

藍思科技股份有限公司 Lens Technology Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code: 6 6 1 3



2026 Interim Report



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DEFINITIONS

In this report, unless the context otherwise requires, the following expressions shall have the following meanings:

Item	Content
“AI”	Artificial Intelligence
“AR”	Augmented Reality
“A Share(s)”	domestic ordinary share(s) in the share capital of the Company with nominal value of RMB1.00 each, which are traded in Renminbi and listed on the Shenzhen Stock Exchange
“Audit Committee”	the audit committee of the Board
“Board” or “Board of Directors”	the board of Directors
“Changsha Qunxin”	Changsha Qunxin Investment Consulting Company Limited* (長沙群欣投資諮詢有限公司), a limited liability company established in PRC on 18 March 2011, and one of the Controlling Shareholders of the Company
“China” or “PRC”	the People’s Republic of China
“Company”	Lens Technology Co., Ltd. (藍思科技股份有限公司), a joint stock company incorporated in the PRC with limited liability on 21 December 2006, the A Shares and H Shares of which are listed on the Shenzhen Stock Exchange (stock code: 300433) and the Main Board of the Hong Kong Stock Exchange (stock code: 6613), respectively
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HDD”	Hard Disk Drive
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“H Share(s)”	overseas listed foreign ordinary share(s) in the share capital of the Company with nominal value of RMB1.00 each, which are listed and traded on the Hong Kong Stock Exchange
“Independent Director(s)”	independent non-executive Director(s)
“Interim Financial Information”	the interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026
“Ju Teng International”	Ju Teng International Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 3336)

Item	Content
“Lens Hualian”	Hunan Lens Hualian Precious Ceramics Company Limited* (湖南藍思華聯精瓷有限公司), a limited liability company incorporated under the laws of the PRC on 13 June 2012, and a subsidiary of the Company
“Lens Technology (HK)”	Lens Technology (HK) Co., Limited (藍思科技(香港)有限公司), a limited liability company established in Hong Kong on 29 October 2004, and one of our Controlling Shareholders
“Listing Date”	9 July 2025, being the date on which the H shares of the Company became listed on the Hong Kong Stock Exchange
“Main Board”	the stock exchange (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operates in parallel with the GEM of the Hong Kong Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
“Mr. Cheng”	Mr. Cheng Chun Lung (鄭俊龍), the vice chairman of the Board, an executive Director, one of our Controlling Shareholders and the spouse of Ms. Chau
“Ms. Chau”	Ms. Chau Kwan Fei (周群飛), the chairman of the Board, an executive Director, the general manager of our Company, one of our Controlling Shareholders and the spouse of Mr. Cheng
“OAM”	Original Application Manufacture
“ODM”	Original Design Manufacturing
“OEM”	Original Equipment Manufacturing
“Prospectus”	the prospectus of the Company dated 30 June 2025, in relation to, among others, the global offering of the H shares of the Company and the listing on the Main Board of the Hong Kong Stock Exchange
“Reporting Period”	the six months ended 30 June 2026
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, including A Shares and H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“subsidiary(ies)”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“SSD”	Solid State Disk
“TGV”	Through-Glass Via
“USD” or “US dollar(s)”	United States dollar, the lawful currency of the United States
“UTG”	Ultra-Thin Glass
“%”	per cent

* For identification purposes only

CORPORATE INFORMATION

REGISTERED NAME OF THE COMPANY

Full name in Chinese: 藍思科技股份有限公司

Full name in English: Lens Technology Co., Ltd.

LEGAL REPRESENTATIVE

Ms. Chau Kwan Fei

BOARD OF DIRECTORS

(1) Executive Directors

Ms. Chau Kwan Fei (*Chairman of the Board*)

Mr. Cheng Chun Lung (*Vice Chairman of the Board*)

Mr. Rao Qiaobing

(2) Independent Non-executive Directors

Ms. Wan Wei

Mr. Liu Yue

Mr. Tian Hong

Mr. Tang Xiangxi

BOARD COMMITTEES

(1) Audit Committee

Mr. Tang Xiangxi (*Chairman*)

Ms. Wan Wei

Mr. Liu Yue

(2) Nomination Committee

Ms. Wan Wei (*Chairman*)

Mr. Liu Yue

Mr. Cheng Chun Lung

(3) Remuneration and Appraisal Committee

Mr. Tang Xiangxi (*Chairman*)

Mr. Liu Yue

Mr. Cheng Chun Lung

(4) Strategy and Sustainable Development (ESG) Committee

Ms. Chau Kwan Fei (*Chairman*)

Mr. Tian Hong

Ms. Wan Wei

JOINT COMPANY SECRETARIES

Mr. Jiang Nan

Ms. Yu Wing Sze

CORPORATE INFORMATION

AUTHORISED REPRESENTATIVES

Ms. Chau Kwan Fei
Ms. Yu Wing Sze

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditor
35/F, One Pacific Place
88 Queensway
Hong Kong

LEGAL ADVISER AS TO PRC LAW

Sundial Law Firm
11–12/F., Taiping Finance Tower
6001 Yitian Road
Futian District, Shenzhen
the PRC

LEGAL ADVISER AS TO HONG KONG LAW

DLA Piper Hong Kong
25th Floor, Three Exchange Square
8 Connaught Place
Central
Hong Kong

REGISTERED OFFICE AND HEAD OFFICE

Liuyang Biomedical Park
Liuyang
Hunan Province
the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit A, 7/F, MG Tower
133 Hoi Bun Road, Kwun Tong
Kowloon
Hong Kong

PRINCIPAL BANKS

Bank of China
Liuyang Economic and Technological Development
Zone Branch

The Export-Import Bank of China
Hunan Branch

H SHARE REGISTRAR IN HONG KONG

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

COMPANY'S WEBSITE

www.hnlens.com

STOCK CODE

6613 (H Share)
300433 (A Share)

MANAGEMENT DISCUSSION AND ANALYSIS

I. THE DEVELOPMENT OF THE INDUSTRY TO WHICH THE COMPANY BELONGS DURING THE REPORTING PERIOD

For the first half of 2026, the core driving force for the global technology industry stemmed from the continuous evolution of AI. Technological iteration accelerated in emerging tracks including AI-enabled smart terminals and AI computing-power hardware, commercial-application roll-out kept gathering pace, and incremental market potential continued to be unlocked. Meanwhile, cost shocks triggered by supply-demand imbalance in memory chips propagated to end-user segments. The consumer electronics industry encountered rare external disruptions in recent years, presenting a structural-divergence landscape featuring booming emerging sectors alongside subdued traditional consumer demand. The Company vigorously developed new-materials, new-processes, new-products and new-equipment for next-generation artificial intelligence spanning from computing power to smart terminals, further advanced vertical integration of the industrial chain, accelerated the shift between old and new growth drivers, and delivered on the Company's diversified strategic layout.

1. Consumer Electronics and Smart Cockpits

In the first half of 2026, the global memory-chip market witnessed an unusual supply-demand gap, sending memory prices soaring, with supply-chain price hikes cascading into higher end-product selling prices. Multiple research institutions pointed to weakening signs across the consumer-electronics market. Entry-level and mainstream consumer-grade products were particularly price-sensitive, and consumers extended their device-replacement cycles. Quarterly monitoring data from market research firm IDC showed global smartphone shipments dropped 4.1% year-on-year in the first quarter and 6.7% year-on-year in the second quarter. TrendForce repeatedly revised down its forecast for global notebook-computer shipments in 2026. Against this backdrop, the consumer-electronics industry faced overall pressure, with players across the industrial chain grappling with contracting end-user demand.

Amid broad market headwinds, the high-end segment demonstrated solid resilience. Foldable smartphones and computers delivered notable advantages in office and other scenarios, sustaining robust market demand. The penetration rate of high-end new-materials such as UTG ultra-thin flexible glass and nano-microcrystalline glass kept rising, emerging as critical differentiators for premium foldable offerings.

During the first half of 2026, overall growth of the global automotive industry moderated, while penetration of new-energy vehicles continued to climb. According to statistics compiled by market research firm SNE Research, 9.906 million electric vehicles were delivered worldwide in the first half of the year, representing a 5.5% year-on-year increase. The industry transitioned from rapid expansion to steady growth. High oil prices further stimulated electric-vehicle demand. In parallel, electrification and intelligent transformation of new-energy vehicles forged ahead, driving greater market demand for automotive glass integrating lightweighting, display, noise reduction and sun-protection functions, with per-vehicle glass value trending upwards.

MANAGEMENT DISCUSSION AND ANALYSIS

2. AI Edge Side

The embodied-intelligence industrial ecosystem kept maturing, and commercial-application roll-out quickened. Industrial collaborative robots and humanoid service robots completed scenario validation and small-batch trial production, advancing toward mass-volume manufacturing. In July 2026, at the World Artificial Intelligence Conference (“WAIC”) in Shanghai, China’s Ministry of Industry and Information Technology announced that China’s full-year output of complete humanoid-robot units was expected to break the 100,000-unit threshold for the first time in 2026. Market research firm, Markets and Markets, projected the global humanoid-robot market size to reach approximately USD5.41 billion in 2026 and USD50.27 billion by 2035, corresponding to a compound annual growth rate of 28.1%. Core components including lightweight body structures, high-precision joint assemblies and flexible perception parts hold broad scope for domestic substitution, and the industry maintained a high-boom trajectory.

Edge-side smart hardware represented by wearable devices and AI/AR glasses underwent rapid development, with AI glasses standing out as the fastest-growing sub-sector. New products and novel form factors kept emerging. Multiple AI-glass offerings were showcased at the 2026 WAIC. Iterative demands for lighter-weight and more intelligent products continuously expanded market capacity for core components such as high-end optical lenses and precision structural parts.

The global commercial-aerospace industry maintained rapid growth, and iteration of low-orbit-satellite constellation networking accelerated. Expanding commercial-aerospace activities will fuel demand for aerospace-grade special optical materials featuring lightweight properties, high light transmittance, resistance to extreme high-low temperatures and superior stability. Aerospace-grade UTG, characterised by ultra-thin-and-light profiles, tolerance to harsh space environments and outstanding physical-flexing performance, is becoming a key encapsulation material for innovative flexible-satellite solar arrays.

3. AI Computing-Power Side

In the first half of 2026, investment in global AI computing-power infrastructure intensified, and the AI-server sub-sector stayed in high-growth mode. Specialised Q1-2026 monitoring data from IDC reflected robust expansion in the global AI-server market. Liquid-cooling thermal solutions, highly-integrated and high-density computing-power models emerged as mainstream industry directions, effectively spurring market demand for supporting products including high-end precision cabinets, liquid-cooling modules and high-speed interconnection assemblies.

Within precision-structural-parts segment, design-architecture shifts by leading North-American enterprises from “hybrid cooling” to “full liquid cooling” has further driven an increase in the value of cabinets and liquid-cooling modules.

In advanced packaging, TGV glass substrates, benefiting from high flatness, low expansion coefficients and excellent high-frequency electrical properties, effectively address warpage and heat-dissipation pain points for oversized-chip packaging, and are rapidly evolving into key base materials for next-generation advanced packaging. For hard-disk drives, glass platters, leveraging ultra-high storage density and exceptional physical longevity, show growing application potential, and leading manufacturers are accelerating their adoption.

Hollow-core fibre, representing a new-generation core technology for ultra-low-latency and low-loss transmission, saw faster industrialisation. Boasting ultra-low transmission loss, it precisely matches high-speed, low-latency computing-power-transmission requirements of AI data centres, with its commercial-use scenarios steadily broadening.

MANAGEMENT DISCUSSION AND ANALYSIS

II. OPERATION OF THE GROUP

(I) Overall Operating Overview for the Reporting Period

During the Reporting Period, the Company consolidated its core consumer-electronics business while prioritising cultivation of emerging strategic tracks including AI-edge-side hardware and AI-computing-power hardware.

In the first half of 2026, the Company recorded total revenue of RMB28.866 billion, down 12.42% year-on-year; overall gross profit margin stood at 14.70%, representing a 1.64-percentage-point year-on-year increase; net profit attributable to shareholders of the listed company totalled RMB577 million, dropping 49.52% year-on-year. Among them, the Company recorded revenue of RMB14.727 billion in the second quarter, representing a year-on-year decrease of 7.36%. The decline narrowed significantly compared with the first quarter, mainly due to lower revenue from the assembly business. Net profit attributable to shareholders of the listed company amounted to RMB726 million, up 1.77% year-on-year and turned profitable quarter-on-quarter. Overall, the Company's revenue and revenue from each business segment achieved quarter-on-quarter growth in the second quarter, while both gross profit margin and net profit attributable to parent company registered growth on both year-on-year and quarter-on-quarter bases. The Company's overseas businesses are mainly settled in US dollars. During the Reporting Period, the RMB appreciated rapidly and unilaterally against the US dollar. Notwithstanding risk-mitigation measures including foreign-exchange hedging and foreign-exposure management, the Company recorded a foreign-exchange loss of RMB492 million for the Reporting Period.

