Axera
愛芯元智

Axera Semiconductor Co., Ltd.
愛芯元智半導體股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(於中華人民共和國註冊成立的股份有限公司)

Stock code 股份代號：600

2026 Interim Report 中期報告

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CORPORATE INFORMATION

Board of Directors

Executive Directors

Dr. QIU Xiaoxin *(Chairperson of the Board)*
Mr. SUN Weifeng *(Chief Executive Officer)*
Mr. SHI Xiaoye
Mr. WANG Yuan

Non-executive Directors

Mr. ZHOU Siyuan
Mr. GU Kaining
Ms. BAI Ting
Mr. WANG Chen

Independent Non-executive Directors

Ms. TAN Ren
Mr. LI Jun
Dr. WANG Xin
Prof. CHEN Xin

Audit Committee

Ms. TAN Ren *(Chairperson)*
Mr. ZHOU Siyuan
Dr. WANG Xin

Remuneration and Appraisal Committee

Mr. LI Jun *(Chairperson)*
Mr. SUN Weifeng
Prof. CHEN Xin

Nomination Committee

Dr. QIU Xiaoxin *(Chairperson)*
Mr. LI Jun
Prof. CHEN Xin

Joint company secretaries

Mr. SHI Xiaoye
Ms. CHU Cheuk Ting

Authorised representatives

Mr. SHI Xiaoye
Ms. CHU Cheuk Ting

Principal place of business in the PRC

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No. 777 Zhongguan West Road
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Ningbo
Zhejiang, PRC

Principal place of business in Hong Kong

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Times Square, 1 Matheson Street
Causeway Bay, Hong Kong

Hong Kong share registrar

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

Compliance advisor

BOCOM International (Asia) Limited
9/F Man Yee Building
68 Des Voeux Road Central
Hong Kong

Auditor

KPMG
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th Floor, Prince's Building, 10 Chater Road
Central Hong Kong

Hong Kong legal adviser

Kirkland & Ellis
26th Floor, Gloucester Tower
The Landmark
15 Queen's Road Central
Central, Hong Kong

Company website

www.axera-tech.com

Stock code

00600

Principal banks

China Merchants Bank Co., Ltd. Shanghai Branch
2F, North Tower, China Merchants Bank Tower
No. 1088, Lujiazui Ring Road
Pudong New Area
Shanghai
PRC

China Minsheng Bank Co., Ltd.
Shanghai Zhangjiang Sub-Branch
No. 6, Lane 2889, Jinke Road
Shanghai Pilot Free Trade Zone
Shanghai
PRC

Bank of China Limited Hangzhou Changhe Sub-Branch
Room 102, Building 5
No. 768, Jianghong Road
Changhe Subdistrict, Binjiang District
Hangzhou
Zhejiang
PRC

FINANCIAL SUMMARY AND OPERATION HIGHLIGHTS

Financial Highlights

	For the Six Months Ended June 30,	
	2026	2025
	RMB in thousand	
Revenue	**402,315**	142,762
Gross profit	**116,680**	28,579
Loss for the period	**(687,998)**	(562,379)
Loss attributable to equity shareholders of the Company	**(582,099)**	(536,459)
Non-IFRS Measure: [Note]		
Adjusted loss for the period	**(540,048)**	(319,241)

Note: Please refer to section headed "Non-IFRS Measure" in this interim report for more details.

BUSINESS REVIEW AND OUTLOOK

Business Review

In the first half of 2026, the artificial intelligence industry evolved from cloud-based large models into the realm of physical AI, with computing architecture being restructured towards a hybrid system of "cloud-edge-on-device collaboration". We have observed a bidirectional evolution trend in large AI models. On the one hand, they continue to evolve towards ultra-large foundation models in accordance with the Scaling Law, expanding the upper limit of their capabilities. On the other hand, by leveraging technologies such as model distillation and Mixture-of-Experts (MoE) architectures to enhance the performance of lightweight models, coupled with the continuous improvement of edge and on-device hardware computing power, algorithm capabilities and hardware capacity are gradually converging, accelerating the large-scale deployment of large AI models at the edge and on-device levels.

On the application side, with the rapid emergence of various Agents such as OpenClaw, edge and on-device products are evolving from simple passive question-and-answer systems into intelligent agents featuring autonomous planning, multimodal perception and closed-loop execution capabilities, thereby driving explosive growth in demand for both cloud and local inference computing power. Meanwhile, AI-related technologies continue to iterate rapidly, supported by sustained capital investment and policy incentives. The industry is moving swiftly from the proof-of-concept stage to large-scale commercialization. Penetration rates of embodied intelligence, intelligent driving and other applications continue to rise, further driving demand for high-performance, low-latency and highly reliable computing power. Overall, AI computing power is rapidly extending from the "cloud" into the "physical world", and demand for AI inference computing power is experiencing explosive growth, driving a manifold expansion of the Company's potential market.

During the Reporting Period, as a leading provider of AI system-on-chip (SoC) in the industry, the Company continued to iterate its core IPs, including the Axera Neutron NPU and Axera Proton AI-ISP. The Company's product matrix covers computing power ranging from fractions of a TOPS to over 1,000 TOPS. With the accelerated penetration of physical AI, we effectively captured industry development opportunities through our tiered computing power matrix, achieving rapid growth across all three core business segments.

1) Edge AI Business

During the Reporting Period, the Company's revenue from edge AI business increased by 251.9% year-on-year. As large models accelerate their penetration from the "cloud" to the "edge" and "on-device", the market demand for local offline AI inference computing power is experiencing explosive growth. The Company has established a tiered computing power matrix spanning from tens of TOPS to over one thousand TOPS, capable of addressing a wide range of edge AI inference needs. With the emergence of Agents such as OpenClaw and Hermes Agent, and the increased sensitivity of both enterprises and individual users to data privacy and information security, the Agent Box (智能體盒子), a new hardware form, has officially established itself as a market necessity during the Reporting Period. The Company proactively launched the AX Clawbox (龍蝦盒子) series, precisely positioned itself at the entry point, and quickly deployed them to leading customers in the fields of smart home and smart office.

Furthermore, a large number of existing devices are in urgent need of supplementary large model inference computing power, and the Company's AX8850 series SoCs complied with this upgrade trend. This product adopts a standardized interface design, allowing downstream customers to quickly upgrade existing devices to AI without redesigning the entire hardware, through a "plug-and-play" approach. With its extremely high engineering flexibility, the Company has achieved mass deployment of solutions in vertical segments such as smart education and intelligent industry, rapidly expanding the ecosystem of standardized computing cards.

In the embodied intelligence sector, as the number of parameters in large embodied models continues to grow, the requirements for real-time interaction are becoming increasingly stringent, and the demand for inference computing power is constantly rising. The Company's embodied intelligence brain controller serves as a high-performance control core designed for embodied intelligence scenarios, featuring substantial computing power and memory bandwidth, with open compatibility for advanced algorithms including world models and VLA, and has already been adopted by the Dexmal Apex. In addition, the Company also provides chip solutions for visual perception, motion control, data collection and other scenarios. At present, the Company is steadily advancing customer adoption, motion control and data collection and working with industry partners to accelerate the large-scale commercialization of embodied intelligence.

Overall, the Company has made forward-looking long-term R&D investments in standardized modules, open-source ecosystem communities, and full-stack solutions, seizing the opportunities of intelligent upgrades in the existing market and explosive growth in emerging markets. It assists ecosystem partners in the industry in achieving the commercialization loop of products with minimal time-to-market, opening up continuous growth space for the edge computing product line.

2) Smart Vehicle Solutions

During the Reporting Period, the Company's revenue from smart vehicle business increased by 252.1% year-on-year, and the shipment of smart vehicle SoCs was around 420 thousand units. In the first half of 2026, the Company secured 24 new mass-production vehicle model design wins, As of the end of June 2026, the Company had established formal cooperation with 25 OEM brands, including 7 international brands (including sino-foreign joint ventures). By precisely seizing opportunities presented by the implementation of mandatory standards and the overseas expansion of the industry chain, the Company has rapidly risen to the forefront of intelligent driving chips in China. With the successive release and advancement of mandatory national standards such as the "Technical Requirements and Testing Methods for Advanced Emergency Braking (AEB) Systems of Light-Duty Vehicles" (《輕型汽車自動緊急制動系統技術要求及試驗方法》) and the "Intelligent and Connected Vehicle — Safety Requirements of Combined Driver Assistance System" (《智能網聯汽車組合駕駛輔助系統安全要求》), the Company precisely seized the window of opportunity for introduction of vehicle models before the implementation of these mandatory standards. The Company established deep partnerships with several leading OEMs and renowned Tier-1 suppliers from both international and domestic markets, achieving continuous design wins and mass production for new vehicle models in the first half of 2026, driving a leapfrog growth in intelligent vehicle SoC shipments. In terms of advanced intelligent driving, the Company's smart vehicle SoC M97, designed for advanced driver assistance systems, was successfully brought up upon wafer return in February 2026, and completed engineering sample delivery in the first half of 2026. Currently, several leading automotive OEM have officially initiated solution evaluation and selection processes. The Company's second smart vehicle SoC M95, designed for advanced driver assistance systems, was successfully brought up in July 2026. In addition, the Company's first intelligent cockpit large-model computing acceleration chip has also been taped out.

3) On-device Computing Products

During the Reporting Period, the Company's revenue from on-device computing business increased by 169.5% year-on-year, while sales volume of on-device computing products grew by more than 100% year-on-year, among which the sales volume of the "Night Vision" series increased by more than 200%, resulting in a significant increase in market share. With the continued popularization of intelligent scenarios such as downstream industrial automation, smart cities, smart agriculture and smart homes, demand for full-color video imaging in various low-light scenarios continues to increase. At the same time, the rigid demand for high-quality image and video data acquisition across application scenarios continues to expand. Coupled with growing demand for on-device AI computing power, these trends have driven explosive growth in the Company's "Night Vision" series products. During the Reporting Period, sales volume of the Company's latest-generation high-computing-power visual perception SoC AX615 series, grew rapidly, thanks to the outstanding "Night Vision" video performance and integrated NPU with high computing power supporting various on-device AI applications. Meanwhile, sales of the Company's previous-generation high-computing-power "Night Vision" visual perception SoC AX620Q and AX630C series, continued to grow steadily. In addition, rising upstream costs also drove the industry's product structure to upgrade towards high-end and intelligent products. During the Reporting Period, the Company's on-device computing products achieved both volume and price increases, with sales volume and market share steadily growing.

In the first half of 2026, we recorded revenue of RMB402.3 million, representing a year-on-year increase of 181.8%. All three business lines achieved significant growth, and the gross profit margin improved significantly, reaching 29%. The Research and development expenses was RMB516.4 million. In the first half of 2026, several of the Company's advanced process SoCs completed the tape-out, laying a solid foundation for revenue growth in the coming years. The Company adheres to its independent R&D approach, continuously improving R&D efficiency while maintaining the pace of core IP iteration. Leveraging solid technological accumulation, the Company constantly expands its business boundaries, driving steady revenue growth across multiple growth engines.

Products and Solutions

Edge AI Products: Leveraging its continuously evolving proprietary NPU, the Company has established a tiered computing power matrix spanning from tens to over one thousand TOPS. The AX8850 general-purpose edge computing SoC provides enhanced computing power for various edge and on-device equipment and achieved substantial shipment growth during the Reporting Period owing to its excellent energy efficiency and operational stability. The Company's next-generation high-performance AI chip has been taped out, delivering a significant leap in inference capability. Building on this platform, the Company launched the Yuanxi series high-computing-power accelerator cards, supporting high-performance inference of full-scale large models and ultra-long-context processing, while maintaining full compatibility with mainstream large-model ecosystems. Benefiting from the strengths of the Axera Neutron NPU in multi-precision scheduling, memory access efficiency and full-model compatibility, the solution utilizes large memory capacity and high bandwidth to support large-model weights and massive datasets. It efficiently supports long-context inference, high-definition image and video analysis, AI-generated video comics and other Token-intensive applications, significantly reducing the industry's reliance on cloud computing resources. By improving computing power utilization, reducing Token inference costs and supporting elastic scaling, the Company is expected to establish sustainable competitive advantages and accelerate the large-scale application of the Token economy across a wide range of industries.

