Optical interconnect chips are essential components that enable high-speed data transmission through optoelectronic conversion, serving as a core technology for next generation high-bandwidth, power-efficient interconnects in data centers and AI infrastructure.

These chips are generally classified into three categories:

- oDSPs, responsible for high-speed signal modulation/demodulation, waveform shaping, and DSP error correction, indispensable for advanced modulation formats such as 400G and 800G;

- Drivers and TIAs, where Drivers convert electrical signals into high-frequency analog signals to drive optical transmitters, and TIAs amplify weak current signals from photodiodes into voltage signals, enabling high-speed, high-sensitivity reception;

- Silicon photonic chips, which enable compact, high-speed optical interconnects by integrating photonic and electronic components on silicon, addressing bandwidth and power challenges in advanced computing systems.

In future, as the number of AI chips in large AI training clusters continues to grow and the demand for bandwidth density and energy efficiency between nodes accelerates, optical interconnects will become a critical part of advanced system architectures.

DIRECTORS AND SENIOR MANAGEMENT

CHANGES IN INFORMATION OF DIRECTORS

Dr. Wang Rui (王銳) has ceased to act as a non-executive Director and a member of the Strategy and ESG Committee due to retirement. In June 2026, Mr. Wang Zhicong (王稚聰) was appointed as the non-executive Director of the Group. The biography of Mr. Wang is set out below.

Mr. Wang Zhicong (王稚聰)

Mr. Wang Zhicong, aged 57, joined the Group as a non-executive Director in June 2026. Mr. Wang is responsible for providing strategic advice and recommendations on the operations and management of the Group.

Since joining Intel in 1997, Mr. Wang has held various management positions in Intel, including Vice President of Sales and Marketing Group, Executive General Manager of Intel China. Since August 2025, he has been serving as Chairman of Intel China.

Mr. Wang obtained his bachelor's degree in radio technology from Huazhong University of Science and Technology (華中科技大學) in the PRC in June 1991, his master's degree of engineering from Chongqing University (重慶大學) in the PRC in June 1994 and his master's degree in business administration from The Hong Kong University of Science and Technology in Hong Kong in June 2001.

The Board entered into a service agreement with Mr. Wang, in form satisfactory to the Company and Mr. Wang, the term of office under which shall be the same as that of the third session of Board, effective from the date of approval by the shareholders at the annual general meeting for the year 2025 on June 24, 2026. Save as disclosed above, Mr. Wang (i) did not hold any other directorships in other listed companies in the past three years; (ii) is not related to any Directors, senior management, or substantial or controlling shareholders of the Company; (iii) does not have or is not deemed to have, any interests in the shares, underlying shares or debentures in the Company within the meaning of Part XV of the SFO; and (iv) does not hold any other position in the Company or other members within the Group.

Having made specific enquiry and as confirmed by Directors, save for the biography details as disclosed under the section headed "Directors and Senior Management" of the 2025 Annual Report, no other changes in the information of Directors which shall be subject to disclosure according to paragraphs (a) to (e) and (g) under Rule 13.51(2) of the Listing Rules shall be disclosed in accordance with Rule 13.51B(1) of the Listing Rules since the Listing Date of the H Shares and up to June 30, 2026.

DIRECTORS' REPORT

PRINCIPAL ACTIVITIES

The Company is a leading global fabless IC design company focused on offering innovative, reliable and power-efficient interconnect solutions for cloud computing and AI infrastructure. We currently have two major product lines: interconnect chips and the Jintide products. Our interconnect chips primarily include memory interface chips, memory module supporting chips, PCIe/CXL interconnect chips and clock chips. Our Jintide products mainly consist of our Jintide CPU and Security & Trust Computing Accelerator. There was no significant change in the nature of the Group's principal activities during the Reporting Period.

Particulars of the Company's principal subsidiaries as at June 30, 2026 are set out in Note VIII.1 to the Consolidated Financial Statements.

BUSINESS REVIEW

A fair review of the business of the Group as well as a discussion and analysis of the Group's performance during the Reporting Period and the material factors underlying its financial performance and financial position as required by section 388(2) and Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) ("**Companies Ordinance**") can be found in the section headed "Management Discussion & Analysis" of this report.

PERMITTED INDEMNITY PROVISION AND DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

A permitted indemnity provision (as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) in relation to the directors' and officers' liability insurance is currently in force and was in force during the six months ended June 30, 2026. The Company has arranged appropriate directors' liability insurance coverage for the Directors of the Group since the Listing Date of the H Shares and up to June 30, 2026.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company had maintained the prescribed public float under Rule 8.08 and Rule 19A.28B(2) of the Listing Rules since the Listing Date of the H Shares and up to the Date of this Report.

KEY PERFORMANCE INDICATORS

Details of the key performance indicators of the Group as at June 30, 2026 are set out in the section headed "Management Discussion & Analysis" of this report.

DIRECTORS' REPORT

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at June 30, 2026, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations within the meaning of Part XV of the SFO, which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (c) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Interest in Shares and Underlying Shares of the Company

Name of Director/ Chief Executive	Nature of interest	Class of Share	Number of Shares directly or indirectly held/Nature of Shares Held	Percentage of the respective type of Shares(1)	Percentage of the total issued share capital(1)
Dr. Howard C. Yang	Beneficial owner(2)	A Shares	13,580,000/long positions	1.18%	1.11%
	Interest of controlled corporations(3)	A Shares	45,012,524/long positions	3.93%	3.68%
Mr. Stephen Tai	Beneficial owner(4)	A Shares	13,580,000/long positions	1.18%	1.11%
	Interest of controlled corporations(3)	A Shares	45,012,524/long positions	3.93%	3.68%
Ms. Fang Zhoujie	Beneficial owner	A Shares	1,066/long positions	0.0001%	0.0001%

Notes:

(1) As at June 30, 2026, the Company had a total of 1,222,200,021 issued shares, comprising 1,146,426,521 A Shares and 75,773,500 H Shares. The above calculation is based on the total number of issued shares and the total number of relevant classes of shares as at June 30, 2026.

(2) This includes 11,400,000 unvested restricted Shares granted under the Core Management Incentive Plan.

(3) WLT Partners is interested in 45,012,524 A Shares in the Company. The general partner of WLT Partners is WYK Co., Ltd. holding 9% of the interest. WYK Co., Ltd. is wholly-owned by Mr. Tai Kuai Lap. The limited partners of WLT Partners are Dr. Howard C. Yang and Mr. Stephen Tai, holding 45.5% and 45.5% of the interest, respectively. As such, each of Dr. Howard C. Yang, Mr. Stephen Tai, WYK Co., Ltd. and Mr. Tai Kuai Lap is deemed to be interested in the Shares beneficially owned by WLT Partners under the SFO.

(4) This includes 11,400,000 unvested restricted Shares granted under the Core Management Incentive Plan.

DIRECTORS' REPORT

Save as disclosed above, as at June 30, 2026, so far as is known to any Directors or the chief executive of the Company, none of the Directors nor the chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (b) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at June 30, 2026, the following persons (other than the Directors and chief executives whose interests have been disclosed in this report), had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Interest in Shares and Underlying Shares of the Company

Name of Shareholders	Capacity	Number of securities/ Nature of Shares held	Approximate percentage of shareholding in our A Shares/ H Shares	Approximate percentage of interest in our Company[1]
Mr. Tai Kuai Lap[2]	Interest of controlled corporations	70,690,511 A Shares/ long positions	6.17%	5.78%
JPMorgan Chase & Co.	Beneficial owner, investment manager, person having a security interest in shares and approved lending agent[3]	6,388,920 H Shares/ long positions[3]	8.43%	0.52%
		1,051,104 H Shares/ short positions[3]	1.38%	0.09%
		222,531 H Shares/ lending pool[3]	0.29%	0.02%
Citigroup Inc.	Interest of controlled corporations	3,976,191 H Shares/ long positions	5.25%	0.33%
		3,543,084 H Shares/ short positions	4.68%	0.29%
		695,249 H Shares/ lending pool	0.92%	0.06%
UBS Group AG	Interest of controlled corporation	5,419,273 H Shares/ long positions	7.15%	0.44%
Morgan Stanley	Interest of controlled corporation	4,244,096 H Shares/ long positions	5.60%	0.35%
		1,775,371 H Shares/ short positions	2.34%	0.15%

DIRECTORS' REPORT

Name of Shareholders	Capacity	Number of securities/ Nature of Shares held	Approximate percentage of shareholding in our A Shares/ H Shares	Approximate percentage of interest in our Company(1)
Alisoft China Holding Limited(4)	Beneficial owner	4,451,900 H Shares/ long positions	5.88%	0.36%
Yunfeng Investments Limited(5)	Interest of controlled corporation	4,814,800 H Shares/ long positions(5)	6.35%	0.39%

Notes:

(1) As at June 30, 2026, the Company had a total of 1,222,200,021 issued shares, comprising 1,146,426,521 A Shares and 75,773,500 H Shares. The above calculation is based on the total number of issued shares and the total number of relevant classes of shares as at June 30, 2026.

(2) As at June 30, 2026, Shanghai Rongying is interested in 25,677,987 A Shares in the Company. Its general partners are Ms. Yang Chongyi (楊崇頤) and Ms. Bai Xue (白雪), an Independent Third Party, holding 0.01% and 0.01% of the interest therein, respectively. Ms. Yang Chongyi is Dr. Howard C. Yang's sister. The limited partners of Shanghai Rongying are Jiaxing Heguang Investment Partnership (Limited Partner) (嘉興和光投資合夥企業(有限合夥)) and HARMONIALUX HOLDINGS (HONG KONG) LIMITED, holding 98.30% and 1.68% of the interest therein, respectively. The general partner of Jiaxing Heguang Investment Partnership (Limited Partner) is Ms. Bai Xue holding 0.10% therein. The limited partners of Jiaxing Heguang Investment Partnership (Limited Partner) are HARMONIALUX HOLDINGS (HONG KONG) LIMITED, holding 80% therein, and Zhuting Culture Communication (Shanghai) Co., Ltd. (竹汀文化傳播(上海)有限公司), holding 19.90% therein, which is in turn wholly-owned by HARMONIALUX HOLDINGS (HONG KONG) LIMITED, a company held as to 70% by Mr. Tai Kuai Lap, Mr. Stephen Tai's father.

WLT Partners is interested in 45,012,524 A Shares in the Company. The general partner of WLT Partners is WYK Co., Ltd. holding 9% of the interest. WYK Co., Ltd. is wholly-owned by Mr. Tai Kuai Lap.

As such, Mr. Tai Kuai Lap is deemed to be interested in the Shares beneficially owned by WLT Partners and Shanghai Rongying.

(3) Includes the following interests held in the following capacity:

Capacity	Number of securities/Nature of Shares held
Beneficial owner	1,006,394 H Shares/long positions
	1,051,104 H Shares/short positions
Investment manager	4,926,895 H Shares/long positions
Person having a security interest in shares	233,100 H Shares/long positions
Approved lending agent	222,531 H Shares/long positions

(4) Alisoft China Holding Limited is a limited liability company incorporated in Hong Kong and is wholly owned by Alisoft Investment Holding Limited, which is in turn wholly owned by Alisoft Holding Limited. Alisoft China Holding Limited is an indirect wholly-owned subsidiary of Alibaba Group Holding Limited.

(5) Includes 3,282,800 and 1,532,000 H Shares held by New Alternative Limited and New Golden Future Limited, respectively. Both New Alternative Limited and New Golden Future Limited are wholly owned subsidiary of Yunfeng Investments Limited. Yunfeng Investments Limited is majority-owned and controlled by Mr. Yu Feng, with the remaining equity interest held by Mr. Ma Yun.

Save as disclosed above and to the best knowledge of the Directors, as at June 30, 2026, the Company is not aware of any other person (other than the Directors or the chief executive of the Company) who had an interest or short position in the Shares or underlying Shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

ARRANGEMENT FOR DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this report, at no time during the Reporting Period was the Company or any of its subsidiaries, the holding company, a party to any arrangement to enable a Director to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

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

During the six months ended June 30, 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules)). The total number of treasury shares of A Shares is 12,533,000 as at June 30, 2026. The Company intends to use the treasury shares, including but not limited to cancellation, sale or transfer (which include transfer pursuant to share incentive schemes or as consideration in transactions, where applicable) of treasury shares in compliance with the Listing Rules and applicable rules and regulations, based on market conditions that may arise from time to time.

PRE-EMPTIVE RIGHTS

The Company's shareholders are not entitled to have pre-emptive right according to the provisions of Chinese law and the Articles of Association.

PENSION SCHEMES

Details of the pension schemes are set out in Note V.23 to the Consolidated Financial Statements.

During the Reporting Period, no forfeited contributions were utilised by the Group to reduce its contributions.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

During the six months ended June 30, 2026, the Company did not have any disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

DIRECTORS' REPORT

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

The Group has compliance policies and procedures in place to ensure adherence to applicable laws, rules and regulations, in particular, those that have a significant impact on it. The Group would seek professional legal advice from its legal advisers to ensure that transactions and business to be performed by the Group are in compliance with the applicable laws and regulations. During the six months ended June 30, 2026, the Group was not aware of any non-compliance with the laws, regulations and regulatory requirements of the places where the Group operates in all material respects, including the requirements under the Companies Ordinance, the Listing Rules, the SFO and the Corporate Governance Code for, among other things, the disclosure of information and corporate governance.

EQUITY-LINKED AGREEMENT

Save as disclosed in this report, the Company had not entered into any equity-linked agreement for the six months ended June 30, 2026, nor did any equity-linked agreement subsist as at June 30, 2026.

MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration during the six months ended June 30, 2026. Save as disclosed in this report, the Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the six months ended June 30, 2026.

MANAGEMENT CONTRACTS

Save for the service contracts entered into with any Directors and full-time employee of the Company, no contract of significance concerning the management and administration of the whole or any substantial part of business of the Company or any of its subsidiaries was entered into or subsisted during the Reporting Period.

RELATED PARTY TRANSACTIONS

Details of the related party transactions carried out in the normal course of business are set out in Note XII to the Consolidated Financial Statements. Save for the related party transactions involving payment of remuneration to certain Directors, which constitute connected transactions fully exempt from the requirements under Chapter 14A of the Listing Rules, during the Reporting Period, none of these related party transactions constitutes a connected transaction or continuing connected transaction as defined under the Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules and disclosed in this report.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The H Shares of the Company were successfully listed on the Main Board of the Hong Kong Stock Exchange on February 9, 2026. The net proceeds from the Global Offering received by the Company were approximately HK$6,881.1 million after deducting underwriting commissions and listing expenses, which will be utilized for the purposes set out in the Prospectus. As at the Date of this Report, there was no change in the intended use of net proceeds as previously disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus. To the extent that net proceeds are not immediately used for the intended use, the Company will place the net proceeds as short-term interest-bearing accounts at licensed commercial banks and/or other authorised financial institutions (as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), or applicable laws and regulations in other jurisdictions).

The over-allotment option described in the Prospectus was fully exercised on February 10, 2026 in respect of an aggregate of 9,883,500 H Shares, representing approximately 15% of the total number of H Shares initially available under the Global Offering before any exercise of the over-allotment option.

The additional H Shares were issued and allotted by the Company at HK$106.89 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), being the offer price per H Share under the Global Offering.

The additional net proceeds of approximately HK$1,043.2 million received by the Company from the issue of the additional H Shares after deduction of the underwriting commission, fees and estimated expenses payable by the Company in connection with the full exercise of the over-allotment option, will be used by the Company on a pro rata basis for the purposes as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

DIRECTORS' REPORT

The net proceeds of approximately HK$7,924.3 million will be applied in the manner as set out below:

Use of proceeds	Percentage (%)	Planned allocation of Net Proceeds (HK$ million)	Net proceeds utilized from listing date to June 30, 2026 (HK$ million)	Net proceeds unutilized as of June 30, 2026 (HK$ million)	Expected timeline for utilisation of unutilised net proceeds(1)
R&D in interconnect chip domain	70.0	5,547.1	110.7	5,436.4	By 2031
Enhancing commercialization capabilities	5.0	396.2	10.0	386.2	By 2031
Strategic investments and/or acquisitions	15.0	1,188.6	242.4	946.2	By 2029
Working capital and other general corporate purposes(2)	10.0	792.4	69.2	723.2	By 2029
Total	100.0	7,924.3	432.3	7,492.0	–

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

(2) Working capital and other general corporate purposes, including but not limited to payments to suppliers and the settlement of daily operating expenses.

EMOLUMENT POLICY AND DIRECTORS' REMUNERATION

As of June 30, 2026, the Group had a total of 815 employees (as of December 31, 2025: 784). The total employee remuneration expenses for the six months ended June 30, 2026, including share-based compensation expenses, were RMB630 million, as compared to RMB502 million for the six months ended June 30, 2025.

Pursuant to Rule 3.25 of the Listing Rules and the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, the Company has established the Remuneration and Appraisal Committee to formulate remuneration policies. The Directors and senior management who receive remuneration from the Company are paid in forms of base salaries, bonuses, incentive plans. The remuneration is determined and recommended based on the experience, qualification, position and seniority of each Director and senior management. As for the independent non-executive Directors, their remuneration is determined by the Board based on the recommendation from the Remuneration and Appraisal Committee. The Directors and senior management are eligible participants of the applicable share incentive plans. Details of the share incentive plans can be referred to the section headed "Share Incentive Schemes" in this report.

We have an effective training system, including orientation and continuous on-job training, to improve the knowledge and skill levels of our workforce. Our orientation for newly joined employees covers corporate culture and policies, as well as an introduction to our business and daily operational processes. Our periodic on-job training encompasses subjects ranging from day-to-day operations to general management skills, consistently enhancing employees' overall professional capabilities.

DISTRIBUTABLE RESERVES

For changes in the Company's reserves and distributable reserves, please refer to the "Consolidated statement of changes in equity" under the Consolidated Financial Statements and Notes V.31 and V.35 of this report.

RESULTS AND DIVIDEND

Details of the consolidated income of the Group for the six months ended June 30, 2026 and the Group's financial position as at June 30, 2026 are set out in the Consolidated Financial Statements and their accompanying notes.

The Board has considered and approved the resolution in relation to the 2026 interim profit distribution plan. Pursuant to the 2026 interim profit distribution plan, the Board proposes to distribute an interim dividend of RMB2.00 (tax inclusive) per 10 shares, based on the total shares registered on the record date for the equity distribution, after deducting shares repurchased and held in the share repurchase reserve account. Dividends on A Shares will be paid in RMB and dividends on H Shares in HKD. The actual dividend amount for H Shares will be calculated based on the RMB-to-HKD central parity rate (HKD1 = RMB0.86535) announced by the People's Bank of China on the trading day immediately preceding the Board's consideration of this plan (27 August 2026). A dividend of HKD2.31 (tax inclusive) will be payable for every 10 H Shares.

As at the date of this interim report, the total number of Shares of the Company is 1,220,538,021 Shares, including 11,781,000 repurchased A Shares which are held as treasury shares by the Company. Based on the above, the total interim dividend of the Company amounts to approximately RMB241,751,404.20 (tax inclusive).

The Company will announce the record date and the expected payment date for the 2026 interim profit distribution separately. If there is any change in the total share capital of the Company before the record date for the implementation of the profit distribution, the Company will maintain the distribution amount per share unchanged and adjust the total amount of dividend distribution accordingly, and will announce the details of the adjustment separately.

SHARE CAPITAL

Details of the movements in share capital of the Company during the Reporting Period are set out in Note V.30 to the Consolidated Financial Statements of this report.

TAX RELIEF AND EXEMPTION OF DIVIDEND

A Shareholders

(1) Individual Income Tax

Pursuant to the relevant provisions of the *Notice on Issues Concerning the Implementation of the Differentiated Individual Income Tax Policy on Dividends of Listed Companies* (Caishui [2012] No. 85) and the *Notice on Issues Concerning the Differentiated Individual Income Tax Policy on Dividends of Listed Companies* (Caishui [2015] No. 101), in respect of individual shareholders and securities investment funds, where the holding period is within one month (inclusive), the entire dividend income shall be included in taxable income and be subject to individual income tax at the rate of 20%; where the holding period is more than one month but not more than one year (inclusive), 50% of the dividend income shall be temporarily included in taxable income and be subject to individual income tax at the rate of 20%; and where the holding period exceeds one year, the dividend income shall be temporarily exempt from individual income tax.

When the Company distributes dividends, in respect of individual shareholders and securities investment funds holding A Shares for not more than one year (inclusive) as at the record date, the Company will not temporarily withhold and remit individual income tax. Upon transfer of such A Shares by individual investors or securities investment funds, China Securities Depository and Clearing Corporation Limited shall calculate the tax payable based on their respective holding periods.

(2) Enterprise Income Tax

For holders of A Shares who are PRC resident enterprises, the enterprise income tax on cash dividends shall be declared and paid by such shareholders themselves.

For holders of A Shares who are Qualified Foreign Institutional Investors ("**QFIIs**"), pursuant to the *Notice on Issues Concerning the Withholding and Payment of Enterprise Income Tax on Dividends, Bonuses and Interest Paid by PRC Resident Enterprises to QFIIs* (Guoshuihan [2009] No. 47), the Company shall withhold and remit enterprise income tax at the rate of 10%. Where the relevant shareholders consider that the dividend income derived by them is entitled to preferential treatment under any tax treaty (or arrangement), applications may be made in accordance with the prevailing administrative requirements for tax treaty treatment.

Pursuant to the *Notice on the Tax Policies Related to the Pilot Programme of the Shanghai-Hong Kong Stock Connect* (Caishui [2014] No. 81), in respect of dividend income derived by Hong Kong market investors (including enterprises and individuals) from investment in the Company's A Shares through the Shanghai-Hong Kong Stock Connect, before Hong Kong Securities Clearing Company Limited is able to provide China Securities Depository and Clearing Corporation Limited with detailed data in respect of the identities of the investors and their holding periods, the differentiated taxation policy based on holding period will not be implemented temporarily. Accordingly, the Company shall withhold income tax at the rate of 10% and file the relevant withholding return with its competent tax authority. For Hong Kong investors who are tax residents of countries other than the PRC and whose countries of tax residence have entered into tax treaties with the PRC stipulating a dividend tax rate lower than 10%, such enterprises or individuals may, in accordance with the prevailing administrative requirements for tax treaty treatment, apply for a refund of the excess tax paid.