In the first half of 2026, the Company operated amid a complex external environment marked by adverse unilateral foreign-exchange-rate movements compounded by memory-chip-cycle-driven end-user-demand disruptions, with the broader industry under pressure. Against contracting demand for old-growth-driver businesses, the Company deepened front-loaded collaboration with leading clients on new-materials and new-processes, lifted shipment proportion of high-value-added products and proactively optimised product mix. Sustained investment in smart-manufacturing and automation capabilities delivered tangible improvements in yield rates, operational efficiency and cost control.

Overall, the Company maintained sound overall operations during the Reporting Period. Operating results improved quarter-on-quarter. Against phased revenue-side pressure, profitability improved against industry headwinds. Business structure delivered positive "volume-reduction-with-quality-enhancement" shifts, fully demonstrating the Company's operational resilience to navigate industry cycles.

Meanwhile, in response to the new-wave artificial-intelligence industrial boom, the Company resolutely ramped up strategic investment in new-growth-driver businesses covering AI edge side and AI computing-power side. Research and development ("R&D") expenditure totalled RMB1.490 billion for the period. The Company actively explored new fields and tracks, channelling R&D resources into cutting-edge core areas including high-end new-materials, AI computing power and AI edge side to accelerate the transition between old and new growth drivers. Emerging-business initiatives advanced on multiple fronts in phased fashion. Core positioning has been secured in embodied intelligence and AI glasses, with shipment volumes and revenue scales ranking among industry leaders. Production capacity for AI-server structural parts and solid-state-drive assembly is ramping up. Businesses such as TGV glass substrates and HDD glass hard disks have moved swiftly from technical-reserve phase to value-realisation-and-roll-out phase. These new growth drivers will become new growth points for the Company's future performance.

MANAGEMENT DISCUSSION AND ANALYSIS

(II) Core-Business Fundamentals Stable, Poised for Growth

Consumer Electronics: During the Reporting Period, the smartphones and computers business generated operating revenue of RMB22.382 billion, representing a year-on-year decrease of 17.67% and accounting for 77.54% of the Company's total revenue. The decline was mainly attributable to terminal demand disruptions amid the memory chip cycle and lower revenue from the assembly business. Despite lower assembly business volume in the second quarter, this segment still delivered overall quarter-on-quarter revenue growth. Faced with industry-wide demand fluctuations, the Company proactively adjusted its product and customer mix, secured new well-known domestic customers, and introduced assembly businesses for high-end products such as action cameras. By boosting shipments of high-value-added premium products, the Company mitigated the revenue decline pressure from certain low-value-added businesses.

Smart Vehicles and Cockpits: Against the backdrop of an overall slowdown in the global automotive industry, the Company's smart cockpit business achieved growth outperforming the industry average. During the Reporting Period, the smart vehicles and cockpits business generated operating revenue of RMB3.372 billion, representing a year-on-year increase of 6.54% and accounting for 11.68% of the Company's total revenue. In the second quarter in particular, revenue growth of this segment accelerated, rising 10.11% year-on-year and 16.29% quarter-on-quarter. Multiple newly-awarded automotive-project orders completed capacity ramping and achieved mass delivery. Cooperation depth and breadth with mainstream domestic-and-overseas vehicle manufacturers expanded continuously. Laminated automotive window glass achieved mass-production shipments.

In summary, amid multiple external challenges in the first half-year, drawing on long-accumulated operational resilience, the Company continuously optimised product and production-capacity structures, consolidated its core consumer-electronics franchise and safeguarded stable core-business performance.

From an-industry-trend perspective, appearance-related innovation and material upgrades for smart terminals constitute persistent core drivers for product iteration and user-device replacement. Glass cover plates are evolving toward more sophisticated architectures, imposing higher requirements for processing techniques and yield-rate control and creating structural opportunities for the Company. The Company has long-served leading global terminal-device clients, focusing on supporting high-end smart terminals including foldable smartphones, AI-enabled smartphones and AI PCs. It keeps optimising new-materials such as UTG ultra-thin flexible glass, 3D glass and titanium-metal composite structural parts alongside new-processes including 3D printing. Through front-loaded technical engagement, it participates deeply in clients' new-product pre-research and iteration, playing a vital role in new-material selection, manufacturability verification and mass-production-process development.

Looking ahead to the second half of the year, upon release of key clients' high-end foldable-device models, the Company's deep-rooted expertise in UTG ultra-thin flexible glass and other areas is expected to accelerate delivery of multiple core components. The Company has proactively built technical and production-capacity reserves for next-generation materials and processes including 3D glass, titanium-metal middle frames and 3D printing, to fully prepare for clients' product-innovation iterations for appearance- and structural-components.

MANAGEMENT DISCUSSION AND ANALYSIS

(III) Core-Positioning Secured on AI Edge Side, Scaled-Roll-Out Accelerated

Embodied-Intelligence Segment: The Company leverages vertical R&D strengths spanning new-materials, precision structural-parts and automated-system integration. Its super-factory clusters covering Hunan, Jiangsu, Guangdong and Southeast Asia, together with cross-industry precision-manufacturing expertise and OEM/ODM/OAM service models accumulated from long-term service for leading consumer-electronics and smart-vehicle clients, deliver mature and reliable supply-chain support for high-precision, standardised mass-production of robot hardware.

With the accelerated industrial implementation, the Company's embodied intelligence business continued to register rapid growth, with its shipment volume ranking among the top in the industry. The Company's deployments in core components such as robotic dexterous hands and joint modules as well as complete-unit assembly are gradually entering a harvest phase. Volume deliveries of relevant products have contributed significant incremental revenue to other intelligent terminal businesses. During the Reporting Period, revenue from other smart devices reached RMB534 million, representing a year-on-year increase of 47.11% and accounting for 1.85% of the Company's total revenue. Looking ahead, the Company will further leverage its integrating and leading role as the chain leader in embodied intelligence, collaborate with top-tier core component enterprises, and accelerate the building of a highly-competitive embodied-intelligence industrial ecosystem. Cooperation initiatives with multiple enterprises including Agibot, Sunway Advanced Materials and China Mobile have been successively materialised. Development of several major overseas customers is progressing smoothly, with small-batch shipments already realised to prepare for large-scale shipments.

Intelligent head-mounted displays and smart wearables: Revenue amounted to RMB1.777 billion during the Reporting Period, representing a year-on-year increase of 7.89% and accounting for 6.16% of the Company's total revenue. The Company has built full-stack supporting capabilities covering optical lenses, precision structural components, functional modules and complete-unit assembly, and serves as a core supplier for leading domestic and overseas end-user customers for AI glasses, robot heads and visual interaction components. During the Reporting Period, the volume of complete-unit assembly for AI glasses expanded rapidly compared with the same period of last year, driving sustained growth in shipment scale of relevant component products. Meanwhile, drawing on the Company's profound hardware manufacturing strengths and technical synergies in camera modules, optical display and acoustic interaction, custom-developed visual components such as robot heads are being accelerated for implementation. Together with AI glasses, they constitute important incremental supplements to the Company's AI edge-side hardware offerings.

Commercial Aerospace: The Company's self-developed aerospace-grade UTG ultra-thin flexible glass has completed multiple rounds of reliability tests. Satellites adopting the Company's aerospace-grade UTG solar wing solution have been launched for in-orbit space verification. Core performance is continuously optimised, and the product has smoothly entered the customer certification cycle.

MANAGEMENT DISCUSSION AND ANALYSIS

(IV) Notable Progress on AI Computing-Power Side, New Growth Curve Unlocked

During the Reporting Period, the Company carried out in-depth deployment across emerging AI-computing-power-side strategic tracks and hit multiple milestones. Relevant businesses will enter harvest-phase sequentially and are poised to deliver substantial incremental business value.

Within advanced packaging, the Company achieved major breakthroughs in TGV through-glass-via technology. It has jointly developed and validated glass interposers with leading chip clients in North America and South Korea, validation work is progressing smoothly. In parallel, construction of a 30,000-square-metre-dedicated plant for TGV glass substrates is underway to satisfy client-side requirements.

In July 2026, the Company's wholly-owned subsidiary formally signed a strategic-cooperation memorandum with Intel. Centred on TGV advanced-packaging, the parties jointly tackle core-process challenges including glass-substrate perforation forming, high-precision laser processing, metallised-via deposition and multi-layer interconnection routing. Intel will provide descriptive architectural information, design-for-manufacturing (DFM) guidelines, benchmarking methodologies and verification methodologies, while the Company is responsible for the development and implementation of mass-production processes. This collaboration combines Intel's advanced packaging expertise with the Company's precision glass processing capabilities, aiming to deliver superior performance for future AI and data-centre workloads.

For AI-server structural-parts, capacity expansion at the Songshan Lake campus has been completed. Liquid-cooling modules, high-end precision cabinets and optical communication high-speed-interconnection supporting assemblies have passed testing by leading computing-power vendors, paving the way for subsequent mass-production ramping. The Company has deployed its presence in the fields of in-cabin hollow-core optical fibres and AI computing power transmission through industrial mergers and acquisitions, and advanced customer certification for precision components supporting hollow-core optical fibres. It has supplemented production capacity and high-quality customer resources for global high-end precision metal structural components and smart-hardware appearance components, and perfected the full-category layout of structural components for smart terminals and computing-power equipment.

In server-storage segment, the Company has overcome technical barriers including ultra-precision surface polishing and initiated customer-certification for HDD glass hard disks and achieved small-batch shipments. Enterprise-grade SSD solid-state drives have achieved mass shipments, forming a dual-engine storage layout encompassing SSD solid-state drives and HDD glass hard disks offerings and further strengthening the Company's core supporting capabilities for AI-server-related businesses.

MANAGEMENT DISCUSSION AND ANALYSIS

III. FINANCIAL REVIEW

Analysis of Profit or Loss

Revenue

During the Reporting Period, the Group recorded a total revenue of approximately RMB28,866 million, representing a decrease of approximately 12.42% compared to RMB32,960 million for the same period in 2025, which was mainly attributable to shortages and price hikes for consumer-grade storage products, coupled with downward demand from certain consumer electronics customers, which led to a decline in the smartphones and computers business, while all other major businesses maintained steady growth. Among them, revenue from the smartphones and computers business decreased by RMB4,803 million, representing a year-on-year decrease of 17.67%; revenue from the smart vehicles and cockpits business increased by RMB207 million, representing a year-on-year growth of 6.54%; revenue from the intelligent head-mounted displays and smart wearables business increased by RMB130 million, representing a year-on-year growth of 7.89%; and revenue from other smart devices business increased by RMB171 million, representing a year-on-year growth of 47.11%.

Gross profit and gross profit margin

During the Reporting Period, the gross profit of the Group was approximately RMB4,244 million, representing a decrease of approximately 1.39% compared to RMB4,304 million for the same period in 2025, which was primarily due to lower revenue.

During the Reporting Period, the gross profit margin of the Group was approximately 14.70%, representing an increase of approximately 1.64 percentage points compared to 13.06% for the same period in 2025.

Other income

During the Reporting Period, other income of the Group was approximately RMB327 million, representing an increase of approximately 5.48% compared to RMB310 million for the same period in 2025, which was primarily due to an increase in various grants.

Selling expenses

During the Reporting Period, the selling expenses of the Group were approximately RMB236 million, representing a decrease of approximately 16.31% compared to RMB282 million for the same period in 2025, which was primarily due to reduced revenue, which resulted in cuts across various sales expenses.

Administrative expenses

During the Reporting Period, the administrative expenses of the Group were approximately RMB1,637 million, representing an increase of approximately 4.53% compared to RMB1,566 million for the same period in 2025, which was primarily due to higher staff remuneration.

R&D expenses

During the Reporting Period, the R&D expenses of the Group were approximately RMB1,490 million, representing a decrease of approximately 9.37% compared to RMB1,644 million for the same period in 2025, which was primarily due to lower spending on R&D following the achievement of key milestones in certain projects.

Finance costs

During the Reporting Period, the finance costs of the Group were approximately RMB110 million, representing a decrease of approximately 29.49% compared to RMB156 million for the same period in 2025, which was primarily due to a decline in the average borrowing scale and lower financing costs.

MANAGEMENT DISCUSSION AND ANALYSIS

Other gains and losses, net

During the Reporting Period, the Group recorded a net loss of approximately RMB360 million, representing a decrease of approximately 241.18% compared to a net gain of RMB255 million for the same period in 2025, which was primarily due to fluctuations in the USD/RMB exchange rate resulting in an increase in net foreign exchange losses.