In the embodied intelligence sector, the Company's products leverage their core perception and computing capabilities to empower both the "brain" and the "eyes" of robots. The Company's embodied intelligence brain controller offers industry-leading computing power and bandwidth, while its open development framework supports custom operator development and provides native compatibility with advanced algorithms such as world models and VLA. At the visual level, the AX8910 has achieved large-scale deployment in leading stereo-camera products, while the Company's proprietary depth-sensing algorithms enable accurate recognition of transparent, pure-white, highly reflective and other complex materials. The AX8850 series supports multiple sensors and can both facilitate intelligent upgrades of robots and full-process data collection. The Company's product portfolio provides comprehensive coverage across the entire embodied intelligence value chain, from decision-making to perception.

Smart Vehicle Solutions: The M55H automotive chip continues stable mass production, achieving large-scale delivery for multiple best-selling passenger vehicles. The first mass-produced vehicle model equipped with the flagship M57 platform chip was officially launched in March 2026. With its high level of integration, ultra-low power consumption and comprehensive functional safety and information security certifications, the M57 has secured design wins for standard-equipped vehicle models from several leading domestic OEMs, resulting in rapidly increasing shipments. The M57 has also been adopted by several international Tier-1 suppliers as a standardized smart driving platform and incorporated into their global supply chain systems, while designated projects with overseas automotive OEM are progressing steadily, laying a solid foundation for further expansion of market share. In addition, our smart vehicle SoC M97, designed for ADAS, was successfully brought up upon wafer return in February 2026, with engineering samples delivered in the first half of the year. Several leading automotive OEM have already initiated the selection of solutions. The Company's second smart vehicle SoC M95 designed for advanced driver assistance systems, was successfully brought up upon wafer return in July 2026. The Company's first intelligent cockpit large-model computing acceleration chip has also been taped out. As a result, the Company has established a comprehensive in-vehicle computing matrix covering "basic smart driving, advanced smart driving and intelligent cockpits", fully addressing the requirements of all scenarios across low, mid-to-high-end smart driving as well as large cockpit models.

On-device Computing Products: Sales volume and market share of the "Night Vision" high-computing-power visual series products (including the AX615 series, AX620Q series and AX630C series) increased significantly. Our product portfolio now comprehensively covers mainstream application scenarios such as long-term continuous power supply, solar-powered/battery-powered, 4G/Wi-Fi, multi-camera, and AOV (Always-On-Video), catering to customers' diverse, serialized and intelligent needs. The next-generation "Night Vision" high-computing-power visual SoC continues to advance in technologies such as visual processing performance under complex lighting scenarios and multi-physical-state perception, driving a comprehensive upgrade of AI vision products and accelerating their commercial deployment in fields such as embodied robots and industrial vision.

Business outlook

Edge AI Inference: Leveraging the tiered computing power matrix, by seizing the explosive opportunities presented by the Token Economy and AI inference demand and strategically positioning itself at the core nodes of large model deployment: edge private clouds, edge servers and edge terminals, the Company is able to precisely address Token Economy optimization requirements across different tiers. Small and medium-sized enterprises and consumers can achieve intelligent upgrades through lightweight hardware solutions, significantly reducing the costs of daily AI applications, while large enterprises can leverage the Company's high-computing-power product portfolio to establish localized inference systems and address the challenge of rapidly escalating cloud computing costs under high-concurrency workloads. The Company's next-generation chip series will continue to enhance computing power specifications, comprehensively supporting the core nodes of large model deployment and meeting the requirements for long-context processing and efficient Token generation and real-time robot perception and decision-making. At the same time, the Company will provide compatible software frameworks to improve industry-specific solutions and cultivate the upstream and downstream industry ecosystem. In addition, the Company established a wholly-owned subsidiary, Ningbo Axera Computing Technology Co., Ltd., in July 2026, with a strategic focus on delivering leading AI inference solutions. Through the comprehensive delivery of standardized reference solutions, including computing accelerator cards, it aims to empower a broad range of AI application scenarios, capitalize on industry adoption and volume ramp-up opportunities, help customers rapidly achieve commercialization loop, and continuously promote the full-domain deployment of the Company's products across AI large-model inference, AI Agents and embodied intelligence.

Smart Vehicles: In the basic driver-assistance market, the Company's products and solutions have been widely validated. We will seize the opportunity presented by regulatory implementation to accelerate customer onboarding and shipment growth while continuously increasing our market share. In terms of advanced driver-assistance, we will capitalize on market demand for high computing power and high bandwidth, seize the demand for third-party chip suppliers driven by the trend of OEMs developing proprietary algorithms, accelerate the adoption of the M97 and M95 by leading customers, with a view to further increasing the revenue contribution from mid-to-high-end products.

On-device Computing: As the core of the physical AI perception layer, visual processing SoCs are required to perform functions such as low-light noise reduction, color restoration and dynamic range adjustment in complex real-world physical scenarios, while combining multiple physical sensing signals to transform various individual raw signals into stable and feature-complete perceptual information, serving as "super eyes" that provide reliable physical-world perception inputs for downstream applications. The Company will further solidify its core "Night Vision" video technologies, continuously enhance on-device AI computing power, combine multispectral perception and multi-sensor fusion technologies to build a product and solution system covering multiple levels and differentiated market demands, develop fusion perception products at the core of physical AI to promote the comprehensive commercial deployment of physical AI, and achieve sustained high growth in both market share and revenue.

Six Months Ended June 30, 2026 Compared to Six Months Ended June 30, 2025

The following table sets forth the comparative figures for the six months ended June 30, 2026 and 2025:

	For the Six Months Ended June 30,	
	2026	2025
	RMB'000	RMB'000
Revenue	**402,315**	142,762
Cost of sales	**(285,635)**	(114,183)
Gross profit	**116,680**	28,579
Other income	**11,502**	17,119
Other net (losses)/gains	**(48,030)**	1,160
Sales and marketing expenses	**(61,087)**	(36,186)
General and administrative expenses	**(141,940)**	(102,714)
Research and development expenses	**(516,449)**	(285,362)
Reversal of expected credit losses on financial assets	**197**	4,625
Loss from operations	**(639,127)**	(372,779)
Changes in the carrying amount of redemption liabilities	**(63,264)**	(183,059)
Other finance costs	**(13,192)**	(8,139)
Finance costs	**(76,456)**	(191,198)
Finance income	**27,585**	1,598
Net financial costs	**(48,871)**	(189,600)
Loss before taxation	**(687,998)**	(562,379)
Income tax	**—**	—
Loss for the period	**(687,998)**	(562,379)
Loss attributable to equity shareholders of the Company	**(582,099)**	(536,459)
Adjusted loss for the period (non-IFRS measure)	**(540,048)**	(319,241)

1. Financial Review

Revenue

Our revenue increased by 181.8% from RMB142.8 million for the six months ended June 30, 2025 to RMB402.3 million for the six months ended June 30, 2026, with the proportion of revenue from emerging businesses in smart vehicles and edge AI inference rising from 11.3% for the six months ended June 30, 2025 to 14.1% for the six months ended June 30, 2026. The following table sets forth our revenue breakdown by product and service type for the six months ended June 30, 2025 and 2026.

	For the Six Months Ended June 30,			
	2026		2025	
	RMB	**%**	RMB	%
	(RMB in thousands, except for percentages)			
On-device computing products	**341,003**	**84.8**	126,513	88.6
Edge AI products	**27,688**	**6.9**	7,869	5.5
Smart vehicle solutions	**29,086**	**7.2**	8,260	5.8
Others	**4,538**	**1.1**	120	0.1
Total	**402,315**	**100.0**	142,762	100.0

Our revenue from on-device computing products increased by 169.5% from RMB126.5 million for the six months ended June 30, 2025 to RMB341.0 million for the six months ended June 30, 2026, primarily due to the continued improvement in industry conditions during the first half of 2026. Amid the ongoing adoption of intelligent technologies in smart cities, smart agriculture, and smart home applications, and rising upstream costs pushing the industry toward higher-end, more intelligent products, the Company's on-device computing products achieve simultaneous growth in volume and price, with sales volume and market share rising significantly.

Our revenue from edge AI products increased by 251.9% from RMB7.9 million for the six months ended June 30, 2025 to RMB27.7 million for the six months ended June 30, primarily due to the explosive growth of the market demand for local offline AI inference computing power, as a result of the accelerated penetration of large AI models from the cloud to edge and on-device. Our 8850 series products possess unique advantages in addressing this market demand, as they achieve a strong balance among "power consumption, computing power, and privacy security". Leveraging the core strength, customers can efficiently deploy advanced artificial intelligence capabilities in application scenarios such as edge inference.

Our revenue from smart vehicle solutions significantly increased by 252.1% from RMB8.3 million for the six months ended June 30, 2025 to RMB29.1 million for the six months ended June 30, 2026 primarily due to the in-depth partnerships with several leading OEMs and internationally renowned Tier-1 suppliers, achieving centralized SOP and mass production for designated vehicle models in the first half of 2026, driving a significant increase in smart vehicle sales.

Cost of sales

Our cost of sales increased by 150.2% from RMB114.2 million for the six months ended June 30, 2025 to RMB285.6 million for the six months ended June 30, 2026, primarily due to higher sales volume across our major product categories, which resulted in increased procurement of raw materials and outsourced processing services.

Gross profit and gross profit margin

Our gross profit increased by 308.3% from RMB28.6 million for the six months ended June 30, 2025 to RMB116.7 million for the six months ended June 30, 2026. Our gross profit margin increased from 20.0% for the six months ended June 30, 2025 to 29.0% for the six months ended June 30, 2026, primarily due to the Company's optimization of the product structure, forward-looking capacity planning and lean supply chain management. The Company was able to maintain stable deliveries to customers amid strong market demand that exceeded supply during the first half of the year. Coupled with increased sales, the Company achieved economies of scale, which drove increases in overall gross profit margin.

Other income

Our other income decreased by 32.8% from RMB17.1 million for the six months ended June 30, 2025 to RMB11.5 million for the six months ended June 30, 2026, primarily due to a decrease in government grants.

Other net gains/losses

Our other net gains were RMB1.2 million for the six months ended June 30, 2025, compared to the other net losses of RMB48.0 million for the six months ended June 30, 2026 primarily due to the depreciation of USD against RMB during the first half of the year resulting in foreign exchange losses on the Group's USD deposits.

Research and development expenses

Our research and development expenses increased by 81.0% from RMB285.4 million for the six months ended June 30, 2025 to RMB516.4 million for the six months ended June 30, 2026, primarily due to an increase in research and development expenses incurred for the Company's investment in new chip models for smart vehicle solutions and edge AI products.

General and administrative expenses

Our general and administrative expenses increased by 38.2% from RMB102.7 million for the six months ended June 30, 2025 to RMB141.9 million for the six months ended June 30, 2026, primarily due to an increase in employee compensation expenses, which mainly reflected the equity-settled share-based payment for our employees as well as an increase in headcount of our general and administrative personnel.

Sales and marketing expenses

Our sales and marketing expenses increased by 68.8% from RMB36.2 million for the six months ended June 30, 2025 to RMB61.1 million for the six months ended June 30, 2026, primarily due to an increase in sales personnel to expand sales channels, as well as higher marketing and promotional expenses incurred to enhance brand awareness and influence.