H Shareholders

(1) Individual Income Tax

Pursuant to the *Notice on Certain Policy Issues Concerning Individual Income Tax* (Caishuizi [1994] No. 020), foreign individuals are temporarily exempt from PRC individual income tax on dividends and bonuses received from foreign-invested enterprises. Accordingly, when the Company distributes dividends to foreign individual holders whose names appear on the register of members for H Shares, the Company will not temporarily withhold or remit PRC individual income tax on behalf of such holders.

(2) Enterprise Income Tax

Pursuant to the *Notice on Issues Concerning the Withholding and Payment of Enterprise Income Tax on Dividends Distributed by PRC Resident Enterprises to Overseas Non-resident Enterprise Holders of H Shares* (Guoshuihan [2008] No. 897), where a PRC resident enterprise distributes dividends for the years from 2008 onwards to overseas non-resident enterprise holders of H Shares, enterprise income tax shall be withheld and remitted at the rate of 10%. Where the relevant shareholders are entitled to preferential treatment under any tax treaty (or arrangement), applications may be made in accordance with the prevailing administrative requirements for tax treaty treatment.

(3) Shanghai-Hong Kong Stock Connect

For Mainland investors investing in the Company's H Shares through the Shanghai Stock Exchange (including enterprises and individuals), China Securities Depository and Clearing Corporation Limited, Shanghai Branch, as the nominee holder of investors in H Shares under the Shanghai-Hong Kong Stock Connect, will receive the cash dividends distributed by the Company and distribute such cash dividends to the relevant investors in the Company's H Shares through its registration and settlement system.

Pursuant to the *Notice on the Tax Policies Related to the Pilot Programme of the Shanghai-Hong Kong Stock Connect* jointly issued by the Ministry of Finance of the PRC, the State Taxation Administration of the PRC and the China Securities Regulatory Commission (Caishui [2014] No. 81): (1) in respect of dividend income derived by Mainland individual investors from investment in H Shares listed on The Stock Exchange of Hong Kong Limited through the Shanghai-Hong Kong Stock Connect, the Company shall withhold individual income tax at the rate of 20%; (2) in respect of dividend income derived by Mainland securities investment funds from investment in shares listed on The Stock Exchange of Hong Kong Limited through the Shanghai-Hong Kong Stock Connect, individual income tax shall be levied by reference to the treatment applicable to individual investors; and (3) in respect of dividend income derived by Mainland enterprise investors from investment in shares listed on The Stock Exchange of Hong Kong Limited through the Shanghai-Hong Kong Stock Connect, the Company will not withhold tax on dividend income, and the tax payable shall be declared and paid by the enterprises themselves. In particular, dividend income derived by Mainland resident enterprises from holding H Shares continuously for 12 months or more shall be exempt from enterprise income tax in accordance with the law.

(4) Shenzhen-Hong Kong Stock Connect

For Mainland investors investing in the Company's H Shares through the Shenzhen Stock Exchange (including enterprises and individuals), China Securities Depository and Clearing Corporation Limited, Shenzhen Branch, as the nominee holder of investors in H Shares under the Shenzhen-Hong Kong Stock Connect, will receive the cash dividends distributed by the Company and distribute such cash dividends to the relevant investors in the Company's H Shares through its registration and settlement system.

Pursuant to the *Notice on the Tax Policies Related to the Pilot Programme of the Shenzhen-Hong Kong Stock Connect* (Caishui [2016] No. 127): (1) in respect of dividend income derived by Mainland individual investors from investment in H Shares listed on The Stock Exchange of Hong Kong Limited through the Shenzhen-Hong Kong Stock Connect, the Company shall withhold individual income tax at the rate of 20%; (2) in respect of dividend income derived by Mainland securities investment funds from investment in shares listed on The Stock Exchange of Hong Kong Limited through the Shenzhen-Hong Kong Stock Connect, individual income tax shall be levied by reference to the treatment applicable to individual investors; and (3) in respect of dividend income derived by Mainland enterprise investors from investment in shares listed on The Stock Exchange of Hong Kong Limited through the Shenzhen-Hong Kong Stock Connect, the Company will not withhold tax on dividend income, and the tax payable shall be declared and paid by the enterprises themselves. In particular, dividend income derived by Mainland resident enterprises from holding H Shares continuously for 12 months or more shall be exempt from enterprise income tax in accordance with the law.

Shareholders of the Company shall be responsible for complying with the relevant tax requirements and/or claiming any applicable tax benefits in accordance with the aforesaid provisions. The Company shall determine the identity of shareholders and the applicable tax treatment solely based on the registration information provided by China Securities Depository and Clearing Corporation Limited and the Hong Kong share registrar. Shareholders are advised to consult their professional advisers regarding the PRC, Hong Kong and other tax implications arising from the holding and disposal of the Company's shares.

BANK BORROWINGS AND OTHER BORROWINGS

As of June 30, 2026, the Group had recorded bank interest-bearing borrowings of RMB113 million. All the borrowings are denominated in Renminbi and bear a floating interest rate.

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

Save as disclosed in this report including the bank borrowings and lease liabilities, we had no outstanding indebtedness or any loan capital issued and outstanding or agreed to be issued, bank overdrafts, term-loans, other borrowings or similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other contingent liabilities or any covenant in connection therewith as of June 30, 2026.

DIRECTORS' REPORT

CAPITAL COMMITMENT

As of June 30, 2026, capital commitment of the Group was RMB64 million (as of December 31, 2025: RMB99 million), mainly used for capital expenditure on construction of plant and buildings and acquisition of machinery and equipment.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save for the 2026 interim dividend to be distributed after the Reporting Period (for details, please refer to Note XV to the Consolidated Financial Statements of this report.), the Company is not aware of any material subsequent events after June 30, 2026 and up to the date of this interim report.

ALIGNMENT IN PREPARATION OF FINANCIAL REPORTS IN ACCORDANCE WITH THE CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

At the 14th meeting of the third session of the Board convened on March 9, 2026, the resolution regarding the Alignment in Preparation of Financial Reports in Accordance with the China Accounting Standards for Business Enterprises was considered and approved. The adoption of the China Accounting Standards for Business Enterprises for the preparation of financial reports and disclosure of related financial information on a uniform basis will not have any material impact on the performance or financial position of the Company. For details, please refer to the announcement of the Company dated March 9, 2026.

RELEVANT INVESTIGATION MATTERS

On July 15, 2026 (South Korea time), an on-site search and seizure was commenced by the Fair Trade Investigation Division of the Seoul Central District Prosecutors' Office in South Korea (the "**PO**") at the office of a member of the Group in South Korea regarding an investigation of a potential competition law violation.

The Group has been fully cooperating with the PO's request. As at the date of this announcement, none of the Group, its directors and employees has been charged by the PO or any government authorities with any wrongdoing. The Group's business operations remain normal and the Group remains fully focused on products research and development, as well as serving our customers.

Considering the current stage of the investigation, the Company is of the view that it is not feasible to predict the timing or the outcome of the investigation, including whether any follow-up actions may be taken against the Group, whether any charges will or will not be filed against the Group or other parties, or whether the investigation will have a material adverse impact on the financial condition of the Group.

Solely for completeness, the total revenue and the revenue derived from South Korea of the Group accounted for approximately RMB5,456 million and RMB2,925 million for the year ended December 31, 2025, respectively.

The Company will closely monitor the subsequent developments of the aforementioned event and will make further announcement(s) as and when appropriate in accordance with the requirements of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and/or other applicable laws and regulations. For details, please refer to the announcement of the Company dated July 16, 2026.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is highly aware of the importance of environmental protection and has not noted any material incompliance with all relevant laws and regulations in relation to its business including environmental protection, health and safety, workplace conditions, employment and environment. The Group has established detailed internal rules regarding environmental protection and adopted effective measures to achieve efficient use of resources, waste reduction and energy saving.

RELATIONSHIPS WITH THE GROUP'S EMPLOYEES

The Group believes that employees are important and valuable assets. The Group will provide trainings for employees to enhance their knowledge in corporate values and culture and to implement them thoroughly. Meanwhile, the Group encourages staff on continuous learning by sponsoring recognized development trainings. The Group also aims to provide competitive and attractive remuneration packages to retain its employees. Management reviews annually the remuneration package offered to the employees of the Group. Meanwhile, for the purpose of providing incentives and rewards to eligible participants who have contributed to the success of the Group's operations, the Company has adopted the Employee Incentive Plan 2023, Employee Incentive Plan 2024, Core Management Incentive Plan and H Share Incentive Scheme. Details of such schemes are set out in the sub-sections headed "Share Incentive Schemes" in this report.

SHARE INCENTIVE SCHEMES

Prior to the Listing Date of the H Shares, we have adopted three share incentive schemes, collectively referred to as Incentive Schemes. Given that no further restricted shares will be granted under the Incentive Schemes after the listing of the Company's H shares, the terms of such Incentive Schemes are not subject to the provisions of Chapter 17 of the Hong Kong Listing Rules. On June 24, 2026, we further adopted the H Share Incentive Scheme involving the issue of new Shares as defined under and complying with Chapter 17 of the Listing Rules.

Employee Incentive Plan 2023

Summary

The Employee Incentive Plan 2023, together with the total new A Shares issuable thereunder, has been approved by Shareholders. As of June 30, 2026, our Company has granted outstanding restricted shares under the Employee Incentive Plan 2023 to 145 Grantees, entitling them to subscribe for an aggregate of 617,477 A Shares, representing approximately 0.05% of Company's shares in issue (excluding treasury shares). No restricted shares were granted to any Directors, senior management members or connected persons of our Company under the Employee Incentive Plan 2023. No restricted shares under the Employee Incentive Plan 2023 will be further granted after Listing, and all restricted shares have been granted to specific individuals under the Employee Incentive Plan 2023. The number of restricted shares available for grant under the Employee Incentive Plan 2023 at the beginning and the end of the Reporting Period is nil and nil, respectively.

Purpose

To motivate key employees of the Company by aligning their interests with the interests of shareholders and the Company's long-term success, the plan aims to attract and retain talent, enhance their commitment to achieving Company goals, and drive sustainable growth by linking compensation to specific performance metrics and continued employment.

Type of Awards

The Employee Incentive Plan 2023 provides for awards of restricted shares.

Scope of Participants

Key employees in the field of technology and business including foreign employees (excluding directors, supervisors, shareholders who individually or collectively hold more than 5% of the Shares of the listed company, the actual controller of the listed company and their spouses, parents, and children). The Employee Incentive Plan 2023 (including the grantees who fall within the scope of the incentive targets under the Employee Incentive Plan 2023) has been approved by the Remuneration and Appraisal Committee, and the list of grantees has been reviewed by the then supervisory board of the Company and publicly announced by the Company.

Administration

The Shareholders' meeting holds ultimate authority, approving the plan's implementation, amendments, and termination whilst the Board executes the plan, managing grant allocation and vesting processes, and can authorize a committee for specific tasks. The Supervisory Board and/or the Remuneration and Appraisal Committee and independent Directors (if applicable) shall monitor the execution of the plan.

Source of Shares

The source of the underlying Shares of the Employee Incentive Plan 2023 shall be A Shares of the Company repurchased from the secondary market and/or A Shares issued by the Company to the incentive recipients.

Maximum Number of Shares

The number of A Shares under the Employee Incentive Plan 2023 shall not exceed 1,973,000 Shares, accounting for 0.17% of the total share capital of the Company on the date of publication of the plan. The total number of A Shares involved with all incentive plans of the Company shall not exceed 20% of the total outstanding share capital of our Company. The maximum number of Shares granted to any participant under the Employee Incentive Plan 2023 shall not exceed 1% of the total outstanding share capital of our Company.

DIRECTORS' REPORT

Term

The Employee Incentive Plan 2023 has a term of not more than 60 months, beginning from the grant date until all restricted shares are vested or invalidated, as determined by the Shareholders' meeting. The plan will end if not extended after this term. Early termination is possible once all shares are registered under the name of the relevant grantee upon completion of the last vesting schedule of the plan. The remaining life of the Employee Incentive Plan 2023 is one year and five months as at June 30, 2026.

Vesting Period and Purchase Period

The restricted shares shall vest in tranches of 30%, 30% and 40% in each of the three vesting periods that occur between the first trading date after 12 months from the date of grant and the last trading day up to 48 months from the date of grant, respectively, contingent upon meeting both company performance targets (gross profit) and individual performance evaluations against the specific and applicable KPIs. The relevant Grantees must maintain continuous employment throughout the vesting period.

The Grantees will have the right to be registered as a Shareholder on the date of the vesting of the restricted shares upon payment of the relevant purchase price to subscribe for such number of underlying A Shares.

Purchase Price

As of June 30, 2026, the purchase price of the restricted shares granted under the Employee Incentive Plan 2023 is RMB18.81 per A Share. The purchase price was determined mainly based on the average trading price of the trading day prior to and the average trading prices of A Shares in the 20, 60 and 120 trading days prior to the announcement of the Employee Incentive Plan 2023, adjusted upon the occurrence of certain events, including among others, increase in the share capital by way of capitalization of capital reserves, issue of bonus shares, subdivision of shares, issue of new shares or payment of dividends.

Consideration upon grant is not applicable to restricted shares granted pursuant to the Employee Incentive Plan 2023.

Outstanding Restricted Shares Granted under the Employee Incentive Plan 2023

There were no grants made to Directors, senior management or connected person of the Company under the Employee Incentive Plan 2023. The table below shows the details of movements of restricted shares granted under the Employee Incentive Plan 2023 during the Reporting Period:

Participant	Date of Grant	Purchase price (RMB/ Restricted Share)	Vesting period	Performance targets	Unvested as of January 1, 2026	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed/ Cancelled during the Reporting Period	Unvested as of June 30, 2026
145 employees	June 29, 2023 - November 28, 2023	18.81	The restricted shares shall vest in tranches of 30%, 30% and 40% in each of the three vesting periods that occur between the first trading date after 12 months from the date of grant and the last trading day up to 48 months from the date of grant, respectively.	The vesting is contingent upon meeting both company performance targets (gross profit) and individual performance evaluations against the specific and applicable KPIs.	632,057	0	0	14,580	617,477
Total					**632,057**	**0**	**0**	**14,580**	**617,477**

Note 1: No restricted shares under the Employee Incentive Plan 2023 will be further granted after Listing, and all restricted shares have been granted to specific individuals under the Employee Incentive Plan 2023.

Note 2: The fair value of restricted shares at the date of grant is RMB36.15 to RMB40.50 per share and for details of the accounting standard and policy adopted, please refer to III.19 and XIII of the Notes to the Consolidated Financial Statements in the 2025 Annual Report.

DIRECTORS' REPORT

Employee Incentive Plan 2024

Summary

The Employee Incentive Plan 2024, together with the total new A Shares issuable thereunder, has been approved by Shareholders. As of June 30, 2026, our Company has initially granted outstanding restricted shares under the Employee Incentive Plan 2024 to 424 Grantees, entitling them to subscribe for an aggregate of 3,002,220 A Shares, representing approximately 0.25% of Company's shares in issue (excluding treasury shares). No outstanding restricted shares were granted to any Directors, senior management members or connected persons of our Company under the Employee Incentive Plan 2024, and all restricted shares have been granted to specific individuals under the Employee Incentive Plan 2024. The number of restricted shares available for grant under the Employee Incentive Plan 2024 at the beginning and the end of the Reporting Period is nil and nil, respectively.

The following is a summary of the principal terms of the Employee Incentive Plan 2024:

Purpose

For details, see "—Employee Incentive Plan 2023 — Purpose" in this report.

Type of Awards

The Employee Incentive Plan 2024 provides for awards of restricted shares.

Scope of Participants

For details, see "—Employee Incentive Plan 2023 — Scope of Participants" in this report.

Administration

For details, see "—Employee Incentive Plan 2023 — Administration" in this report.

Source of Shares

For details, see "—Employee Incentive Plan 2023 — Source of Shares" in this report.

Maximum Number of Shares

The number of A Shares under the Employee Incentive Plan 2024 shall not exceed 4,541,000 Shares, accounting for 0.40% of the total share capital of the Company on the date of publication of the plan. The total number of A Shares involved with all incentive plans of the Company shall not exceed 20% of the total outstanding share capital of our Company. The maximum number of Shares granted to any participant under the Employee Incentive Plan 2024 shall not exceed 1% of the total outstanding share capital of our Company.

Term

For details, see "—Employee Incentive Plan 2023 — Term" in this report. The remaining life of the Employee Incentive Plan 2024 is two years and four months as at June 30, 2026.

Vesting Period and Purchase Period

The initial restricted shares shall vest in tranches of 35%, 35% and 30% in each of the three vesting periods that occur between the first trading date after 12 months from the date of grant and the last trading day up to 48 months from the date of grant, respectively, upon meeting both company performance targets (gross profit) and individual performance evaluations against the specific and applicable KPIs. The reserved restricted shares shall vest in tranches of 50% and 50% in each of the two vesting periods that occur between the first trading date after 12 months from the date of grant and the last trading day up to 36 months from the date of grant, respectively, subject to performance targets identical as those of the initial grants. The employees must maintain continuous employment throughout the vesting period.

The Grantees will have the right to be registered as a Shareholder on the date of the vesting of the restricted shares upon payment of the relevant purchase price to subscribe for such number of underlying A Shares.

Purchase Price

As of June 30, 2026, the purchase price of the initial and reserved restricted shares granted under the Employee Incentive Plan 2024 is RMB26.01 per A Share. The purchase price was determined based on the higher of (i) the par value of the A Shares, (ii) 50% of the average trading price of the A Shares on the trading day immediately prior to and (iii) 50% of the average trading price of the A Shares in the 120 trading days prior to the announcement of the Employee Incentive Plan 2024, being adjusted in the similar manner as Employee Incentive Plan 2023. For details of adjustment, see "—Employee Incentive Plan 2023 — Purchase Price" in this report. Consideration upon grant is not applicable to restricted shares granted pursuant to the Employee Incentive Plan 2024.

Outstanding Restricted Shares Granted under the Employee Incentive Plan 2024

There were no grants made to Directors, senior management or connected person of the Company under the Employee Incentive Plan 2024. The table below shows the details of movements of restricted shares granted under the Employee Incentive Plan 2024 during the Reporting Period:

DIRECTORS' REPORT

Participant	Date of Grant	Purchase price (RMB/ Restricted Share)	Vesting period	Performance targets	Unvested as of January 1, 2026	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed/ Cancelled during the Reporting Period	Unvested as of June 30, 2026
424 employees	October 31, 2024 - July 7, 2025	26.01	*Initial grant:* The initial restricted shares shall vest in tranches of 35%, 35% and 30% in each of the three vesting periods that occur between the first trading date after 12 months from the date of grant and the last trading day up to 48 months from the date of grant, respectively. *Subsequent grant:* The reserved restricted shares shall vest in tranches of 50% and 50% in each of the two vesting periods that occur between the first trading date after 12 months from the date of grant and the last trading day up to 36 months from the date of grant, respectively.	Vesting is conditional upon meeting both company performance targets (gross profit) and individual performance evaluations against the specific and applicable KPIs.	3,075,010	0	0	72,790	3,002,220
Total					**3,075,010**	**0**	**0**	**72,790**	**3,002,220**

Note 1: No restricted shares under the Employee Incentive Plan 2024 will be further granted after Listing, and all restricted shares have been granted to specific individuals under the Employee Incentive Plan 2024.

Note 2: The fair value of restricted shares at the date of grant is RMB42.25 to RMB54.95 per share and for details of the accounting standard and policy adopted, please refer to III.19 and XIII of the Notes to the Consolidated Financial Statements in the 2025 Annual Report.

Core Management Incentive Plan

Summary

The Core Management Incentive Plan, together with the total new A Shares issuable thereunder, has been approved by Shareholders. As of June 30, 2026, our Company has granted outstanding restricted shares under the Core Management Incentive Plan to 2 Grantees, entitling them to subscribe for an aggregate of 22,800,000 A Shares, representing approximately 1.88% of Company's shares in issue (excluding treasury shares). All the outstanding restricted shares are granted to 2 Directors (Dr. Howard C. Yang and Mr. Stephen Tai). The remaining life of the Core Management Incentive Plan is three years and nine months as at June 30, 2026. The number of restricted shares available for grant under the Core Management Incentive Plan at the beginning and the end of the Reporting Period is nil, and nil respectively. The following is a summary of the principal terms of the Core Management Incentive Plan:

Purpose

The purpose of the Core Management Incentive Plan is to further improve the company's long-term incentive mechanism and achieve long-term incentives and constraints for the core executives appointed by the third board of directors, it is essential to closely align their personal interests with the company's long-term development and shareholders' rights and interests. This aims to fully leverage their experience and advantages in management while striving to enhance the company's performance and steadily increase its market value, thus realizing high-quality and sustainable development for the enterprise and maximizing shareholder benefits.

Type of Awards

The Core Management Incentive Plan provides for, among others, awards of restricted shares.

Scope of Participants

The incentive targets are the core senior management appointed by the Board (excluding independent directors, supervisors, shareholders who individually or collectively hold more than 5% of the Shares of the listed company, the actual controller of the listed company and their spouses, parents, and children). The Core Management Incentive Plan (including the grantees who fall within the scope of the incentive targets under the Core Management Incentive Plan) has been approved by the Remuneration and Appraisal Committee, and the list of grantees has been reviewed by the then supervisory board of the Company and publicly announced by the Company.

Administration

For details, see "—Employee Incentive Plan 2023 — Administration" in this report.

Source of Shares

For details, see "—Employee Incentive Plan 2023 — Source of Shares" in this report.

Maximum Number of Shares

The number of restricted shares under the Core Management Incentive Plan shall not exceed 22,800,000 Shares, accounting for 1.9956% of the total share capital of the Company on the date of publication of the plan. The total number of A Shares involved with all incentive plans of the Company shall not exceed 20% of the total outstanding share capital of our Company. The maximum number of Shares granted to any participant under the Core Management Incentive Plan shall not exceed 1% of the total outstanding share capital of our Company.

Term

The Core Management Incentive Plan has a term of not more than 67 months, beginning from the grant date until all restricted shares are registered under the name of the relevant grantee upon completion of the last vesting schedule of the plan.