Impairment losses under expected credit loss (“ECL”) model, net of reversal

During the Reporting Period, the impairment losses under ECL model of the Group were approximately RMB19 million, resulting in a net increase in impairment charges of RMB44 million compared to a reversal of RMB25 million for the same period in 2025, which was primarily due to relatively large amount of collections in the corresponding period last year.

Income tax expense

During the Reporting Period, the income tax expense of the Group was approximately RMB154 million, representing an increase of approximately 201.96% compared to RMB51 million for the same period in 2025, which was primarily due to an increase in current tax expenses, as certain subsidiaries had fully utilized their deductible tax losses and recorded profits during the reporting period, and an increase in deferred tax expenses arising from the utilization of temporary differences in the current period.

Cash Flow Analysis

Net cash from operating activities

During the Reporting Period, the net cash from operating activities of the Group was approximately RMB2,012 million, representing a decrease of approximately 53.48% from RMB4,325 million for the same period in 2025, which was primarily due to reduced revenue and reduced sales collections.

Net cash used in investing activities

During the Reporting Period, the net cash used in investing activities of the Group was approximately RMB4,786 million, representing a decrease of approximately 4.66% from RMB5,020 million for the same period in 2025, which was primarily due to a decrease in the net purchase amount of structured deposits.

Net cash from (used in) financing activities

During the Reporting Period, the net cash inflows from financing activities of the Group were approximately RMB701 million, as compared with net cash outflows of approximately RMB4,207 million in the corresponding period of 2025, primarily attributable to new borrowings raised during the Reporting Period.

Sources of liquidity and working capital

During the Reporting Period, the Group's primary sources of liquidity included cash generated from operating activities and bank borrowings. The Group's cash and cash equivalents mainly comprise of bank balances. We may require additional cash due to evolving business conditions or other future developments.

The Group regularly monitors its cash flows, cash balances, and capital requirements. The Company is committed to maintaining optimal liquidity to meet the Group's working capital needs. The Group's current assets decreased from RMB29,472 million as at 31 December 2025 to RMB26,220 million as at 30 June 2026, primarily due to decreases in bank balances and trade receivables. The Group's current ratio, calculated as current assets divided by current liabilities at the end of each financial period, declined from approximately 1.24 as at 31 December 2025 to approximately 1.07 as at 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maximize its return to Shareholders through the optimization of its debt and equity balance. The Group's overall strategy remained unchanged during the Reporting Period.

The Group's capital structure consists of net debt, which includes borrowings and lease liabilities, net of bank balances and cash and total equity, mainly comprising issued share capital, share premium, retained profits, other reserves and non-controlling interests. As at 30 June 2026 and 31 December 2025, the Group's gearing ratio (being net debts divided by total equity) was 7.56% and 0.33%, respectively.

The Group's management reviews its capital structure on a regular basis. As part of this review, they will consider the cost of capital and risks associated with the capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

Liquidity and capital resources

During the Reporting Period, the Group had cash generated from operating activities of RMB2,012 million, compared to RMB4,325 million in the corresponding period of last year.

As of 30 June 2026, the Group had cash and bank deposits and cash held by security brokers of RMB7,539 million, which included restricted cash of RMB11 million, cash and cash equivalents of RMB7,361 million, and non-current time deposits of RMB167 million representing a decrease of 24.46% as compared to RMB9,980 million as of 31 December 2025.

Among the cash and bank deposits and cash held by security brokers, RMB7,372 million are liquid fund in current assets, representing a decrease of 24.89% as compared to RMB9,815 million as of 31 December 2025.

As of 30 June 2026, the Group had interest-bearing bank loans of RMB11,026 million, which included long-term borrowings of RMB5,946 million and short-term borrowings of RMB5,080 million, representing an increase of 14.15% as compared to RMB9,659 million as of 31 December 2025, primarily due to the drawdown of new borrowings during the Reporting Period. All borrowings were denominated in Renminbi and US dollars, of which borrowings with fixed interest rates amounted to RMB584 million. The Group did not implement any interest rate hedging policy.

As at 30 June 2026 and 31 December 2025, no assets had been pledged by the Group to secure long-term borrowings.

As of 30 June 2026, 94.37% (31 December 2025: 98.50%) of the Group's cash and cash equivalents were denominated in US dollars or Renminbi.

MANAGEMENT DISCUSSION AND ANALYSIS

Foreign exchange risk management

The Group's reporting currency is RMB. The functional currency of the majority of the Company's subsidiaries is RMB. Some of the Group's sales, purchases, trade receivables, trade payables and bank balances are recorded or denominated in foreign currencies. Consequently, foreign currency exchange rates have a significant impact on the Group's consolidated financial information.

Foreign currency transactions are translated into the functional currency using the exchange rates at the end of the previous month. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the exchange rates prevailing on that date. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the exchange rates prevailing on the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated. During the Reporting Period, the Company recorded net foreign exchange losses of RMB492 million.

The Group manages its foreign exchange exposure by closely monitoring fluctuations in foreign currency exchange rates. The Group will continue to assess economic conditions and foreign exchange risks, and will implement hedging measures (including but not limited to derivative instruments such as forwards, options, and swap contracts) when necessary to mitigate such risks.

Employment, training and development

As at 30 June 2026, the Group employed approximately 145,000 staff members. During the Reporting Period, the aggregate remuneration for the staff of the Group amounted to RMB6,308 million. The Group provides its employees with certain benefits including social insurance coverage and retirement benefits. The Group enters into individual employment contracts with its employees to cover matters such as wages, employee benefits, confidentiality and grounds for termination. The employees' compensation is determined with reference to their job positions, technical skills, job performance and competition.

The Group has various employee training programs that aim to enhance its employees' technical skills and innovation capability. The Group's employee training system is centred around three pillars, namely the operational system, curriculum system and instructor system of the Group. The operational system of the Group governs the design and implementation of its training policies; the curriculum system of the Group decides the Group's training content, and the instructor system of the Group makes sure that the Group has the right instructors who can properly train and inspire the Group's employees.

Contingent liabilities

As at 30 June 2026, there were no significant contingent liabilities, guarantees or any pending or threatened material litigation or claim against any member of the Group.

Capital expenditure

The Group's capital expenditure was primarily related to purchase of property, plant and equipment used in our production, and payments for leasehold land. During the Reporting Period, the Group's capital expenditure amounted to approximately RMB5,190 million (for the six months ended 30 June 2025: approximately RMB4,302 million).

Capital and other commitments

The Group's capital and other commitments mainly include capital commitments contracted for property, plant, equipment and contracted commitments for future investments but not provided for in the Interim Financial Information. As at 30 June 2026, the Group recorded total capital commitments of approximately RMB4,608 million, as compared to approximately RMB4,507 million as at 31 December 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Non-IFRS measure

To supplement our Interim Financial Information that are presented in accordance with International Financial Reporting Standards ("IFRS"), the Group also uses adjusted profit for the period (a non-IFRS measure) and adjusted net margin (a non-IFRS measure), as additional financial measures, which are not required by, or presented in accordance with IFRS. The Directors believe that these non-IFRS measures facilitate comparisons of operating performance from period to period by eliminating potential impact of certain items. The Directors believe that these measures provide useful information to investors and others in understanding and evaluating the Group's Interim Financial Information in the same manner as they help our management. However, the Group's presentation of adjusted profit for the period (a non-IFRS measure) and adjusted net margin (a non-IFRS measure) may not be comparable to similar item measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and they should not be considered in isolation from, or as substitute for analysis of, the Group's Interim Financial Information or financial condition as reported under IFRS. The Group defines adjusted profit for the period (a non-IFRS measure) as profit/(loss) for the period adjusted for share-based compensations (a non-cash item). The Group defines adjusted net margin (a non-IFRS measure) as adjusted profit for the period (a non-IFRS measure) as a percentage of our total revenue.

	January to June 2026 RMB'million	January to June 2025 RMB'million
Profit for the period	586	1,195
Add:		
Share-based compensation	—	30
Adjusted profit for the period (a non-IFRS measure)	586	1,225
Adjusted net margin (a non-IFRS measure)	2.0%	3.7%

During the Reporting Period, the Group recorded an adjusted profit for the period (a non-IFRS measure) of RMB586 million and an adjusted net margin (a non-IFRS measure) of 2.0%, as compared with an adjusted profit for the period (a non-IFRS measure) of RMB1,225 million and an adjusted net margin (a non-IFRS measure) of 3.7% in January to June 2025, primarily due to the impacts of US dollar exchange rate fluctuations and higher storage costs, etc.

MANAGEMENT DISCUSSION AND ANALYSIS

IV. PROSPECT AND OUTLOOK

Save as disclosed in the Company's annual results announcement dated 30 March 2026 and this report, as of the date of this report, the Company did not have other future plans for material investments and acquisition of capital assets.

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

On 18 May 2026, the 13th meeting of the 5th session of the Board reviewed and approved the Resolution on the Conditional Acquisition of Approximately 27.81% of the H-Shares of Ju Teng International Holdings Limited and the Proposed Acquisition of Its Controlling Stake via a General Offer. To capture the historic opportunities arising from AI-driven global industrial transformation and to further enhance the Group's core precision manufacturing capabilities, the Company resolved to enter into a share purchase agreement with Southern Asia Management Limited, Mr. Cheng Li-Yu and Ms. Lin Mei-Li (collectively referred to as the "Sellers"), for the conditional acquisition of 333,713,032 shares in Ju Teng International held by the Sellers. Such shares represent approximately 27.81% of Ju Teng International's total issued shares, at a purchase price of HK\$2.20 per share. Ju Teng International is an investment holding company with its subsidiaries principally engaged in the manufacture and sale of casings for notebook computer and handheld devices. Subject to the completion of the Share Purchase Agreement, the Purchaser shall, in accordance with Hong Kong's Codes on Takeovers and Mergers and Share Buy-backs, make a conditional voluntary general cash offer to all shareholders of Ju Teng International at that time, such that the aggregate of acceptances under the offer plus shares already held by the offeror as at the closing date will exceed 50% of the voting rights in the target company. The offer price per offer share shall be equal to the acquisition price per share payable by the offeror to the Sellers (or rounded up to the nearest whole number). As the aforesaid offer will be made to all shareholders of the target company as at the relevant time, there is a risk that the public shareholding percentage of the target company upon completion may fail to satisfy the Main Board listing requirements of the Hong Kong Stock Exchange. To mitigate such risk, the Company shall, within six months after partial settlement of the offer, dispose part of the shares (if necessary) to reach the public shareholding percentage of the target company to no less than 25%, so as to preserve the target company's listing status on the Hong Kong Stock Exchange.

Upon completion of this transaction, the Company will hold at least 50% of the voting rights in Ju Teng International and will become its Controlling Shareholder, whilst Ju Teng International will remain listed on the Hong Kong Stock Exchange. As of the date of this report, conditions precedent 1 and 12 set out in the aforesaid announcement in relation to this acquisition have been satisfied, while the remaining conditions precedent are yet to be fulfilled. Relevant parties are working to satisfy such conditions precedent. The Company will disclose updates on the transaction in accordance with applicable laws and regulations in due course.