Net finance costs

Our net finance costs decreased by 74.2% from RMB189.6 million for the six months ended June 30, 2025 to RMB48.9 million for the six months ended June 30, 2026, primarily due to the decrease in the changes in carrying amount of redemption liabilities as the redemption rights were terminated upon Listing, with no subsequent reinstatement under any circumstances.

Loss for the period

As a result of the foregoing, our loss for the six months ended June 30, 2026 was RMB688.0 (for six months ended June 30, 2025: RMB562.4 million).

Non-IFRS measure

We define adjusted loss for the period (non-IFRS measure) as loss for the period adjusted by adding back (i) changes in the carrying amount of redemption liabilities, representing the carrying amounts changes of the redemption rights granted by us, which is non-cash in nature and will be reclassified to equity after the termination of the investors' redemption rights, (ii) equity-settled share-based payment, which was non-cash in nature and represented the employee benefit expenses incurred in connection with our award to management and key employees, and (iii) listing expenses, which represented expenses in relation to the Global Offering.

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

The following table reconciles our adjusted loss for the period (non-IFRS measure) for the period presented in accordance with IFRS Accounting standards, which is loss for the period:

	For the Six Months Ended June 30,			
	2026		2025	
		% of revenue		% of revenue
	(RMB in thousands, except for percentages)			
Reconciliation of loss for the period to adjusted loss (non-IFRS measure)				
Loss for the period	**(687,998)**	**(171.0)**	(562,379)	(393.9)
Add:				
Changes in the carrying amount of redemption liabilities	**63,264**	**15.7**	183,059	128.2
Equity-settled share-based payment	**70,623**	**17.6**	39,444	27.6
Listing expenses	**14,063**	**3.5**	20,635	14.5
Adjusted loss for the period (non-IFRS measure)	**(540,048)**	**(134.2)**	(319,241)	(223.6)

Liquidity and capital resources

For the six months ended June 30, 2026, we funded our cash requirements principally through proceeds from the Global Offering, sales of our products, capital contributions from equity holders and bank borrowings. Our deemed cash position, which includes cash and cash equivalents, time deposits, and financial assets at FVPL, increased by 130.1% from RMB946.1 million as of December 31, 2025 to RMB2,177.4 million as of June 30, 2026.

Pledge of assets

As of June 30, 2026, our total secured bank borrowings amounted to RMB129.2 million and were pledged by the RMB26,000,000 paid-in-capital of Zhejiang Huatu.

Gearing ratio

As of June 30, 2026, our gearing ratio (equals total liabilities divided by total assets, in percentage) was 33.2%, as compared to 233.6% as of December 31, 2025.

Foreign exchange risk exposure

We are exposed to currency risk primarily through cash balances of the proceeds from the Global Offering that are denominated in USD. Such foreign currency funds have not yet been fully utilized for future procurement payments, and fluctuations in exchange rates may affect our financial position as reported in our functional currency. As the Company intends to use these funds for future U.S. dollar-denominated procurement expenditures, the impact of exchange rate fluctuations on such cash balances is expected to be naturally offset by corresponding changes in procurement costs and is therefore not expected to have a material net effect on operating results. Accordingly, the Company manages this risk primarily through ongoing monitoring of exchange rate movements in conjunction with its planned use of funds. During the Reporting Period, exchange rate fluctuations did not have a material impact on our operations.

Contingent liabilities

The Group had no material contingent liabilities as of June 30, 2026.

Capital expenditure

During the Reporting Period, our capital expenditure was RMB248.1 million, as compared to RMB21.2 million for the six months ended June 30, 2025, mainly related to our payment for the purchase of property, plant and equipment and intangible assets.

Capital commitment

As of June 30, 2026, our capital commitment was RMB7.8 million, as compared to RMB96.0 million as of December 31, 2025, mainly related to capital expenditure on intangible assets, property, plant and equipment.

2. Use of proceeds from Global Offering

The Company was listed on the Stock Exchange on February 10, 2026. The net proceeds received from the Global Offering (including the partial exercise of the Over-allotment Option), after deducting the underwriting fees and commissions and expenses payable by the Company in connection with the Global Offering, amounted to approximately HK$2,843.7 million at the offer price of HK$28.20 per H Share.

There has been no change in the intended use of the net proceeds as set out in the Prospectus under the section headed “Future Plans and Use of Proceeds”. The net proceeds will be utilized in the same manner, proportion and expected timeframe as set out in the Prospectus.

Details of the use of proceeds and the expected timeline for utilization of the unutilized net proceeds are set out below:

	Approximate percentage of the total net proceeds	Net proceeds from the Global Offering *(HKD' million)*	Net proceeds utilized during the Reporting Period *(HKD' million)*	Net Proceeds unutilized as of June 30, 2026 *(HKD' million)*	Expected time to utilize the remaining net proceeds in full[(1)]
Optimize our existing technology platform	**60.0%**	**1,706.2**	**494.1**	**1,212.1**	By the end of the year ending 2030
(i) Optimize our technology platform and strengthening our platform-based R&D team development	40.0%	1,137.5	295.0	842.5	By the end of the year ending 2030
(ii) Acquire R&D services and expand our product portfolio and application scenarios	20.0%	568.7	199.1	369.6	By the end of the year ending 2030
Investment in R&D projects	**15.0%**	**426.6**	**127.1**	**299.5**	By the end of the year ending 2030
(i) Explore applications of emerging technologies	10.0%	284.4	116.5	167.9	By the end of the year ending 2030
(ii) Upgrade our R&D infrastructure and equipment	5.0%	142.2	10.6	131.6	By the end of the year ending 2030
Sales expansion	**5.0%**	**142.2**	**22.6**	**119.6**	By the end of the year ending 2030
Equity investments or acquisitions aimed at further integrating upstream and downstream industry resources	**10.0%**	**284.4**	**–**	**284.4**	By the end of the year ending 2030
(i) strategic investments in key upstream and downstream targets	5.0%	142.2	—	142.2	By the end of the year ending 2030
(ii) acquisitions of highly complementary or synergistic businesses	5.0%	142.2	—	142.2	By the end of the year ending 2030
Working capital and other general corporate purposes	**10.0%**	**284.3**	**39.9**	**244.4**	By the end of the year ending 2030
Total	**100.0%**	**2,843.7**	**683.7**	**2,160.0**	

Note:

(1) The expected timeline to use the remaining proceeds is prepared based on the best estimate made by the Group, which is subject to change according to the current and future development of the market condition.

3. Future plans for material investments and capital assets

Save as disclosed in this interim report and the Prospectus, the Group did not have any other future plans for material investments and capital assets as of the date of this interim report.

4. Material acquisition and disposal of subsidiaries, associates and joint ventures

The Group did not make any material acquisitions and disposals of subsidiaries, associates and joint ventures during the period from the Listing Date up to June 30, 2026.

5. Purchase, sale or redemption of the Company's listed securities or sale of treasury shares

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities for the six months ended June 30, 2026 (including the sale of any treasury shares (as defined under the Listing Rules)). The Company did not have any treasury shares as at June 30, 2026.

6. Events after the reporting period

There were no other significant events that may affect the Group since the end of the Reporting Period and up to the date of this report.

7. Employees and remuneration

As of June 30, 2026, the Group had a total of 724 full-time employees. The total employee remuneration expenses for the six months ended June 30, 2026, including equity-settled share-based payment, were RMB344.1 million for the six months ended June 30, 2026, as compared to RMB294.1 million for the six months ended June 30, 2025.

Our employees' remuneration mainly comprises salaries, bonuses, social security contributions, equity-settled share-based payment and other employee benefits. We participate in housing fund and various employee social security schemes organized by applicable local municipal and provincial governments, including housing, pension, medical, maternity, work-related injury and unemployment benefit plans, under which we make contributions at specified percentages of the salaries of our employees. We also purchase commercial health insurance for our employees.

We maintain high standards in recruitment with strict procedures to ensure the quality of new hires and provide specialized training tailored to the needs of our employees in different departments. We also conduct periodic performance reviews for our employees, and their remuneration is performance-based. We have also established the Restricted Share Incentive Scheme and further established the H Share Award Scheme and H Share Option Scheme on June 26, 2026 to incentivize our employees, details of which are set out in the Prospectus and the circular dated June 4, 2026.

Directors' and chief executives' interests and short positions in shares, underlying shares and debentures of the Company or any of its associated corporations

As at June 30, 2026, the interests or short positions of the Directors and chief executive 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 (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) to be entered into the register required to be kept by the Company pursuant to Section 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name	Position	Nature of interest[1]	Number and class of Shares held	Approximate percentage of shareholding in the total issued Shares[2]
Dr. QIU[3]	Founder, Chairperson of the Board and executive Director	Interested in controlled corporations; interests held jointly with another person	109,919,584 H Shares	18.66%
Mr. WANG Chen (王晨)[3]	Non-executive Director	Interested in controlled corporation	31,081,389 H Shares	5.28%
Mr. ZHOU Siyuan (周思遠)[3]	Non-executive Director	Interested in controlled corporation	74,878,128 H Shares	12.71%
Mr. SUN Weifeng (孫微風)	Executive Director and chief executive officer	Other[4]	19,155,046 H Shares	3.25%
Mr. SHI Xiaoye (施曉燁)	Executive Director and chief financial officer	Other[4]	18,723,884 H Shares	3.18%
Mr. WANG Yuan (王遠)	Executive Director and vice president	Other[4]	3,812,983 H Shares	0.65%

Notes:

(1) All interests stated are long positions.

(2) There were 588,936,581 H Shares in issue as at June 30, 2026.

(3) Details of interest of Dr. QIU, Mr. WANG Chen and Mr. ZHOU Siyuan are set out in notes 3 and 4; note 6; and note 5 in the "Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company" of this report, respectively.

(4) Pursuant to the Restricted Share Incentive Scheme, each of Mr. SUN Weifeng, Mr. SHI Xiaoye and Mr. WANG Yuan were granted restricted Shares of our Company taking in the form of partnership interests in our Employee Incentive Platforms.

Save as disclosed above and to the best knowledge of our Directors, as of June 30, 2026, we were not aware of any Director or chief executive of the Company had any interests or short positions in the Shares, underlying Shares and 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 Hong Kong Stock Exchange.

Substantial shareholders' interests and short positions in Shares and underlying Shares of the Company

As at June 30, 2026, the interests of relevant persons (other than a Director or the chief executive of the Company) who had interests or short positions in the Shares or the underlying Shares, which were required to be notified under Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company under Section 336 of the SFO, were as follows:

Name of Shareholder	Nature of interest(1)	Number and class of Shares held	Approximate percentage of shareholding in the total issued Shares(2)
Jiaxing Zhixin(3)(4)	Beneficial owner; interests held jointly with another person	102,176,584 H Shares	17.35%
Jiaxing Aixin(3)(4)	Beneficial owner; interests held jointly with another person	102,176,584 H Shares	17.35%
Shanghai Bonasi(3)(4)	Beneficial owner; interests held jointly with another person	109,919,584 H Shares	18.66%
Shanghai Jinling(4)	Interested in controlled corporations; interests held jointly with another person	109,919,584 H Shares	18.66%
Ningbo Yongxin Weihao Phase III Semiconductor Industry Investment Partnership (Limited Partnership) (寧波甬欣韋豪三期半導體產業投資合夥企業（有限合夥）) ("**Weihao Phase III**")(5)	Beneficial owner	31,424,017 H Shares	5.34%

Name of Shareholder	Nature of interest[1]	Number and class of Shares held	Approximate percentage of shareholding in the total issued Shares[2]
Inno-Chip Investment Management Co., Ltd. (上海韋豪創芯投資管理有限公司) ("**Inno-Chip**")[5]	Interest in controlled corporation	73,686,897 H Shares	12.51%
Wuhu Kuangyun Artificial Intelligence Industry Investment Fund (Limited Partnership) (蕪湖曠沄人工智能產業投資基金（有限合夥）) ("**Wuhu Kuangyun**")[6]	Beneficial owner	31,081,389 H Shares	5.28%
Ms. YU Jia (于佳)[7]	Interest in controlled corporations	30,312,929 H Shares	5.15%
Ms. XU Jing (徐靜)[7]	Interest in controlled corporations	30,312,929 H Shares	5.15%

Notes:

(1) All interests stated are long positions.