Vesting Period and Purchase Period

The restricted shares shall vest over two periods, with 50% vesting from April 1, 2027 to March 31, 2028, and 50% vesting from April 1, 2028 to March 31, 2030, upon meeting both company performance targets (net profit and market value) and individual performance evaluations against the specific and applicable KPIs. The Grantees will have the right to be registered as a Shareholder on the date of the vesting of the restricted shares upon payment of the relevant purchase price to subscribe for such number of the underlying A Shares.

Purchase Price

As of June 30, 2026, the purchase price of the restricted shares granted under the Core Management Incentive Plan is RMB45.91 per A Share. The purchase price was determined mainly based on the average trading price of the trading day prior to and the average trading prices of A Shares in the 20, 60 and 120 trading days prior to the announcement of the Core Management Incentive Plan, being adjusted in a similar manner as the Employee Incentive Plan 2023. For details of adjustment, see "—Employee Incentive Plan 2023 — Purchase Price" in this report. Consideration upon grant is not applicable to restricted shares granted pursuant to the Core Management Incentive Plan.

Outstanding Restricted Shares Granted under the Core Management Incentive Plan

There were no grants made to senior management (who are not Directors) or connected person of the Company under the Core Management Incentive Plan. The table below shows the details of movements of restricted shares granted under the Core Management Incentive Plan during the Reporting Period:

Participant	Position	Date of Grant	Purchase price (RMB/ Restricted Share)	Vesting period	Performance targets	Unvested as of January 1, 2026	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed/ Cancelled during the Reporting Period	Unvested as of June 30, 2026
Dr. Howard C. Yang (楊崇和)	Executive Director and Chief Executive Officer	October 31, 2024 - December 26, 2025	45.91	The restricted shares shall vest over two periods, with 50% vesting from April 1, 2027 to March 31, 2028, and 50% vesting from April 1, 2028 to March 31, 2030	The vesting is conditional upon meeting both company performance targets (net profit and market value) and individual performance evaluations against the specific and applicable KPIs.	11,400,000	0	0	0	11,400,000
Mr. Stephen Tai	Executive Director and president	October 31, 2024 - December 26, 2025	45.91			11,400,000	0	0	0	11,400,000
Total						**22,800,000**	**0**	**0**	**0**	**22,800,000**

Note 1: No restricted shares under the Core Management Incentive Plan will be further granted after Listing, and all restricted shares have been granted to specific individuals under the Core Management Incentive Plan.

Note 2: The fair value of restricted shares at the date of grant is RMB18.53 to RMB56.28 per share and for details of the accounting standard and policy adopted, please refer to III.19 and XIII of the Notes to the Consolidated Financial Statements in the 2025 Annual Report.

H Share Incentive Scheme

Unless otherwise defined in this report, the terms used in this section shall have the same meanings as set out in the circular published by the Company on 1 June 2026.

On June 24, 2026, the Company has approved the adoption of the H Share Incentive Scheme by the Shareholders in the annual general meeting for the year of 2025. The Shares under the H Share Incentive Scheme shall be satisfied by the (i) treasury shares, (ii) new Shares allotted and issued by the Company to the trustee(s) under the trust, or (iii) existing H Shares purchased or acquired on-market or off-market by the trustee(s) under the Trust or existing H Shares transferred by any Shareholder(s) to the trustee(s) under the Trust. The following is a summary of the principal terms of the H Share Incentive Scheme:

Purpose

The purposes of the H Share Incentive Scheme are: (a) to further strengthen the Company's long-term incentive mechanism so as to attract and retain outstanding talent, thereby establishing a solid talent foundation for the long-term development of the Company; and (b) to fully motivate the eligible participants and encourage them to contribute to the business performance and development of the Company, and to effectively align the long-term interests of the Shareholders, the Company and the selected participants, thereby promoting the sustainable development of the Company.

Eligible Participants and Basis of Determining the Eligibility

Eligible Participants as determined by the Board or the scheme administrator from time to time shall be eligible to participate in the Scheme. The Eligible Participants shall include the following:

(a) any employee participant(s): including any directors (excluding independent non-executive Directors) and an employee (whether full-time or part-time) of any member of the Group on the grant date including persons who are granted Awards under the H Share Incentive Scheme as an inducement to enter into employment contracts with any member of the Group, provided that a person shall not cease to be an employee in the case of (i) any leave of absence approved by the relevant member of the Group; or (ii) any transfer of employment amongst members of the Group or any successor, and provided further that a person shall, for the avoidance of doubt, cease to be an employee with effect from (and including) the date of termination of his/her employment;

(b) any related entity participant(s): any person who is a director or an employee (whether full-time or part-time) of any company that is an associated company of the Company (an "associated company" refers to an entity in which the Company or any member of the Group individually or collectively hold 20% or more of its interest); and

(c) any service provider participant(s): persons (including natural persons and entities) that provide services on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group where the continuity and frequency of their services are akin to those of employees of the Group.

Scheme Mandate Limit and Service Provider Sublimit

The total number of new Shares which may be issued and allotted under H Share Incentive Scheme, being 60,483,351 H Shares (the "**Scheme Mandate Limit**") representing approximately 5.00% of the total number of Shares in issue (excluding Treasury Shares) on the adoption date on June 24, 2026. In any event, the total number of new Shares which may be issued pursuant to all Awards to be granted under H Share Incentive Scheme and options and awards to be granted under any other share award schemes of the Company shall not exceed 10% of the Shares in issue (excluding Treasury Shares) on the adoption date. The Scheme Mandate Limit may be adjusted or refreshed from time to time in accordance with the Scheme Rules, subject to compliance with any applicable laws, rules and regulations.

Within the Scheme Mandate Limit, the total number of new Shares which may be issued pursuant to Awards to be granted to service provider participants under H Share Incentive Scheme is 12,096,670 H Shares (the "**Service Provider Sublimit**"), representing approximately 1.00% of the total number of Shares in issue (excluding Treasury Shares) on the adoption date. The Service Provider Sublimit may be adjusted or refreshed from time to time in accordance with the scheme rules, subject to compliance with any applicable laws, rules and regulations.

As of January 1, 2026, the H Share Incentive Scheme was not adopted and therefore no shares were available for issue. As of June 30, 2026, since there are no grant of any options and awards under the H Share Incentive Scheme, 60,483,351 new Shares were available for grant and issue under the scheme mandate of the H Share Incentive Scheme. As of the date of this report, since there are no grant of any options and awards under the H Share Incentive Scheme since its adoption, 60,483,351 new Shares are available for grant and issue under the scheme mandate of the H Share Incentive Scheme, representing 5% of the issued Shares (excluding Treasury Shares) as of the date of this report. The number of Shares that may be issued in respect of the options and awards granted under the H Share Incentive Scheme during the six months ended June 30, 2026 divided by the weighted average number of the Shares in issue for the six months ended June 30, 2026 is nil.

The maximum entitlement of each participant

There is no specific maximum entitlement for each eligible participant under the H Share Incentive Scheme.

Unless approved by the Shareholders in the manner set out in the rules relating to the H Share Incentive Scheme,

(A) any grant of Awards (including share options or share awards) to each eligible participant would result in the H Shares issued and to be issued in respect of all options and awards granted to such participant (excluding any share options and share awards lapsed in accordance with the terms of the scheme of the company) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total issued shares of the Company (excluding Treasury Shares).

(B) any grant of Share Awards (i.e., excluding grant of share options) to any Director (other than an independent non-executive Director) or chief executive of the Company or any of their respective associates would result in the H Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the relevant scheme rules) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue at the date of such grant (excluding Treasury Shares, if any) under H Share Incentive Scheme.

(C) any grant of Awards to an independent non-executive director (if applicable) or a substantial shareholder of the Company (or any of their respective associates) would result in the number of H Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the relevant scheme rules) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of total Shares in issue at the date of such grant (excluding Treasury Shares, if any) under H Share Incentive Scheme.

The period within which the option may be exercised by the grantee

The exercise period for any vested share options shall be such period determined by the scheme administrator in its absolute discretion and notified to the eligible participant in the award letter, provided that the exercise period shall not be longer than ten (10) years from the grant date. A share option shall lapse automatically and shall not be exercisable (to the extent not already exercised) on the expiry of the tenth anniversary from the grant date.

The vesting period of awards granted

The vesting period for any award of share awards shall be such period determined by the scheme administrator in its absolute discretion and notified to the eligible participant in the award letter. For the avoidance of doubt, the scheme administrator may determine the vesting period of a share awards to be not applicable and determine that the award shares shall fall to be settled upon the vesting date without further action by the grantee.

The vesting date in respect of any award to be satisfied by the issue of any new shares award shall be not less than 12 months from the grant date, provided that for employee participants, the vesting date may be less than 12 months from the grant date (including on the grant date) in the following circumstances:

(a) grants of “make whole” share awards to new employee participants to replace share awards such employee participants forfeited when leaving their previous employers;

(b) grants to an employee participant whose employment is terminated due to death or disability or occurrence of any out of control event, where the vesting of the awards may accelerate based on the discretion of the Board or the scheme administrator, as the case may be;

(c) performance-based vesting conditions provided in the scheme document under scheme rule, in lieu of time-based vesting criteria;

In particular, such circumstances may include (i) the Company achieves a major strategic or financial target which is also included as the performance-based vesting conditions of the relevant employee participant; and (ii) the employee participant delivers results and therefore fulfills the performance-based vesting conditions.

(d) grants of awards that are made in batches during a year for administrative and compliance reasons. They may include awards that should have been granted earlier but had to wait for a subsequent batch. In such cases the vesting periods may be shorter to reflect the time from which an award would have been granted;

In particular, such circumstances may include (i) the Company may need to report to the regulatory authorities or relevant exchanges in consolidated batches prior to the grant of the awards; (ii) the grant may depend on the schedules of board meetings and Remuneration and Appraisal Committee reviews; (iii) the grant may have to align with financial reporting cycles; and (iv) the payroll systems may process grants in batches for efficiency, consistency across employee participants and audit control. Such vesting period has to be shortened so as to avoid any dissatisfaction of the employee participants who have demonstrated value when such delay is solely out of administrative and compliance reasons, and to ensure fairness without undermining the principle that awards are tied to Company success.

(e) grants of awards with a mixed or accelerated vesting schedule such as where the awards may vest evenly over a period of 12 months; or

In particular, such circumstances may include (i) the monthly vesting allows the Employee Participants to keep engaged for a full year; and (ii) tying a significant portion to product R&D progress or milestone.

(f) grants of awards with a total vesting and holding period of more than 12 months.

In particular, such circumstances may include (i) retaining participants for long-term service by way of phased vesting throughout the extended vesting and holding period and (ii) tying a significant portion to completion of a specific project or milestone.

Grants with a total vesting and holding period of more than 12 months may need to be accelerated under certain circumstances to better align the timing of performance fulfillment and the awards. Also, it may also be necessary in cases of outstanding performance or critical retention needs, where immediate recognition or incentive is essential to secure key talent.

If a vesting date is not a business day, such vesting date shall, subject to any trading halt or suspension of dealings in the shares on the Stock Exchange, be deemed to be the next business day immediately thereafter.

DIRECTORS' REPORT

The amount payable on application or acceptance of the option or award and the period within which payments or calls must or may be made or loans for such purposes must be repaid

No consideration is payable by a grantee to the Company for acceptance of the Awards under H Share Incentive Scheme. To the extent that an Award or part thereof is not accepted within the time and in the manner indicated in scheme rule, the portion not accepted shall be deemed to have been irrevocably declined and shall automatically lapse.

The basis of determining the exercise price of options granted or the purchase price of shares awarded

For awards which take the form of share awards, the purchase price of such award shares shall be determined by the scheme administrator in its absolute discretion and notified to the grantee in the award letter with reference to the purpose of the H Share Incentive Scheme and the characteristics of the relevant grantee.

For awards which take the form of share options, the exercise price for such share options shall be such price determined by the scheme administrator in its absolute discretion and notified to the eligible participant in the award letter, provided that the exercise price shall in any event be no less than the higher of:

i. the nominal value per H Share;

ii. the closing price of the H Shares as stated in the daily quotations sheet issued by the Stock Exchange on the grant date; and

iii. the average closing price of the H Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the grant date.

The remaining life of the scheme

Except for early termination as determined by the Board pursuant to the scheme rules, the H Share Incentive Scheme is valid for a period of ten (10) years starting from the Adoption Date. As of the Date of this Report, the remaining life of the H Share Incentive Scheme is approximately nine years and ten months.

Termination

The H Share Incentive Scheme shall terminate on the earlier of: i. the expiry of the Scheme Period; or ii. such date of early termination as determined by the Board, following which no further Awards will be offered or granted under the H Share Incentive Scheme, provided that notwithstanding such termination, the H Share Incentive Scheme and the scheme rules shall continue to be valid and effective to the extent necessary to give effect to the vesting and exercise of any awards granted prior to the termination of the Scheme and such termination shall not affect any subsisting rights already granted to any grantee hereunder.

Outstanding options and awards Granted under the H Share Incentive Scheme

As no grants have been made during the Reporting Period under the H Share Incentive Scheme, Rule 17.07(1) of the Listing Rules is not applicable. As of June 30, 2026 and the Date of this Report, no options and awards were granted by the Company, nor any options and awards were exercised, canceled or lapsed under the H Share Incentive Scheme, and there were no outstanding options and awards under the H Share Incentive Scheme as at the above date.

For further details of the H Share Incentive Scheme, please refer to the announcement and circular of the Company dated June 1, 2026, and the 2025 poll result announcement dated June 24, 2026.

During the six months ended June 30, 2026, no awards were granted under any of the Company's schemes. The number of shares that may be issued in respect of awards granted under all schemes of Company during the Reporting Period divided by the weighted average number of shares of the relevant class in issue (excluding treasury shares) for the Reporting Period is nil.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. The Company has adopted corporate governance practices based on the principles and code provisions as set out in Part 2 of the CG Code as contained in Appendix C1 to the Listing Rules as its own code of corporate governance practices since the Listing Date of the H Shares and up to the end of the Reporting Period.

The Board is of the view that since the Listing Date of the H Shares and up to June 30, 2026, the Company has complied with all the applicable code provisions as set out in the CG Code, except for code provision C.2.1 described in the paragraph headed "Chairman and Chief Executive Officer" below. The Board will continue to review and monitor the code of corporate governance practices of the Company with an aim to maintaining a high standard of corporate governance.

As part of the Company's corporate governance practice to provide transparency to the investor community and in compliance with the Listing Rules and the CG Code, the independent non-executive Directors are clearly identified in all corporate communications containing the names of the Directors. In addition, an up-to-date list of Directors identifying the independent non-executive Director and the roles and functions of the Directors is maintained on the Company's website and the Stock Exchange's website.

DIRECTORS' REPORT

Chairman and Chief Executive Officer

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

AUDIT COMMITTEE

Our Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code.

As at the Date of this Report, the Audit Committee consisted of three independent non-executive Directors, namely Dr. Li Ruoshan, Dr. Yuhua Cheng and Dr. Shan Hailing. Dr. Li Ruoshan, who holds the appropriate accounting or related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules currently serves as the chairperson of the Audit Committee.

The Audit Committee is mainly responsible for reviewing the financial information of the Company and its disclosure, supervising and evaluating internal and external auditing work and internal control, and reviewing the effectiveness of the Company's internal audit function.

The Audit Committee has reviewed the unaudited consolidated financial statements for the six months ended June 30, 2026 with the management of the Company. The Audit Committee considers this interim report to be in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding the transactions of securities of the Company by its Directors and the relevant employees who would likely possess inside information of the Company. Having made specific enquiries of all Directors, each of the Directors has confirmed that he or she has complied with the required standards as set out in the Model Code during the six months ended June 30, 2026.

CHANGE IN CONSTITUTIONAL DOCUMENTS

Reference is made to the announcement of the Company dated March 9, 2026 (the "**Announcement**"). As disclosed in the Announcement, the Company amended certain provisions of its Articles of Association in connection with the registration of restricted shares and H Share issuance.

Save as disclosed above, there has not been any change to the Articles of Association during the six months ended June 30, 2026 and up to the Date of this Report.

On behalf of the Board
Montage Technology Co., Ltd.
Dr. Howard C. Yang
Chairman
August 28, 2026

FINANCIAL STATEMENTS
CONSOLIDATED BALANCE SHEET

30 June 2026

Expressed in Renminbi Yuan

ASSETS	**Note V**	**30 June 2026 (unaudited)**	31 December 2025 (audited)
Current assets			
Currency funds	1	**15,109,529,544.43**	8,478,984,375.78
Financial assets held for trading	2	**2,917,042,139.08**	823,304,333.04
Accounts receivable	3	**974,611,423.98**	567,532,180.51
Prepayments	4	**205,914,531.63**	132,890,386.00
Other receivables	5	**3,825,221.37**	4,254,922.19
Inventories	6	**996,353,075.98**	896,135,474.27
Other current assets	7	**100,973,416.61**	130,973,692.91
Total current assets		**20,308,249,353.08**	11,034,075,364.70
Non-current assets			
Long-term equity investments	8	**262,842,355.37**	91,960,409.37
Other equity investments	9	**24,668,421.90**	27,755,580.30
Other non-current financial assets	10	**372,899,753.78**	583,514,277.41
Investment properties	11	**371,435,802.80**	376,948,151.74
Fixed assets	12	**713,063,088.79**	716,066,625.28
Construction in progress	13	**713,199,487.89**	590,731,464.68
Right-of-use assets	14	**26,369,337.60**	33,735,379.81
Intangible assets	15	**105,228,283.56**	113,432,512.10
Long-term prepaid expenses	16	**213,392,069.02**	136,628,281.23
Deferred tax assets	17	**55,086,979.72**	43,299,305.56
Other non-current assets	18	**11,282,336.58**	–
Total non-current assets		**2,869,467,917.01**	2,714,071,987.48
Total assets		**23,177,717,270.09**	13,748,147,352.18

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
CONSOLIDATED BALANCE SHEET

30 June 2026
Expressed in Renminbi Yuan

LIABILITIES AND EQUITY	Note V	30 June 2026 (unaudited)	31 December 2025 (audited)
Current liabilities			
Accounts payable	20	**330,333,761.67**	208,233,513.35
Receipts in advance	21	**88,761.39**	80,412.76
Contract liabilities	22	**–**	45,729.09
Employee benefits payable	23	**292,406,098.36**	293,937,076.24
Taxes and surcharges payable	24	**175,982,765.27**	112,081,459.76
Other payables	25	**675,339,810.55**	140,489,192.45
Current portion of non-current liabilities	26	**20,788,994.92**	14,775,474.48
Total current liabilities		**1,494,940,192.16**	769,642,858.13
Non-current liabilities			
Long-term borrowings	27	**107,079,875.18**	–
Lease liabilities	28	**14,506,393.08**	19,362,711.49
Deferred income	29	**77,754,755.10**	78,886,546.55
Deferred tax liabilities	17	**46,096,253.82**	9,099,385.94
Total non-current liabilities		**245,437,277.18**	107,348,643.98
Total liabilities		**1,740,377,469.34**	876,991,502.11
Shareholders' equity			
Share capital	30	**1,222,200,021.00**	1,146,426,521.00
Capital reserves	31	**13,284,434,754.52**	6,114,017,524.66
Less: Treasury shares	32	**848,359,352.12**	848,359,352.12
Other comprehensive income	33	**(38,214,077.03)**	141,120,839.12
Surplus reserves	34	**351,958,734.25**	351,958,734.25
Unappropriated profit	35	**7,544,162,485.23**	6,018,558,105.55

FINANCIAL STATEMENTS
CONSOLIDATED BALANCE SHEET

30 June 2026
Expressed in Renminbi Yuan

LIABILITIES AND EQUITY	Note V	**30 June 2026 (unaudited)**	31 December 2025 (audited)
Total equity attributable to shareholders of the parent		**21,516,182,565.85**	12,923,722,372.46
Non-controlling interests		**(78,842,765.10)**	(52,566,522.39)
Total shareholders' equity		**21,437,339,800.75**	12,871,155,850.07
Total liabilities and equity		**23,177,717,270.09**	13,748,147,352.18

The accompanying notes to financial statements form an integral part of these financial statements.