Save as disclosed above, the Company had no significant investments and/or material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in Note 26 to the condensed consolidated financial statements set out in this report, there have been no significant events affecting the Group from the end of the Reporting Period to the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The H Shares were successfully listed on the Main Board of the Hong Kong Stock Exchange on the Listing Date. The Company issued 262,256,800 H Shares at the offer price of HK\$18.18 per share. Subsequently, the over-allotment option described in the Prospectus has been fully exercised on 3 August 2025 in respect of an aggregate of 39,338,400 H Shares. After deducting the underwriting commissions, listing expenses and other charges, the net proceeds received by the Company from the global offering amounted to approximately HK\$5,404.52 million (equivalent to approximately RMB4,924.27 million) ("Net Proceeds"), which were used in strict accordance with the purposes set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus, namely:

Proposed uses of Net Proceeds	Percentage of Net Proceeds	Actual amount of Net Proceeds (HK\$ million)	Unutilized amount as at 1 January 2026 (HK\$ million)	Utilized amount during the six months ended 30 June 2026 (HK\$ million)	Amount utilised as at 30 June 2026 (HK\$ million)	Amount unutilised as at 30 June 2026 (HK\$ million)	Expected timetable for utilising the unused Net Proceeds
To expand our product and service portfolio and explore additional end uses for our products	48%	2,594.17	2,562.23	59.21	91.15	2,503.02	By 31 December 2027
— To support the technical development and capacity enhancement for structural parts for the next-generation foldable screens and related smart devices accessories	30%	1,621.36	1,621.36	1.10	1.10	1,620.26	By 31 December 2027
— To develop exterior structural parts and related products with distinct functions on smart vehicles, covering vehicle bodies, in-vehicle systems and domain control areas	8%	432.36	431.47	10.15	11.04	421.32	By 31 December 2026
— For production capacity support and the research and development of intelligent robots	5%	270.23	239.18	47.04	78.09	192.14	By 31 December 2027
— To expand our production capacity, primarily by purchasing equipment, for augmented, virtual and mixed reality glasses, as well as various intelligent wearable devices, encompassing both production of structural parts and complete device assembly	5%	270.23	270.23	0.92	0.92	269.31	By 31 December 2027
To expand our overseas presence, increase our production capacity overseas and enhance our overseas delivery capabilities to better serve our customers	28%	1,513.27	1,415.59	391.42	489.10	1,024.17	By 31 December 2026
To advance our vertical integration in smart manufacturing, including enhancing our capabilities along our vertically integrated industry value chain and promoting the development of "smart manufacturing factories"	14%	756.63	756.63	11.04	11.04	745.59	By 31 December 2026
— To set up complete device assembly lines for consumer electronics, smart wearables and smart retail devices	6%	324.27	324.27	—	—	324.27	By 31 December 2026
— To promote the development of "smart manufacturing factories"	8%	432.36	432.36	11.04	11.04	421.32	By 31 December 2026
For working capital and other general corporate purposes	10%	540.45	—	—	540.45	—	N/A
Total	100%	5,404.52	4,734.45	461.67	1,131.74	4,272.78	

Notes:

- Due to rounding differences, the sum of individual percentage components may not tally with the total.
- The expected timetable for the Net Proceeds from the Global Offering is based on the Company's best estimate of future market conditions and is subject to change in light of our actual business operations.

OTHER INFORMATION

SHARE CAPITAL

As at 30 June 2026, the total issued share capital of the Company was RMB5,278,740,870, comprising 4,977,145,670 A Shares of nominal value RMB1.00 each and 301,595,200 H Shares of nominal value RMB1.00 each. All A Shares are listed on the Shenzhen Stock Exchange and all H Shares are listed on the Hong Kong Stock Exchange.

INTERESTS AND SHORT POSITIONS OF THE SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARES OF THE COMPANY

As at 30 June 2026, the following persons and entities (other than the Directors and chief executives of the Company) had interests or short position in the Shares and underlying Shares which were required to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be entered in the register kept by the Company under Section 336 of the SFO:

Name of the substantial shareholder	Nature of interest	Type of shares	Number of shares directly or indirectly held ⁽¹⁾	(Approximate) percentage of interest in the total issued H Shares of the Company as of the end of the Reporting Period ^{(1) (6)}	Approximate percentage of interest in the total issued A Shares of the Company as of the end of the Reporting Period ^{(1) (6)}	Approximate percentage of interest in the total issued share capital of the Company as of the end of the Reporting Period ^{(1) (6)}
CITIC Securities International Company Limited	Interest in controlled corporation ⁽²⁾	H Shares	40,101,980 (L)	13.30% (L)	—	0.76% (L)
			41,422,900 (S)	13.73% (S)	—	0.78% (S)
CLSA B.V.	Interest in controlled corporation ⁽²⁾	H Shares	37,371,480 (L)	12.39% (L)	—	0.71% (L)
			39,338,400 (S)	13.04% (S)	—	0.75% (S)
CLSA Limited	Interests of the International Underwriters and the Stabilising Manager/Beneficial owner ⁽²⁾	H Shares	37,371,480 (L)	12.39% (L)	—	0.71% (L)
			39,338,400 (S)	13.04% (S)	—	0.75% (S)
UBS Group AG	Interest in controlled corporation ⁽³⁾	H Shares	31,280,124 (L)	10.37% (L)	—	0.59% (L)
			4,160,401 (S)	1.38% (S)	—	0.08% (S)
UBS Switzerland AG	Beneficial owner ⁽³⁾	H Shares	15,981,716 (L)	5.30% (L)	—	0.30% (L)
J.P. MORGAN SECURITIES PLC	Interest in the secured shares Beneficial owner	H Shares	14,902,552 (L)	4.94% (L)	—	0.28% (L)
			4,503,968 (L)	1.49% (L)	—	0.09% (L)
			2,679,168 (S)	0.89% (S)	—	0.05% (S)
Lens Technology (HK)	Beneficial owner ⁽⁴⁾	A Shares	2,804,509,821 (L)	—	56.35% (L)	53.13% (L)
Changsha Qunxin	Beneficial owner ⁽⁵⁾	A Shares	284,125,412 (L)	—	5.71% (L)	5.38% (L)

OTHER INFORMATION

Notes:

- (1) The letter "L" denotes a long position, and the letter "S" denotes a short position.
- (2) CITIC Securities International Company Limited is a limited liability company incorporated in Hong Kong and a wholly-owned subsidiary of CITIC Securities Company Limited (a company listed on the Shanghai Stock Exchange (stock code: 600030) and on the Hong Kong Stock Exchange (stock code: 6030)). CLSA B.V. is a wholly-owned subsidiary of CITIC Securities International Company Limited, and CLSA Limited is a wholly-owned subsidiary of CLSA B.V. CITIC Securities International Company Limited and CLSA B.V. are deemed to be interested in the Shares held by CLSA Limited by virtue of the SFO.
- (3) UBS Group AG is a stock corporation incorporated in Switzerland (listed on the SIX Swiss Exchange (stock code: UBSG)). UBS Switzerland AG is a wholly-owned subsidiary of UBS Group AG. UBS Group AG is deemed to be interested in the Shares held by UBS Switzerland AG by virtue of the SFO.
- (4) As of the end of the Reporting Period, Lens Technology (HK) held 2,804,509,821 A Shares. Lens Technology (HK) is directly wholly owned by Ms. Chau. As such, Ms. Chau is deemed to be interested in the A Shares held by Lens Technology (HK) by virtue of the SFO.
- (5) As of the end of the Reporting Period, Changsha Qunxin held 284,125,412 A Shares. Changsha Qunxin is a limited liability company established in the PRC, which is owned as to 97.9% by Ms. Chau and 2.1% by Mr. Cheng. As such, Ms. Chau is deemed to be interested in the A Shares held by Changsha Qunxin by virtue of the SFO.
- (6) As at 30 June 2026, the total number of issued shares of the Company was 5,278,740,870, comprising 4,977,145,670 A Shares and 301,595,200 H Shares.

As at 30 June 2026, the following persons or entities were, directly or indirectly, interested in 10% or more of the issued voting shares of other members of the Group which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Member of the Group	Name of substantial Shareholder	Approximate % of shareholding
Lens Hualian	Hunan Hualian Ceramics Co., Ltd.* (湖南華聯瓷業股份有限公司)	49.00%
Hunan Zhiqi Future Technology Co., Ltd.* (湖南智啟未來科技有限公司)	Hunan Oriental Smart-Digital Energy Investment Co., Ltd.* (湖南東方數智能源投資有限公司)	15.00%
Hunan Zhiqi Future Technology Co., Ltd.* (湖南智啟未來科技有限公司)	Shanghai Zhiyuan New Innovation Technology Co., Ltd.* (上海智元新創技術有限公司)	15.00%
Hunan Zhiqi Future Artificial Intelligence and Robotics Research Institute Co., Ltd.* (湖南省智啟未來人工智慧與機器人研究院)	Wanshsin Seikou (Hunan) Co., Ltd. (萬鑫精工(湖南)股份有限公司)	10.00%
Changsha Yongan New Material Company Limited* (長沙永安新材料有限公司)	Shenzhen Yong'an Fine Chemical Engineering Company Limited* (深圳市永安精細化工有限公司)	49.00%

Save as disclosed above, as at 30 June 2026, the Directors were not aware of any other person (other than the Directors and chief executives of the Company) who had an interest or short position in the Shares or underlying Shares which would be required to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be required to be entered in the register kept by the Company under Section 336 of the SFO, or, were, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of the Group.

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

(i) Interests in the shares of the Company

As at 30 June 2026, the interests and/or short positions (as applicable) of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions (as applicable) which they were taken or deemed to have under such provisions of the SFO), (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (iii) were required, pursuant to the Model Code, to be notified to the Company and the Hong Kong Stock Exchange, were as follows:

Name of Director	Nature of interest	Type of shares	Number of shares held or interested ⁽¹⁾	Approximate percentage of interest in the total issued A Shares of the Company as of the end of the Reporting Period ⁽¹⁾⁽⁶⁾	Number of shares held or interested Approximate % of interests in the total share capital in issue of the Company as of the end of the Reporting Period ⁽¹⁾⁽⁶⁾
Ms. Chau	Interest in controlled corporation ⁽²⁾⁽³⁾⁽⁴⁾	A Shares	3,105,749,165 (L)	62.40% (L)	58.84% (L)
	Interest of spouse ⁽⁵⁾	A Shares	3,347,879 (L)	0.07% (L)	0.06% (L)
Mr. Cheng	Beneficial owner	A Shares	3,347,879 (L)	0.07% (L)	0.06% (L)
	Interest of spouse ⁽⁵⁾	A Shares	3,105,749,165 (L)	62.40% (L)	58.84% (L)
Mr. Rao Qiaobing	Beneficial owner	A Shares	2,833,741 (L)	0.06% (L)	0.05% (L)

Notes:

- (1) The letter "L" denotes a long position.
- (2) As of the end of the Reporting Period, Lens Technology (HK) held 2,804,509,821 A Shares. Lens Technology (HK) is directly wholly owned by Ms. Chau. As such, Ms. Chau is deemed to be interested in the A Shares held by Lens Technology (HK) by virtue of the SFO.
- (3) As of the end of the Reporting Period, Changsha Qunxin held 284,125,412 A Shares. Changsha Qunxin is a limited liability company established in the PRC, which is owned as to 97.9% by Ms. Chau and 2.1% by Mr. Cheng. As such, Ms. Chau is deemed to be interested in the A Shares held by Changsha Qunxin by virtue of the SFO.
- (4) As of the end of the Reporting Period, there were 17,113,932 A Shares repurchased and held in our Company's stock repurchase account as treasury shares. Ms. Chau, directly and indirectly through Lens Technology (HK) and Changsha Qunxin, controls more than one-third of the voting power at the general meetings of the Company and would be taken to have an interest in such repurchased A Shares held by our Company by virtue of the SFO.
- (5) Ms. Chau is the spouse of Mr. Cheng. Therefore, each of Ms. Chau and Mr. Cheng is deemed to be interested in the Shares held by each other by virtue of the SFO.
- (6) As at 30 June 2026, the total number of issued shares of the Company was 5,278,740,870, comprising 4,977,145,670 A Shares and 301,595,200 H Shares.

OTHER INFORMATION

(ii) Interests in associated corporations

Name of Director	Nature of interest	Name of associated corporation	Number of shares	Approximate % of shareholding
Ms. Chau	Beneficial owner ⁽¹⁾	Lens Technology (HK)	100	100.00%
Mr. Cheng	Interest of spouse ⁽²⁾	Lens Technology (HK)	100	100.00%

Notes:

- (1) Lens Technology (HK), one of the controlling shareholders of the Company, is a company incorporated in Hong Kong with limited liability. As of 30 June 2026, Lens Technology (HK) is directly wholly owned by Ms. Chau.
- (2) Ms. Chau is the spouse of Mr. Cheng. Therefore, Mr. Cheng is deemed to be interested in all the shares that Ms. Chau is interested in by virtue of the SFO.

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

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

(I) Repurchase of Shares through Centralised Competitive Bidding

During the Reporting Period, pursuant to the share repurchase plan approved by the Board on 7 April 2025, the Company continued to repurchase a portion of RMB ordinary shares (A shares) issued by the Company through centralised competitive bidding on the Shenzhen Stock Exchange. As at 7 April 2026, the Company had cumulatively repurchased 17,113,932 A Shares via the designated securities account for share repurchases by way of centralised competitive bidding, representing 0.34% of the Company's total A Share share capital for the time being. The highest transaction price was RMB34.10 per share and the lowest transaction price was RMB22.50 per share. The total transaction amount was RMB500,041,915.95 (including transaction fees). This share repurchase plan has been fully completed.

(II) Cancellation of Restricted Shares Repurchased

The Company completed the cancellation of 5,586,721 repurchased A Shares on 11 February 2026, representing 0.11% of the Company's total A Share capital prior to such cancellation. Following completion of this cancellation, the Company's total A Share capital changed from 4,982,732,391 shares to 4,977,145,670 shares.