(2) There were 588,936,581 H Shares in issue as at June 30, 2026.

(3) Pursuant to an acting in concert agreement dated September 18, 2021, Jiaxing Zhixin, Jiaxing Aixin, Shanghai Bonasi and Shanghai Jinling confirmed to act in concert at the general meetings of our Company with Dr. QIU. Therefore, by virtue of the SFO, each of Jiaxing Zhixin, Jiaxing Aixin, Shanghai Bonasi and Shanghai Jinling are deemed to be interested in the Shares held by each other.

(4) As of June 30, 2026, Jiaxing Zhixin, Jiaxing Aixin, Shanghai Bonasi, Xinsheng Bicheng No. 1, Xinsheng Bicheng No. 2, Xinsheng Bicheng No. 3 and Xinsheng Bicheng No. 4 directly held 43,104,726 Shares, 36,165,580 Shares, 22,906,278 Shares, 2,978,077 Shares, 1,786,846 Shares, 1,786,846 Shares and 1,191,231 Shares, respectively. Shanghai Jinling was the general partner of each of the above Shareholders and was owned as to 99.0% by Dr. QIU. Therefore, by virtue of the SFO, each of Shanghai Jinling and Dr. QIU is deemed to be interested in the Shares held by Jiaxing Zhixin, Jiaxing Aixin, Shanghai Bonasi, Xinsheng Bicheng No. 1, Xinsheng Bicheng No. 2, Xinsheng Bicheng No. 3 and Xinsheng Bicheng No. 4 under the SFO.

(5) As of June 30, 2026, (i) Weihao Phase III, (ii) Tianjin Weihao TEDA Haihe Equity Investment Partnership (Limited Partnership) (天津韋豪泰達海河股權投資合夥企業（有限合夥）) ("**Tianjin Weihao**"), (iii) Ningbo Yongxin Weihao Phase IV Semiconductor Industry Investment Partnership (Limited Partnership) (寧波甬欣韋豪四期半導體產業投資合夥企業（有限合夥）) ("**Weihao Phase IV**"), (iv) Yiwu Weihao Chuangxin Phase I Equity Investment Partnership (Limited Partnership) (義烏韋豪創芯一期股權投資合夥企業（有限合夥）) ("**Yiwu Weihao**"), (v) Yiwu Weihao Packing Xuan Phase I Private Equity Investment Fund Partnership (Limited Partnership) (義烏韋豪鋆軒一期私募股權投資基金合夥企業（有限合夥）) ("**Weihao Yunxuan**"), and (vi) Shanghai Ganzhong Management Consulting Partnership (Limited Partnership) (上海淦眾管理諮詢合夥企業（有限合夥）) ("**Shanghai Ganzhong**", together with Weihao Phase III, Tianjin Weihao, Weihao Phase IV, Yiwu Weihao, Weihao Yunxuan and Shanghai Ganzhong, the "**Weihao entities**") directly held 31,424,017 Shares, 23,113,306 Shares, 9,083,133 Shares, 5,948,758 Shares, 4,117,683 Shares and 1,191,231 Shares, respectively.

Among the Weihao entities, (i) Weihao Phase III, Tianjin Weihao, Weihao Phase IV, Yiwu Weihao and Weihao Yunxuan are limited partnerships established in the PRC, all of which are ultimately controlled by Inno-Chip, which is ultimately controlled by Mr. ZHOU Siyuan (周思遠), one of our non-executive Directors, (ii) Shanghai Ganzhong is a limited partnership established in the PRC controlled by its general partner, Mr. ZHOU Siyuan (周思遠). Inno-Chip was held (i) as to 48.15% by Shanghai Yinjun Management Consulting Partnership (Limited Partnership) (上海隱鋆管理諮詢合夥企業（有限合夥）) ("**Shanghai Yinjun**"), the general partner of which is ZHOU Siyuan (周思遠); and (ii) as to 43.33% by Shanghai Ganzhong.

Therefore, by virtue of SFO, each of Inno-Chip and Shanghai Yinjun is deemed to be interested in Shares held by Weihao entities (excluding interests in Shares held by Shanghai Ganzhong) and each of Shanghai Ganzhong and Mr. ZHOU Siyuan (周思遠) is deemed to be interested in Shares held by all Weihao entities.

Ningbo Yongxin Fund Partnership (Limited Partnership) (寧波市甬欣基金合夥企業（有限合夥）) ("**Ningbo Yongxin Fund**") holds 35% partnership interests in Weihao Phase III and approximately 41.12% partnership interests in Weihao Phase IV, which is ultimately controlled by Ningbo State-owned Assets Supervision and Administration Commission (寧波市人民政府國有資產監督管理委員會) ("**Ningbo SASAC**"). The general partner of both Weihao Phase III and Weihao Phase IV is Ningbo Weihao Tongshang Management Consulting Partnership (Limited Partnership) (寧波韋豪通商管理諮詢合夥企業（有限合夥）) ("**Ningbo Weihao Tongshang**") whose general partner is Inno-Chip. Therefore, by virtue of SFO, each of Ningbo Yongxin Fund, Ningbo SASAC and Ningbo Weihao Tongshang is deemed to be interested in Shares held by Weihao Phase III and Weihao Phase IV.

(6) Wuhu Kuangyun is a limited partnership established in the PRC, whose general partner is Wuhu Kuangyun Investment Management Center (Limited Partnership) (蕪湖曠沄投資管理中心（有限合夥）) ("**Kuangyun Management**"), the general partner of which is Zhuhai Yunxiao Enterprise Management Co., Ltd. (珠海沄曉企業管理有限公司) ("**Zhuhai Yunxiao**"), which is wholly owned by Shanghai Rongyun Enterprise Management Co., Ltd. (上海榕沄企業管理有限公司) ("**Shanghai Rongyun**"), which is owned by Mr. WANG Chen (王晨)), one of our non-executive Directors, as to 60% and Ms. YANG Jingyu (楊婧譽), an Independent Third Party, as to 40%. Therefore, by virtue of SFO, each of Kuangyun Management, Zhuhai Yunxiao, Shanghai Rongyun, Mr. WANG Chen and Ms. YANG Jingyu is deemed to be interested in Shares held by Wuhu Kuangyun.

(7) Represents: (i) 9,212,656 Shares held by Beijing Qiming Rongxin Equity Investment Partnership (Limited Partnership) (北京啓明融新股權投資合夥企業（有限合夥）) ("**Qiming Rongxin**"); (ii) 8,333,333 Shares held by Suzhou Qiming Rongying Venture Investment Partnership (Limited Partnership) (蘇州啓明融盈創業投資合夥企業（有限合夥）) ("**Qiming Rongying**"); (iii) 6,818,182 Shares held by Suzhou Industrial Park Qiming Rongke Equity Investment Partnership (Limited Partnership) (蘇州工業園區啓明融科股權投資合夥企業（有限合夥）) ("**Qiming Rongke**"); and (iv) 5,948,758 Shares held by Suzhou Qihua Phase 10 Venture Investment Partnership (Limited Partnership) (蘇州啓華十期創業投資合夥企業（有限合夥）) ("**Suzhou Qihua**", together with Qiming Rongxin, Qiming Rongying and Qiming Rongke, the "**Qiming entities**").

Among the Qiming entities, (i) Each of Qiming Rongxin, Qiming Rongying and Qiming Rongke is a limited partnership established in the PRC, all of which are ultimately controlled by Suzhou Qiman Investment Management Co., Ltd. (蘇州啓滿投資管理有限公司) ("**Suzhou Qiman**"), (ii) Suzhou Qihua is a limited partnership established in the PRC, which is ultimately controlled by Suzhou Qiwang Venture Investment Co., Ltd. (蘇州啓望創業投資有限公司) ("**Suzhou Qiwang**").

Both Suzhou Qiman and Suzhou Qiwang are owned each as to 50% by Ms. YU Jia (于佳) and Ms. XU Jing (徐靜). Therefore, by virtue of SFO, each of Ms. YU Jia and Ms. XU Jing is deemed to be interested in Shares held by Qiming entities.

Save as disclosed above, as at June 30, 2026, so far as the Directors are aware, no other person (not being a Director or chief executive of the Company) had or was deemed to have any interest or short position in any Shares or underlying Shares of the Company which was required to be notified under Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

Share Incentive Schemes

I. Restricted Share Incentive Scheme

We have approved and adopted a Restricted Share Incentive Scheme for the purpose of motivating, retaining and rewarding talents for their contribution to the development of our Group and linking the interests of the participants under the employee incentive plan with those of our Company and our Shareholders.

The Restricted Share Incentive Scheme was adopted on April 27, 2020 and was further amended on May 13, 2025. Each of Jiaxing Zhixin, Jiaxing Aixin, Xinsheng Bicheng No. 1, Xinsheng Bicheng No. 2, Xinsheng Bicheng No. 3 and Xinsheng Bicheng No. 4, together with other 19 limited partnerships serving as the limited partners of Jiaxing Zhixin and Jiaxing Aixin, was established in the PRC as our employee incentive platforms to implement the Restricted Share Incentive Scheme. The terms of the Restricted Share Incentive Scheme are not subject to the provisions of Chapter 17 of the Listing Rules, as it does not involve the grant of new Shares or grant of options by our Company after Listing. Given the Shares underlying all the Awards (as defined below) under the Restricted Share Incentive Scheme have already been issued to the Employee Incentive Platforms, there will not be any dilutive effect to the issued Shares as a result of the operation of the Restricted Share Incentive Scheme. The scheme did not have any expiry date and is indefinite.

As of the date of this report, the Employee Incentive Platforms held 87,013,306 Shares, representing 14.77% of the issued Shares.

(a) Purpose

The purpose of the Restricted Share Incentive Scheme is to incentivize employees who have made significant contributions to our Group, attract outstanding talents in the market, fully mobilize the enthusiasm of our core employees, and promote the long-term development of our Company.

(b) Participants

The Participants include Directors (excluding independent non-executive Directors), senior management, employees, and consultants of the Group (including participants who previously participated in the equity incentive plan adopted by Zhejiang Huatu in 2021 (the "**Huatu Participants**")), with the Administrator (as defined below) retaining full discretion over final selections (the "**Participants**").

(c) Form of the Restricted Share Incentive Scheme

The Participants, as partners of the Employee Incentive Platforms, which are in the form of limited partnerships (the "**Awards**"), are entitled to subscribe for the limited partnership interests of the Employee Incentive Platforms, thereby indirectly holding the Shares of the Company by virtue of their capacity as limited partners of the Employee Incentive Platforms. There is no restriction on the maximum entitlement of each Participant under the scheme.

(d) Total number of the underlying Shares of the Awards

Participants are interested in a total of 87,013,306 Shares through holding the limited partnerships in the Employee Incentive Platforms, representing 14.77% of the Share of our Company as of the date of this report.

(e) Administration

Dr. QIU (the "**Administrator**") was appointed as the administrator of the Restricted Share Incentive Scheme. She shall be responsible for: (i) managing, interpreting, and implementing the Restricted Share Incentive Scheme; (ii) determining the scope of Participants and the number of Awards granted; and (iii) formulating or amending implementation rules for the Restricted Share Incentive Scheme (subject to the approval of the Board).