The financial statements have been signed by:

Legal representative:	*Financial controller:*	*Accounting supervisor:*
Howard C. Yang	**Su Lin**	**Su Lin**

FINANCIAL STATEMENTS
CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

	Note V	Six months ended 30 June 2026 (unaudited)	Six months ended 30 June 2025 (unaudited)
Revenue	36	**3,335,497,521.81**	2,633,456,481.08
Less: Cost of sales	36	**1,156,994,202.69**	1,041,822,849.88
Taxes and surcharges	37	**3,636,879.60**	3,151,519.74
Selling expenses	38	**58,549,540.63**	51,292,679.36
Administrative expenses	39	**288,457,147.90**	221,618,680.67
Research and development expenses	40	**453,083,178.00**	357,071,358.14
Finance expenses	41	**(29,152,559.72)**	(125,685,750.55)
Including: Interest expenses		**1,361,768.15**	909,824.15
Interest income		**204,954,194.03**	133,324,648.81
Add: Other income	42	**7,934,811.09**	60,669,264.34
Investment income	43	**252,073,532.90**	19,981,756.07
Fair value gains/(losses)	44	**429,887,971.03**	(8,689,871.90)
Credit impairment losses	45	**(2,079,893.96)**	(19,599.07)
(Impairment losses)/reversal of impairment losses of assets	46	**(20,927,121.46)**	30,841,217.57
Operating profit		**2,070,818,432.31**	1,186,967,910.85
Add: Non-operating income	47	**692.28**	–
Less: Non-operating expenses	48	**92,137.03**	782,079.59
Profit before tax		**2,070,726,987.56**	1,186,185,831.26
Less: Income tax expenses	49	**129,628,712.40**	73,809,730.37
Net profit		**1,941,098,275.16**	1,112,376,100.89

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

	Note V	**Six months ended 30 June 2026 (unaudited)**	Six months ended 30 June 2025 (unaudited)
Classified by continuity of operations			
Profit from continuing operations		**1,941,098,275.16**	1,112,376,100.89
Classified by ownership			
Profit attributable to shareholders of the parent		**1,997,374,517.87**	1,159,070,379.72
Profit attributable to non-controlling interests		**(56,276,242.71)**	(46,694,278.83)
Other comprehensive income, net of tax	33	**(179,334,916.15)**	(17,867,298.57)
Other comprehensive income, net of tax, attributable to shareholders of the parent		**(179,334,916.15)**	(17,867,298.57)
Other comprehensive income that will not be reclassified to profit or loss			
Change in the fair value of other equity investments		**(2,315,368.80)**	2,244,474.52
Other comprehensive income that may be reclassified to profit or loss			
Exchange differences on translation of foreign currency financial statements		**(177,019,547.35)**	(20,111,773.09)
Total comprehensive income		**1,761,763,359.01**	1,094,508,802.32
Including:			
Total comprehensive income attributable to shareholders of the parent		**1,818,039,601.72**	1,141,203,081.15
Total comprehensive income attributable to non-controlling interests		**(56,276,242.71)**	(46,694,278.83)
Earnings per share			
Basic earnings per share		**1.69**	1.02
Diluted earnings per share		**1.67**	1.02

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

For the six months ended 30 June 2026 (unaudited)

	Attributable to shareholders of the parent								
	Share capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Surplus reserves	Unappropriated profit	Subtotal	Non-controlling interests	Total equity
I. Balance at end of prior period and beginning of period	1,146,426,521.00	6,114,017,524.66	848,359,352.12	141,120,839.12	351,958,734.25	6,018,558,105.55	12,923,722,372.46	(52,566,522.39)	12,871,155,850.07
II. Changes during the period									
1. Total comprehensive income	-	-	-	(179,334,916.15)	-	1,997,374,517.87	1,818,039,601.72	(56,276,242.71)	1,761,763,359.01
2. Shareholders' contributions and reduction in capital									
(1) Ordinary share contributions	75,773,500.00	6,979,069,745.25	-	-	-	-	7,054,843,245.25	30,000,000.00	7,084,843,245.25
(2) Share-based payments	-	191,347,484.61	-	-	-	-	191,347,484.61	-	191,347,484.61
3. Profit distribution									
(1) Distribution to shareholders	-	-	-	-	-	(471,770,138.19)	(471,770,138.19)	-	(471,770,138.19)
III. Balance at end of period	1,222,200,021.00	13,284,434,754.52	848,359,352.12	(38,214,077.03)	351,958,734.25	7,544,162,485.23	21,516,182,565.85	(78,842,765.10)	21,437,339,800.75

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

For the six months ended 30 June 2025 (unaudited)

	Attributable to owners of the parent								
	Share capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Surplus reserves	Unappropriated profit	Subtotal	Non-controlling interests	Total equity
I. Balance at end of prior period and beginning of period	1,144,789,273.00	5,625,969,898.50	427,557,874.81	255,293,498.30	286,559,941.59	4,518,383,330.50	11,403,438,067.08	(6,932,502.17)	11,396,505,564.91
II. Changes during the period									
1. Total comprehensive income	–	–	–	(17,867,298.57)	–	1,159,070,379.72	1,141,203,081.15	(46,694,278.83)	1,094,508,802.32
2. Shareholders' contributions and reduction in capital									
(1) Share-based payments	–	91,538,644.29	–	–	–	–	91,538,644.29	–	91,538,644.29
(2) Repurchase of A shares	–	–	79,063,222.32	–	–	–	(79,063,222.32)	–	(79,063,222.32)
3. Profit distribution									
(1) Distribution to shareholders	–	–	–	–	–	(443,140,336.47)	(443,140,336.47)	–	(443,140,336.47)
III. Balance at end of period	1,144,789,273.00	5,717,508,542.79	506,621,097.13	237,426,199.73	286,559,941.59	5,234,313,373.75	12,113,976,233.73	(53,626,781.00)	12,060,349,452.73

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

	Note V	**Six months ended 30 June 2026 (unaudited)**	Six months ended 30 June 2025 (unaudited)
1. CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from the sale of goods and the rendering of services		**2,912,470,768.81**	2,630,974,288.36
Receipts of tax and surcharge refunds		**113,221.37**	524,987.97
Other cash receipts relating to operating activities	50	**201,276,829.67**	210,323,635.89
Total cash inflows from operating activities		**3,113,860,819.85**	2,841,822,912.22
Cash payments for goods and services		**1,206,198,142.50**	1,297,705,972.96
Cash payments to and on behalf of employees		**453,060,171.59**	365,613,683.14
Payments of taxes and surcharges		**31,172,985.73**	26,268,355.92
Other cash payments relating to operating activities	50	**95,401,476.47**	93,545,880.87
Total cash outflows from operating activities		**1,785,832,776.29**	1,783,133,892.89
Net cash flows from operating activities	51	**1,328,028,043.56**	1,058,689,019.33
2. CASH FLOWS FROM INVESTING ACTIVITIES			
Cash receipts from returns of investments		**2,674,232,065.30**	2,057,485,209.54
Cash receipts from investment income		**8,018,991.94**	18,929,277.74
Other cash receipts relating to investing activities	50	**2,000,000.00**	–
Total cash inflows from investing activities		**2,684,251,057.24**	2,076,414,487.28
Cash payments to acquire fixed assets, intangible assets and other long-term assets		**255,293,531.99**	111,947,248.64
Cash payments for investments		**4,057,369,721.63**	943,889,981.55
Other cash payments relating to investing activities	50	**23,566,400.78**	–
Total cash outflows from investing activities		**4,336,229,654.40**	1,055,837,230.19
Net cash flows (used in)/from investing activities		**(1,651,978,597.16)**	1,020,577,257.09

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

	Note V	**Six months ended 30 June 2026 (unaudited)**	Six months ended 30 June 2025 (unaudited)
3. CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from investments by others		**7,137,823,205.22**	–
Including: Cash receipts from capital contributions from non-controlling interests of subsidiaries		**30,000,000.00**	–
Cash receipts from borrowings		**115,000,000.00**	–
Total cash inflows from financing activities		**7,252,823,205.22**	–
Cash repayments for debts		**2,170,124.82**	–
Cash payments for distribution of dividends or profit and interest expenses		**650,088.50**	443,140,336.47
Other cash payments relating to financing activities	50	**27,848,432.24**	87,489,340.43
Total cash outflows from financing activities		**30,668,645.56**	530,629,676.90
Net cash flows from/(used in) financing activities		**7,222,154,559.66**	(530,629,676.90)
4. EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**(302,679,671.41)**	(21,846,455.84)
5. NET INCREASE IN CASH AND CASH EQUIVALENTS		**6,595,524,334.65**	1,526,790,143.68
Add: Cash and cash equivalents at beginning of period	51	**8,416,073,633.40**	6,698,931,684.67
6. CASH AND CASH EQUIVALENTS AT END OF PERIOD	51	**15,011,597,968.05**	8,225,721,828.35

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
COMPANY BALANCE SHEET

30 June 2026
Expressed in Renminbi Yuan

ASSETS	Note XVII	30 June 2026 (unaudited)	31 December 2025 (audited)
Current assets			
Currency funds		**7,711,283,240.09**	1,102,740,733.79
Financial assets held for trading		**1,187,671,804.10**	285,907,082.20
Accounts receivable	1	**439,656,661.10**	614,601,810.19
Prepayments		**21,639,002.96**	21,574,452.99
Other receivables	2	**1,692,965,123.26**	1,655,206,224.00
Other current assets		**36,167,798.51**	69,481,407.85
Total current assets		**11,089,383,630.02**	3,749,511,711.02
Non-current assets			
Long-term receivables		**100,000,000.00**	100,000,000.00
Long-term equity investments	3	**3,389,248,696.32**	3,137,534,636.95
Investment properties		**276,321,474.18**	280,474,169.51
Fixed assets		**159,883,906.96**	146,097,508.80
Intangible assets		**4,373,303.31**	4,412,702.43
Long-term prepaid expenses		**41,686,096.33**	55,387,027.59
Deferred tax assets		**13,069,603.25**	8,112,411.72
Total non-current assets		**3,984,583,080.35**	3,732,018,457.00
Total assets		**15,073,966,710.37**	7,481,530,168.02

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
COMPANY BALANCE SHEET

30 June 2026

Expressed in Renminbi Yuan

LIABILITIES AND EQUITY	Note XVII	30 June 2026 (unaudited)	31 December 2025 (audited)
Current liabilities			
Accounts payable		**3,658,712.20**	1,713,426.07
Employee benefits payable		**104,464,391.97**	97,171,671.77
Taxes and surcharges payable		**11,487,190.59**	11,589,389.91
Other payables		**494,689,704.81**	27,963,660.69
Total current liabilities		**614,299,999.57**	138,438,148.44
Non-current liabilities			
Deferred income		**44,065,000.00**	44,759,444.51
Total non-current liabilities		**44,065,000.00**	44,759,444.51
Total liabilities		**658,364,999.57**	183,197,592.95
Shareholders' equity			
Share capital		**1,222,200,021.00**	1,146,426,521.00
Capital reserves		**13,284,434,754.52**	6,114,017,524.66
Less: Treasury shares		**848,359,352.12**	848,359,352.12
Surplus reserves		**351,958,734.25**	351,958,734.25
Unappropriated profit		**405,367,553.15**	534,289,147.28
Total equity		**14,415,601,710.80**	7,298,332,575.07
Total liabilities and equity		**15,073,966,710.37**	7,481,530,168.02

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
COMPANY INCOME STATEMENT

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

	Note XVII	Six months ended 30 June 2026 (unaudited)	Six months ended 30 June 2025 (unaudited)
Revenue	4	**602,876,130.21**	394,410,023.05
Less: Cost of sales	4	**21,948,790.53**	18,723,838.90
Taxes and surcharges		**1,297,076.69**	1,141,646.80
Selling expenses		**5,298,014.86**	6,226,278.46
Administrative expenses		**64,198,253.84**	77,240,359.81
Research and development expenses		**105,338,792.41**	78,079,406.51
Finance expenses		**48,854,783.24**	(15,336,459.38)
Including: Interest expenses		**–**	13,776.10
Interest income		**82,217,094.93**	17,387,934.66
Add: Other income		**1,661,400.97**	36,634,622.54
Investment income	5	**678,599.28**	8,947,025.16
Fair value gains/(losses)		**5,550,845.19**	(271,930.09)
Operating profit		**363,831,264.08**	273,644,669.56
Less: Non-operating expenses		**15,000.00**	420,035.63
Profit before tax		**363,816,264.08**	273,224,633.93
Less: Income tax expenses		**20,967,720.02**	15,770,117.26
Net profit		**342,848,544.06**	257,454,516.67
Including: Profit from continuing operations		**342,848,544.06**	257,454,516.67
Total comprehensive income		**342,848,544.06**	257,454,516.67

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
COMPANY STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

For the six months ended 30 June 2026 (unaudited)

	Share capital	Capital reserves	Less: Treasury shares	Surplus reserves	Unappropriated profit	Total equity
I. Balance at end of prior period and beginning of period	1,146,426,521.00	6,114,017,524.66	848,359,352.12	351,958,734.25	534,289,147.28	7,298,332,575.07
II. Changes during the period						
1. Total comprehensive income	-	-	-	-	342,848,544.06	342,848,544.06
2. Shareholders' contributions and reduction in capital						
(1) Ordinary share contributions	75,773,500.00	6,979,069,745.25	-	-	-	7,054,843,245.25
(2) Share-based payments	-	191,347,484.61	-	-	-	191,347,484.61
3. Profit distribution						
(1) Distribution to shareholders	-	-	-	-	(471,770,138.19)	(471,770,138.19)
III. Balance at end of period	1,222,200,021.00	13,284,434,754.52	848,359,352.12	351,958,734.25	405,367,553.15	14,415,601,710.80

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
COMPANY STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

For the six months ended 30 June 2025 (unaudited)

	Share capital	Capital reserves	Less: Treasury shares	Surplus reserves	Unappropriated profit	Total equity
I. Balance at end of prior period and beginning of period	1,144,789,273.00	5,625,969,898.50	427,557,874.81	286,559,941.59	615,696,415.83	7,245,457,654.11
II. Changes during the period						
1. Total comprehensive income	–	–	–	–	257,454,516.67	257,454,516.67
2. Shareholders' contributions and reduction in capital						
(1) Share-based payments	–	91,538,644.29	–	–	–	91,538,644.29
(2) Repurchase of A shares	–	–	79,063,222.32	–	–	(79,063,222.32)
3. Profit distribution						
(1) Distribution to shareholders	–	–	–	–	(443,140,336.47)	(443,140,336.47)
III. Balance at end of period	1,144,789,273.00	5,717,508,542.79	506,621,097.13	286,559,941.59	430,010,596.03	7,072,247,256.28

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
COMPANY STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

	Six months ended 30 June 2026 (unaudited)	Six months ended 30 June 2025 (unaudited)
1. CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from the sale of goods and the rendering of services	**752,697,072.41**	68,664,518.97
Other cash receipts relating to operating activities	**203,720,061.30**	79,973,059.52
Total cash inflows from operating activities	**956,417,133.71**	148,637,578.49
Cash payments for goods and services	**172,105.38**	12,762.14
Cash payments to and on behalf of employees	**110,510,868.62**	76,160,087.66
Payments of taxes and surcharges	**19,538,166.01**	14,330,585.55
Other cash payments relating to operating activities	**63,254,778.99**	52,719,413.12
Total cash outflows from operating activities	**193,475,919.00**	143,222,848.47
Net cash flows from operating activities	**762,941,214.71**	5,414,730.02
2. CASH FLOWS FROM INVESTING ACTIVITIES		
Cash receipts from returns of investments	**636,510,000.00**	855,000,000.00
Cash receipts from investment income	**102,464,722.57**	48,947,025.16
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	**5,000,000.00**	5,000,000.00
Other cash receipts relating to investing activities	**545,205.48**	–
Total cash inflows from investing activities	**744,519,928.05**	908,947,025.16
Cash payments to acquire fixed assets, intangible assets and other long-term assets	**28,001,326.81**	7,517,842.15
Cash payments for investments	**1,872,000,000.00**	450,000,000.00
Total cash outflows from investing activities	**1,900,001,326.81**	457,517,842.15
Net cash flows (used in)/from investing activities	**(1,155,481,398.76)**	451,429,183.01

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
COMPANY STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

	Six months ended 30 June 2026 (unaudited)	Six months ended 30 June 2025 (unaudited)
3. CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from investments by others	**7,107,823,205.22**	–
Other cash receipts relating to financing activities	**–**	30,000,000.00
Total cash inflows from financing activities	**7,107,823,205.22**	30,000,000.00
Cash payments for distribution of dividends or profit and interest expenses	**–**	443,140,336.47
Other cash payments relating to financing activities	**22,954,230.10**	79,200,330.76
Total cash outflows from financing activities	**22,954,230.10**	522,340,667.23
Net cash flows from/(used in) financing activities	**7,084,868,975.12**	(492,340,667.23)
4. EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**(113,298,066.18)**	(65,868.82)
5. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**6,579,030,724.89**	(35,562,623.02)
Add: Cash and cash equivalents at beginning of period	**1,087,467,866.20**	1,313,661,828.10
6. CASH AND CASH EQUIVALENTS AT END OF PERIOD	**7,666,498,591.09**	1,278,099,205.08

The accompanying notes to financial statements form an integral part of these financial statements.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

I. General Information

Montage Technology Co., Ltd. (the "**Company**") was established on 27 May 2004, in Shanghai, China. The legal representative of the Company is Dr. Howard C. Yang. As at 30 June 2026, the registered capital of the Company amounted to RMB1,222,200,021.00, and its registered address is Building 1, 15/F, 181 Caobao Road, Xuhui District, Shanghai, China. On 29 October 2018, the Company obtained the approval from the Shanghai Municipal Administration for Market Regulation to restructure as a joint-stock limited company, and was renamed Montage Technology Co., Ltd. The Company was issued with a business license with a unified social credit code of 913100007626333657. The operating term of the Company is from 27 May 2004 with an indefinite duration. Pursuant to the approval letter issued by the China Securities Regulatory Commission (CSRC) on 25 June 2019, titled "Approval on the Registration of the Initial Public Offering of Shares of Montage Technology Co., Ltd." (Zheng Jian Xu Ke [2019] No. 1128), the Company publicly issued 112,981,389 ordinary shares (par vale of RMB1.00 per share). The Company was listed on the Science and Technology Innovation Board of the Shanghai Stock Exchange on 22 July 2019. Pursuant to the approval of the Hong Kong Stock Exchange 65,890,000 H shares issued by the Company (prior to the exercise of the over-allotment option) were listed and commenced trading on the Main Board of the Hong Kong Stock Exchange on 9 February, 2026. On 10 February 2026, the Company agreed on the full exercise of the over-allotment option by the joint global coordinators (on behalf of the international underwriters), and the issuance of 9,883,500 additional H shares was completed on the Main Board of the Hong Kong Stock Exchange on 13 February 2026. Following the full exercise of the over-allotment option, a total of 75,773,500 H shares were issued, with a par value of RMB1.00 per share, under this offering.

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

The Company has no actual controller.

The financial statements were approved and authorized for issue by the board of directors on 28 August 2026.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

II. Basis of Preparation of the Financial Statements

1. Basis of Preparation

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

2. Going Concern

The financial statements have been prepared on a going concern basis.

III. Material Accounting Policies and Significant Estimates

The Company and its subsidiaries (collectively referred to as the "**Group**") formulate specific accounting policies and accounting estimates with reference to the practical features of production and operation, which are mainly reflected in aspects such as the impairment allowance for accounts receivable, the provision for inventory write-downs, government grants, recognition and measurement of revenues and recognition of deferred tax assets.

1. Statement of Compliance with Accounting Standards for Business Enterprises in Financial Statement Disclosure

The financial statements present truly and completely the financial position of the Group and the Company as at 30 June 2026, and the financial performance and the cash flows for the period then ended in accordance with Accounting Standards for Business Enterprises.

2. Accounting Year

The accounting year of the Group is a calendar year, i.e., from 1 January to 31 December of each year.

3. Functional Currency

Renminbi ("**RMB**") is the currency of the primary economic environment in which the Company and its domestic subsidiaries operate. Therefore, the Company and its domestic subsidiaries have elected RMB as their functional currency. The Company's overseas subsidiaries have determined their functional currency as the United States Dollar ("**USD**"), based on the currency of the primary economic environment in which they operate. The Company's presentation currency is RMB. The currency unit is RMB Yuan unless otherwise stated.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

4. Material Accounting Policies

Save as disclosed below, the accounting policies applied in the preparation of the interim financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2025. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2025, which have been prepared in accordance with the ASBEs.

(1) Borrowing costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized. The amounts of other borrowing costs incurred are recognized as an expense in the period in which they are incurred.

The capitalization of borrowing costs commences only when the expenditures for the asset and the borrowing costs have been incurred, and the activities that are necessary to acquire, construct or produce the asset for its intended use or sale have been undertaken.

The capitalization of borrowing costs ceases when the qualifying asset being acquired, constructed or produced gets ready for its intended use or sale. Any borrowing costs subsequently incurred are recognized in profit or loss.

During the capitalization period, the amount of interest eligible for capitalization for each accounting period shall be determined as follows: where funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of interest eligible for capitalisation is the actual interest costs incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds; where funds are borrowed generally for the purpose of obtaining a qualifying asset, the amount of interest eligible for capitalisation is determined by applying a weighted average interest rate on the general borrowings to the weighted average of the excess of the cumulative expenditures on the asset over the expenditures on the asset funded by the specific borrowings.

Capitalisation of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is suspended abnormally by activities other than those necessary to get the asset ready for its intended use or sale, when the suspension is for a continuous period of more than 3 months. Borrowing costs incurred during these periods are recognised as an expense in profit or loss until the acquisition, construction or production is resumed.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

IV. Taxes

1. Main Tax Types and Tax Rates

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

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

The corporate income tax rates for the Company and its subsidiaries are:

Taxpayer entity	Income tax rate
The Company	10%
Montage Technology (Kunshan) Co., Ltd.	0%
Montage Semiconductor (Kunshan) Co., Ltd.	25%
Montage Electronics (Shanghai) Co., Ltd.	15%
Montage Investment Co., Ltd.	25%
Montone Enterprise (Shanghai) Co., Ltd.	25%
Shanghai Xitai Enterprise Co., Ltd.	25%
Shanghai Huacui Property Co., Ltd.	25%
Monttwo Enterprise (Shanghai) Co., Ltd.	25%
Montxilu Enterprise (Shanghai) Co., Ltd.	25%
Montage Electronics (Hainan) Co., Ltd.	20%
Montage Capital (Hainan) Co., Ltd.	15%
Montage Electronics (Zhuhai Hengqin) Co., Ltd.	25%
Montage Electronics Design (Xi'an) Company Limited	20%
Montage Electronics Design (Shanghai) Company Limited	20%
Montage Technology Macao Commercial Offshore Limited	12%, see note 1
Montage Technology Holdings Company Limited	See note 2
Montage Real Estate Holding I Limited (BVI)	See note 2
Montage Real Estate Holding II Limited (BVI)	See note 2
Montage Hong Kong Holdings Company Limited	8.25% and 16.5%, see note 3
Montage Real Estate Holding I (Hong Kong) Limited	16.5%, see note 3
Montage Real Estate Holding II (Hong Kong) Limited	16.5%, see note 3
Montage Technology Inc.	See note 4
Mont Acquisition Sub, Inc	See note 4
Montage, Inc.	See note 4
3955 Johns Creek Inc.	See note 4
Montage Semiconductor Inc.	See note 4
Montage Technology Holdings Inc.	See note 4
Montage Technology Holdings II Inc.	See note 4

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

Note 2: Montage Technology Holdings Company Limited is registered in the Cayman Islands and is not subject to corporate income tax; Montage Real Estate Holding I Limited and Montage Real Estate Holding II Limited are registered in the British Virgin Islands and are not subject to corporate income tax.

Note 3: Montage Hong Kong Holdings Company Limited, Montage Real Estate Holding I (Hong Kong) Limited and Montage Real Estate Holding II (Hong Kong) Limited are registered in the Hong Kong Special Administrative Region. Under the two-tiered profits tax rates regime in Hong Kong, where an entity has one or more connected entities, only one of those connected entities may elect to be chargeable at the two-tiered rates for a particular year of assessment. Based on the Group's tax filing arrangement for the relevant year of assessment, Montage Hong Kong Holdings Company Limited is the entity to which the two-tiered rates apply. Accordingly, its Hong Kong Profits Tax is calculated at 8.25% on the first HK$2,000,000 of assessable profits and at 16.5% on any assessable profits in excess of HK$2,000,000. The assessable profits of Montage Real Estate Holding I (Hong Kong) Limited and Montage Real Estate Holding II (Hong Kong) Limited are subject to Hong Kong Profits Tax at the standard rate of 16.5%.