The repurchased shares cancelled comprised the remaining 5,586,721 repurchased shares under the Company's 2021 share repurchase plan. Such shares were originally intended for implementation of employee share schemes or equity incentive schemes. Their intended use has been altered to reduction of the Company's registered capital, and the shares have been cancelled. The relevant resolution was reviewed and approved by the Company at its 2026 First Extraordinary General Meeting held on 29 January 2026.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including treasury shares) during the Reporting Period.

OTHER INFORMATION

As at 30 June 2026, the Company held 17,113,932 A Shares as treasury shares, with the intended use being the implementation of equity incentive schemes.

CHANGES IN DIRECTORS AND SENIOR MANAGEMENT

Changes in Directors and Senior Management during the Reporting Period

Name	Position	Type	Date	Reason
Tang Xiangxi	Independent non-executive Director	Elected	29 January 2026	By-election
Zuo Dukai	Deputy general manager and Chief Sustainability Officer	Appointed	30 March 2026	Appointment

Save as disclosed above, there were no other changes in the Directors and senior management of the Group during the Reporting Period.

Changes in Directors and Senior Management after the Reporting Period and up to the Date of this Report

After the Reporting Period and up to the date of this Report, there have been no changes in Directors or senior management of the Group.

Save as disclosed above, there have been no other changes to information of the Directors and chief executives of the Company which is required to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules after the publication of the 2025 annual report of the Company and up to the date of this report.

MATERIAL LITIGATION AND ARBITRATION

So far as the Directors are aware, the Group was not involved in any material litigation, arbitration or claim, and no litigation or claim of material importance was pending or threatened against the Group during the Reporting Period.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted all applicable code provisions of the Corporate Governance Code as its code of corporate governance.

During the Reporting Period, the Company has complied with all applicable code provisions set out in Part 2 of the Corporate Governance Code, save for the deviations as described below. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code.

OTHER INFORMATION

Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of chairman and the chief executive should be segregated and should not be performed by the same individual. Ms. Chau Kwan Fei, an executive Director, serves concurrently as the chairman of the Board and the general manager of the Company. While this arrangement deviates from code provision C.2.1 of the Corporate Governance Code, the Board believes it beneficial to the business prospects and operational efficiency of the Company that Ms. Chau, in addition to acting as the chairman of the Board, continues to act as the general manager of the Company. Therefore, the Board considers that a deviation from code provision C.2.1 of the Corporate Governance Code is appropriate under the circumstances. Furthermore, the Board comprises three executive Directors and four independent non-executive Directors, reflecting a significant degree of independence. Under the Board's oversight, its structure is well-balanced, with appropriate checks and balances in place to safeguard the interests of the Company and its Shareholders. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of the chairman of the Board and the general manager is necessary.

Pursuant to code provision D.1.2 of the Corporate Governance Code, the management of the Company is required to provide all members of the Board with monthly updates on the Company's business. The management of the Company currently reports to the Board on the Company's performance, position and prospects quarterly. The Board believes that with the executive Directors overseeing the daily operations of the Company and the effective communication among the executive Directors, the management and the non-executive Directors (including the independent non-executive Directors) on the Group's affairs, the current practice is sufficient for the members of the Board to discharge their duties. However, this constitutes a deviation from code provision D.1.2 of the Corporate Governance Code. The Board will continue to review this practice and shall make necessary changes when appropriate and report to the Shareholders accordingly.

INDEPENDENT NON-EXECUTIVE DIRECTOR

On 1 December 2025, the Company announced the passing away of Mr. Xie Zhiming ("Mr. Xie"), a former independent non-executive Director, due to illness. Subsequent to the passing away of Mr. Xie and up to 29 January 2026, the Company had three executive Directors and three independent non-executive Directors. Whilst not below the statutory minimum quorum, it is below the number of Board members required by the articles of association of the Company. At the same time, the Company did not comply with the requirements under Rule 3.10(2), Rule 3.21 and Rule 3.25 of the Hong Kong Listing Rules. On 29 January 2026, Mr. Tang Xiangxi was appointed as an independent non-executive Director, and succeeded Mr. Xie's former roles as the chairman of the Audit Committee and the chairman of the Remuneration and Appraisal Committee of the Company. For details, please refer to the announcements of the Company dated 1 December 2025 and 29 January 2026.

Save as disclosed above, since the Listing Date, the Board has complied with the requirements of Rules 3.10(1), 3.10(2) and 3.10A of the Hong Kong Listing Rules in respect of the appointment of a sufficient number of independent non-executive Directors, at least one of whom must possess appropriate professional qualifications or appropriate accounting or related financial management expertise. The independent non-executive Directors appointed by the Company must constitute at least one-third of the members of the Board. The Company has appointed four independent non-executive Directors, whose number accounts for at least one-third of the members of the Board, and one of the independent non-executive Directors possesses accounting or related financial management expertise. Biographies of the independent non-executive Directors are set out in the Company's 2025 H-share annual report.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as its code of conduct for securities transactions by the Directors and relevant employees (being employees who may possess inside information of the Company). Having made specific enquiries to all Directors, each Director has confirmed that he/she has complied with the required standards as set out in the Model Code during the Reporting Period. During the Reporting Period, the Company is not aware of any cases where relevant employees have failed to comply with the aforesaid code of conduct.

2026 INTERIM DIVIDEND

(I) Distributable Profits

For the first half of 2026, the Company recorded a net profit attributable to shareholders of the listed company of RMB576,812,673.00, while the parent company realised a net profit of RMB438,136,902.40. Pursuant to the relevant provisions of the Articles of Association of Lens Technology Co., Ltd., based on the net profit realised by the parent company for the current period plus the opening undistributed profit of RMB16,235,898,651.13, plus retained earnings transferred from other comprehensive income of RMB8,158,783.90, and deducting the 2025 cash dividend (i.e., profit already distributed in the first half of the year) of RMB2,367,732,122.10, the actual distributable profit available to the Shareholders as of 30 June 2026 amounted to RMB14,314,462,215.33.

(II) Profit Distribution Plan

The Company proposes to distribute interim profits for 2026 based on the total share capital registered on the record date of the profit distribution, less the treasury shares held in the designated repurchase account. A cash dividend (the “2026 Interim Dividend”) of RMB1.00 (tax inclusive) for every 10 shares will be paid to all Shareholders (including holders of the A Shares (the “A Shareholders”) and holders of the H Shares (the “H Shareholders”). No bonus shares will be issued, and no share capital will be increased by conversion of capital reserve. Based on the share base as at 18 September 2026, the total number of shares entitled to distribution is expected to be 5,276,976,318 shares, representing a total cash dividend of RMB527,697,631.80, which accounts for 91.49% of the Company’s unaudited net profit for the first half of 2026.

The 2026 interim cash dividend will be declared and denominated in RMB. Payment will be made in RMB to the A Shareholders and in HKD to the H Shareholders. The actual HKD amount payable will be calculated based on the average benchmark exchange rate for RMB to HKD (i.e. RMB0.86507 to HK\$1.00) published by the People’s Bank of China over the five working days immediately preceding the date of the Board meeting (i.e. 21 August 2026). Therefore, the interim dividend for every 10 H Shares is HK\$1.15598 (tax inclusive).

OTHER INFORMATION

Reference is made to the Company's announcement dated 8 May 2026, in relation to, among other matters, the resolution passed at the 2025 annual general meeting of the Company authorising the Board to determine the 2026 interim profit distribution plan. Pursuant to the authorisation granted by the 2025 annual general meeting of the Company, such profit distribution proposal is not subject to consideration and approval at the general meeting of the Company. The Company will implement this profit distribution plan within two months after obtaining the approval from the Board. The cash dividend is expected to be paid to Shareholders on or before Tuesday, 20 October 2026.

(III) Closure of Register of Members of H Shares for the 2026 Interim Dividend Distribution

For determining the entitlement to the 2026 Interim Dividend, the register of members of the H Shares will be closed from Tuesday, 15 September 2026 to Friday, 18 September 2026, both days inclusive, during which period no transfer of H Shares will be registered. The record date (the "Record Date") for determining the entitlement of the H Shareholders to the 2026 Interim Dividend will be Friday, 18 September 2026. In order to qualify for entitlement to the 2026 Interim Dividend, the H Shareholders whose transfers of H Shares have not been registered shall lodge the transfer instruments together with the relevant share certificates with the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 14 September 2026. The Company will withhold and pay relevant income tax strictly in accordance with the relevant laws or requirements of the relevant government departments and strictly based on the register of members of H Shares on the Record Date. The Company assumes no liability whatsoever in respect of and will not entertain any claims arising from any delay in, or inaccurate determination of, the status of the Shareholders or any disputes over the mechanism of withholding payment of relevant income tax.

(IV) Tax on Dividend

Withholding and Payment of Corporate Income Tax for Non-Resident Enterprise Shareholders

According to the Corporate Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and the relevant implementing rules which came into effect on 1 January 2008, the Company is required to withhold and pay corporate income tax at the rate of 10% before distributing dividends to non-resident enterprise Shareholders whose names appear on the register of H Shareholders on the Record Date. Any H Shares registered in the name of non-individual H Shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations will be treated as being held by non-resident enterprise Shareholders and therefore the dividends will be subject to the withholding and payment of corporate income tax. Should any H Shareholders wish to change its Shareholder status, please consult your agent or trust institution over the relevant procedure. The Company will withhold and pay the corporate income tax strictly in accordance with the relevant laws or requirements of the relevant governmental departments and strictly based on what has been registered on the Company's register of H Shareholders on the Record Date.

Withholding and Payment of Individual Income Tax for Individual Foreign Shareholders

According to the regulation promulgated by the State Administration of Taxation of the People's Republic of China (Guo Shui Han No. [2011]348) (中華人民共和國稅務總局國稅函[2011]348號), the Company is required to withhold and pay the individual income tax for its individual H Shareholders (the "Individual H Shareholder(s)") and the Individual H Shareholders are entitled to the relevant tax preferential treatments according to the tax agreements between those countries where the Individual H Shareholders are residents and the PRC and the provisions in respect of tax arrangements between Chinese Mainland and Hong Kong (Macau). The Company would withhold and pay the individual income tax at the tax rate of 10% on behalf of the Individual H Shareholders who are Hong Kong residents, Macau residents or residents of those countries having agreements with the PRC for individual income tax rate in respect of dividends of 10%. For Individual H Shareholders who are residents of those countries having agreements with the PRC for individual income tax rates lower than 10% in respect of a dividend, the Company would make applications on their behalf to seek entitlement of the relevant agreed preferential treatments under Measures for the Administration of Non-Resident Taxpayers' Enjoyment of the Treatment under Tax Agreements (Announcement No. 35 of the State Taxation Administration (2019)) (《非居民納稅人享受稅收協議待遇管理辦法》(國家稅務總局公告2019年第35號)) if such Shareholders claim refund of the amount in excess of the individual income tax payable under the tax agreements, provided that the relevant Shareholders shall submit the relevant documents and data in accordance with the requirements of the relevant tax agreements in a timely manner and provide supplemental information on their entitlements of treatments under the relevant agreements. The Company would assist with the refund of the amount paid in excess of the tax payable under the tax agreements subject to approval of the competent tax authority. For Individual H Shareholders who are residents of those countries having agreements with the PRC for individual income tax rates in respect of a dividend higher than 10% but lower than 20%, the Company would withhold the individual income tax at the agreed effective tax rate. For Individual H Shareholders who are residents of those countries without any taxation agreements with the PRC or having agreements with the PRC for individual income tax in respect of a dividend of 20% and other circumstances, the Company would withhold and pay the individual income tax at the tax rate of 20%.

The Company will determine the country of domicile of an Individual H Shareholder based on the registered address as recorded in the register of members of the Company and will accordingly withhold and pay the individual income tax. The Company shall not entertain any claims or be held liable for any disputes arising from the late determination or inaccuracy of the status of the Shareholders in relation to the withholding and payment of tax.

Profit Distribution to Investors of Northbound Trading

For investors through Hong Kong Stock Exchange (including enterprises and individuals) investing in the A Shares listed on the Shenzhen Stock Exchange (the "Northbound Trading"), their dividends will be distributed in RMB by the Company through the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for the withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of tax residency is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the tax authorities, the amount paid in excess of the tax payable under the applicable tax treaty rate will be refunded to those enterprises and individuals by the tax authorities. The record date and the date of distribution of cash dividends for the investors of Northbound Trading will be the same as those for the A Shareholders.