(f) Vesting schedule and condition

The underlying Shares corresponding to the Unvested Restricted Shares are subject to the following vesting schedule and condition:

(i) 50% of the restricted Shares shall vest on the second anniversary of the grant date (determined by calendar year);

(ii) 25% restricted Shares shall vest on the third anniversary of the grant date (determined by calendar year); and

(iii) 25% restricted Shares shall vest on the fourth anniversary of the grant date (determined by calendar year).

Notwithstanding the above schedule, the vesting is contingent upon the Participants' continuous service with the Group throughout each vesting period, unless otherwise determined by the Administrator (the "**Vesting Condition**").

(g) Awards Granted Under the Restricted Share Incentive Scheme

Prior to the Listing Date, all Awards under the Employee Incentive Scheme were granted. As of the date of this report, the total number of underlying Shares granted to our Directors and senior management members under the Restricted Share Incentive Scheme were 44,713,321 Shares, representing 7.59% of the total issued Shares, among which, (i) Mr. SUN Weifeng (孫微風), our executive Director and chief executive officer, holding 19,155,046 Shares, representing 3.25%; (ii) Mr. SHI Xiaoye (施曉燁), our executive Director and chief financial officer, holding 18,723,884 Shares, representing 3.18%; (iii) Mr. WANG Yuan (王遠), our executive Director and vice president, holding 3,812,983 Shares, representing 0.65% and (iv) Mr. LIU Jianwei (劉建偉), our general manager, holding 3,021,408 Shares, representing 0.51%.

II. H Share Option Scheme

We have approved and adopted a H Share Option Scheme on June 26, 2026 (the "**Adoption Date**"). The provisions of the H Share Option Scheme comply with the requirements of Chapter 17 of the Listing Rules. For details of the H Share Option Scheme, please refer to the circular of the Company dated June 4, 2026 (the "**Circular**"). Unless the context otherwise requires, capitalised terms used in this section shall have the same meanings as those defined in the Circular.

The general principal terms of the H Share Option Scheme are summarized below.

(a) Purpose

The purpose of the H Share Option Scheme is to: (i) facilitate the achievement of the Company's long-term sustainable development and performance objectives; (ii) closely align the interests of the Grantees with those of the Shareholders, investors, and the Company to enhance corporate cohesion, and promote the maximization of the Company's value; (iii) improve the Company's incentive mechanisms to attract, motivate, and retain directors, senior management, and employees who have made material contributions to the Company's continuous operation, development, and long-term growth; and (iv) recognize and affirm the contributions made or to be made by Eligible Participants to the Company.

(b) Participants

The Eligible Participants under the H Share Option Scheme include the following three categories: (1) Employee Participants (including independent non-executive Directors); (2) Related Entity Participants; and (3) Service Provider Participants.

(c) Duration

The H Share Option Scheme shall be valid and effective for a term of ten years commencing on the Adoption Date unless sooner terminated. As such, the remaining life of the H Share Option Scheme is approximately 9 years and 11 months as at the date of this report.

(d) H Share Option Scheme Limit and Options available for granted

Subject to further refreshment, all Options that may be granted under the H Share Option Scheme (excluding Options that have lapsed pursuant to the rules of the H Share Option Scheme, if any) and all share options and share awards that may be granted under any Other Schemes would be no more than 58,893,658 H Shares (the "**Option Scheme Limit**"), representing no more than 10% of the total number of H Shares in issue (excluding any treasury shares) as at the Adoption Date; and the maximum number of new H Shares which may be allotted and issued in respect of all options and share awards to be granted under the H Share Option Scheme and Other Schemes (including the H Share Award Scheme) involving issuance of new H Shares to Service Provider Participants, shall not exceed 5,889,365 H Shares, representing 1% of the total number of issued H Shares (excluding treasury shares, if any) as at the Adoption Date (the "**Option Scheme Service Provider Sublimit**").

From the Adoption Date of the H Share Option Scheme to June 30, 2026, no option was granted, exercised, cancelled, lapsed or forfeited under the H Share Option Scheme. It follows that, as of both the Adoption date and June 30, 2026, 58,893,658 H Shares and 5,889,365 H Shares were available for grant under the Option Scheme Limit and the Option Scheme Service Provider Sublimit, respectively.

III. H Share Award Scheme

We have approved and adopted a H Share Award Scheme on June 26, 2026 (the "**Adoption Date**"). The provisions of the H Share Award Scheme comply with the requirements of Chapter 17 of the Listing Rules. For details of the H Share Award Scheme, please refer to the Circular. Unless the context otherwise requires, capitalised terms used in this section shall have the same meanings as those defined in the Circular.

The general principal terms of the H Share Award Scheme are summarized below.

(a) Purpose

The purposes of the H Share Award Scheme are: (1) promoting the achievement of long-term sustainable development and performance goals of the Company; (2) closely align the interests of the Eligible Participants with those of Shareholders, investors and the Company to enhance the cohesion of the Company and to facilitate the maximization of the value of the Company; and (3) improving the Company's incentive mechanism to attract, motivate and retain Eligible Participants who have made contributions to the sustainable operation, business development and long-term growth of the Company.

(b) Participants

The Eligible Participants under the H Share Award Scheme include the following three categories: (1) Employee Participants (including independent non-executive Directors); (2) Related Entity Participants; and (3) Service Provider Participants.

(c) Duration

The H Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date unless sooner terminated. As such, the remaining life of the H Share Award Scheme is approximately 9 years and 11 months as at the date of this report.

(d) H Share Award Scheme Limit and Awards available for granted

Subject to further refreshment, the total number of Awarded Shares which may be issued under the H Share Award Scheme and all share options and awards that may be granted under any Other Schemes (including the H Share Option Scheme) involving the issuance of new H Shares would be no more than 58,893,658 H Shares (the "**Award Scheme Limit**"), representing no more than 10% of the total number of H Shares in issue (excluding any treasury shares) as at the Adoption Date; and the maximum number of new H Shares which may be allotted and issued in respect of all options and share awards to be granted under the H Share Award Scheme and Other Schemes (including the H Share Option Scheme) involving issuance of new H Shares of the Company to Service Provider Participants, shall not exceed 5,889,365 H Shares, representing 1% of the total number of issued H Shares (excluding treasury shares, if any) as at the Adoption Date (the "**Award Scheme Service Provider Sublimit**").

From the Adoption date of the H Share Award Scheme to June 30, 2026, no awards were granted, exercised, cancelled, lapsed or forfeited under the H Share Award Scheme. It follows that, as of both the Adoption date and June 30, 2026, 58,893,658 H Shares and 5,889,365 H Shares were available for grant under the Award Scheme Limit and the Award Scheme Service Provider Sublimit, respectively.

Interim Dividend

The Board did not propose any interim dividend for the six months ended June 30, 2026.

Compliance with the Corporate Governance Code

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Shareholders. The principles of the Company's corporate governance are to promote effective internal control measures, to enhance transparency of the work of the Board, and to strengthen accountability to all the Shareholders.

The Company has adopted the CG Code as set out in Appendix C1 to the Listing Rules as its own code of corporate governance. The Company has complied with the principles and all the applicable code provisions as set out in Part 2 of the CG Code throughout the six months ended June 30, 2026.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

Compliance with the Model Code for securities transactions by Directors

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.

Specific enquiry has been made to all the Directors who have confirmed that they have complied with the Model Code during the six months ended June 30, 2026.

Audit Committee

The Audit Committee consists of two independent non-executive Directors, namely Ms. TAN Ren and Dr. WANG Xin, and one non-executive Director, namely Mr. ZHOU Siyuan. Ms. TAN Ren, being the chairperson of the Audit Committee, is appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee and the Company's management have considered and reviewed the accounting principles and practices adopted by the Group and has discussed matters in relation to risk management, internal control and financial reporting, including the review of the unaudited condensed consolidated interim financial information of the Group for the six months ended June 30, 2026.

Changes to information in respect of Directors and chief executives of the Company

There has been no other change to information which is required to be disclosed and has been disclosed by Directors and chief executives of the Company pursuant to Rule 13.51B(1) of the Listing Rules after the publication of the Company's 2025 annual report and up to the date of this interim report.

By order of the Board
Axera Semiconductor Co., Ltd.
愛芯元智半導體股份有限公司
Dr. QIU Xiaoxin
Chairperson of the Board

Hong Kong, September 17, 2026

REVIEW REPORT

Review report to the board of directors of Axera Semiconductor Co., Ltd.
(incorporated in the People's Republic of China with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 28 to 51, which comprise the consolidated statement of financial position of Axera Semiconductor Co., Ltd. (the "Company") as of 30 June 2026 and the related consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim financial reporting* as issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2026 is not prepared, in all material respects, in accordance with International Accounting Standard 34 *Interim financial reporting*.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
9 August 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026 — unaudited
(Expressed in Renminbi ("RMB"))

		Six months ended 30 June,	
	Note	**2026**	2025
		RMB'000	RMB'000
Revenue	4	**402,315**	142,762
Cost of sales		**(285,635)**	(114,183)
Gross profit		**116,680**	28,579
Other income	5(a)	**11,502**	17,119
Other net (losses)/gains	5(b)	**(48,030)**	1,160
Sales and marketing expenses		**(61,087)**	(36,186)
General and administrative expenses		**(141,940)**	(102,714)
Research and development expenses		**(516,449)**	(285,362)
Reversal of expected credit losses on financial assets	6(c)	**197**	4,625
Loss from operations		**(639,127)**	(372,779)
Changes in the carrying amount of redemption liabilities	6(a)	**(63,264)**	(183,059)
Other finance costs		**(13,192)**	(8,139)
Finance costs		**(76,456)**	(191,198)
Finance income		**27,585**	1,598
Net financial costs	6(a)	**(48,871)**	(189,600)
Loss before taxation	6	**(687,998)**	(562,379)
Income tax	7	**—**	—
Loss for the period		**(687,998)**	(562,379)
Attributable to:			
Equity shareholders of the Company		**(582,099)**	(536,459)
Non-controlling interests		**(105,899)**	(25,920)
Loss for the period		**(687,998)**	(562,379)

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

For the six months ended 30 June 2026 — unaudited

(Expressed in Renminbi ("RMB"))

	Note	Six months ended 30 June,	
		2026	2025
		RMB'000	RMB'000
Loss for the period		**(687,998)**	(562,379)
Other comprehensive income for the period (after tax)			
Items that are or may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of foreign subsidiaries		**47**	73
Items that cannot be reclassified subsequently to profit or loss:			
Changes in fair value of financial assets measured at fair value through other comprehensive income ("FVOCI"), net of income tax		**747**	—
Other comprehensive income for the period		**794**	73
Total comprehensive income for the period		**(687,204)**	(562,306)
Attributable to:			
Equity shareholders of the Company		**(581,305)**	(536,386)
Non-controlling interests		**(105,899)**	(25,920)
Total comprehensive income for the period		**(687,204)**	(562,306)
Loss per share			
Basic and diluted loss per share *(RMB)*	8(a)	**(1.22)**	(1.62)

The notes on pages 35 to 51 form part of these interim financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026 — unaudited
(Expressed in RMB)

	Note	**As at 30 June 2026 RMB'000**	As at 31 December 2025 RMB'000
Non-current Assets			
Property, plant and equipment	9	**61,201**	54,737
Right-of-use assets	10	**14,242**	11,044
Intangible assets	11	**944,045**	819,921
Goodwill	12	**908,170**	908,170
Financial assets measured at FVOCI		**10,942**	14,942
Prepayments and other receivables	14	**11,003**	24,171
		1,949,603	1,832,985
Current Assets			
Financial assets at fair value through profit or loss ("FVPL")		**206,579**	608,325
Inventories		**729,176**	328,498
Trade receivables	13	**142,283**	166,851
Prepayments and other receivables	14	**729,642**	325,766
Cash and cash equivalents	15	**1,970,812**	337,775
		3,778,492	1,767,215
Current Liabilities			
Trade and bill payables	16	**185,638**	158,528
Other payables and accruals		**133,813**	154,938
Bank loans	17	**198,861**	328,317
Contract liabilities		**10,050**	11,786
Lease liabilities		**7,386**	4,516
Financial instruments issued to investors	18	**466,866**	7,091,304
		1,002,614	7,749,389
Net Current Assets/(Liabilities)		**2,775,878**	(5,982,174)
Total Assets Less Current Liabilities		**4,725,481**	(4,149,189)