Note 4: Montage Technology Inc., Montage Acquisition Sub, Inc., Montage, Inc., 3955 Johns Creek Inc., Montage Semiconductor Inc., Montage Technology Holdings Inc., and Montage Technology Holdings II Inc. are registered in the United States and are subject to a federal corporate income tax rate of 21%. The aforementioned subsidiaries must also comply with the corporate income tax policies of the states in which they are registered while executing the federal corporate income tax in the United States.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

2. Tax incentives and Approvals

(1) *Value-Added Tax*

According to the Notice of the Ministry of Finance and the State Administration of Taxation on Comprehensively Launching the Pilot Program to Replace Business Tax with Value-Added Tax, taxpayers providing technology transfer services are exempt from value-added tax. The Group is exempt from value-added tax on the collection of royalties.

(2) *Corporate Income Tax*

Pursuant to the Announcement on corporate income tax policy for Promoting High-Quality Development of the Integrated Circuit Industry and Software Industry (Ministry of Finance, State Administration of Taxation, National Development and Reform Commission, Ministry of Industry and Information Technology Announcement No. 45, 2020) and the Notice on the Requirements for the Preparation of Lists of Integrated Circuit Enterprises or Projects and Software Enterprises Enjoying Tax Incentives by 2026 (Fa Gai Gao Ji [2026] No. 487), the Company was qualified as a state-encouraged key integrated circuit design enterprise, and was subject to a preferential tax rate of 10%. The Company will conduct all required compliance filings in accordance with applicable laws and regulations.

The Company's subsidiary, Montage Technology (Kunshan) Co., Ltd. ("**Montage Kunshan**"), obtained the High-Tech Enterprise Certificate issued by the Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Finance Department, and Jiangsu Provincial Taxation Bureau of the State Administration of Taxation on 24 December 2024, with certificate number: GR202432016754. Montage Kunshan is entitled to a reduced corporate income tax rate of 15% from 2024 to 2026. Additionally, pursuant to the Announcement on Promoting the High-Quality Development of the Integrated Circuit Industry and Software Industry Corporate Income Tax Policy (Ministry of Finance, State Administration of Taxation, National Development and Reform Commission, Ministry of Industry and Information Technology Announcement No. 45, 2020) and the Notice on the Requirements for the Preparation of Lists of Integrated Circuit Enterprises or Projects and Software Enterprises Enjoying Tax Incentives by 2026 (Fa Gai Gao Ji [2026] No. 487), key integrated circuit design enterprises encouraged by the state can be exempt from corporate income tax for the first to fifth years starting from the first profitable year, and are entitled to a reduced corporate income tax rate of 10% in subsequent years. Montage Kunshan, has met the recognition criteria for key integrated circuit design enterprises encouraged by the state and was exempt from corporate income tax for the year. Montage Kunshan will conduct all required compliance filings in accordance with applicable laws and regulations.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

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

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

The Company's subsidiary, Montage Capital (Hainan) Co., Ltd., is registered in Sanya City, Hainan Province. Pursuant to the Notice of the Ministry of Finance and the State Administration of Taxation on the Corporate Income Tax Incentive Policy for Enterprises in the Hainan Free Trade Port (Cai Shui [2020] No. 31), for encouraged industrial enterprises registered and substantially operating in the Hainan Free Trade Port, the corporate income tax is levied at a reduced rate of 15%. The policy was in effect from 1 January 2020 to 31 December 2024. The latest catalogue of encouraged industries is set out in the Catalogue of Encouraged Industries in the Hainan Free Trade Port (2024 Edition) approved and promulgated by the State Council, under which venture capital has been included as an encouraged industry in Hainan Province. Eligible enterprises with venture capital qualifications are entitled to a reduced corporate income tax rate of 15%. Pursuant to the Notice of the Ministry of Finance and the State Administration of Taxation on the Continuation of the Implementation of Corporate Income Tax Incentive Policies for Enterprises in the Hainan Free Trade Port (Cai Shui [2025] No. 3) and the Notice of the Ministry of Finance and the State Administration of Taxation (Cai Shui [2020] No. 31), the implementation period of the policy is extended to 31 December 2027. Pursuant to the Notice of the Hainan Provincial Development and Reform Commission on the Registration of Venture Capital Enterprises (Qiong Fa Gai Shen Pi [2021] No. 869), Montage Capital (Hainan) Co., Ltd. completed the registration of venture capital enterprises on 9 November, 2021, and was subject to the corporate income tax rate of 15% for the year.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

V. Notes to Key Items of the Consolidated Financial Statements

1. Currency Funds

	30 June 2026	31 December 2025
Cash on hand	**10,028.60**	7,628.60
Cash at banks	**14,961,386,823.19**	8,351,281,401.04
Other monetary funds	**148,132,692.64**	127,695,346.14
Total	**15,109,529,544.43**	8,478,984,375.78
Including: Total amount deposited outside Mainland China	**5,405,376,044.84**	4,985,225,547.98

2. Financial Assets Held for Trading

	30 June 2026	31 December 2025
Financial assets at fair value through profit or loss		
Structured deposits	**2,524,975,313.42**	722,733,720.02
Equity investments	**392,066,825.66**	100,570,613.02
Total	**2,917,042,139.08**	823,304,333.04

3. Accounts Receivable

(1) Analysis by Ageing

	30 June 2026	31 December 2025
Within 1 year	**979,504,996.44**	570,380,702.87
Less: Bad debt provision for accounts receivable	**4,893,572.46**	2,848,522.36
Total	**974,611,423.98**	567,532,180.51

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(2) Analysis by Method of Bad Debt Provision

30 June 2026

	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Provision rate (%)	
Provision for bad debts by credit risk characteristics	**979,504,996.44**	**100.00**	**4,893,572.46**	**0.50**	**974,611,423.98**

31 December 2025

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

As at 30 June 2026, the accounts receivable with expected credit loss assessed collectively were as follows:

	Book balance	Bad debt provision	Provision rate (%)
High-quality credit customers	**979,504,996.44**	**4,893,572.46**	**0.50**

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(3) *Bad debt Provision*

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

	Opening balance	Provision	Reversal	Foreign currency translation difference	Closing balance
Bad debt provision for accounts receivable	2,848,522.36	4,928,416.32	(2,848,522.36)	(34,843.86)	4,893,572.46

For the six months ended 30 June 2026, a bad debt provision of RMB4,928,416.32 was recognized, while a reversal of bad debt provision of RMB2,848,522.36 was recorded as a result of the collection of receivables.

(4) *The Five Largest Amounts of Closing Balances of Accounts Receivable Analyzed by Debtor*

	Closing balance	Proportion of accounts receivable balance (%)	Nature	Ageing	Closing balance of bad debt provision
No. 1	477,037,411.20	48.70	Payment for goods	Within 3 months	(2,385,187.06)
No. 2	208,974,077.09	21.33	Payment for goods	Within 3 months	(1,044,870.39)
No. 3	84,030,211.40	8.58	Payment for goods	Within 3 months	(420,151.05)
No. 4	54,813,101.57	5.60	Payment for goods	Within 3 months	(274,065.51)
No. 5	52,127,223.15	5.32	Payment for goods	Within 3 months	(260,636.12)
Total	876,982,024.41	89.53			(4,384,910.13)

4. Prepayments

(1) *Analysis by Ageing*

	30 June 2026		31 December 2025	
	Book balance	**Percentage (%)**	Book balance	Percentage (%)
Within 1 year	**205,914,531.63**	**100.00**	132,890,386.00	100.00

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(2) The Five Largest Amounts of Closing Balances of Prepayments Analyzed by Prepayment Recipient

	Closing balance	The proportion of the total balance of prepayments at the end of the period (%)
No. 1	91,408,971.62	44.39
No. 2	56,757,259.35	27.56
No. 3	21,250,000.00	10.32
No. 4	21,000,000.00	10.20
No. 5	8,251,312.00	4.01
Total	198,667,542.97	96.48

5. Other Receivables

(1) Analysis by Ageing

	30 June 2026	31 December 2025
Within 1 year	**192,966.20**	923,214.41
1 to 2 years	**789,768.82**	603,207.52
2 to 3 years	**684,152.48**	324,152.48
Over 3 years	**2,158,333.87**	2,404,347.78
Total	**3,825,221.37**	4,254,922.19

(2) Analysis by Nature

	30 June 2026	31 December 2025
Security deposits or deposits	**3,803,753.02**	4,254,854.57
Employee advances	**16,500.00**	–
Others	**4,968.35**	67.62
Total	**3,825,221.37**	4,254,922.19

For the six months ended 30 June 2026, there was no provision, recovery or reversal of bad debt provision.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(3) The Five Largest Amounts of Closing Balances of Other Receivables Analyzed by Debtor

	Closing balance	Proportion of total other receivables balance (%)	Nature	Ageing	Closing balance of bad debt provision
Xi'an Tengfei Information Technology Incubation Co., Ltd.	893,208.48	23.35	Deposit	Over 2 years	–
Rongke Property Investment Co., Ltd.	504,900.00	13.20	Deposit	Over 3 years	–
Kunshan Financial Industry Park Investment and Development Co., Ltd.	460,000.00	12.03	Deposit	2-3 years	–
Geumdam Co., Ltd.	440,295.87	11.51	Deposit	1-2 years	–
The St. Regis Shanghai Jingan	420,000.00	10.98	Deposit	Over 3 years	–
Total	2,718,404.35	71.07			–

6. Inventories

(1) Classification of Inventories

	30 June 2026			31 December 2025		
	Book balance	**Provision**	**Book Value**	Book balance	Provision	Book Value
Raw materials	**108,925,530.11**	**38,434,018.03**	**70,491,512.08**	101,254,170.87	39,048,652.09	62,205,518.78
Materials consigned for processing	**712,878,609.17**	**28,353,812.43**	**684,524,796.74**	463,361,201.07	27,473,263.22	435,887,937.85
Finished goods	**382,257,101.56**	**140,920,334.40**	**241,336,767.16**	526,303,490.84	128,261,473.20	398,042,017.64
Total	**1,204,061,240.84**	**207,708,164.86**	**996,353,075.98**	1,090,918,862.78	194,783,388.51	896,135,474.27

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(2) Provision for Inventories

	Opening balance	Provision	Write-off	Foreign currency translation difference	Closing balance
Raw Materials	39,048,652.09	110,451.22	–	(725,085.28)	38,434,018.03
Materials consigned for processing	27,473,263.22	1,861,582.50	(114,739.35)	(866,293.94)	28,353,812.43
Finished goods	128,261,473.20	18,955,087.74	(2,290,180.00)	(4,006,046.54)	140,920,334.40
Total	194,783,388.51	20,927,121.46	(2,404,919.35)	(5,597,425.76)	207,708,164.86

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

7. Other Current Assets

	30 June 2026	31 December 2025
Value-added tax recoverable	**92,479,937.35**	81,579,188.76
Deferred expenses	**8,312,738.41**	18,164,954.42
Prepaid corporate income tax	**180,740.85**	2,735,777.93
Listing expenses for HKIPO	**–**	28,493,771.80
Total	**100,973,416.61**	130,973,692.91

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

8. Long-Term Equity Investments

	Opening balance	Changes during the period: Additions	Reductions	Investment income/(losses) under the equity method	Closing balance	Closing impairment provision
Associates						
Shenzhen Berxel Photonics Co., LTD.	64,439,987.00	–	–	(4,644,177.00)	59,795,810.00	–
eTopus (Shanghai) Technology Limited	27,520,422.37	–	–	(5,187,144.00)	22,333,278.37	–
Changzhou Dawning Semi Technology Co., Ltd.	–	180,000,000.00	–	713,267.00	180,713,267.00	–
Total	91,960,409.37	180,000,000.00	–	(9,118,054.00)	262,842,355.37	–

The Group is entitled to appoint one director to each of the following associates: Shenzhen Berxel Photonics Co., LTD., eTopus (Shanghai) Technology Limited and Changzhou Dawning Semi Technology Co., Ltd., pursuant to their articles of association. The Group thereby has obtained the rights to participate in business decisions that significantly impact each of these entities.

As at the balance sheet date, no impairment provision was required for the Group's long-term equity investments.

9. Other Equity Investments

(1) Details of Other Equity Investments

	30 June 2026	31 December 2025
Investments measured at fair value with changes recognized in other comprehensive income	**24,668,421.90**	27,755,580.30

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

	Gains in other comprehensive income during the current period	Losses in other comprehensive income during the current period	Accumulated gains in other comprehensive income	Accumulated losses in other comprehensive income	Dividend income during the current period	Reasons for being designated as at fair value through other comprehensive income
Investments measured at fair value with changes recognized in other comprehensive income	426,600.00	(3,513,758.40)	4,993,193.35	(4,734,910.16)	665,805.00	Non-trading

10. Other Non-Current Financial Assets

	30 June 2026	31 December 2025
Financial assets at fair value through profit or loss		
Unlisted equity investments	**314,501,301.69**	516,702,468.80
Private equity fund investments	**58,398,452.09**	66,811,808.61
Total	**372,899,753.78**	583,514,277.41

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

11. Investment Properties

Subsequent measurement under the cost model:

	Buildings
Cost	
Opening balance and closing balance	410,022,245.37
Accumulated depreciation	
Opening balance	33,074,093.63
Depreciation provided during the period	5,512,348.94
Closing balance	38,586,442.57
Carrying amount	
At the end of period	371,435,802.80
At the beginning of period	376,948,151.74

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

As at 30 June 2026, no impairment provision is required for the Group's investment properties.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

12. Fixed Assets

	Freehold land	Buildings	Electronic equipment	Office equipment	Motor vehicles	Total
Cost						
Opening balance	11,299,794.72	687,462,770.87	276,259,921.93	28,690,417.73	2,087,026.59	1,005,799,931.84
Purchase	–	–	38,981,617.45	2,561,362.80	–	41,542,980.25
Transfer from construction in progress	–	–	–	870,205.74	–	870,205.74
Foreign currency translation differences	(350,305.21)	(2,066,568.62)	(2,450,825.80)	(273,423.00)	–	(5,141,122.63)
Closing balance	10,949,489.51	685,396,202.25	312,790,713.58	31,848,563.27	2,087,026.59	1,043,071,995.20
Accumulated depreciation						
Opening balance	–	66,434,097.97	200,780,711.37	20,431,470.63	2,087,026.59	289,733,306.56
Depreciation provided during the period	–	13,616,249.26	25,756,976.54	2,506,419.69	–	41,879,645.49
Foreign currency translation differences	–	(154,807.34)	(1,355,186.76)	(94,051.54)	–	(1,604,045.64)
Closing balance	–	79,895,539.89	225,182,501.15	22,843,838.78	2,087,026.59	330,008,906.41
Carrying amount						
At the end of period	10,949,489.51	605,500,662.36	87,608,212.43	9,004,724.49	–	713,063,088.79
At the beginning of period	11,299,794.72	621,028,672.90	75,479,210.56	8,258,947.10	–	716,066,625.28

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

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

13. Construction in Progress

(1) Details of Construction in Progress

	30 June 2026			31 December 2025		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Lingang Project	**708,863,966.38**	**–**	**708,863,966.38**	587,690,019.31	–	587,690,019.31
Others	**4,335,521.51**	**–**	**4,335,521.51**	3,041,445.37	–	3,041,445.37
Total	**713,199,487.89**	**–**	**713,199,487.89**	590,731,464.68	–	590,731,464.68

(2) Significant Changes in Construction in Progress

	Budget	Opening balance	Additions	Transfer out	Closing balance	Source of funds	Proportion of input to budget (%)	Progress of project
Lingang Project	797,460,000.00	587,690,019.31	121,173,947.07	–	708,863,966.38	Self-owned and raised funds	88.89	Under construction

As at 30 June 2026, the Group's construction in progress did not require impairment provision.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

14. Right-of-Use Assets

	Buildings
Cost	
Opening balance	55,764,388.23
Foreign currency translation difference	(381,107.10)
Closing balance	55,383,281.13
Accumulated depreciation	
Opening balance	22,029,008.42
Depreciation provided during the period	7,153,751.89
Foreign currency translation difference	(168,816.78)
Closing balance	29,013,943.53
Carrying amount	
At the end of period	26,369,337.60
At the beginning of period	33,735,379.81

As at 30 June 2026, the Group's right-of-use assets did not require impairment provisions.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

15. Intangible Assets

	Software	Licensed IPs	Leasehold land	Total
Cost				
Opening balance	12,356,674.09	110,735,558.25	79,918,285.38	203,010,517.72
Purchases	426,463.28	459,689.70	–	886,152.98
Closing balance	12,783,137.37	111,195,247.95	79,918,285.38	203,896,670.70
Accumulated amortization				
Opening balance	8,056,094.80	74,995,250.96	6,526,659.86	89,578,005.62
Amortization provided during the period	801,222.16	7,489,976.52	799,182.84	9,090,381.52
Closing balance	8,857,316.96	82,485,227.48	7,325,842.70	98,668,387.14
Carrying amount				
At the end of period	3,925,820.41	28,710,020.47	72,592,442.68	105,228,283.56
At the beginning of period	4,300,579.29	35,740,307.29	73,391,625.52	113,432,512.10

As at 30 June 2026, the Group's intangible assets did not require impairment provisions.

16. Long-Term Prepaid Expenses

	Opening balance	Addition	Amortization	Closing balance
Photomask	128,142,185.20	93,459,025.75	(15,239,582.75)	206,361,628.20
Landscaping projects	2,846,328.54	-	(616,987.08)	2,229,341.46
Leasehold improvements	5,458,457.36	105,249.16	(1,279,425.82)	4,284,280.70
Maintenance and repair costs	181,310.13	154,235.99	(86,023.05)	249,523.07
Insurance premiums	–	283,018.87	(15,723.28)	267,295.59
Total	136,628,281.23	94,001,529.77	(17,237,741.98)	213,392,069.02

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

17. Deferred Tax Assets/Liabilities

(1) Deferred Tax Assets before Offsetting

	30 June 2026		31 December 2025	
	Deductible temporary differences	**Deferred tax assets**	Deductible temporary differences	Deferred tax assets
Deferred tax assets				
Share-based payments	**108,028,259.17**	**14,026,723.64**	80,413,689.61	10,141,712.34
Deferred income	**75,367,000.00**	**8,643,300.00**	76,131,444.51	7,806,244.45
Employee benefits payable	**77,835,954.76**	**8,556,530.25**	23,433,677.16	2,991,827.54
Lease liabilities	**27,855,627.38**	**3,211,836.42**	34,955,947.25	2,814,381.92
Deductible tax losses	**33,573,319.23**	**4,698,484.47**	26,931,872.80	4,726,573.97
Provision for impairment of assets	**185,549,401.70**	**24,586,740.43**	174,165,178.06	22,858,097.09
Depreciation of fixed assets	**28,912,249.08**	**4,274,419.37**	24,565,773.06	3,533,408.52
Others	**1,339,894.14**	**139,208.84**	1,355,648.75	288,622.49
Total	**538,461,705.46**	**68,137,243.42**	441,953,231.20	55,160,868.32

(2) Deferred Tax Liabilities before Offsetting

	30 June 2026		31 December 2025	
	Taxable temporary differences	**Deferred tax liabilities**	Taxable temporary differences	Deferred tax liabilities
Deferred tax liabilities				
Changes in the fair value of financial assets	**271,151,540.91**	**50,403,191.47**	76,741,346.00	11,957,183.80
Right-of-use assets	**26,369,337.60**	**3,021,332.82**	33,735,379.81	2,714,744.13
Depreciation of fixed assets	**17,533,850.19**	**3,682,108.76**	16,484,773.34	3,461,803.49
Unrealized losses on internal transactions	**7,878,386.78**	**1,969,596.70**	7,878,386.78	1,969,596.70
Changes in the fair value of other equity investments	**258,283.19**	**64,570.80**	3,345,441.59	836,360.40
Others	**38,113.21**	**5,716.97**	329,733.69	21,260.18
Total	**323,229,511.88**	**59,146,517.52**	138,515,061.21	20,960,948.70

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(3) *Deferred Tax Assets or Liabilities Presented at Net Amounts after Offsetting*

	30 June 2026		31 December 2025	
	Offsetting Amount	**Closing balance after offsetting**	Offsetting Amount	Closing balance after offsetting
Deferred tax assets	**13,050,263.70**	**55,086,979.72**	11,861,562.76	43,299,305.56
Deferred tax liabilities	**13,050,263.70**	**46,096,253.82**	11,861,562.76	9,099,385.94

The Group recognizes deferred tax assets arising from deductible temporary differences and deductible tax losses to the extent that it is probable that taxable profits will be available in the future periods against which the deductible temporary differences and deductible tax losses can be utilized. The deferred tax assets are measured at the applicable tax rates expected to apply in the periods when the assets are recovered.

(4) *Details of Unrecognized Deferred Tax Assets*

	30 June 2026	31 December 2025
Deductible tax losses	**1,192,545,321.66**	1,290,664,249.07
Deductible temporary differences	**496,955,159.47**	338,778,735.86
Total	**1,689,500,481.13**	1,629,442,984.93

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(5) Expiry of Deductible Tax Losses for which Deferred Tax Assets have not been Recognized

	30 June 2026	31 December 2025
2026	**10,862,888.37**	10,862,888.37
2027	**6,397,023.73**	6,397,023.73
2028	**19,689,442.19**	19,689,442.19
2029	**103,063,180.11**	137,189,853.45
2030	**418,562,795.21**	464,140,583.84
2031	**118,281,855.96**	118,281,855.96
2032	**163,907,314.73**	163,907,314.73
2033	**277,510,288.08**	279,216,826.02
2034	**74,270,533.28**	67,540,851.01
2035	**–**	23,437,609.77
Total	**1,192,545,321.66**	1,290,664,249.07

As at 30 June 2026, the taxable temporary differences related to the distributable profits of the Company's overseas subsidiaries amounted to RMB5,219,155,821.53 (31 December 2025: RMB4,117,637,899.00). Since the Company expects these temporary differences will not reverse in the foreseeable future, no deferred tax liabilities have been recognized for the income tax payable due to the distribution of these temporary differences.