OTHER INFORMATION

Profit Distribution to Investors of Southbound Trading

For investors of the Shanghai Stock Exchange (including enterprises and individuals) and the Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares which are listed on the Hong Kong Stock Exchange ("Southbound Trading"), the Company has entered into the Agreement on Distribution of Cash Dividends of H Shares for Southbound Trading (港股通H股股票現金紅利派發協議) with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited and the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited respectively, pursuant to which, the Shanghai Branch of China Securities Depository and Clearing Corporation Limited and the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominees of the holders of H Shares for Southbound Trading, will receive all cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depository and clearing system. The cash dividends for the investors of H Shares of Southbound Trading will be paid in RMB. Pursuant to the relevant requirements under the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014]81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》) and Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui No. [2016]127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2016]127號)》), for dividends received by domestic individual investors from investing in H Shares through Southbound Trading, the Company shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in H Shares through Southbound Trading, the tax payable shall be the same as that for individual investors. The Company will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves. The record date and the date of distribution of dividends and other arrangements for the investors of Southbound Trading will be the same as those for the H Shareholders.

AUDIT COMMITTEE

The Company has established the Audit Committee in accordance with the provisions of the Corporate Governance Code and has set out the scope of its duties in writing. The Audit Committee has reviewed the unaudited interim financial report of the Group for the six months ended 30 June 2026. The Audit Committee has reviewed the accounting principles and practices adopted by the Company and discussed matters in respect of risk management and internal control of the Company. There is no disagreement between the Board and the Audit Committee regarding the accounting treatment adopted by the Company.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



德勤

TO THE BOARD OF DIRECTORS OF LENS TECHNOLOGY CO., LTD.

藍思科技股份有限公司

(incorporated in the People's Republic of China as a joint stock company with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Lens Technology Co., Ltd. 藍思科技股份有限公司 (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 30 to 58, which comprise the condensed consolidated statement of financial position as of 30 June 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, 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” (“HKSRE 2410”) as issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements 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 condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

21 August 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	Six months ended 30 June	
		2026 RMB'million (Unaudited)	2025 RMB'million (Unaudited)
Revenue	5		
Contracts with customers		28,792	32,890
Leases		74	70
Total revenue		28,866	32,960
Cost of sales		(24,622)	(28,656)
Gross profit		4,244	4,304
Other income	6	327	310
Impairment losses under expected credit loss ("ECL") model, net of reversal	7	(19)	25
Other gains and losses, net	8	(360)	255
Selling expenses		(236)	(282)
Administrative expenses		(1,637)	(1,566)
Research and development expenses		(1,490)	(1,644)
Other expenses		(1)	—
Share of results of investments accounted for using the equity method		22	5
Listing expenses		—	(5)
Finance costs	9	(110)	(156)
Profit before tax		740	1,246
Income tax expense	10	(154)	(51)
Profit for the period	11	586	1,195
Other comprehensive (expense) income:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		(118)	(40)
<i>Item that will not be reclassified to profit or loss:</i>			
Fair value (loss) gain on investments in equity instruments measured at fair value through other comprehensive (expense) income ("FVTOCI"), net of tax		(55)	10
Total comprehensive income for the period		413	1,165

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	<i>Note</i>	Six months ended 30 June	
		2026 RMB'million (Unaudited)	2025 RMB'million (Unaudited)
Profit for the period attributable to:			
— Owners of the Company		577	1,143
— Non-controlling interests		9	52
		586	1,195
Total comprehensive income for the period attributable to:			
— Owners of the Company		404	1,113
— Non-controlling interests		9	52
		413	1,165
Earnings per share	13		
— Basic (RMB)		0.11	0.23
— Diluted (RMB)		0.11	0.23

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	30 June 2026 RMB'million (Unaudited)	31 December 2025 RMB'million (Audited)
Non-current assets			
Property, plant and equipment	14	44,590	41,767
Right-of-use assets	14	3,965	3,663
Investment properties		835	855
Intangible assets	14	1,600	1,701
Goodwill		2,970	2,970
Investments accounted for using the equity method		360	338
Equity instruments at FVTOCI		663	752
Financial assets at fair value through profit or loss ("FVTPL")	16	570	279
Time deposits		167	165
Deferred tax assets	15	1,189	1,209
Prepayments and other receivables	19	1,416	1,166
		58,325	54,865
Current assets			
Inventories	17	7,933	6,932
Trade and bills receivables	18	9,199	10,776
Bills receivables at FVTOCI		179	134
Prepayments and other receivables	19	1,344	1,179
Financial assets at FVTPL	16	83	627
Income tax recoverable		110	9
Restricted bank deposits		11	26
Bank balances and cash		7,361	9,653
Amounts due from related parties	25	—*	—*
Time deposits		—	—*
Cash held by securities brokers		—	136
		26,220	29,472
Current liabilities			
Trade and other payables	20	19,205	18,126
Financial liabilities at FVTPL	16	39	79
Income tax payable		86	140
Borrowings	21	5,080	5,292
Lease liabilities		54	53
Contract liabilities		36	32
Amounts due to related parties	25	—*	—*
		24,500	23,722
Net current assets		1,720	5,750
Total assets less current liabilities		60,045	60,615

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	30 June 2026 RMB'million (Unaudited)	31 December 2025 RMB'million (Audited)
Non-current liabilities			
Borrowings	21	5,946	4,367
Lease liabilities		276	121
Deferred tax liabilities	15	342	356
Deferred income		660	684
		7,224	5,528
Net assets		52,821	55,087
Capital and reserves			
Share capital	22	5,278	5,284
Reserves		47,495	49,739
Equity attributable to owners of the Company		52,773	55,023
Non-controlling interests		48	64
Total equity		52,821	55,087

* Rounded to the nearest million, the amount is "—" since the value is less than RMB1 million.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

Attributable to owners of the Company

	Share capital RMB'million	Share premium RMB'million	Treasury share RMB'million	Capital reserve RMB'million	FVTOCI reserve RMB'million	Translation reserve RMB'million	Statutory reserve RMB'million	Retained profits RMB'million	Subtotal RMB'million	Non-controlling interests RMB'million	Total RMB'million
At 1 January 2026 (audited)	5,284	25,305	(280)	204	179	(32)	2,642	21,721	55,023	64	55,087
Profit for the period	—	—	—	—	—	—	—	577	577	9	586
Other comprehensive expense for the period	—	—	—	—	(55)	(118)	—	—	(173)	—	(173)
Total comprehensive (expense) income for the period	—	—	—	—	(55)	(118)	—	577	404	9	413
Distribution	—	—	—	—	—	—	—	(2,368)	(2,368)	(31)	(2,399)
Cancellation of shares repurchased	(6)	(60)	66	—	—	—	—	—	—	—	—
Repurchase of shares	—	—	(286)	—	—	—	—	—	(286)	—	(286)
Contributions from non-controlling interests	—	—	—	—	—	—	—	—	—	6	6
Transfer to retained profits	—	—	—	—	(8)	—	—	8	—	—	—
At 30 June 2026 (unaudited)	5,278	25,245	(500)	204	116	(150)	2,642	19,938	52,773	48	52,821
At 1 January 2025 (audited)	4,983	20,614	(280)	305	160	19	2,620	20,236	48,657	189	48,846
Profit for the period	—	—	—	—	—	—	—	1,143	1,143	52	1,195
Other comprehensive income (expense) for the period	—	—	—	—	10	(40)	—	—	(30)	—	(30)
Total comprehensive income (expense) for the period	—	—	—	—	10	(40)	—	1,143	1,113	52	1,165
Distribution	—	—	—	—	—	—	—	(1,984)	(1,984)	(27)	(2,011)
Recognition of equity-settled share-based payments	—	—	—	(4)	—	—	—	—	(4)	—	(4)
Repurchase and cancellation of restricted shares	—	(1)	—	—	—	—	—	—	(1)	—	(1)
At 30 June 2025 (unaudited)	4,983	20,613	(280)	301	170	(21)	2,620	19,395	47,781	214	47,995

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'million	RMB'million
	(Unaudited)	(Unaudited)
NET CASH FROM OPERATING ACTIVITIES	2,012	4,325
INVESTING ACTIVITIES		
Proceeds from disposal of financial assets/derivatives at FVTPL	1,595	2,210
Proceeds from disposal of property, plant and equipment	30	69
Proceeds from disposal of leasehold land	5	—
Disposal of equity instruments at FVTOCI	22	—
Dividends received from associates	—	8
Dividends received from financial assets at FVTPL	3	—
Dividends received from financial assets at FVTOCI	4	—
Repayment from related parties	—	25
Payments for leasehold land	(226)	(1)
Purchase of financial assets/derivatives at FVTPL	(1,255)	(2,995)
Purchase of property, plant and equipment	(4,952)	(4,296)
Purchase of intangible assets	(12)	(5)
Acquisition of equity instruments at FVTOCI	—	(35)
Net cash used in investing activities	(4,786)	(5,020)
FINANCING ACTIVITIES		
New borrowings raised	3,429	—
Contributions from non-controlling interests	6	—
Repayment of lease liabilities	(18)	(25)
Interest paid for lease liabilities	(4)	(3)
Repayment of borrowings	(2,221)	(2,010)
Payment on repurchase of shares	(286)	—
Interest paid for borrowings	(105)	(145)
Dividends paid to the shareholders of the Company	(95)	(1,984)
Dividends paid to non-controlling shareholders of subsidiaries	(5)	(27)
Payment for share issue costs	—	(12)
Repurchase and cancellation of restricted shares	—	(1)
Net cash from (used in) financing activities	701	(4,207)
Net decrease in cash and cash equivalents	(2,073)	(4,902)
Effect of foreign exchange rate changes	(355)	140
Cash and cash equivalents at the beginning of the period	9,789	10,937
Cash and cash equivalents at the end of the period	7,361	6,175

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. INFORMATION

Lens Technology Co., Ltd. 藍思科技股份有限公司 (the “Company”) was incorporated in the People’s Republic of China (the “PRC”) as a joint stock company with limited liability. In March 2015, the Company was listed on the Shenzhen Stock Exchange (stock code: 300433) and its H shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited since 9 July 2025.

During the six months ended 30 June 2026, the Company and its subsidiaries (the “Group”) is a leading provider of one-stop precision manufacturing solutions across the full artificial intelligence (“AI”) hardware industry chain, driven by technological innovation and intelligent manufacturing, with its business covering structural components, functional modules and complete machine assembly for products such as AI smart terminals (including smartphones, AI glasses, smart vehicles, and embodied intelligence), AI servers and commercial aerospace sectors.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting issued by the International Accounting Standards Board (the “IASB”) as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

3. APPLICATION OF AMENDMENTS TO IFRS ACCOUNTING STANDARDS

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

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards — Volume 11

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

4. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values.

Other than additional accounting policies resulting from the application of amendments to IFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

5. REVENUE AND SEGMENT INFORMATION

(i) Revenue

The following is an analysis of the Group's revenue from major end use products and services:

	Six months ended 30 June	
	2026	2025
	RMB'million	RMB'million
	(Unaudited)	(Unaudited)
Smartphones and computers	22,382	27,185
Smart vehicles and cockpits	3,372	3,165
Intelligent head-mounted displays and smart wearables	1,777	1,647
Other smart devices	534	363
Scraps and materials	294	227
Revenue from sales of products	28,359	32,587
Processing fee	349	236
Others	84	67
Revenue from contracts with customers	28,792	32,890
Leases	74	70
Total	28,866	32,960

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(i) Revenue (Continued)

Geographical information

The Group's operations are located in the PRC (country of domicile), Vietnam, Thailand, Mexico, the United States of America, Singapore and Japan.

Information about the Group's revenue from external customers is presented based on delivery destination or the shipping destination on customs declaration.

	Six months ended 30 June	
	2026	2025
	RMB'million	RMB'million
	(Unaudited)	(Unaudited)
Offshore		
— Special supervision territory in China (<i>note</i>)	9,113	11,890
— Vietnam	3,796	2,855
— Asia (excluding Chinese Mainland and Vietnam)	1,691	2,121
— North America	1,018	1,103
— Others	556	464
	16,174	18,433
Chinese Mainland (excluding special supervision territory) (<i>note</i>)	12,692	14,527
Total	28,866	32,960

Note: During the six months ended 30 June 2026, the amount of the Group's total revenue from Mainland China (country of domicile), represented by domestic and special supervision territory within the PRC (excluding Hong Kong, Macao and Taiwan), is RMB 21,805,000,000 (six months ended 30 June 2025: RMB26,417,000,000).

Timing of revenue from contracts with customers recognition

All revenue from contracts with customers within the scope of IFRS 15 Revenue from Contracts with Customers are recognised at a point in time.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(ii) Segment information

For the purpose of resource allocation and assessment of performance, the executive directors of the Company, being the chief operating decision makers, focus on the overall results and financial position of the Group, therefore no other discrete financial information is provided other than the Group's results and financial position as a whole. The Group has only one single operating and reportable segment and only entity-wide disclosures are presented.