Consolidated Statement of Financial Position (Continued)

At 30 June 2026 — unaudited
(Expressed in RMB)

	Note	**As at 30 June 2026 RMB'000**	As at 31 December 2025 RMB'000
Non-current Liabilities			
Bank loans	17	**889,988**	652,798
Lease liabilities		**6,111**	6,029
Deferred tax liabilities		**162**	162
		896,261	658,989
Net Assets/(Liabilities)		**3,829,220**	(4,808,178)
Capital and Reserves			
Share capital	19(b)	**588,937**	482,845
Reserves		**2,905,122**	(5,732,083)
Total equity/(deficit) attributable to equity shareholders of the Company		**3,494,059**	(5,249,238)
Non-controlling interests		**335,161**	441,060
Total equity/(deficit)		**3,829,220**	(4,808,178)

Approved and authorised for issue by the Board of Directors on 9 August 2026

Director
QIU, XIAOXIN

Director
Shi Xiaoye

The notes on pages 35 to 51 form part of these interim financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026 — unaudited
(Expressed in RMB)

	Note	Attributable to equity shareholders of the Company										
		Share capital	Capital reserve	Shares held for employee incentive scheme	Share-based payment reserve	Exchange reserves	Fair value reserve (non-recycling)	Other reserves	Accumulated losses	Sub-total	Non-controlling interests	Total deficit
		RMB'000 (Note 19(b))	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2025		393,981	(643,659)	(79,270)	282,756	(190)	921	(32,842)	(2,531,751)	(2,610,054)	234,160	(2,375,894)
Changes in equity for six months ended 30 June 2025:												
Loss for the period		–	–	–	–	–	–	–	(536,459)	(536,459)	(25,920)	(562,379)
Other comprehensive income		–	–	–	–	73	–	–	–	73	–	73
Total comprehensive income		–	–	–	–	73	–	–	(536,459)	(536,386)	(25,920)	(562,306)
Issuance of financial instruments to investors		81,121	1,685,077	–	–	–	–	–	–	1,766,198	–	1,766,198
Recognition of financial instruments issued to investors		–	(1,786,198)	–	–	–	–	–	–	(1,786,198)	–	(1,786,198)
Issuance of ordinary shares held for employee incentive scheme		7,743	13,057	(20,800)	–	–	–	–	–	–	–	–
Acquisition of additional interests in subsidiaries		–	–	–	–	–	–	(1,175,913)	–	(1,175,913)	(167,109)	(1,343,022)
Equity settled share- based payment		–	–	–	80,575	–	–	–	–	80,575	(41,131)	39,444
Balance at 30 June 2025 and 1 July 2025		482,845	(731,723)	(100,070)	363,331	(117)	921	(1,208,755)	(3,068,210)	(4,261,778)	–	(4,261,778)
Changes in equity for six months ended 31 December 2025:												
Loss for the period		–	–	–	–	–	–	–	(612,888)	(612,888)	(8,940)	(621,828)
Other comprehensive income		–	–	–	–	(665)	–	–	–	(665)	–	(665)
Total comprehensive income		–	–	–	–	(665)	–	–	(612,888)	(613,553)	(8,940)	(622,493)
Issuance of financial instruments to investors		–	–	–	–	–	–	–	–	–	450,000	450,000
Recognition of financial instruments issued to investors		–	(450,000)	–	–	–	–	–	–	(450,000)	–	(450,000)
Equity settled share- based payment		–	–	–	76,093	–	–	–	–	76,093	–	76,093
Balance at 31 December 2025		482,845	(1,181,723)	(100,070)	439,424	(782)	921	(1,208,755)	(3,681,098)	(5,249,238)	441,060	(4,808,178)

	Note	Attributable to equity shareholders of the Company										
		Share capital	Capital reserve	Shares held for employee incentive scheme	Share-based payment reserve	Exchange reserves	Fair value reserve (non-recycling)	Other reserves	Accumulated losses	Sub-total	Non-controlling interests	Total (deficit)/ equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		(Note 19(b))										
Balance at 1 January 2026		482,845	(1,181,723)	(100,070)	439,424	(782)	921	(1,208,755)	(3,681,098)	(5,249,238)	441,060	(4,808,178)
Changes in equity for six months ended 30 June 2026:												
Loss for the period		–	–	–	–	–	–	–	(582,098)	(582,098)	(105,899)	(689,997)
Other comprehensive income		–	–	–	–	47	747	–	–	794	–	794
Total comprehensive income		–	–	–	–	47	747	–	(582,098)	(581,304)	(105,899)	(687,203)
Issuance of ordinary shares by initial public offering, net of issuance cost	19(b)(i)	106,092	2,460,184	–	–	–	–	–	–	2,566,276	–	2,566,276
Derecognition of financial assets measured at FVOCI		–	–	–	–	–	(747)	–	747	–	–	–
Discharge of redemption liabilities upon termination of redemption rights granted	18	–	6,687,702	–	–	–	–	–	–	6,687,702	–	6,687,702
Equity settled share- based payment		–	–	–	70,623	–	–	–	–	70,623	–	70,623
Balance at 30 June 2026		588,937	7,966,163	(100,070)	510,047	(735)	921	(1,208,755)	(4,262,499)	3,494,059	335,161	3,829,220

The notes on pages 35 to 51 form part of these interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026 — unaudited
(Expressed in RMB)

	Note	Six months ended 30 June 2026 RMB'000	2025 RMB'000
OPERATING ACTIVITIES:			
Cash used in operations		**(1,130,662)**	(305,602)
Income tax paid		**—**	—
Net cash used in operating activities		**(1,130,662)**	(305,602)
INVESTING ACTIVITIES:			
Payment for the purchase of property, plant and equipment and intangible assets		**(248,058)**	(21,165)
Proceeds from disposal of property, plant and equipment		**817**	104
Withdrawal of time deposits		**—**	33,150
Payments for purchase of financial assets measured at FVPL		**—**	(985,520)
Proceeds from disposal of financial assets measured at FVPL		**402,098**	681,068
Proceeds from disposal of financial assets measured at FVOCI		**2,848**	—
Decrease in advances to a related party		**(250)**	—
Net cash generated from/(used in) investing activities		**157,455**	(292,363)
FINANCING ACTIVITIES:			
Proceeds from issuance of new ordinary shares, net of issuance costs		**2,570,040**	(1,018)
Proceeds from the issuance of financial instruments to investors		**—**	375,000
Payment for financial instruments issuance costs		**—**	(20,000)
Capital element of lease rentals paid		**(5,312)**	(5,199)
Interest element of lease rentals paid		**(322)**	(200)
Repurchase of unvested restricted shares		**—**	(7,421)
Proceeds from bank loans		**350,000**	409,045
Repayment of bank loans		**(239,480)**	(224,323)
Interest paid		**(16,931)**	(8,569)
Payment for purchase of non-controlling interests in a subsidiary		**—**	(44,000)
Decrease in advances from a related party		**(3,448)**	—
Net cash generated from financing activities		**2,654,547**	473,315
Net increase/(decrease) in cash and cash equivalents		**1,681,340**	(124,650)
Cash and cash equivalents at 1 January	15	**337,775**	843,250
Effect of foreign exchange rate changes		**(48,303)**	119
Cash and cash equivalents at 30 June	15	**1,970,812**	718,719

The notes on pages 35 to 51 form part of these interim financial statements.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in RMB unless otherwise indicated)

1 General information

Axera Semiconductor Co., Ltd. (the "Company") (愛芯元智半導體股份有限公司), formerly known as Axera Semiconductor (Ningbo) Co., Ltd. (愛芯元智半導體（寧波）有限公司), was incorporated in the People's Republic of China (the "PRC") on 20 April 2020 as a limited liability company and was converted into a joint stock company on 8 March 2024. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 10 February 2026 (the "Listing").

During the reporting period, the Company and its subsidiaries (together, "the Group") were principally engaged in the design, development and sales of semiconductor products and provision of related services for AI inference SoCs, delivering cutting-edge perception and computing platforms for edge and endpoint AI applications.

2 Basis of preparation

The interim financial report of the Company as at and for the six months ended 30 June 2026 comprises the Company and its subsidiaries (together referred to as the "Group"). The interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" adopted by the International Accounting Standards Board ("IASB"). It was authorised for issue on 9 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

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

This interim financial report contains consolidated interim financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The consolidated interim financial statements and the accompanying notes do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors is included on page 27.

3 Changes in accounting policies

The IASB has issued a number of amendments to IFRS Accounting Standards that are first effective for the current accounting period. None of these developments have had a material effect on these financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4 Revenue and segment reporting

(a) Revenue

The principal activities of the Group are the sales of on-device computing products, edge AI inference products and smart vehicle products and provision of related services.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products/services is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Recognised at a point in time		
Disaggregated by major products/services		
— Products	**396,946**	142,642
— Technical services and others	**5,369**	120
	402,315	142,762

(b) Segment reporting

IFRS 8, *Operating Segments*, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the Group's chief operating decision maker for the purpose of resources allocation and performance assessment. The Group manages its businesses as a whole by the most senior executive management for the purposes of resource allocation and performance assessment. The Group's chief operating decision maker is the chief executive officer of the Group who reviews the Group's consolidated results of operations in assessing performance of and making decisions about allocations to this segment. On this basis, the Group has determined that it only has one operating segment which is the sales of semiconductor products and provision of related service.

Accordingly, no reportable segment information is presented.

4 Revenue and segment reporting (Continued)

(c) Geographical information

(i) Revenue from external customers

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the services were provided or the goods delivered.

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Chinese mainland	**386,143**	127,048
Others	**16,172**	15,714
	402,315	142,762

All the non-current assets of the Group are located in the Chinese mainland.

5 Other income and other net (losses)/gains

(a) Other income

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Government grants (Note (i))	**11,302**	13,523
Others	**200**	3,596
	11,502	17,119

(i) The Group received unconditional government grants from various local government authorities in the Chinese Mainland, as rewards of the Group's contribution to technology innovation and regional economic development.

(b) Other net (losses)/gains

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Net realised and unrealised gains on financial assets measured at FVPL	**352**	1,005
Net losses on disposal of property, plant and equipment and right-of-use assets	**(33)**	(43)
Net foreign exchange (losses)/gains	**(48,349)**	198
	(48,030)	1,160

6 Loss before taxation

Loss before taxation is arrived at after (credit)/charging:

(a) Net finance costs

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Interest income	**(27,585)**	(1,598)
Changes in the carrying amount of redemption liabilities	**63,264**	183,059
Interest expense on bank loans	**12,869**	7,808
Interest expense on payables for purchase of software	**—**	131
Interest expense on lease liabilities	**323**	200
	48,871	189,600

(b) Staff costs

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Salaries, wages and other benefits	**254,577**	238,013
Contributions to defined contribution retirement plans (Note(i))	**18,903**	16,624
Equity-settled share-based payment expense	**70,623**	39,444
	344,103	294,081

Note:

(i) The employees of the subsidiaries of the Group established in the Chinese mainland participate in a defined contribution scheme managed by the local municipal governments, whereby these companies are required to contribute to the scheme at certain rates of the employees' salaries as agreed by the local municipal governments. Employees of these companies are entitled to benefits, calculated based on a percentage of the average salaries level in the Chinese mainland, from the above mentioned retirement scheme at their normal retirement age.