18. Other non-current assets

	30 June 2026			31 December 2025		
	Book balance	**Impairment provision**	**Book value**	Book balance	Impairment provision	Book value
Prepayments for construction	**11,282,336.58**	**–**	**11,282,336.58**	–	–	–

19. Assets with Restricted Ownership

	30 June 2026	31 December 2025	
Currency funds	**29,770,400.78**	8,204,000.00	Note

Note 1: As at 30 June 2026, performance bond deposits with a carrying amount of RMB23,566,400.78 (31 December 2025: nil) were pledged as security for project settlement guarantees, with maturity on 31 December 2026; performance bond deposits with a carrying amount of RMB3,102,000.00 (31 December 2025: RMB3,102,000.00) were pledged as security for project completion guarantees, with maturity on 30 November 2026; performance bond deposits with a carrying amount of RMB3,102,000.00 (31 December 2025: RMB3,102,000.00) were pledged as security for project production guarantees, with maturity on 30 November 2027.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

20. Accounts Payable

	30 June 2026	31 December 2025
Within 1 year	**330,333,761.67**	208,233,513.35

As at 30 June 2026, the Group had no significant accounts payable with ageing over one year.

21. Receipts in Advance

	30 June 2026	31 December 2025
Within 1 year	**88,761.39**	80,412.76

As at 30 June 2026, the Group had no significant receipts in advance with ageing over one year.

22. Contract Liabilities

	30 June 2026	31 December 2025
Within 1 year	**–**	45,729.09

As at 30 June 2026, the timing for fulfilling performance obligations related to contract liabilities was within one year after payment.

23. Employee Benefits Payable

(1) Employee Benefits Payable Disclosure

	Opening balance	**Increase**	**Decrease**	**Closing balance**
Short-term employee benefits	291,630,643.51	423,665,216.01	(425,185,067.80)	290,110,791.72
Post-employment benefits (defined contribution plan)	2,306,432.73	19,677,794.26	(19,688,920.35)	2,295,306.64
Total	293,937,076.24	443,343,010.27	(444,873,988.15)	292,406,098.36

As at 30 June 2026, the amount of employee benefits payable capitalized into construction in progress by the Group was RMB4,085,107.40.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(2) Short-Term Employee Benefits Disclosure

	Opening balance	Increase	Decrease	Closing balance
Salaries, bonuses, allowances, and subsidies	289,112,840.93	381,820,824.70	(383,350,278.45)	287,583,387.18
Staff welfare	–	22,177,812.87	(22,177,812.87)	–
Social security contributions	1,289,133.34	10,335,642.58	(10,337,953.04)	1,286,822.88
Including: Medical insurance	1,225,173.97	10,066,050.91	(10,067,567.72)	1,223,657.16
Work injury insurance	63,959.37	269,591.67	(270,385.32)	63,165.72
Housing funds	1,228,280.00	9,327,426.08	(9,315,496.08)	1,240,210.00
Union funds and employee education funds	389.24	3,509.78	(3,527.36)	371.66
Total	291,630,643.51	423,665,216.01	(425,185,067.80)	290,110,791.72

(3) Defined Contribution Plan Disclosure

	Opening balance	Increase	Decrease	Closing balance
Basic pension insurance	2,237,410.15	19,022,622.14	(19,033,209.85)	2,226,822.44
Unemployment insurance	69,022.58	655,172.12	(655,710.50)	68,484.20
Total	2,306,432.73	19,677,794.26	(19,688,920.35)	2,295,306.64

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

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

24. Taxes and Surcharges Payable

	30 June 2026	31 December 2025
Corporate income tax	**166,582,897.43**	96,098,786.64
Individual income tax	**7,515,949.04**	14,212,152.02
Property tax	**957,795.67**	940,317.91
Stamp duty	**905,945.85**	810,025.91
Urban land use tax	**20,177.28**	20,177.28
Total	**175,982,765.27**	112,081,459.76

25. Other Payables

	30 June 2026	31 December 2025
Dividends payable	**471,770,138.19**	–
Construction expenditure	**133,473,898.69**	103,045,335.27
Professional service and consulting fees	**15,197,124.56**	12,773,200.03
Warranty	**8,782,772.56**	8,466,762.59
Lease deposits	**2,861,877.70**	3,050,680.80
Sales commission	**504,856.80**	2,123,577.89
Interest payable	**59,139.31**	–
Collection and disbursement of government subsidy funds for the talented	**–**	1,062,500.00
Others	**42,690,002.74**	9,967,135.87
Total	**675,339,810.55**	140,489,192.45

As at 30 June 2026, the Group had no significant other payables with ageing over one year.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

26. Current Portion of Non-Current Liabilities

	30 June 2026	31 December 2025
Long-term borrowings due within one year	**5,750,000.00**	–
Lease liabilities due within one year	**15,038,994.92**	14,775,474.48
Total	**20,788,994.92**	14,775,474.48

27. Long-term borrowings

	30 June 2026	31 December 2025
Unsecured borrowings	**107,079,875.18**	–

The above borrowings bear interest at an annual rate of 2.51%.

28. Lease Liabilities

	30 June 2026	31 December 2025
Lease payables	**14,506,393.08**	19,362,711.49

Expressed in Renminbi Yuan

29. Deferred Income

	Opening balance	Increase	Decrease	Closing balance
Government grants	78,886,546.55	–	(1,131,791.45)	77,754,755.10

30. Share Capital

	Opening balance	Increase	Closing balance
Share capital	1,146,426,521.00	75,773,500.00	1,222,200,021.00

In 2026, pursuant to the approval of the Hong Kong Stock Exchange, 65,890,000 H shares issued by the Company were listed and commenced trading on the Main Board of the Hong Kong Stock Exchange. An additional 9,883,500 H shares were issued following the exercise of the over-allotment option, resulting in a total increase in the Company's share capital of 75,773,500 shares.

31. Capital Reserves

	Opening balance	Increase (note)	Decrease	Closing balance
Share premium	4,971,712,860.27	6,979,069,745.25	–	11,950,782,605.52
Others	1,142,304,664.39	191,347,484.61	–	1,333,652,149.00
Total	6,114,017,524.66	7,170,417,229.86	–	13,284,434,754.52

Note: The increase in share premium was attributable to the Company's listing on the Hong Kong Stock Exchange. For changes in other capital reserves for the six months ended 30 June 2026, refer to Note XIII.4.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

32. Treasury Shares

	Opening balance	Increase	Decrease	Closing balance
Treasury shares	848,359,352.12	–	–	848,359,352.12

33. Other Comprehensive Income

For the six months ended 30 June 2026

	Opening balance	Pre-tax amount	Less: other comprehensive income in prior periods transfers to Retained earnings in the current period	Less: Income tax	Closing balance attributable to the parent company's shareholders
Fair value changes of other equity investments	2,509,081.19	(3,087,158.40)	–	(771,789.60)	193,712.39
Foreign currency differences on translation of financial statements	138,611,757.93	(177,019,547.35)	–	-	(38,407,789.42)
Total	141,120,839.12	(180,106,705.75)	–	(771,789.60)	(38,214,077.03)

34. Surplus Reserves

	Opening balance	Increase	Decrease	Closing balance
Statutory surplus reserve	351,958,734.25	–	–	351,958,734.25

As stipulated by the Company Law of the PRC and the articles of associations of the Company, the Company shall make provision for statutory surplus reserve at the amount of 10% of its net profit. Provision for statutory surplus reserve is optional if the aggregate balance of the statutory surplus reserve reaches 50% of the Company's registered capital.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

35. Unappropriated Profit

	30 June 2026	31 December 2025
Unappropriated profit at the beginning of the period	**6,018,558,105.55**	4,518,383,330.50
Net profit attributable to shareholders of the parent company	**1,997,374,517.87**	2,235,569,970.18
Less: Appropriation to statutory surplus reserve	**–**	65,398,792.66
Cash dividends payable for ordinary shareholders	**471,770,138.19**	669,996,402.47
Unappropriated profit at the end of the period	**7,544,162,485.23**	6,018,558,105.55

Pursuant to the Proposal on the 2025 Profit Distribution Plan approved at the 2025 Annual General Meeting held on 24 June 2026, the Company distributed a cash dividend of RMB3.90 per 10 shares (tax inclusive), based on the total shares registered on the record date for the equity distribution, after deducting shares repurchased and held in the share repurchase reserve account. The total cash dividend amounted to RMB471,770,138.19 (tax inclusive).

36. Revenue and Cost of Sales

(1) Revenue and Cost of Sales Disclosure

	Six months ended 30 June 2026		Six months ended 30 June 2025	
	Revenue	**Cost**	Revenue	Cost
Primary business	**3,331,305,533.24**	**1,154,082,542.99**	2,628,360,714.29	1,038,620,292.62
Other business	**4,191,988.57**	**2,911,659.70**	5,095,766.79	3,202,557.26
Total	**3,335,497,521.81**	**1,156,994,202.69**	2,633,456,481.08	1,041,822,849.88

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

Revenue is as follows:

	Six months ended 30 June 2026	Six months ended 30 June 2025
Revenue from contracts with customers	**3,331,305,533.24**	2,628,360,714.29
Rental income	**4,191,988.57**	5,095,766.79
Total	**3,335,497,521.81**	2,633,456,481.08

(2) Breakdown of Primary Business Revenue

Contract classification	**Six months ended 30 June 2026**
Geographical market	
Mainland China and Hong Kong	**1,011,414,820.08**
Others	**2,319,890,713.16**
Total	**3,331,305,533.24**
Product type	
Interconnect chips	**3,111,291,901.74**
Jintide® products	**220,013,631.50**
Total	**3,331,305,533.24**
Timing of revenue recognition	
Revenue recognized at a point in time	**3,331,305,533.24**

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(3) Breakdown of Cost of Sales

Contract classification	Six months ended 30 June 2026
Geographical market	
Mainland China and Hong Kong	**472,385,628.89**
Others	**681,696,914.10**
Total	**1,154,082,542.99**
Product type	
Interconnect chips	**955,362,280.72**
Jintide® products	**198,720,262.27**
Total	**1,154,082,542.99**
Timing of revenue recognition	
Revenue recognized at a point in time	**1,154,082,542.99**

37. Taxes and Surcharges

	Six months ended 30 June 2026	Six months ended 30 June 2025
Property tax	**1,915,591.34**	1,880,635.82
Stamp duty	**1,680,819.60**	1,280,137.36
Land use tax	**40,354.56**	(9,253.44)
Urban maintenance and construction tax	**66.56**	–
Education surcharge	**28.52**	–
Local education surcharge	**19.02**	–
Total	**3,636,879.60**	3,151,519.74

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

38. Selling Expenses

	Six months ended 30 June 2026	Six months ended 30 June 2025
Staff costs	**50,834,011.56**	43,660,014.73
Travel expenses	**1,436,479.09**	1,139,737.69
Depreciation and amortization expenses	**1,184,515.24**	1,118,232.97
Sales commission	**1,183,113.28**	805,667.33
Professional service and consulting fees	**564,301.51**	1,229,005.83
Marketing expenses	**532,776.14**	515,478.95
Business development expenses	**391,276.56**	326,619.98
Others	**2,423,067.25**	2,497,921.88
Total	**58,549,540.63**	51,292,679.36

39. Administrative Expenses

	Six months ended 30 June 2026	Six months ended 30 June 2025
Staff costs	**222,716,062.72**	173,802,961.95
Depreciation and amortization expenses	**23,546,924.20**	23,069,823.51
Professional service and consulting fees	**18,114,623.84**	7,076,534.43
Rental fees	**3,661,375.02**	3,020,424.79
Office and meeting expenses	**2,311,628.46**	1,569,989.65
External services fees	**1,717,948.37**	1,287,179.73
Transportation and communication expenses	**1,641,212.37**	1,572,024.14
IT hardware and software expenses	**1,550,294.60**	891,740.27
Others	**13,197,078.32**	9,328,002.20
Total	**288,457,147.90**	221,618,680.67

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

40. Research and Development Expenses

	Six months ended 30 June 2026	Six months ended 30 June 2025
Staff costs	**350,925,764.38**	277,945,331.12
Engineering expenses	**42,817,536.15**	26,625,008.05
Depreciation and amortization expenses	**26,961,213.60**	21,870,954.02
Tool and license fees	**23,332,799.12**	23,604,187.13
External service fees	**2,560,086.56**	1,533,442.36
Professional service and consulting fees	**1,916,529.59**	1,657,994.36
Others	**4,569,248.60**	3,834,441.10
Total	**453,083,178.00**	357,071,358.14

41. Finance Expenses

	Six months ended 30 June 2026	Six months ended 30 June 2025
Interest expenses	**1,361,768.15**	909,824.15
Less: interest income	**204,954,194.03**	133,324,648.81
Exchange gains and losses	**174,188,260.74**	6,610,133.05
Others	**251,605.42**	118,941.06
Total	**(29,152,559.72)**	(125,685,750.55)

42. Other Income

	Six months ended 30 June 2026	Six months ended 30 June 2025
Government grants related to ordinary activities	**5,754,881.29**	58,929,162.68
Fees refunded for withholding individual income tax	**2,179,929.80**	1,740,101.66
Total	**7,934,811.09**	60,669,264.34

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

43. Investment Income

	Six months ended 30 June 2026	Six months ended 30 June 2025
Investment income obtained from the disposal of financial assets held for trading	**89,307,703.30**	10,958,833.74
Investment income from structured deposits	**3,026,399.82**	18,065,780.06
Investment income obtained from the disposal of other non-current financial assets	**168,076,235.82**	–
Dividend income obtained from other equity investments held during the holding period	**665,805.00**	640,070.20
Dividend income obtained from other non-current financial assets during the holding period	**43,466.92**	180,000.00
Investment income from financial assets held for trading during the holding period	**69,342.57**	3,900.00
Investment income from financial products	**2,633.47**	39,446.83
Investment income from long-term equity investments under the equity method	**(9,118,054.00)**	(9,906,274.76)
Total	**252,073,532.90**	19,981,756.07

44. Fair Value Gains/(Losses)

	Six months ended 30 June 2026	Six months ended 30 June 2025
Other non-current financial assets	**226,515,565.74**	(23,518,760.10)
Financial assets held for trading	**203,372,405.29**	14,828,888.20
Total	**429,887,971.03**	(8,689,871.90)

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

45. Credit Impairment Losses

	Six months ended 30 June 2026	Six months ended 30 June 2025
Impairment losses for accounts receivable	**(2,079,893.96)**	(19,599.07)

46. Impairment Losses of Assets

	Six months ended 30 June 2026	Six months ended 30 June 2025
Inventory Impairment losses	**(20,927,121.46)**	30,841,217.57

47. Non-Operating Income

	Six months ended 30 June 2026	Six months ended 30 June 2025	Recognized for the six months ended 30 June 2026 Non-recurring gains and losses
Others	**692.28**	–	692.28

48. Non-Operating Expenses

	Six months ended 30 June 2026	Six months ended 30 June 2025	Recognized for the six months ended 30 June 2026 Non-recurring gains and losses
Loss on retirement of fixed assets	**–**	765,561.61	–
Charitable donation	**15,000.00**	15,000.00	15,000.00
Others	**77,137.03**	1,517.98	77,137.03
Total	**92,137.03**	782,079.59	92,137.03

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

49. Income Tax Expenses

	Six months ended 30 June 2026	Six months ended 30 June 2025
Current income tax expense	**103,647,729.08**	70,152,904.16
Deferred income tax expense	**25,980,983.32**	3,656,826.21
Total	**129,628,712.40**	73,809,730.37

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

	Six months ended 30 June 2026	Six months ended 30 June 2025
Profit before income tax	**2,070,726,987.56**	1,186,185,831.26
Income tax expense calculated at the applicable tax rate of the Company (Note 1)	**207,072,698.76**	118,618,583.13
Impact of preferential tax rates and different tax rates applicable to subsidiaries	**(89,910,200.19)**	(49,776,441.60)
Adjustment in respect of current tax of previous years	**(7,710,075.42)**	(9,365,518.29)
Income not subject to tax	**(859,920.62)**	(890,000.06)
Expenses not deductible for tax	**2,353,835.39**	2,420,100.47
Tax losses utilised from previous periods	**–**	(14,600,709.90)
Unrecognized deductible temporary differences and tax losses	**54,262,028.94**	43,890,899.48
Super deduction for research and development	**(33,130,089.61)**	(16,487,182.86)
Impact of changes in tax rates	**(2,449,564.85)**	–
Income tax expenses calculated at the actual tax rate of the Group	**129,628,712.40**	73,809,730.37

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

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

50. Notes to the Statement of Cash Flows

(1) Cash Flows Related to Operating Activities

	Six months ended 30 June 2026	Six months ended 30 June 2025
Other cash receipts relating to operating activities		
Interest income	**191,499,760.81**	149,959,670.10
Government grants	**4,623,089.84**	59,438,042.16
Others	**5,153,979.02**	925,923.63
Total	**201,276,829.67**	210,323,635.89

	Six months ended 30 June 2026	Six months ended 30 June 2025
Other cash payments relating to operating activities		
Routine expenditures	**95,401,476.47**	93,545,880.87

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(2) Cash Flows Related to Investing Activities

	Six months ended 30 June 2026	Six months ended 30 June 2025
Other cash receipts relating to investing activities		
Receipt of restricted security deposits	**2,000,000.00**	–
Other cash payments relating to investing activities		
Payment of restricted security deposits	**23,566,400.78**	–

(3) Cash Flows Related to Financing Activities

	Six months ended 30 June 2026	Six months ended 30 June 2025
Other cash payments relating to financing activities		
Repurchase of treasury shares	**–**	79,063,222.32
Listing expenses for HKIPO	**22,954,230.10**	–
Lease payments under the new leasing standards	**4,894,202.14**	8,426,118.11
Total	**27,848,432.24**	87,489,340.43

(4) Changes in various liabilities arising from financing activities

		Increase		Decrease		
Item	Opening balance	Cash changes	Non-cash changes	Cash changes	Non-cash changes	Closing balance
Long-term borrowings (including those due within one year)	–	115,000,000.00	–	(2,170,124.82)	–	112,829,875.18
Lease liabilities (including those due within one year)	34,138,185.97	–	301,404.17	(4,894,202.14)	–	29,545,388.00
Total	34,138,185.97	115,000,000.00	301,404.17	(7,064,326.96)	–	142,375,263.18

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

51. Supplementary Information to the Statement of Cash Flows

(1) Supplementary Information to the Statement of Cash Flows

Reconciliation of net profit to cash flows from operating activities:

	Six months ended 30 June 2026	Six months ended 30 June 2025
Net profit	**1,941,098,275.16**	1,112,376,100.89
Add: Credit impairment losses	**2,079,893.96**	19,599.07
Impairment losses/(reversal of impairment losses) of assets	**20,927,121.46**	(30,841,217.57)
Share-based payment expenses	**191,347,484.61**	91,538,644.29
Depreciation of fixed assets	**41,879,645.49**	36,491,358.42
Depreciation of investment properties	**5,512,348.94**	6,430,002.97
Amortization of intangible assets	**9,090,381.52**	13,308,037.35
Amortization of long-term prepaid expenses	**17,237,741.98**	14,831,050.17
Depreciation of right-of-use assets	**7,153,751.89**	7,689,475.80
Loss on retirement of fixed assets	**-**	765,561.61
Fair value (gains)/losses	**(429,887,971.03)**	8,689,871.90
Finance expenses	**175,550,028.89**	7,519,957.20
Investment income	**(252,073,532.90)**	(19,981,756.07)
(Increase)/decreases in deferred tax assets	**(11,015,884.56)**	2,767,508.33
Increase in deferred tax liabilities	**36,996,867.88**	889,317.88
Increase in inventories	**(115,547,297.41)**	(16,739,210.16)
Increase in operating receivables	**(486,682,018.39)**	(193,772,001.85)
Increase in operating payables	**174,361,206.07**	16,706,719.10
Net cash flows from operating activities	**1,328,028,043.56**	1,058,689,019.33

Net changes in cash and cash equivalents:

	Six months ended 30 June 2026	Six months ended 30 June 2025
Closing balance of cash	**15,011,597,968.05**	8,225,721,828.35
Less: Opening balance of cash	**8,416,073,633.40**	6,698,931,684.67
Net increase in cash and cash equivalents	**6,595,524,334.65**	1,526,790,143.68

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(2) Composition of Cash and Cash Equivalents

	30 June 2026	31 December 2025
Cash	**15,011,597,968.05**	8,416,073,633.40
Including: Cash on hand	**10,028.60**	7,628.60
Bank deposits readily available for payment	**14,893,225,647.59**	8,296,574,658.66
Other monetary funds readily available for payment	**118,362,291.86**	119,491,346.14
Closing balance of cash and cash equivalents	**15,011,597,968.05**	8,416,073,633.40

(3) Currency Funds not Classified as Cash and Cash Equivalents

	30 June 2026	31 December 2025	Reason
Interest receivable	**68,161,175.60**	54,706,742.38	Not actually received
Restricted currency funds	**29,770,400.78**	8,204,000.00	Deposit
Total	**97,931,576.38**	62,910,742.38	

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

52. Foreign Currency Monetary Items

(1) Foreign Currency Monetary Items

	Original currency	Exchange rate	Converted to RMB
Currency funds			
USD	1,298,371,215.96	6.8109	8,843,076,514.78
HKD	4,895,342.51	0.8686	4,252,094.50
KRW	1,222,247,088.00	0.0044	5,377,887.19
MOP	203,114.69	0.8432	171,266.31
Accounts receivable			
USD	142,583,254.58	6.8109	971,120,288.62
Other receivables			
USD	102,231.40	6.8109	696,287.84
Accounts payable			
USD	46,436,431.69	6.8109	316,273,892.60
Other payables			
USD	7,354,722.31	6.8109	50,092,278.18
Total			9,458,328,168.46

The foreign currency monetary items listed above include all foreign currency monetary items of the Group other than those denominated in RMB.

(2) Overseas Operating Entities

Company name	Main operating location	Functional currency
Montage Technology Holdings Company Limited	Cayman Islands	USD
Montage Technology Macao Commercial Offshore Limited	Macao	USD

The functional currency of an overseas operating entity is determined based on the following reasons: the currency is primarily used to denominate and settle transactions for goods, required services, labor, materials and other expenses; the currency is obtained from financing activities; and the currency in which funds from operating activities are held.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

53. Leases

(1) As Lessee

	Six months ended 30 June 2026	Six months ended 30 June 2025
Interest expenses on lease liabilities	**652,540.34**	909,824.15
Short-term lease expenses accounted for in the current profit and loss using simplified treatment	**4,431,246.94**	4,041,990.91
Total cash outflow related to leases	**9,325,449.08**	12,468,109.02

For right-of-use assets, refer to Note V.14; For simplified treatment of short-term leases and leases of low-value assets, refer to Note III. 4; For lease liabilities, refer to Notes V.26, 28.