Geographical information

The details of the Group's revenue from external customers by geographical markets of the products presented based on delivery destination or the shipping destination on customs declaration are set out in Note 5(i). Information about the Group's non-current assets is presented based on the geographical location of the assets.

The Group's non-current assets (excluding deferred tax assets and financial assets) of RMB48,537,000,000 (31 December 2025: RMB45,759,000,000) are located in the PRC as at 30 June 2026. The remaining non-current assets are located in Vietnam, Thailand, Mexico, the U.S., Singapore and Japan, with each jurisdiction's individual non-current assets constituting less than 10% to the Group's non-current assets.

6. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'million	RMB'million
	(Unaudited)	(Unaudited)
Various grants		
— related to expense items (<i>note</i>)	186	111
— related to assets	32	31
	218	142
Interest income	84	124
Compensation income	9	14
Others	16	30
	327	310

Note: The amount includes various subsidies received from government authorities for the purpose of motivating the business development of the Group. There were no unfulfilled conditions or contingencies relating to these grants.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

7. IMPAIRMENT LOSSES UNDER ECL MODEL, NET OF REVERSAL

	Six months ended 30 June	
	2026	2025
	RMB'million	RMB'million
	(Unaudited)	(Unaudited)
Impairment losses recognised (reversed) on:		
— Trade and bills receivables	18	(25)
— Other receivables	1	—
	19	(25)

8. OTHER GAINS AND LOSSES, NET

	Six months ended 30 June	
	2026	2025
	RMB'million	RMB'million
	(Unaudited)	(Unaudited)
Net foreign exchange (losses) gains	(492)	168
Net gain from changes in fair value of financial assets/liabilities at FVTPL	127	74
Gain on disposal of property, plant and equipment, right-of-use assets and intangible assets	5	14
Others	—	(1)
	(360)	255

9. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	RMB'million	RMB'million
	(Unaudited)	(Unaudited)
Interest on borrowings	106	153
Interest on lease liabilities	4	3
	110	156

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

10. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'million	RMB'million
	(Unaudited)	(Unaudited)
Current tax:		
— PRC Enterprise Income Tax	36	25
— Hong Kong	28	39
— Vietnam	31	—
	95	64
Under provision in prior years:		
— PRC Enterprise Income Tax	41	23
	41	23
Deferred tax (Note 15)	18	(36)
	154	51

PRC Enterprise Income Tax

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the Group’s PRC subsidiaries is 25%.

The Company and certain of its PRC subsidiaries are accredited as High and New Tech Enterprises and are subject to preferential tax rate of 15% during the respective accredited period.

Pursuant to relevant laws and regulations in the PRC, several subsidiaries are eligible as a Small Low-profit Enterprise (小型微利企業) and are subject to preferential tax treatments. From 1 January 2023 to 31 December 2027, for Small Low-profit Enterprises, the annual taxable income not exceeding RMB3.0 million was reduced to 25% and taxed at a rate of 20%.

Hong Kong

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits in both years.

Vietnam

The Company’s subsidiary domiciled in Vietnam is subject to a corporate income tax rate of 20%.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

11. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging (crediting):

	Six months ended 30 June	
	2026	2025
	RMB'million	RMB'million
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	2,818	2,429
Depreciation of investment properties	25	25
Depreciation of right-of-use assets	82	63
Amortisation of intangible assets	113	106
Total depreciation and amortisation	3,038	2,623
Capitalised in inventories	(2,333)	(2,018)
	705	605
Impairment losses recognised on property, plant and equipment, included in administrative expenses	6	45
Other expenses		
— Donation	1	—
Cost of inventories recognised as an expense	24,404	28,526
Excluding: write-down (reversal of write-down) of inventories	61	(33)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

12. DIVIDENDS

The 2025 final dividend of RMB2,368,000,000 in aggregate (RMB4.5 per 10 ordinary shares of final dividend, tax inclusive) has been approved by shareholders at the annual general meeting on 8 May 2026. RMB95,000,000 was paid during the six months ended 30 June 2026, and the remaining amount of RMB2,272,000,000 was included in other payables as at 30 June 2026 (six months ended 30 June 2025: The 2024 final dividend of RMB1,983,582,000 in aggregate (RMB4 per 10 ordinary shares of final dividend, tax inclusive) were approved and paid during the six months ended 30 June 2025).

At the meeting held on 21 August 2026, the board of directors recommended an interim dividend in respect of the six months ended 30 June 2026 of RMB1 per 10 ordinary shares (tax inclusive), in aggregate of RMB526,000,000 (six months ended 30 June 2025: RMB1 per 10 ordinary shares (tax inclusive), in aggregate of RMB526,000,000).

13. EARNINGS PER SHARE

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

	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Earnings (RMB'million):		
Profit for the period attributable to owners of the Company	577	1,143
Number of shares ('million):		
Weighted average number of ordinary shares for the purpose of basic earnings per share (<i>note i</i>)	5,267	4,954
Effect of dilutive potential ordinary shares (<i>note ii</i>)	—	16
Weighted average number of ordinary shares for the purpose of diluted earnings per share	5,267	4,970

Notes:

- (i) Treasury shares and restricted shares subject to repurchase were excluded in calculating the weighted average number of ordinary shares for the purpose of calculating basic earnings per share.
- (ii) For the six months ended 30 June 2026, the Group did not have any dilutive potential ordinary shares outstanding as there is no outstanding restricted share at the beginning of or during the period. Accordingly, diluted earnings per share were equal to basic earnings per share.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

14. PROPERTY, PLANT AND EQUIPMENT/RIGHT-OF-USE ASSETS/INTANGIBLE ASSETS

Property, plant and equipment

During the six months ended 30 June 2026, the Group purchased property, plant and equipment of RMB5,800,000,000 (six months ended 30 June 2025: RMB4,953,000,000).

During the six months ended 30 June 2026, the Group disposed of certain property, plant and equipment with an aggregate carrying amount of RMB25,000,000 (six months ended 30 June 2025: RMB55,000,000), resulting in a gain on disposal of RMB5,000,000 (six months ended 30 June 2025: gain on disposal of RMB14,000,000).

Right-of-use assets

During the six months ended 30 June 2026, the Group renewed several lease agreements and entered into several new lease agreements with lease terms ranging from 2 to 9 years (six months ended 30 June 2025: from 2 to 5 years) and recognised right-of-use assets and lease liabilities, respectively, of RMB173,000,000 (six months ended 30 June 2025: RMB32,000,000).

During the six months ended 30 June 2026, the Group obtained land use rights of leasehold land in the PRC under medium term lease amounted to RMB226,000,000 (six months ended 30 June 2025: RMB1,000,000). During the six months ended 30 June 2026, the Group disposed of certain leasehold land with an aggregate carrying amount of RMB9,000,000 (six months ended 30 June 2025: Nil).

Intangible assets

During the six months ended 30 June 2026, the Group purchased intangible assets of RMB12,000,000 (six months ended 30 June 2025: RMB5,000,000).

15. DEFERRED TAXATION

For the purpose of presentation in the condensed consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	At 30 June 2026 RMB'million (Unaudited)	At 31 December 2025 RMB'million (Audited)
Deferred tax assets	1,189	1,209
Deferred tax liabilities	(342)	(356)
	847	853

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

15. DEFERRED TAXATION (CONTINUED)

	Provision for impairment of assets RMB'million	Depreciation of fixed assets RMB'million	Unrealised profit on internal transactions RMB'million	Deferred income RMB'million	Tax losses RMB'million	Share- based payment RMB'million	Increase in fair value of consolidated assets not under common control RMB'million	Others RMB'million	Total RMB'million
At 1 January 2025 (audited)	162	135	105	84	824	42	(355)	5	1,002
(Charge) credit to profit or loss	(27)	(14)	6	(4)	49	11	15	—	36
Charge to other comprehensive income	—	—	—	—	—	—	—	(2)	(2)
Charge to equity for the period	—	—	—	—	—	(34)	—	—	(34)
At 30 June 2025 (Unaudited)	135	121	111	80	873	19	(340)	3	1,002
Credit (charge) to profit or loss	12	15	(2)	6	(182)	(31)	17	4	(161)
Credit to other comprehensive income	—	—	—	—	—	—	—	—	—
Credit to equity for the period	—	—	—	—	—	12	—	—	12
At 1 January 2026 (audited)	147	136	109	86	691	—	(323)	7	853
Credit (charge) to profit or loss	6	(5)	—	(1)	(1)	—	15	(32)	(18)
Charge to other comprehensive income	—	—	—	—	—	—	—	12	12
Charge to equity for the period	—	—	—	—	—	—	—	—	—
At 30 June 2026 (Unaudited)	153	131	109	85	690	—	(308)	(13)	847

No deferred tax asset has been recognised on deductible temporary differences of RMB896,000,000 (31 December 2025: RMB949,000,000) as at 30 June 2026, as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

At 30 June 2026, the Group has unused tax losses of RMB8,231,000,000 (31 December 2025: RMB7,296,000,000) available for offset against future profits. Deferred tax asset has been recognised in respect of RMB4,558,000,000 (31 December 2025: RMB4,555,000,000) of such losses and no deferred tax asset has been recognised on remaining RMB3,673,000,000 as at 30 June 2026 (31 December 2025: RMB2,741,000,000), due to the unpredictability of future profit streams.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

16. FINANCIAL ASSETS (LIABILITIES) AT FVTPL

	At 30 June 2026 RMB'million (Unaudited)	At 31 December 2025 RMB'million (Audited)
Structured deposits	80	627
Unlisted equity instruments at FVTPL	570	279
Deliverable forwards	(36)	(79)
	614	827
Analysed for reporting purposes as:		
Financial assets at FVTPL	653	906
Financial liabilities at FVTPL	(39)	(79)
	614	827
Analysed for reporting purposes as:		
Current assets	83	627
Non-current assets	570	279
Current liabilities	(39)	(79)
	614	827

The structured deposits are classified as current as the management expects to realise these financial assets within twelve months after the reporting period.

The Group has the deliverable forwards outstanding as at the end of the reporting period. They are marked to market with gain or loss to profit or loss.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

17. INVENTORIES

	At 30 June 2026 RMB'million (Unaudited)	At 31 December 2025 RMB'million (Audited)
Raw materials	1,444	998
Work in progress	2,583	2,351
Finished goods	2,706	2,667
Goods in transit	1,018	1,006
Consumables and others	695	362
	8,446	7,384
Less: provision	(513)	(452)
	7,933	6,932

18. TRADE AND BILLS RECEIVABLES

	At 30 June 2026 RMB'million (Unaudited)	At 31 December 2025 RMB'million (Audited)
Trade receivables	9,379	10,944
Bills receivables	8	1
Less: allowance for ECL	(188)	(169)
	9,199	10,776

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

18. TRADE AND BILLS RECEIVABLES (CONTINUED)

Ageing of trade receivables is prepared based on the invoice date, which approximated the respective revenue recognition dates, as follows:

	At 30 June 2026 RMB'million (Unaudited)	At 31 December 2025 RMB'million (Audited)
Not past due	8,990	10,694
Past due:		
0–90 days	285	155
91–180 days	12	24
181–365 days	24	48
Over 365 days	68	23
	9,379	10,944

The normal credit term to the customers ranged between 30 days to 150 days.

As at 30 June 2026, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB389,000,000 (31 December 2025: RMB250,000,000) which are past due and with aggregate carrying amount of RMB104,000,000 (31 December 2025: RMB95,000,000) are past due 90 days or more.

Out of the balances that are past due 90 days or more, RMB101,000,000 (31 December 2025: RMB92,000,000) is not considered as in default due to the historical and expected subsequent repayment from the debtors and the remaining trade receivables past due 90 days or more amounting to RMB3,000,000 (31 December 2025: RMB3,000,000) has become credit-impaired. The Group does not hold any collateral over these balances.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

19. PREPAYMENTS AND OTHER RECEIVABLES

	At 30 June 2026 RMB'million (Unaudited)	At 31 December 2025 RMB'million (Audited)
Prepayments for property, plant and equipment	1,388	1,136
Value-added tax recoverable	565	518
Refundable deposits for project performance	270	150
Refundable deposits for land use rights	200	200
Prepayments for materials and others	120	113
Rental and other deposits	49	47
Other receivables	206	218
	2,798	2,382
Less: allowance for ECL	(38)	(37)
	2,760	2,345
Analysed for reporting purposes as:		
Current assets	1,344	1,179
Non-current assets	1,416	1,166
	2,760	2,345

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

20. TRADE AND OTHER PAYABLES

	At 30 June 2026 RMB'million (Unaudited)	At 31 December 2025 RMB'million (Audited)
Trade payables	8,591	10,961
Bills payables	465	591
	9,056	11,552
Accrued staff cost	1,204	1,310
Construction payables	5,869	4,567
Other accrued charges	365	265
Other tax payables	167	226
Deposits received	125	112
Dividends payable	2,303	5
Others	116	89
	19,205	18,126

The following is the ageing analysis of trade payables based on the date of goods and services received at the end of reporting period:

	At 30 June 2026 RMB'million (Unaudited)	At 31 December 2025 RMB'million (Audited)
Within 1 year	8,539	10,917
Over 1 year	52	44
	8,591	10,961

The credit period on purchases of goods and services of the Group is within 120 days. All the bills payables are with maturity within one year.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

21. BORROWINGS

During the six months ended 30 June 2026, the Group obtained new bank loans amounting to RMB3,589,000,000 (six months ended 30 June 2025: Nil), among which RMB160,000,000 were paid directly by bank to suppliers to settle the Group's trade payables (six months ended 30 June 2025: Nil).