The Group has no further obligation for payment of other retirement benefits beyond the above contributions.

6 Loss before taxation (Continued)

(c) Other items

	Note	Six months ended 30 June 2026 RMB'000	2025 RMB'000
Cost of inventories sold		**285,635**	114,183
Depreciation charges:			
— property, plant and equipment		**10,585**	4,186
— right-of-use assets		**4,218**	5,228
Amortisation cost of intangible assets		**116,654**	50,855
Expense relating to short-term leases		**845**	801
Research and development expenses (Notes(i))		**516,449**	285,362
Reversal of expected credit losses on financial assets — trade receivables and other receivables		**(197)**	(4,625)
Listing expenses		**14,063**	20,635

Note:

(i) During the six months ended 30 June 2026 and 2025, research and development expenses include staff costs, depreciation expenses and amortisation expenses of RMB323,385,000 and RMB254,031,000, respectively, which amounts are also included in the respective total amounts disclosed separately above.

7 Income tax in the consolidated statement of profit or loss and other comprehensive income

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

(i) Chinese Mainland

Pursuant to the Corporate Income Tax Law of Chinese Mainland (the "CIT"), the Company's Chinese Mainland subsidiaries are subject to the CIT at a rate of 25% unless otherwise specified.

Pursuant to the PRC Corporate Income Tax Law and its relevant regulations, entities that qualified as a high technology enterprise ("HNTE") are entitled to a preferential income tax of 15%. Axera Semiconductor Co., Ltd., Beijing Axera Technology Co., Ltd., Shanghai Aixin Technology Co., Ltd. and Zhejiang Xinsheng Electronic Technology Co., Ltd. were qualified as HNTEs in 2021 and renewed the qualification in 2024, hence, these subsidiaries enjoy a preferential income tax of 15% from the year of 2021 to 2026.

7 Income tax in the consolidated statement of profit or loss and other comprehensive income (Continued)

(ii) Hong Kong

The provision for Hong Kong Profits Tax for each of the reporting period is calculated at 16.5% of the estimated assessable profits for the year, except for a subsidiary of the Group which is under the two-tiered profits tax rate regime, i.e. the first HKD 2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

(iii) Japan

Under the Japan Corporate Income Tax Law, Japanese corporate income tax is calculated at a statutory rate of 33.58%.

8 Loss per share

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to ordinary equity shareholders of the Company by the weighted average number of ordinary shares in issue during the reporting periods of six months ended 30 June 2026 and 2025.

(i) Loss attributable to ordinary equity shareholders of the Company

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Loss attributable to all equity shareholders of the Company	**(582,099)**	(536,459)
Allocation of loss for the periods attributable to shares with redemption rights	**89,375**	420,199
Loss attributable to ordinary equity shareholders of the Company	**(492,723)**	(116,260)

(ii) Weighted average number of ordinary shares

	Six months ended 30 June	
	2026	2025
	000'	000'
Issued ordinary shares at the beginning of the period	**482,845**	393,981
Effect of ordinary shares issued (Note 19(b))	**82,060**	1,284
Effect of ordinary shares issued with redemption rights	**—**	17,089
Effect of ordinary shares with redemption rights	**(73,376)**	(259,893)
Effect of unvested shares held for employee incentive scheme	**(87,013)**	(80,554)
Weighted average number of ordinary shares at the end of the period	**404,516**	71,907

8 Loss per share (Continued)

(b) Diluted loss per share

During the six months ended 30 June 2026 and 2025, share-based awards granted under the Group's employee incentive schemes and ordinary shares with redemption rights were not included in the calculation of diluted loss per share because their inclusion would have been anti-dilutive. The Company does not have other potential ordinary shares and therefore the amounts of diluted loss per share were the same as basic loss per share.

9 Property, plant and equipment

During the six months ended 30 June 2026, the Group acquired items of office equipment and furniture, equipment and machinery, and server and network equipment with a cost of RMB17,049,000 (six months ended 30 June 2025: RMB3,211,000).

10 Right-of-use assets

During the six months ended 30 June 2026, the Group entered into several lease agreements for use of office building, and therefore recognised the additions to right-of-use assets of RMB8,264,000 (six months ended 30 June 2025: RMB2,125,000).

11 Intangible assets

During the six months ended 30 June 2026, the Group acquired items of Intellectual Property ("IP license") and software with a cost of RMB240,778,000 (six months ended 30 June 2025: RMB12,884,000).

12 Goodwill

As at 30 June 2026 and 31 December 2025, the net carrying amount of goodwill arising from the acquisition of Zhejiang Huatu Microchip Technology Co., Ltd. ("Zhejiang Huatu"), amounted to RMB908,170,000.

As at 30 June 2026, the directors performed impairment testing of goodwill. Based on the results of the assessment, the Group determined that there was no impairment on goodwill as at 30 June 2026.

13 Trade receivables

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Gross amount of trade receivables		
— Due from third parties	**148,817**	178,589
— Due from a related party	**2,926**	1,604
Less: loss allowance	**(9,460)**	(13,342)
Trade receivables, net	**142,283**	166,851

All of the trade receivables are expected to be recovered within one year.

Ageing analysis

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

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Within 1 year	**140,208**	164,305
1 year to 2 years	**2,075**	2,546
	142,283	166,851

14 Prepayments and other receivables

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Non-current:		
Deposits	**5,015**	3,196
Less: loss allowance	**(29)**	(29)
Financial assets measured at amortised cost	**4,986**	3,167
Prepayments for:		
— Long-term assets	**6,017**	21,004
Prepayments and other receivables	**11,003**	24,171
Current:		
Listing expenses capitalised	**—**	9,763
Deposits	**89**	1,934
Advance to a related party[i]	**—**	250
Others	**4,770**	1,655
Financial assets measured at amortised cost	**4,859**	13,602
Prepayments for materials purchase	**542,996**	221,918
Value-added tax recoverable	**181,787**	90,246
Prepayments and other receivables	**729,642**	325,766

(i) Advance to a related party is unsecured and interest-free. Details of the advance to a related party are set out in Note 22.

15 Cash and cash equivalents

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Cash at bank	**1,970,812**	337,775

As at 30 June 2026, all cash and cash equivalents are located in Chinese Mainland.

16 Trade and bill payables

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Trade and bill payables	**185,638**	158,528

All trade and bill payables are expected to be settled within one year or are repayable on demand.

As of the end of the reporting period, the ageing analysis of trade and bill payables, based on the invoice date, is as follows:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Within 1 year	**159,052**	136,255
Over 1 year	**26,586**	22,273
	185,638	158,528

17 Bank loans

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Non-Current:		
Unsecured	**762,988**	524,798
Secured[(i)]	**127,000**	128,000
	889,988	652,798
Current:		
Unsecured	**196,650**	323,395
Secured[(i)]	**2,211**	4,922
	198,861	328,317

(i) The secured bank loans are borrowed by the Group for acquisition of Zhejiang Huatu and are pledged by the RMB26,000,000 paid-in-capital of Zhejiang Huatu.

(a) The analysis of the repayment schedule of bank loans is as follows:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Within 1 year	**198,861**	328,317
After 1 year but within 2 years	**182,988**	106,000
After 2 years but within 5 years	**707,000**	546,798
	1,088,849	981,115

18 Financial instruments issued to investors

(i) In accordance with the special rights termination agreement signed between the Company and the Pre-IPO Investors in June 2025, the redemption rights were terminated upon Listing, with no subsequent reinstatement under any circumstances. Immediately upon the termination, the redemption liability was derecognised and the carrying amount of RMB6,687,702,000 was reclassified to equity on 10 February 2026.

(ii) As at 30 June 2026, the financial instruments issued to investors represent the financial liabilities arising from redemption rights issued to investors of Chongqing Chuangyuan Zhihang Technology Co., Ltd. ("Chongqing Chuangyuan"), a non-wholly-owned subsidiary of the Company.

Equity holders of Chongqing Chuangyuan with preferred rights have the right to require the Company to redeem all or part of the equity interests at any time upon occurrence of specified triggering events, including a non-completion of a qualified IPO of Chongqing Chuangyuan by a predetermined date; and the controlling party of the Chongqing Chuangyuan has changed without agreed upon by all parties.

The redemption price is calculated at the issue price plus all declared but unpaid dividends on such equity interests, and accrued interests at a single rate of 6% per annum.

The Company's obligation to redeem the equity interests upon the occurrence of specified events, which are beyond its control, gives rise to a financial liability that is measured at the present value of the redemption price, which represents the settlement that would be triggered by the event with the highest settlement outcome. Subsequent to initial recognition, the financial liability is stated at amortised cost. Changes in the carrying amount of the financial liability arising from remeasurement of the redemption amount are recognised in profit or loss as "Changes in carrying amount of redemption liabilities".

As at 30 June 2026, the equity interests with preferred rights were classified as current liabilities as the equity interests with preferred rights may be converted into ordinary equity interests at the option of the equity holder with preferred rights at any time and the conversion feature does not meet "fixed for fixed" criteria.

19 Capital, reserves and dividends

(a) Dividends

No dividends were paid or declared by the Company or any of its subsidiaries during each of the reporting period.

(b) Share capital

Issued and fully paid:

	Numbers of ordinary shares '000	Share capital RMB'000
Balance at 1 January 2025	393,981	393,981
Issuance of ordinary shares held for the employee incentive scheme	7,743	7,743
Issuance of financial instruments to investors	81,121	81,121
Balance at 31 December 2025 and 1 January 2026	**482,845**	**482,845**
Issuance of ordinary shares by initial public offering[i]	**106,092**	**106,092**
Balance at 30 June 2026	**588,937**	**588,937**

(i) On 10 February 2026, the Company issued 106,091,300 H shares of RMB1.00 each at a price of Hong Kong dollar ("HK$") 28.20 per share by way of the Global Offering (including the partial exercise of the Over-allotment Option) (the "Offering"). Consequently, the share capital increased by RMB106,092,000, and the corresponding share premium increased by RMB2,460,184,000 (after deduction of issuance cost).

20 Commitments

Commitments outstanding at 30 June 2026 not provided for in the interim financial report were as follows:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Contracted for		
Acquisition of intangible assets	**7,838**	91,450
Acquisition of property, plant and equipment	**—**	4,512
Total commitments	**7,838**	95,962

21 Financial risk management and fair value of financial instruments

(a) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of each reporting period on a recurring basis, categorized into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

— Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

— Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available

— Level 3 valuations: Fair value measured using significant unobservable inputs

The Group has a team performing valuations for the financial instruments categories into Level 2 of the fair value hierarchy. The team reports directly to the chief financial officer. Valuation assessment with analysis of changes in fair value measurement is prepared by the team at each reporting date and is reviewed and approved by the chief financial officer.

		Fair value measurements as at 30 June 2026 categorized into		
	Fair value at 30 June 2026	Level 1	Level 2	Level 3
	RMB'000	RMB'000	RMB'000	RMB'000
Recurring fair value measurement				
Financial assets at FVPL:				
— Wealth management products	202,254	—	202,254	—
— A convertible loan receivable	4,325	—	4,325	—
Financial assets at FVOCI:				
— Unlisted equity investment	10,942	—	10,942	—
	217,521	—	217,521	—

21 Financial risk management and fair value of financial instruments (Continued)

(a) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

	Fair value at 31 December 2025	Fair value measurements as at 31 December 2025 categorized into		
		Level 1	Level 2	Level 3
	RMB'000	RMB'000	RMB'000	RMB'000
Recurring fair value measurement				
Financial assets at FVPL:				
— Wealth management products	600,839	—	600,839	—
— Forward foreign exchange contracts	3,225	—	3,225	—
— A convertible loan receivable	4,261	—	4,261	—
Financial assets at FVOCI:				
— Unlisted equity investment	14,942	—	14,942	—
	623,267	—	623,267	—

During the six months ended 30 June 2026 and the year ended 31 December 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of each reporting period in which they occur.

Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of wealth management products is determined by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

The fair value of forward foreign exchange contracts is determined with reference to the difference between the contractual forward price and the forward rate as of reporting period end.

The fair value of the convertible loan receivable is determined by using a discounted cash flow valuation model using the contract interest rate. As the conversion right of the convertible loan receivable is exercisable at the fair value of the equity price, such conversion rights always has a fair value of zero.

The fair value of equity investment is determined by recent financing provided by independent third-party.

(ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 30 June 2026 and 31 December 2025.

22 Material related party transactions

(a) Names and relationship of the related parties that had material transactions with the Group during the report Period

Name of the related party	Relationship
Gettop Acoustic Co., Ltd ("Gettop Acoustic") ("共達電聲股份有限公司")*	Entity controlled by a director of the Company
Anhui Shenji Technology Co., Ltd ("Anhui Shenji") ("安徽神璣技術有限公司)*	Equity holder of Chongqing Chuangyuan, a significant subsidiary of the Company, being the related party of the Company after 1 January 2026
Omnivision Integrated Circuits Group., Inc and its subsidiaries ("Omnivision Group") ("豪威集成電路（集團）股份有限公司")*	Equity holder of Chongqing Chuangyuan, a significant subsidiary of the Company, being the related party of the Company after 1 January 2026
Shanghai Jinling Enterprise Management Consulting Co., Ltd. ("Shanghai Jinling") ("上海衿凌企業管理諮詢有限公司")*	Entity controlled by Dr. QIU XIAOXIN, the director of the Company
Mr. Liu Jianwei	Director of the Company

* The English name is translated from its registered Chinese name for identification purpose only.

(b) Transactions with related parties

	Six months ended 30 June 2026 RMB'000	Six months ended 30 June 2025 RMB'000
Sales of goods to:		
— Gettop Acoustic	**2,910**	2,661
— Omnivision Group	**90,109**	*
	93,019	2,661
Purchase of services		
— Anhui Shenji	**50,000**	—
Decrease in advance to:		
— Shanghai Jinling	**250**	—
Decrease in advance from:		
— Mr. Liu Jianwei	**3,448**	—

* As mentioned in Note22(a), Omnivision Group has only become the related party of the group since 1 January 2026, thus the transactions with Omnivision Group for the six months ended 30 June 2025 has not been disclosed as related party transactions.

22 Material related party transactions (Continued)

(c) Balance with related parties

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Trade in nature:		
Trade receivables:		
— Gettop Acoustic	**2,926**	1,604
Contract liability:		
— Omnivision Group	**1,237**	—
Other payable:		
— Anhui Shenji	**9,000**	—
Non-trade in nature:		
Advances to a related party:		
— Shanghai Jinling	**—**	250
Advances from a related party		
— Mr. Liu Jianwei	**—**	3,448

Note:

(i) Advance from/to a related party are unsecured and interest-free. Advance from/to a related party is non-trade nature as at 31 December 2025.

23 Subsequent event

There has been no material events subsequent to the reporting period, which would affect the Group's financial statement in material aspects.

24 Possible impact of amendments, new standards, and interpretations issued but not yet effective for the six months ended 30 June 2026

A number of amendments and new standards are not yet mandatory for annual periods beginning 1 January 2026. Earlier application is permitted; however, the Group has not early adopted any new or amended standards in preparing this interim financial report.

No updates have been made to the assessment disclosed in 2025 annual financial statements regarding the potential impacts of IFRS 18 on the Group's consolidated financial statements upon its adoption. The Group does not plan to early adopt IFRS 18 and based on the initial assessment result it concluded that adoption of IFRS 18 will impact the presentation of financial statements and is not expected to have significant impact on the financial performance and positions of the Group.

DEFINITIONS

In this report, the following expressions have the meanings set out below unless the context requires otherwise:

"Articles" or "Articles of Association"	the articles of association of our 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
"Awarded Shares"	the H Shares granted pursuant to the H Share Award Scheme
"Board" or "Board of Directors"	the board of Directors of our Company
"CG Code" or "Corporate Governance Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or "the PRC"	the People's Republic of China, excluding, for the purpose of this report (unless otherwise indicated), the Hong Kong Special Administrative Region, the Macau Special Administrative Region, and the Taiwan Region
"Company", "we", "us" "our Company" or "the Company"	Axera Semiconductor Co., Ltd. (愛芯元智半導體股份有限公司) (previously known as Axera Semiconductor (Ningbo) Co., Ltd. (愛芯元智半導體（寧波）有限公司), Axera Semiconductor (Shanghai) Co., Ltd. (愛芯元智半導體（上海）有限公司) and Shanghai Zhiaixin Semiconductor Technology Co., Ltd. (上海智砹芯半導體科技有限公司)), a limited liability company established in the PRC on April 20, 2020, and converted into a joint stock company with limited liability on March 8, 2024
"Director(s)"	the director(s) of our Company
"Dr. QIU"	Dr. QIU Xiaoxin, our founder, the chairperson of the Board, an executive Director and a member of our Single Largest Group of Shareholders
"Eligible Participant(s)" or "Participant(s)"	includes Employee Participant(s), Related Entity Participant(s) and Service Provider Participant(s)
"Employee Participants"	Director(s) (including independent non-executive Director(s)), senior management and employee(s) (whether full time or part time employees) of the Company and/or of any of its subsidiaries (including persons who are granted Awards or Options under the H Share Option Scheme or H Share Award Scheme as an inducement to enter into employment contracts with these companies)
"Global Offering"	the offer of H Shares for subscription as described in the Prospectus

"Group", "our Group", "the Group", "we", "us" or "our"	our Company and its subsidiaries, or our Company and any one or more of its subsidiaries, as the context may require
"H Share Award Scheme"	the H share award scheme adopted by the Company on June 26, 2026
"H Share Option Scheme"	the H share option scheme adopted by the Company on June 26, 2026
"H Share Registrar"	Computershare Hong Kong Investor Services Limited
"H Shareholder(s)"	holder(s) of H Share(s)
"H Share(s)"	shares in the share capital of our Company with a nominal value of RMB1.0 each, which are subscribed for and traded in HK dollars and are listed on the Stock Exchange
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars", "HKD" or "HK$"	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
"IFRS"	the International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by International Accounting Standards Board and the International Accounting Standards and interpretations issued by the International Accounting Standards Committee
"Jiaxing Aixin"	Jiaxing Aixin Enterprise Management Center L.P. (嘉興愛芯企業管理合夥企業（有限合夥）) (previously known as Qingdao Aixin Enterprise Management Center L.P. (青島愛芯企業管理中心（有限合夥）), a limited partnership established in the PRC on July 26, 2019, one of our Employee Incentive Platforms and one of our Single Largest Group of Shareholders
"Jiaxing Zhixin"	Jiaxing Zhixin Yuanzhi Enterprise Management Center L.P. (嘉興智芯元智企業管理合夥企業（有限合夥）) (previously known as Qingdao Zhixin Yuanzhi Enterprise Management Center L.P. (青島智芯企業管理中心（有限合夥）), a limited partnership established in the PRC on May 29, 2020, one of our Employee Incentive Platforms and one of our Single Largest Group of Shareholders

"JPY"	Japanese yen, the official currency of Japan
"Listing"	the listing of our H Shares on the Main Board of the Stock Exchange on February 10, 2026
"Listing Date"	February 10, 2026, being the date on which dealings in our H Shares first commence on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange, which is independent from and operated in parallel with the GEM of the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
"Over-allotment Option"	the option granted by our Company to the International Underwriters, exercisable by the Overall Coordinators (each for itself and on behalf of the International Underwriters) pursuant to the International Underwriting Agreement, pursuant to which our Company may be required to allot and issue up to an aggregate of 15,737,200 additional H Shares, representing approximately 15% of the Offer Shares initially being offered under the Global Offering, at the Offer Price to, among other things, cover over-allocations in the International Offering, if any (as defined in the Prospectus)
"Prospectus"	the prospectus in relation to the Global Offering issued by the Company dated January 30, 2026
"Related Entity Participant(s)"	director(s) and employee(s) (whether full time or part time employees) of the Related Entities
"Related Entity(ies)"	the holding company(ies), fellow subsidiary(ies) or associated company(ies) of the Company
"Reporting Period"	the six months ended June 30, 2026
"Restricted Share Incentive Scheme"	the Restricted Share Incentive Scheme adopted by our Company on April 27, 2020, and further amended on May 13, 2025

"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Service Provider Sublimit"	the total number of Shares which may be issued in respect of all options and awards involving issue of new H Shares that may be granted under the H Share Option Scheme and the H Share Award Scheme and any Other Schemes to the Service Provider Participants
"SFO" or "Securities and Futures Ordinance"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented, or otherwise modified from time to time
"Shanghai Bonasi"	Shanghai Bonasi Enterprise Management Center L.P. (上海博納斯企業管理中心（有限合夥） (previously known as Tianjin Bonasi Enterprise Management Center (Limited Partnership) (天津博納斯企業管理中心（有限合夥） and Qingdao Bonasi Enterprise Management Center (Limited Partnership) (青島博納斯企業管理中心（有限合夥）), a limited partnership established in the PRC on September 3, 2021, the shareholding platform of Dr. QIU and one of our Single Largest Group of Shareholders
"Shanghai Jinling"	Shanghai Jinling Enterprise Management Consulting Co., Ltd. (上海衿淩企業管理諮詢有限公司), a limited liability company established in the PRC on August 26, 2021, which is controlled by Dr. QIU and one of our Single Largest Group of Shareholders
"Share(s)"	ordinary shares in the capital of our Company with a nominal value of RMB1.0 each, comprising the Unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of our Share(s)
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"treasury share(s)"	has the meaning ascribed thereto under the Listing Rules
"United States", "U.S." or "US"	the United States of America, its territories, its possessions, and all areas subject to its jurisdiction
"Unlisted Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for and paid up in Renminbi and are unlisted Shares which are currently not listed or traded on any stock exchange

"U.S. dollars", "US dollars", "USD" or "US$"	United States dollars, the lawful currency of the United States
"Xinsheng Bicheng No. 1"	Hangzhou Xinsheng Bicheng No. 1 Enterprise Management Partnership (Limited Partnership) (杭州芯昇必成一號企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on November 13, 2020, one of our Employee Incentive Platforms and one of our Single Largest Group of Shareholders
"Xinsheng Bicheng No. 2"	Hangzhou Xinsheng Bicheng No. 2 Enterprise Management Partnership (Limited Partnership) (杭州芯昇必成二號企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on November 16, 2020, one of our Employee Incentive Platforms and one of our Single Largest Group of Shareholders
"Xinsheng Bicheng No. 3"	Hangzhou Xinsheng Bicheng No. 3 Enterprise Management Partnership (Limited Partnership) (杭州芯昇必成三號企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on November 13, 2020, one of our Employee Incentive Platforms and one of our Single Largest Group of Shareholders
"Xinsheng Bicheng No. 4"	Hangzhou Xinsheng Bicheng No. 4 Enterprise Management Partnership (Limited Partnership) (杭州芯昇必成四號企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on November 16, 2020, one of our Employee Incentive Platforms and one of our Single Largest Group of Shareholders
"Zhejiang Huatu"	Zhejiang Huatu Microchip Technology Co., Ltd. (浙江華圖微芯技術有限公司), a limited liability company established in the PRC on October 31, 2014, which is a non-wholly owned subsidiary of our Company
"Zhejiang Xinsheng"	Zhejiang Xinsheng Electronic Technology Co., Ltd. (浙江芯昇電子技術有限公司), a limited liability company established in the PRC on April 9, 2020, which is a wholly-owned subsidiary of Zhejiang Huatu
"%"	per cent

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爱芯元智