(2) As Lessor

Operating Leases

The Group leases out investment properties under operating leases with lease terms ranging from within 1 year to over 5 years.

The gains and losses related to operating leases are as follows:

	Six months ended 30 June 2026	Six months ended 30 June 2025
Rental income	**4,191,988.57**	5,095,766.79

According to the lease contracts signed with tenants, the undiscounted minimum lease payments are as follows:

	30 June 2026	31 December 2025
Within 1 year (including 1 year)	**8,603,134.79**	7,146,559.05
1 to 2 years (including 2 years)	**9,194,568.59**	7,572,093.47
2 to 3 years (including 3 years)	**6,763,823.31**	6,596,396.94
3 to 4 years (including 4 years)	**4,093,825.29**	4,672,897.50
4 to 5 years (including 5 years)	**2,139,128.88**	3,408,290.04
Over 5 years	**2,544,318.39**	3,333,074.97
Total	**33,338,799.25**	32,729,311.97

For investment properties under operating leases, refer to Note V.11.

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

VI. Research and Development Expenditures

1. Analysis by nature

	Six months ended 30 June 2026	Six months ended 30 June 2025
Staff costs	**350,925,764.38**	277,945,331.12
Engineering expenses	**42,817,536.15**	26,625,008.05
Depreciation and amortization expenses	**26,961,213.60**	21,870,954.02
Tool and license fees	**23,332,799.12**	23,604,187.13
External service fees	**2,560,086.56**	1,533,442.36
Professional service and consulting fees	**1,916,529.59**	1,657,994.36
Others	**4,569,248.60**	3,834,441.10
Total	**453,083,178.00**	357,071,358.14
Including: Expensed research and development expenses	**453,083,178.00**	357,071,358.14

VII. Changes in the Scope of Consolidation

1. Changes in the scope of consolidation due to other reasons

The Group did not establish any new companies during the period.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

VIII. Interests in Other Entities

1. Interests in Subsidiaries

(1) Companies Comprising of the Corporate Group

Subsidiaries acquired through establishment or investment	Main operating location	place of registration	Nature of business	Registered capital	Shareholding ratio (%)	
					Direct	Indirect
Montage Technology (Kunshan) Co., Ltd.	Kunshan	Kunshan	Research, development and sale of chips	RMB500,000,000	100.00	–
Montage Technology Holdings Company Limited	Cayman Islands	Cayman Islands	Investment holding	USD50,000	100.00	–
Montage Investment Co., Ltd	Shanghai	Shanghai	Equity investment and asset management	RMB300,000,000	100.00	–
Montage Electronics (Hainan) Co., Ltd.	Hainan	Hainan	Research, development and sale of chips	RMB10,000,000	100.00	–
Montage Capital (Hainan) Co., Ltd.	Hainan	Hainan	Venture capital	RMB200,000,000	100.00	–
Montage Electronics (Shanghai) Co., Ltd.	Shanghai	Shanghai	Research, development and sale of chips	RMB850,000,000	49.00	51.00
Montage Semiconductor (Kunshan) Co., Ltd.	Kunshan	Kunshan	Research, development and sale of chips	RMB1,000,000	–	100.00
Montage Technology Macao Commercial Offshore Limited	Macau	Macau	Research, development and sale of chips	MOP500,000	–	100.00
Montage Hong Kong Holdings Company Limited	Hong Kong	Hong Kong	Investment holding	HKD1	–	100.00
Montage Technology, Inc.	United States	United States	Research, development and sale of chips	–	–	100.00
Mont Acquisition Sub, Inc.	United States	United States	Investment holding	USD10	–	100.00
Montage, Inc.	United States	United States	Research, development and sale of chips	USD1	–	100.00
Montage Real Estate Holding I Limited (BVI)	British Virgin Islands	British Virgin Islands	Investment holding	USD1	–	100.00
Montage Real Estate Holding I (Hong Kong) Limited	Hong Kong	Hong Kong	Investment holding	HKD1	–	100.00
Montone Enterprise (Shanghai) Co., Ltd.	Shanghai	Shanghai	Investment holding	RMB15,000,000	–	100.00

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

Subsidiaries acquired through establishment or investment	Main operating location	place of registration	Nature of business	Registered capital	Shareholding ratio (%) Direct	Shareholding ratio (%) Indirect
Shanghai Xitai Enterprise Co., Ltd.	Shanghai	Shanghai	Self-owned property management	RMB10,000,000	–	100.00
Shanghai Huacui Property Co., Ltd.	Shanghai	Shanghai	Self-owned property management	RMB10,000,000	–	100.00
Montage Real Estate Holding II Limited (BVI)	British Virgin Islands	British Virgin Islands	Investment holding	USD1	–	100.00
Montage Real Estate Holding II (Hong Kong) Limited	Hong Kong	Hong Kong	Investment holding	HKD1	–	100.00
Monttwo Enterprise (Shanghai) Co., Ltd.	Shanghai	Shanghai	Investment holding	RMB400,000,000	–	100.00
Montxilu Enterprise (Shanghai) Co., Ltd.	Shanghai	Shanghai	Self-owned property management	RMB400,000,000	–	100.00
Shanghai Mulan Jinsi Enterprise Management Partnership (Limited Partnership)	Shanghai	Shanghai	Equity investment	RMB83,750,000	–	70.00
3955 Johns Creek Inc.	United States	United States	Self-owned property management	–	–	100.00
Montage Semiconductor Inc.	United States	United States	Research, development and sale of chips	–	–	100.00
Montage Technology Holdings Inc.	United States	United States	Investment holding	USD1	–	100.00
Montage Technology Holdings II Inc.	United States	United States	Investment holding	USD1	–	100.00
Shanghai Montage Hongli Enterprise Management Partnership (Limited Partnership)	Shanghai	Shanghai	Equity investment	RMB500,000,000	9.00	91.00
Montage Electronics (Zhuhai Hengqin) Co., Ltd.	Zhuhai	Zhuhai	Research, development and sale of chips	RMB143,500,000	44.88	–
Montage Electronics Design (Xi'an) Company Limited	Xian	Xian	Research, development and sale of chips	RMB5,000,000	–	44.88
Montage Electronics Design (Shanghai) Company Limited	Shanghai	Shanghai	Research, development and sale of chips	RMB5,000,000	–	44.88

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

2. Interests in Associates

(1) Summary Financial Information of Non-Significant Joint Ventures and Associates

The table below lists the summarized financial information of the Group's non-significant joint ventures and associates:

	30 June 2026/ Six months ended 30 June 2026	31 December 2025/ Six months ended 30 June 2025
Associates		
Total carrying amount of investments	**262,842,355.37**	91,960,409.37
Items below were calculated by the proportion of equity interests		
Share of net profits of associates	**(9,118,054.00)**	(9,906,274.76)
Share of total comprehensive income of associates	**(9,118,054.00)**	(9,906,274.76)

IX. Government Grants

1. Government Grants Recognized Based on Amounts Receivable

The balance of government grants receivable is not included in other receivables.

2. Liabilities Related to Government Grants

	Opening balance	Additions	Transferred to other income	Closing balance	Related to assets/income
Deferred income	35,546,546.55	–	(1,131,791.45)	34,414,755.10	Related to assets
Deferred income	43,340,000.00	–	–	43,340,000.00	Related to income
Total	78,886,546.55	–	(1,131,791.45)	77,754,755.10	

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

3. Government Grants Recognized in Current Profit or Loss

	Six months ended 30 June 2026	Six months ended 30 June 2025
Government grants related to assets		
Recognized in other income	**1,131,791.45**	9,951,222.18
Government grants related to income		
Recognized in other income	**4,623,089.84**	48,977,940.50
Total	**5,754,881.29**	58,929,162.68

4. Government subsidies returned this period

No government grants were returned during the current period.

X. Risks Related to Financial Instruments

1. Financial instrument risks

The Group is exposed to various financial instrument risks in its daily operations, primarily including credit risk, liquidity risk, and market risk. The Group's risk management policies related to these are summarized as follows:

The management of the Group manages and monitors these risk exposures to ensure that the aforementioned risks are controlled within defined tolerance levels. The objective of the Group's risk management is to strike an appropriate balance between risk and return, minimizing the adverse impact of risks on the Group's operating performance, and maximizing the interests of shareholders and other equity investors. Based on this risk management objective, the Group's fundamental risk management strategy involves identifying and analyzing the various risks faced, establishing appropriate risk tolerance thresholds, and implementing risk management measures, as well as regularly monitoring various risks in a timely and reliable manner to keep them within defined limits.

(1) Credit Risk

The Group trades only with recognized and creditworthy third parties. In accordance with the Group's policy, all customers seeking to trade on credit are subject to credit review. Additionally, the Group continuously monitors accounts receivable balances to ensure that it does not face significant bad debt risks.

The credit risk of financial instruments such as currency funds and structured deposits within financial assets held for trading is low, as the counterparties are reputable banks with high credit ratings.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

The Group's other financial assets include accounts receivable and other receivables, and the credit risk of these financial assets arises from counterparty defaults, with the maximum risk exposure equal to the book value of these instruments.

As at each balance sheet date, the Group's maximum credit risk exposure corresponds to the total contractual amounts receivable from customers, net of impairment allowances.

As the Group conducts transactions with recognized and reputable third parties only, no collateral is required. Credit risk is managed on a customer basis. The Group has specific credit risk concentrations. As at 30 June 2026, 48.70% (31 December 2025: 48.62%) of the Group's accounts receivable were due from the largest customer, and 89.53% (31 December 2025: 86.44%) of accounts receivable were due from the five largest customers by balance. The Group does not hold any collateral or other credit enhancements for accounts receivable balances.

The quantitative data on credit risk exposure arising from accounts receivable and other receivables of the Group can be found in Notes V. 3, 5.

Criteria for Significant Increase in Credit Risk

On each balance sheet date, the Group assesses whether the credit risk of the relevant financial instruments has significantly increased since initial recognition. The main criteria for determining a significant increase in credit risk are: if the number of days overdue exceeds 30 days, or if there is a significant change in one or more of the indicators including the operating environment of the debtor, internal and external credit ratings, or significant adverse changes in actual or expected operating results.

Definition of Assets with Credit Impairment

The main criterion for the Group to determine that credit impairment has occurred is overdue days in excess of 90 days. However, in certain cases, if internal or external information indicates that the full recovery of the contract amount may not be possible before considering any credit enhancements held, the Group will also consider it to have incurred credit impairment.

Credit impairment of financial assets may result from the combined effect of multiple events and may not necessarily be caused by identifiable events alone.

Credit risk exposure

The Group recognizes expected credit losses for the next 12 months directly against accounts receivable using the simplified approach and for other receivables using the general approach. For details, please refer to Notes V. 3, 5.

As at 30 June 2026 and 31 December 2025, the Group had no receivables that are overdue by more than 30 days for which impairment provisions are recognized based on the 12-month expected credit loss.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(2) Liquidity Risk

The table below summarizes the maturity analysis of financial liabilities based on undiscounted contractual cash flows:

30 June 2026

	Within 1 year	**1 to 5 years**	**Total**
Accounts payable	**330,333,761.67**	**–**	**330,333,761.67**
Other payables	**675,339,810.55**	**–**	**675,339,810.55**
Current portion of non-current liabilities	**22,309,480.85**	**–**	**22,309,480.85**
Long-term borrowings	**–**	**114,450,254.08**	**114,450,254.08**
Lease liabilities	**–**	**14,580,103.05**	**14,580,103.05**
Total	**1,027,983,053.07**	**129,030,357.13**	**1,157,013,410.20**

31 December 2025

	Within 1 year	1 to 5 years	Total
Accounts payable	208,233,513.35	–	208,233,513.35
Other payables	140,489,192.45	–	140,489,192.45
Current portion of non-current liabilities	14,787,099.61	–	14,787,099.61
Lease liabilities	–	21,458,178.67	21,458,178.67
Total	363,509,805.41	21,458,178.67	384,967,984.08

(3) Market Risk

Exchange Rate Risk

Exchange rate risk refers to the risk of loss due to fluctuations in exchange rates. The Group is primarily exposed to exchange rate risk related to the USD. In addition to the Company's domestic subsidiaries, Montage Semiconductor (Kunshan) Co., Ltd., Montage Electronics (Shanghai) Co., Ltd., and Montage Electronics (Zhuhai Hengqin) Co., Ltd. and overseas subsidiaries, which mainly conduct procurement and sales in USD, the Company's other major business activities are settled in RMB. Fluctuations in exchange rates may impact the Group's operating performance.

The Group closely monitors the impact of exchange rate fluctuations and uses hedging methods such as foreign exchange forward contracts to lock in exchange rates and control the impact of exchange rate risk on the Group.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

The table below presents a sensitivity analysis of exchange rate risk, reflecting the impact on net profit and loss under the assumption that all other variables remain constant, in the event of reasonable and possible fluctuations in exchange rates.

30 June 2026

	Increase/(decrease) in USD/RMB rate %	**Increase/(decrease) in net profit and loss**	**Increase/(decrease) in total shareholders' equity**
If RMB weakens against USD	**5.00**	**234,122,193.18**	**234,122,193.18**
If RMB strengthens against USD	**(5.00)**	**(234,122,193.18)**	**(234,122,193.18)**

31 December 2025

	Increase/(decrease) in USD/RMB rate %	Increase/(decrease) in net profit and loss	Increase/(decrease) in total shareholders' equity
If RMB weakens against USD	5.00	93,590,330.11	93,590,330.11
If RMB strengthens against USD	(5.00)	(93,590,330.11)	(93,590,330.11)

2. Capital Management

The primary objective of the Group's capital management is to ensure the Group's ability to continue as a going concern and maintain sound capital ratios to support business development and maximize shareholders' value.

The Group manages and adjusts its capital structure based on changes in economic conditions and the risk characteristics of relevant assets. To maintain or adjust the capital structure, the Group may adjust profit distributions to shareholders, return capital to shareholders, or issue new shares. The Group is not subject to external mandatory capital requirements. The capital management objectives, policies and procedures have not changed for the Reporting Period and fiscal year 2025.

The Group uses the debt-to-asset ratio to manage capital, which is the ratio of total liabilities to total assets at the end of the period. As at 30 June 2026, the Group's debt-to-asset ratio was 8% (31 December 2025: 6%). The Group's management believes this meets the requirements of the Group's capital management. The leverage ratios of the Group as at the balance sheet dates are as follows:

Expressed in Renminbi Yuan

	30 June 2026	31 December 2025
Total assets	**23,177,717,270.09**	13,748,147,352.18
Total liabilities	**1,740,377,469.34**	876,991,502.11
Gearing ratio	**8%**	6%

XI. Disclosure of Fair Value

1. Assets and Liabilities Measured at Fair Value

30 June 2026

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable input (Level 2)	Significant unobservable input (Level 3)	Total
Recurring fair value measurement				
Financial assets held for trading				
Financial assets at fair value through profit or loss				
Structured deposits	–	2,524,975,313.42	–	2,524,975,313.42
Equity investments	209,455,272.73	–	182,611,552.93	392,066,825.66
Other equity investments	24,668,421.90	–	–	24,668,421.90
Other non-current financial assets	–	372,899,753.78	–	372,899,753.78
Total	234,123,694.63	2,897,875,067.20	182,611,552.93	3,314,610,314.76

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

2. Level 1 Fair Value Measurement

The Group's recurring Level 1 fair value measurement primarily consists of investments in listed equity instruments that are not subject to a lock-up period. Fair value is determined based on active market quotes as at 30 June 2026.

3. Level 2 Fair Value Measurement

The Group's recurring Level 2 fair value measurement primarily consists of structured deposits and unlisted equity investments. The fair value of structured deposits is determined by using market-available expected yield rates to estimate future cash flows, and the fair value is calculated based on the best estimate of the expected risk level's discount rate. The fair value of unlisted equity investments is measured by reference to recent financing prices or other valuation methods, such as considering the most recent transaction prices of the same equity and considering accompanying rights factors as the basis for determining its fair value.

4. Level 3 Fair Value Measurement

The Group's recurring Level 3 fair value measurement primarily consists of investments in listed equity instruments that are subject to a lock-up period. The fair value is determined using a valuation model based on active market quotes as at 30 June 2026. The significant unobservable input used in the valuation model is the discount for lack of marketability.

	Fair value as at 30 June 2026	Valuation technique	Significant unobservable input	Range (weighted average)
Financial assets held for trading	182,611,552.93	Market approach	Discount for lack of marketability	15%

Expressed in Renminbi Yuan

XII. Related Party Relationships and Transactions

1. Parent Company

The Company has no parent company or actual controller.

2. Subsidiaries

For details of subsidiaries, refer to Note VIII. 1.

3. Associates

For details of associates, refer to Note V. 8.

4. Other Related Parties

	Related party relationships
Intel Corporation and its subsidiaries (“**The Intel Group**”)	Others (note)
Alberti Holdings (Hong Kong) Limited	Entities controlled by the Company’s directors and senior management
Xi Yu Holdings Limited	Entities controlled by the Company’s directors and senior management

Note: As at 13 June 2024, Intel Corporation’s wholly-owned subsidiary, Intel Capital Corporation, held more than 5% of the Company’s shares; from 14 June 2024, Intel Capital Corporation’s shareholding has decreased to below 5%. According to the relevant provisions of the Shanghai Stock Exchange’s Sci-Tech Innovation Board Listing Rules, from 14 June 2024 to 13 June 2025, Intel Capital Corporation and Intel Corporation were still considered related parties of the Group. Therefore, as at 13 June 2025, The Intel Group was still considered a related party of the Group, and from 14 June 2025, The Intel Group was no longer considered a related party of the Group.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

5. Related Party Transactions

(1) Related Party Transactions on Goods and Services

Purchasing goods and receiving services from related parties

	Notes	**Six months ended 30 June 2026**	Six months ended 30 June 2025
The Intel Group		**–**	69,425,229.51

(2) Key Management Personnel Compensation

	Notes	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Key management personnel compensation	(a)	**165,518,235.26**	142,925,343.95

(a) For the six months ended 30 June 2026, the key management personnel compensation incurred by the Group included salaries paid in cash and share-based payment expenses.

Expressed in Renminbi Yuan

6. Balances of Receivables and Payables from Related Parties

(1) Prepayments

	30 June 2026	31 December 2025
Shenzhen Berxel Photonics Co., LTD.	**21,000,000.00**	21,000,000.00

XIII. Share-Based Payments

1. Various equity instruments

The implementation status of the restricted stock incentive plans for the six months ended 30 June 2026 is as follows:

Incentive recipients	**Stock options**	
	Range of exercise prices	**Remaining contract term**
R&D technical personnel, marketing and sales personnel, management support personnel	18.81-26.01	12-28 months
Core management	45.91	21-45 months

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

The changes in various equity instruments for the period are as follows:

Incentive recipients	Granted during the period		Exercised during the period		Unlocked during the period		Expired during the period	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
R&D technical personnel, marketing and sales personnel, management support personnel	–	–	–	–	490,297.00	9,222,486.57	87,370.00	2,167,517.70

3. Equity-Settled Share-Based Payments

	Six months ended 30 June 2026
Method for determining the fair value of equity instruments on the grant date	Black-Scholes option pricing model
Key parameters for determining the fair value of equity instruments on the grant date	Value per share of common stock, exercise price, term to expiration, risk-free interest rate, volatility, and dividend yield
Basis for determining the number of equity instruments that can be exercised	The number held by the incentive targets that meet the assessment goals based on annual evaluations of company performance indicators and individual performance indicators
Reasons for significant differences between this year's estimates and last year's estimates	Not applicable
Cumulative amount of equity-settled share-based payments included in capital reserves	1,333,652,149.00

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

4. Share-Based Payment Expenses Incurred During the Period

	Equity-settled share-based payment expenses
R&D technical personnel, marketing and sales personnel, management support personnel	39,878,300.61
Core management	151,469,184.00
Total	191,347,484.61

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

XIV. Commitments and Contingent Matters

1. Important Commitment Matters

	30 June 2026	31 December 2025
Capital commitments	**63,922,018.34**	99,458,692.33
Investment commitments	**142,100,000.00**	142,100,000.00
Total	**206,022,018.34**	241,558,692.33

2. Contingent Matters

As at the balance sheet date, the Group had no contingent matters that require disclosure.

XV. Subsequent Events

Profit Distribution after the Balance Sheet Date

According to the 2026 interim profit distribution plan approved at the nineteenth session of the Third Board of Directors held on 28 August 2026, the Company intends to distribute a cash dividend of RMB2.00 per 10 shares (tax inclusive) to all shareholders, based on the total shares on the equity distribution record date after deducting the shares repurchased and held in the Company's repurchase special account. Taking the Company's total shares of 1,220,538,021 as of 28 August 2026, and deducting 11,781,000 shares held in the A share repurchase special account (resulting in 1,208,757,021 shares) as the calculation base, the estimated total cash dividend payout amounted to RMB241,751,404.20 (tax inclusive).

XVI. Other Important Matters

1. Segment Reporting

(1) Operating Segment

The Group is a leading global fabless IC design company focused on offering innovative, reliable power-efficient interconnect solutions for cloud computing and AI infrastructure. Currently, it mainly includes two product lines: the interconnect chip product line and the Jintide® product line, which the Group has designated as a segment.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

XVII. Notes on Major Items in the Company's Financial Statements

1. Accounts receivable

The ageing analysis of accounts receivable is as follows:

	30 June 2026	31 December 2025
Within 1 year	**439,656,661.10**	614,601,810.19

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

The Company has not made any provisions or transfers for bad debts on accounts receivable for the six months ended 30 June 2026.

The Company's accounts receivable are amounts due from its subsidiaries, which are expected to be recoverable; therefore, no bad debt provisions are recognized.