Among the newly obtained bank loans, RMB584,000,000 carries interest at fixed market rates ranging from 0.95% to 3.62% per annum and are repayable in instalments over a period of six months to 3 years, RMB3,005,000,000 carries interest at Loan Prime Rate adjusted by floating up or down a certain percentage, ranging from 2.19% to 2.41% per annum, and are repayable in instalments over a period of 2 years to 5 years, with interest rate reset at regular intervals, ranging from 3 to 12 months.

During the six months ended 30 June 2026, the Group repaid borrowings of RMB2,221,000,000 (six months ended 30 June 2025: RMB2,010,000,000).

22. SHARE CAPITAL

	Number of shares	Share capital RMB'million
Ordinary shares of RMB1 each		
Registered, issued and fully paid		
At 1 January 2025 (audited)	4,982,879,271	4,983
Repurchase and cancellation of restricted shares	(107,100)	—*
At 30 June 2025 (unaudited)	4,982,772,171	4,983
At 1 January 2026 (audited)	5,284,327,591	5,284
Cancellation of restricted shares	(5,586,721)	(6)
At 30 June 2026 (unaudited)	5,278,740,870	5,278

During the six months ended 30 June 2026, the Company repurchased 9,704,325 shares and cancelled 5,586,721 shares of treasury shares. At 30 June 2026, the Company had outstanding treasury shares of 17,113,932 (31 December 2025: 12,996,328 shares).

* Rounded to the nearest million, the amount is "—" since the value is less than RMB1 million.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

23. COMMITMENTS

	At 30 June 2026 RMB'million (Unaudited)	At 31 December 2025 RMB'million (Audited)
Capital expenditure contracted but not provided for in the condensed consolidated financial statements		
— Property, plant and equipment	4,290	4,502
— Others	2	5
	4,292	4,507
Contractual commitments for future investments but not provided for in the condensed consolidated financial statements		
— Equity acquisition (<i>note i</i>)	316	—

Note:

- (i) Pursuant to a series of agreements entered into in June 2026 with the shareholders (the "Selling Shareholders") of Shenzhen Sublime Photonics Co., Ltd. ("Shenzhen Sublime"), the Group agreed to purchase, and the shareholders agreed to sell an 89.98% equity interest in Shenzhen Sublime at an aggregate consideration of RMB316,000,000, including the obligation to pay up the unpaid registered capital of Shenzhen Sublime of RMB40,000,000 and RMB276,000,000 paid to the Selling Shareholders (the "Shenzhen Sublime Acquisition"). The transaction was completed in July 2026 and the consideration has been settled in cash as at the date of the report. Following the completion of the acquisition, Shenzhen Sublime became a subsidiary of the Group. The acquisition has been accounted for as acquisition of business using the acquisition method.

On 18 May 2026, the Group entered into a share purchase agreement ("SPA") with certain shareholders of Ju Teng International Holdings Limited ("Ju Teng"), a company listed on the Main Board of the Stock Exchange of Hong Kong Limited. Pursuant to the SPA, the Group conditionally agreed to purchase 333,713,032 Shares of Ju Teng, for an aggregate consideration of Hong Kong Dollar 734,000,000 (equivalent to RMB638,000,000). The completion of this acquisition is subject to the fulfilment or waiver of the conditions as agreed in the SPA. Details of the transaction are set out in the Company's announcement made on 18 May 2026.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial instruments measured at fair value on a recurring basis

Some of the Group's financial instruments are measured at fair value at the end of the reporting periods. The following table gives information about how the fair values of these financial instruments are determined (in particular, the valuation technique and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

Set out below is the information about how the fair values of the Group's financial instruments that are measured at fair value are determined, including the valuation technique and inputs used:

Financial assets/ (liabilities)	30 June 2026 RMB'million (Unaudited)	31 December 2025 RMB'million (Audited)	Fair value hierarchy	Valuation technique and key input(s)	Significant unobservable input
Bills receivables at FVTOCI	179	134	Level 2	Discounted cash flow Risk-adjusted discount rate and cash flow are key inputs	N/A
Deliverable forwards	(36)	(79)	Level 2	Discounted cash flow were estimated based on the applicable forward foreign exchange rates	N/A
Structured deposits	80	627	Level 2	Income approach — The discounted cash flow method was used to estimate the interest from the underlying bank deposits	N/A
Equity instruments at FVTOCI—Listed	135	200	Level 1	Quoted bid prices in an active market	N/A
Equity instruments at FVTOCI—Listed, restricted Shares	44	68	Level 3	Quoted bid prices in an active market and discounts for lack of marketability ("DLOM")	The higher the DLOM, the lower the fair value.
Equity instruments at FVTOCI—Unlisted	484	484	Level 3	Net assets value of the underlying investments	The higher the net assets value, the higher the fair value.
Unlisted equity instruments at FVTPL	570	—	Level 2	Recent transaction price	N/A
Unlisted equity instruments at FVTPL	—	279	Level 3	Net assets value of the underlying investments	The higher the net assets value, the higher the fair value.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value of the Group's financial instruments measured at fair value on a recurring basis (Continued)

Fair value of financial instruments that are recorded at amortised cost

The management consider that the carrying amounts of financial assets and liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

Reconciliation of Level 3 fair value measurements

The following table presents the changes in level 3 financial instruments during the current period:

	Equity instruments at FVTOCI RMB'million	Unlisted equity instruments at FVTPL RMB'million
At 1 January 2025 and 30 June 2025 (unaudited)	445	—
At 1 January 2026 (unaudited)	552	279
Purchases	—	258
Settlements	—	(88)
Transfers out of Level 3 (<i>note</i>)	—	(570)
Fair value changes through other comprehensive income	(24)	—
Fair value changes through profit or loss	—	121
At 30 June 2026 (unaudited)	528	—

Note: Certain equity investments measured at FVTPL were measured based on the net assets value of the underlying investments as at 31 December 2025. Recent transactions of these equity investments are noted during the six months ended 30 June 2026, and fair values of such investments are then measured by reference to these recent transaction prices, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business for the reporting period.

Other than as disclosed elsewhere in these consolidated financial statements, the Group has following transactions and balances with related parties:

(a) Transactions with related parties

Relationship	Nature of transaction	Six months ended 30 June	
		2026 RMB'million (Unaudited)	2025 RMB'million (Unaudited)
Associates	Purchase of goods	301	548
A company controlled by the controlling shareholder	Sales of goods	3	—
	Purchase of goods	—	5
An associate of a company controlled by the controlling shareholder	Sales of goods	—	1
	Purchase of goods	83	64

During the six months ended 30 June 2026 and 2025, there are rental income, sales of goods with other related parties with amount less than RMB1 million.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Related party balances

Relationship	Nature of balances	At 30 June 2026 RMB'million (Unaudited)	At 31 December 2025 RMB'million (Audited)
Associates	Prepayments for property, plant and equipment	31	29
	Trade and bills receivables	—*	1
	Trade and other payables	319	347
A company controlled by the controlling shareholder	Prepayments for property, plant and equipment	4	5
	Trade and bills receivables	4	2
The controlling shareholder	Lease liabilities	—*	1
An associate of a company controlled by the controlling shareholder	Prepayments for property, plant and equipment	2	—
	Trade and other payables	76	81

As at 30 June 2026 and 2025, there are amounts due from/to related parties, trade and bills receivables and trade and other payables with other related parties with amount less than RMB 1million.

Notes:

- (i) The trade and bills receivables are trade in nature, unsecured, non-interest bearing and aged within one year at the end of reporting period.
 - (ii) The amounts of prepayments for property, plant and equipment are non-trade nature, unsecured, non-interest bearing and the property, plant and equipment will be delivered to the respective entities in accordance with the terms of respective agreements.
 - (iii) The amounts of trade and other payables are trade nature, unsecured, interest-free and repayable within 120 days.
 - (iv) The amounts of lease liabilities are non-trade nature and represent leasing of office and repayable as per the lease contracts.
- * Rounded to the nearest million, the amount is “—” since the value is less than RMB1 million.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

25. RELATED PARTY TRANSACTIONS (CONTINUED)

Other than as disclosed elsewhere in these consolidated financial statements, the Group has following transactions and balances with related parties: (Continued)

(c) Compensation of key management personnel

During the current period, the remunerations of key management personnel which represent the directors of the Company and other members of key management were as follows:

	Six months ended 30 June	
	2026	2025
	RMB'million	RMB'million
	(Unaudited)	(Unaudited)
Salaries, allowances and other benefits	6	8
Discretionary bonus	—	—
Retirement benefit scheme contributions	—	—
	6	8

The remuneration of these key executives of the Group is determined by the remuneration committee having regard to the performance of individuals and market trends.

26. EVENT AFTER THE END OF THE REPORTING PERIOD

Share-based payment

On 16 July 2026, the Company has adopted a new restricted A-share scheme (the “2026 Restricted A-share Scheme”), pursuant to which the Company granted 85,570,000 restricted shares to eligible participants, including but not limited to the Group’s directors (excluding independent directors), senior management and other employees.

Under the 2026 Restricted A-share Scheme, the Company granted both Type I and Type II restricted shares. Type I restricted shares under the 2026 Restricted A-share Scheme valid for a maximum of 48 months counted from the date of registration of the grant of restricted shares to the date of release of all restricted shares or cancellation on repurchase; Type II restricted shares under the 2026 Restricted A-share Scheme valid for a maximum of 48 months from the date of grant of restricted shares to the date of full vesting or lapsing.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

26. EVENT AFTER THE END OF THE REPORTING PERIOD (CONTINUED)

Share-based payment (Continued)

The particulars of the Type I and Type II restricted shares are as follows:

(a) Type I restricted shares

Type I restricted shares refer to ordinary shares of the Company issued to the participants with certain restrictions stipulated under the 2026 Restricted A-share Scheme. On the grant date, participants of the Type I restricted shares were entitled to receive ordinary shares of the Company and were required to pay the purchase price upon accepting the Type I restricted shares.

Type I restricted shares shall be locked up immediately upon grant and to be released in three tranches, subject to the fulfillment of both the Group's and the individual's performance conditions, in the proportions of 30%, 30% and 40% to the total number of the restricted shares granted upon the expiry of each lock-up period of 12 months, 24 months and 36 months after the date of registration.

If either of the performance conditions of the Group or the individual are not met, the Company will automatically repurchase the Type I restricted shares from the employee at purchase price. The total consideration paid by the participants will be recognised as liabilities and will only be reversed by portion to other reserve when the shares are vested each year.

On 20 July 2026 (the date of grant), the board of directors approved the grant of 15,726,740 Type I restricted shares to 2,258 eligible participants at a grant price of RMB19.91 per share and a total of 1,387,192 Type I restricted shares are reserved for future grant.

The grant date closing price of the Company's A Shares was RMB34.22.

(b) Type II restricted shares

Type II restricted shares refer to the ordinary shares of the Company that participants could subscribe for, subject to the fulfillment of both the Group's and the individual's performance condition, in the proportions of 30%, 30% and 40% to the total number granted on each anniversary of the grant.

On 20 July 2026 (the date of grant), the board of directors approved 62,906,960 Type II restricted shares to 2,258 eligible participants and the exercise price was RMB19.91 per share, and a total of 5,549,108 Type II restricted shares are reserved for grant.

Following the grant of the restricted shares, the number of A-Shares restricted shares available for future grant under the 2026 Restricted A-share Scheme and any other share schemes is 6,936,300 shares, including 1,387,192 Type I restricted shares and 5,549,108 Type II restricted shares.

Other than as disclosed above and the Shenzhen Sublime Acquisition as disclosed in note 23, the Group has no other significant event after the end of the period.