2. Other Receivables

	30 June 2026	31 December 2025
Interest receivable	**1,165,342.46**	545,205.48
Dividends receivable	**–**	100,000,000.00
Other receivables	**1,691,799,780.80**	1,554,661,018.52
Total	**1,692,965,123.26**	1,655,206,224.00

Interest Receivable

(1) Classification of Interest Receivable

	30 June 2026	31 December 2025
Montage Electronics (Zhuhai Hengqin) Co., Ltd.	**1,165,342.46**	545,205.48

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

Dividends Receivable

(1) Classification of Dividends Receivable

	30 June 2026	31 December 2025
Montage Technology (Kunshan) Co., Ltd.	**–**	100,000,000.00
Total	**–**	100,000,000.00

The Company has no dividends receivable aged over one year. The management of the Company considered that no impairment provision was required for dividends receivable as at 30 June 2026 (31 December 2025: nil).

Other Receivables

(1) Analysis by Ageing

	30 June 2026	31 December 2025
Within 1 year	**787,413,306.03**	514,838,759.43
1 to 2 years	**256,186,306.05**	227,521,721.06
2 to 3 years	**78,716,074.25**	73,281,688.56
Over 3 years	**569,484,094.47**	739,018,849.47
Total	**1,691,799,780.80**	1,554,661,018.52

(2) Analysis by Nature

	30 June 2026	31 December 2025
Intercompany loans among related parties	**1,099,381,507.64**	1,006,891,507.64
Intercompany receivables among related parties	**592,202,976.16**	547,550,963.88
Security deposits or deposits	**214,297.00**	218,547.00
Employee advances	**1,000.00**	–
Total	**1,691,799,780.80**	1,554,661,018.52

Other receivables mainly consist of funds lent to subsidiaries and receivables from subsidiaries relating to equity incentive exercises. The management of the Company believes that as at 30 June 2026, there was no need to make provisions for bad debts for other receivables (31 December 2025: nil).

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(3) The Five Largest Amounts of the Closing Balances of Other Receivables Analysed by Debtor

	Closing balance	Proportion of total balance of other receivables (%)	Nature	Ageing	Closing balance of bad debt provision
Shanghai Xitai Enterprise Co., Ltd.	567,381,507.64	33.54	Intercompany loans within the scope of consolidation	2 to over 3 years	–
Montage Electronics (Shanghai) Co., Ltd.	531,266,698.67	31.40	Intercompany transactions within the consolidated scope	Within 1 year to over 3 years	–
Montxilu Enterprise (Shanghai) Co., Ltd.	347,022,731.48	20.51	Intercompany loans and transactions within the consolidated scope	Within 1 year to 3 years	–
Montage Technology (Kunshan) Co., Ltd.	138,157,053.29	8.17	Intercompany loans and transactions within the consolidated scope	Within 1 year to 3 years	–
Montage Capital (Hainan) Co., Ltd.	53,034,642.20	3.13	Intercompany loans and transactions within the consolidated scope	Within 1 year to 2 years	–
Total	1,636,862,633.28	96.75			–

The Company did not recognize or reverse any bad debt provisions for the six months ended 30 June 2026.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

3. Long-Term Equity Investments

(1) Long-Term Equity Investments

		Changes during the period				
	Opening balance	Additional investment	Share-based payments	Provision for impairment	Closing balance	Impairment provision at end of the year
Investments in subsidiaries						
Montage Technology Holdings Company Limited	1,874,754,636.95	-	6,714,059.37	–	1,881,468,696.32	–
Montage Technology (Kunshan) Co., Ltd.	500,000,000.00	–	–	–	500,000,000.00	–
Montage Investment Co., Ltd	300,000,000.00	–	–	–	300,000,000.00	–
Montage Electronics (Shanghai) Co., Ltd.	171,500,000.00	245,000,000.00	–	–	416,500,000.00	–
Montage Capital (Hainan) Co., Ltd.	200,000,000.00	–	–	–	200,000,000.00	–
Montage Electronics (Zhuhai Hengqin) Co., Ltd.	91,280,000.00	–	–	–	91,280,000.00	–
Montage Electronics (Hainan) Co., Ltd.	–	–	–	–	–	10,000,000.00
Total	3,137,534,636.95	245,000,000.00	6,714,059.37	–	3,389,248,696.32	10,000,000.00

(2) Provision for Impairment of Long-Term Equity Investments

	Opening balance	Increase	Decrease	Closing balance
Montage Electronics (Hainan) Co., Ltd.	10,000,000.00	–	–	10,000,000.00

In 2024, due to business adjustments, the Company fully recognized an impairment provision of RMB10,000,000.00 for Montage Electronics (Hainan) Co., Ltd.

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

4. Revenue and Cost of Sales

(1) Revenue and Cost of Sales Disclosure

	Six months ended 30 June 2026		Six months ended 30 June 2025	
	Revenue	**Cost**	Revenue	Cost
Primary business	**598,406,913.41**	**17,796,095.01**	389,830,714.49	14,243,690.11
Other business	**4,469,216.80**	**4,152,695.52**	4,579,308.56	4,480,148.79
Total	**602,876,130.21**	**21,948,790.53**	394,410,023.05	18,723,838.90

The operating income is as follows:

	Six months ended 30 June 2026	Six months ended 30 June 2025
Revenue from contracts with customers	**598,406,913.41**	389,830,714.49
Rental income	**4,469,216.80**	4,579,308.56
Total	**602,876,130.21**	394,410,023.05

(2) Breakdown of Primary Business Revenue

Contract classification	**Six months ended 30 June 2026**
Geographical market	
Mainland China and Hong Kong	**–**
Others	**598,406,913.41**
Total	**598,406,913.41**
Contract type	
IP licensing – pay-per-use model	**598,406,913.41**
IP licensing – fixed fee model	**–**
Total	**598,406,913.41**
Timing of revenue recognition	
Revenue recognized at a point in time	**598,406,913.41**

FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

(3) Breakdown of Cost of Sales

Contract classification	Six months ended 30 June 2026
Geographical market	
Mainland China and Hong Kong	–
Others	17,796,095.01
Total	**17,796,095.01**
Contract type	
IP Licensing – pay-per-use model	17,796,095.01
IP Licensing – fixed fee model	–
Total	**17,796,095.01**
Timing of revenue recognition	
Revenue recognized at a point in time	17,796,095.01

5. Investment Income

	Six months ended 30 June 2026	Six months ended 30 June 2025
Investment income from structured deposits	**678,599.28**	8,947,025.16
Total	**678,599.28**	8,947,025.16

FINANCIAL STATEMENTS SUPPLEMENTARY INFORMATION

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

1. Statement of non-recurring gains and losses

	Amount
Government grants included in the current profit or loss, except those that are closely related to the Group's normal business operations, which comply with national policies and can be obtained based on established standards, and which have a continuing impact on the Group's profit or loss	**5,754,881.29**
Gains or losses arising from changes in fair value of financial assets and financial liabilities held by non-financial enterprises, and gains or losses from the disposal of financial assets and financial liabilities other than effective hedging activities related to the Group's normal business operations	**687,271,910.15**
Investment income from structured deposits	**3,026,399.82**
Gains and losses from entrusting others to invest or manage assets	**781,247.96**
Non-operating income and expenses other than those mentioned above	**(91,444.75)**
Other items of profit and loss that meet the definition of non-recurring profit and loss	**2,179,929.80**
Effect of income tax	**23,673,431.69**
Impact on the non-controlling interests (after tax)	353,511.04
Total	**674,895,981.54**

The Group's recognition of non-recurring profit and loss items is carried out in accordance with the provisions of the "Interpretative Announcement No. 1 on Information Disclosure by Companies Issuing Securities to the Public – Non-Recurring Profit and Loss" (CSRC Announcement [2023] No. 65).

FINANCIAL STATEMENTS SUPPLEMENTARY INFORMATION

For the six months ended 30 June 2026
Expressed in Renminbi Yuan

2. Return on net assets and earnings per share

For the six months ended 30 June 2026

	Weighted average return on net assets (%)	**Earnings per share**	
		Basic	**Diluted**
Net profit attributable to ordinary shareholders of the Company	**10.72**	**1.69**	**1.67**
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	**7.10**	**1.12**	**1.11**

For the six months ended 30 June 2025

	Weighted average return on net assets (%)	Earnings per share	
		Basic	Diluted
Net profit attributable to ordinary shareholders of the Company	9.70	1.02	1.02
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	9.14	0.96	0.96

FORWARD-LOOKING STATEMENTS

All statements in this report that are not historical fact or that do not relate to present facts or current conditions are forward-looking statements. Such forward-looking statements express the Group's current views, projections, beliefs and expectations with respect to future events as of the Date of this Report. Such forward-looking statements are based on a number of assumptions and factors beyond the Group's control. As a result, they are subject to significant risks and uncertainties, and actual events or results may differ materially from these forward-looking statements and the forward-looking events discussed in this report might not occur. Such risks and uncertainties include, but are not limited to, those detailed under the heading "Principal Risks and Uncertainties" in 2025 annual report and the disclosure in the Prospectus. No representation or warranty is given as to the achievement or reasonableness of, and no reliance should be placed on, any projections, targets, estimates or forecasts contained in this report.

DEFINITIONS

"1+9"/"1+10"	a distributed memory buffer subsystem architecture that employs one RCD chip working in conjunction with multiple DB chips, which significantly reduces the load effect between the CPU and DRAM, lowers signal transmission loss and addresses the trade-off between large memory capacity and high speed; this architecture consists of one RCD chip and nine DB chips in the DDR4 generation ("1+9"), and one RCD chip and ten DB chips in the DDR5 generation ("1+10")
"A Share(s)"	ordinary share(s) issued by our Company with a nominal value of RMB1.00 each, which is/are traded in Renminbi and listed on the Shanghai Stock Exchange STAR Market
"A Shareholders"	holders of the A Share(s)
"AEC"	active electrical cables, high-speed data transmission cables that contain IC to boost signal quality, enabling longer reach and improved performance compared to passive cables while using traditional copper conductors
"AFRC" or "Accounting and Financial Reporting Council"	the Accounting and Financial Reporting Council of Hong Kong
"AI"	artificial intelligence
"Articles" or "Articles of Association"	the articles of association of the Company, as amended from time to time
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Board" or "our Board"	the board of Directors
"Business Day"	a day on which banks in Hong Kong are generally open to the public for normal business and which is not a Saturday, Sunday or public holiday in Hong Kong
"CAGR"	compound annual growth rate
"CASBE"	the China Accounting Standards for Business Enterprises

DEFINITIONS

"Chief Executive Officer"	the chief executive officer of our Company
"China", "Mainland China", or "PRC"	the People's Republic of China, which, for the purposes of this Report and for geographical reference only, excludes Hong Kong, Macau and Taiwan Region
"chip"	a miniature electronic device or component that interconnects essential circuit elements, such as transistors, diodes, resistors, capacitors and inductors, through specific wiring methods with semiconductor fabrication processes into a complete electronic circuit, which are formed on one or several small semiconductor wafers or dielectric substrates and encapsulated in a package
"CKD"	a DDR5 clock driver, a specialized buffer IC used on client DDR5 memory modules to buffer and re-drive signals from the memory controller to the DRAM chips, which improves signal integrity by reducing clock jitter and loading, supporting higher frequencies for client modules
"close associate(s)"	has the meaning ascribed thereto under the Listing Rules
"cluster networking"	the network infrastructure and configuration that connect multiple servers in a computing cluster to enable high-speed and low latency communication
"Companies Ordinance"	Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
"Company", "Montage Technology" or "the Company"	Montage Technology Co., Ltd. (瀾起科技股份有限公司), a limited liability company incorporated in the PRC on May 27, 2004, the A Shares of which are listed on the Shanghai Stock Exchange STAR Market (stock code: 688008) and the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 6809)
"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"Core Management Incentive Plan"	the employee incentive plan of our core senior management approved and adopted on September 19, 2024 and as amended on December 26, 2025
"Corporate Governance Code" or "CG Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules

DEFINITIONS

"CPU"	central processing unit, a mass integrated circuit that serves as the computational and controlling core of electronic devices
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"CXL"	Compute Express Link, an open industry standard high-speed interconnect that enables efficient, low-latency communication between CPUs and accelerators, memory expanders, or other devices, supporting memory coherence and advanced computing
"data center"	a complex facility that houses not only computer systems and related equipment, but also includes redundant data communication links, environmental controls, monitoring systems and various security devices, which provides large-scale, high-quality, secure and reliable services such as professional server hosting, space leasing and wholesale bandwidth to internet content providers and websites
"Date of this Report"	August 28, 2026, the date on which this report was approved by the Board
"dB"	decibel, a logarithmic unit used to express the ratio between two values, commonly used to measure signal strength, power gain/loss, or sound intensity in electronics and telecommunications
"DB"	data buffer, a device used to buffer and re-drive data signals coming from the memory controller or memory
"DDR"	double data rate, a memory technology used to double the data transfer rate by transmitting data on both the rising and falling edges of the clock signals
"DFE"	decision feedback equalization, a signal processing technique used in high-speed data communication to correct inter-symbol interference, which works by using previously detected bits to subtract expected distortion from the current signal, improving signal clarity and reducing error rates
"DIMM"	dual in-line memory module, a type of memory module used in computers, consisting of DRAM chips mounted on a small circuit board with separate electrical contacts on each side, allowing for wider data paths and higher performance compared to older SIMMs

DEFINITIONS

"Director(s)" or "our Director(s)"	the director(s) of our Company
"DRAM"	dynamic random access memory, a semiconductor storage device
"DSC"	dynamic security check, a real-time assessment of system or application behavior to detect security threats
"EDSFF"	Enterprise & Data Center SSD Form Factor, a solid-state drive (SSD) form factor standard specifically designed for enterprise storage systems and data centers, aimed at delivering storage solutions with higher density, improved thermal management and enhanced scalability
"Ethernet"	a widely used networking technology that enables devices to communicate over a local area network using standardized protocols for data transmission via wired connections
"fabless"	IC design companies that focus solely on IC research, development and sales, while outsourcing wafer fabrication, packaging and testing to specialized foundries and service providers; the term is sometimes also used to refer to this business model
"foundry"	a manufacturer specializing in the production and manufacture of chips in the field of integrated circuits
"frequency"	the rate at which a power electronic device, such as a switch or rectifier, operates; it is a crucial factor influencing the performance and efficiency of power systems
"GPU"	a specialized processor primarily designed for rapid rendering of images and video, which is now widely used for parallel processing tasks in scientific computing, AI and cloud machine learning
"GT/s"	gigatransfers per second, a unit measuring data transfer rate, commonly used in PCI Express and other high-speed interfaces
"H 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 traded in Hong Kong dollars and are listed on the Hong Kong Stock Exchange
"HK$", "HKD" or "Hong Kong dollars"	Hong Kong dollar(s), the lawful currency of Hong Kong

DEFINITIONS

"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"I/O"	input/output
"IC"	integrated circuit, a small unit or package which is made as a single indivisible structure (such as a chip) and is electrically equivalent to a conventional circuit of many separate components
"IC design"	the entire process of circuit function definition, structural design, circuit design and simulation, layout design and verification, as well as subsequent post-design processing
"Independent Third Party(ies)"	any person(s) or entity(ies) who is not a connected person of the Company within the meaning of the Listing Rules
"Intel Capital"	Intel Capital Corporation, a limited company established in the US on April 6, 1998
"JEDEC"	Joint Electron Device Engineering Council (now known as the JEDEC Solid State Technology Association), a global organization in developing open standards for the microelectronics industry
"Listing Date of the H Shares"	February 9, 2026, the date on which the Company's H Shares are listed on the Hong Kong Stock Exchange
"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
"LRDIMM"	load reduced dual in-line memory module, a type of memory module that uses a buffer to reduce the electrical load on the memory controller, enabling higher memory capacity and improved signal integrity, particularly in servers and advanced systems

DEFINITIONS

"MDB"	multiplexed rank data buffer, a memory buffer chip that manages data signals for multiple memory ranks by multiplexing them, which improves memory system performance and capacity by efficiently handling data flow between the memory controller and several DRAM ranks on a module
"memory"	a storage device within an electronic system used to store programs and data, such as all information in a computer including input data, computing programs, intermediate results and final outputs, which stores and retrieves information according to the addresses specified by the controller
"MRCD"	multiplexed rank registering clock driver, a specialized buffer chip used in memory modules to buffer and re-drive clock, address, and command signals efficiently across multiple memory ranks, improving signal integrity and enabling higher memory speeds and capacities
"MRDIMM"	multiplexed rank dual in-line memory module, a high-bandwidth server memory module based on the DDR5 LRDIMM architecture adopting the "1+10" design consisting of one MRCD chip and 10 MDB chips, which, compared with RDIMM and LRDIMM, enables simultaneous access to two memory arrays on the module and effectively doubles the bandwidth; the first generation of MRDIMM is also referred to MCRDIMM by some manufacturers
"MT/s"	mega transfers per second, a unit measuring data transfer rate
"MXC"	memory expansion controller, the core chip of high-bandwidth and high-capacity memory expansion modules based on the CXL protocol, which connects to the host via the CXL interface and enables high-bandwidth and low-latency memory access for server systems
"Newave Technology"	Newave Technology (Shanghai) Co., Ltd., a limited liability company established in September 1997 under the laws of the PRC, which is primarily engaged in the design of integrated circuit. The then shareholders of Newave Technology (Shanghai) Co. Ltd. include, among others, its founding management team and other renowned institutional investors, such as an affiliate of Walden International, Shanghai Hua Hong Microelectronics Co., Ltd. (currently known as Shanghai Huahong (Group) Co., Ltd.), and an affiliate of Nomura Securities

DEFINITIONS

"NIC"	network interface card, a hardware component that connects a computer or server to a network, enabling communication over local area networks or the internet
"NVMe SSD"	non-volatile memory express solid-state drive, a high-speed storage device that provides fast data transfer, low latency and efficient access to flash memory
"ODM"	original design manufacturer
"OEM"	original equipment manufacturer
"packaging"	the process of encapsulating the bare die into a finished chip product with external shell and leads, which is electrically connected to external pins through wires or other interconnection methods and then securely closed; IC packaging not only provides electrical connections between the internal bonding points of the chip and the external circuitry, but also offers a stable and reliable operating environment, ensuring proper functionality, high stability and long-term reliability
"PAM4"	four-level pulse amplitude modulation, a high-speed digital signal modulation technique that encodes data using four voltage levels, enabling the transmission of two bits per symbol, which doubles the data rate within the same bandwidth compared with NRZ technology
"PCIe"	Peripheral Component Interconnect Express, a high-speed serial interface standard used to connect components like graphics cards, SSDs and NICs to a computer's motherboard, offering fast data transfer and scalable bandwidth through multiple lanes
"PCIe Retimer"	a high-speed PCIe signal conditioning chip that compensates for channel attenuation and mitigates jitter to enhance signal integrity and extend signal reach, which serves as a critical interconnect component in applications such as cloud computing, AI and data centers

DEFINITIONS

"PCIe Switch"	PCIe switch chip, a core interconnect component in data centers, AI acceleration systems and storage systems, expands PCIe topology to enable efficient communication among multiple devices, addressing bandwidth bottleneck issues between hosts and peripheral devices
"PCI-SIG"	Peripheral Component Interconnect Special Interest Group, an international industry consortium focused on the development and management of computer bus standards with a core mission to promote the standardization and adoption of technologies including peripheral component interconnect
"photomask"	a key piece of photolithography equipment used in semiconductor manufacturing, which contains the circuit pattern to be projected onto the wafer and plays a critical role in defining the features of IC
"PMIC"	power management IC, a specialized integrated circuit that manages voltage regulation, power distribution and real-time monitoring in electronic systems, which optimizes power efficiency while ensuring stable operation across all power domains
"PrC"	Pre-Check, a hardware-level security checking mechanism that verifies CPU instructions before execution to enhance processor safety
"Prospectus"	the prospectus published by our Company on January 30, 2026
"R&D"	research and development
"RCD"	registering clock driver, a device used to buffer and re-drive address, command and control signals coming from the memory controller to DRAM devices
"RDIMM"	registered dual in-line memory module, a type of memory module that uses RCD chips to buffer address, command and control signals. It is mainly used in servers
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of the Board
"Reporting Period"	January 1, 2026 to June 30, 2026
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC

DEFINITIONS

"SerDes"	Serializer/Deserializer, a reusable hardware design block used in chip design, which enables high-speed serial data communication by converting parallel data into serial form for transmission and converting it back on reception
"SFO" or "Securities and Futures Ordinance"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Shanghai Rongying"	Zhuhai Rongying Investment Partnership (Limited Partnership) (珠海融英投資合夥企業(有限合夥)), (formerly known as "Zhuhai Rongying Equity Investment Partnership (Limited Partnership) (珠海融英股權投資合夥企業(有限合夥))", and currently known as Shanghai Rongying Enterprise Management Partnership (Limited Partnership) (上海融迎企業管理合夥企業(有限合夥))) a limited partnership established in the PRC on February 4, 2016, our existing Shareholder
"Shanghai Stock Exchange STAR Market"	the Science and Technology Innovation Board of the Shanghai Stock Exchange
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, including A Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"SPD"	serial presence detect, a small chip on a memory module that stores configuration information, such as size, speed, voltage and timing, which the system reads during boot to correctly initialize the memory
"SSD"	solid-state drive, a storage device that uses flash memory to store data, offering faster read/write speeds, lower latency and greater durability compared to traditional mechanical hard drives
"SSE"	the Shanghai Stock Exchange (上海證券交易所)
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"tape-out"	the final stage in the IC design process where the verified physical design data (photomask sets) is released to the semiconductor foundry for wafer fabrication

DEFINITIONS

"TCO"	total cost of ownership
"testing"	the process of wafer testing, final product testing reliability testing and failure analysis
"treasury shares"	has the meaning ascribed thereto under the Listing Rules
"TS"	temperature sensor
"U.S. dollars", "US$" or "USD"	United States dollars, the lawful currency of the United States
"United States" or "U.S." or "USA"	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
"VAT"	value-added tax
"voltage" or "V"	voltage, the unit of electric potential or voltage, which measures the difference in electric potential between two points in a circuit
"wafer"	a circular silicon substrate used in the manufacturing of ICs, where various circuit structures can be fabricated to produce IC products with specific electrical functions
"WLT Partners"	WLT Partners, L.P., a limited partnership incorporated under the laws of Cayman Islands on October 15, 2015, our existing Shareholder
"year-on-year"	compared with the same period last year
"%"	per cent

In the case of inconsistency, the English text of this report shall prevail over the Chinese text.