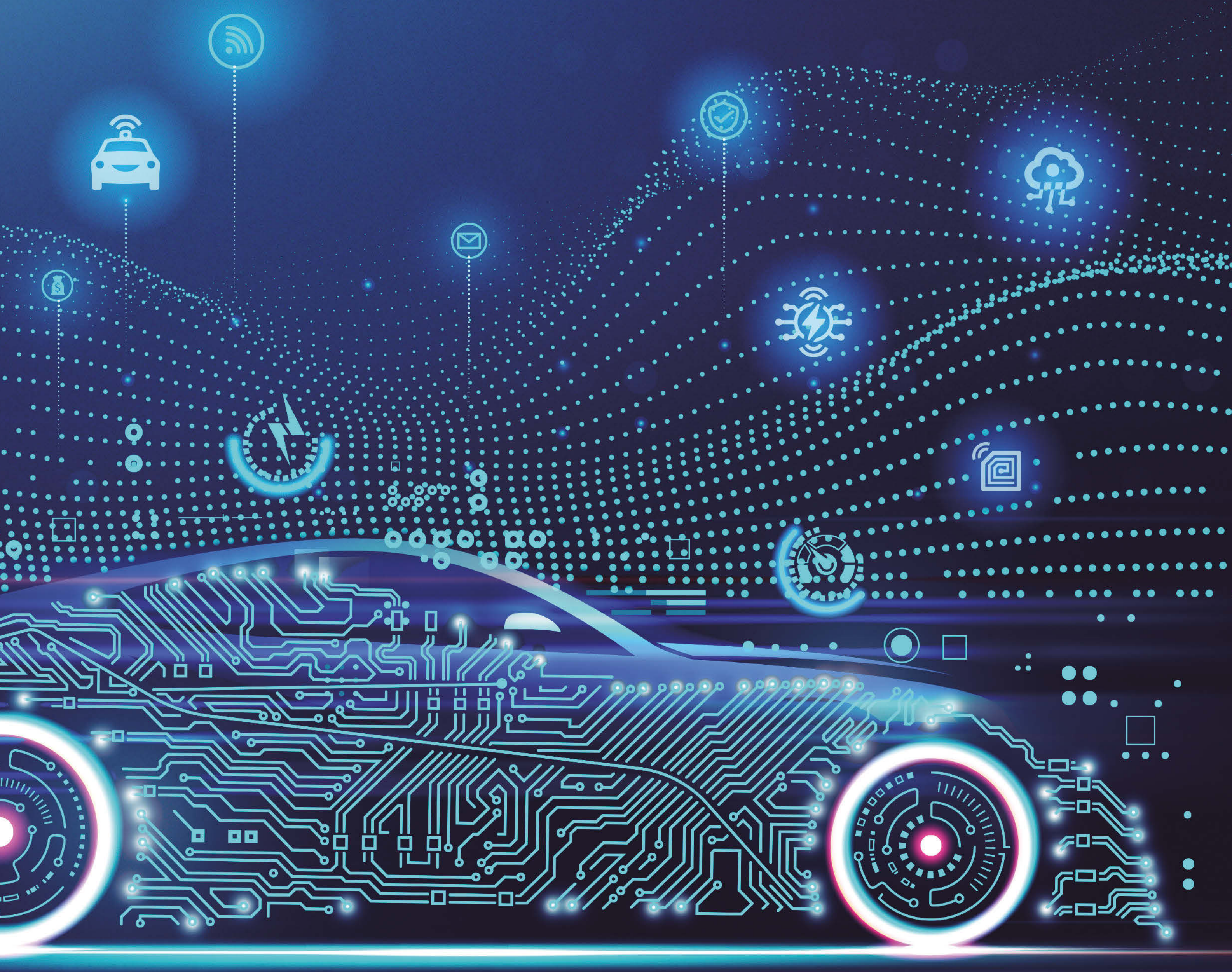
intron
英恒

INTRON TECHNOLOGY HOLDINGS LIMITED
英恒科技控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code : 1760



2026 INTERIM REPORT

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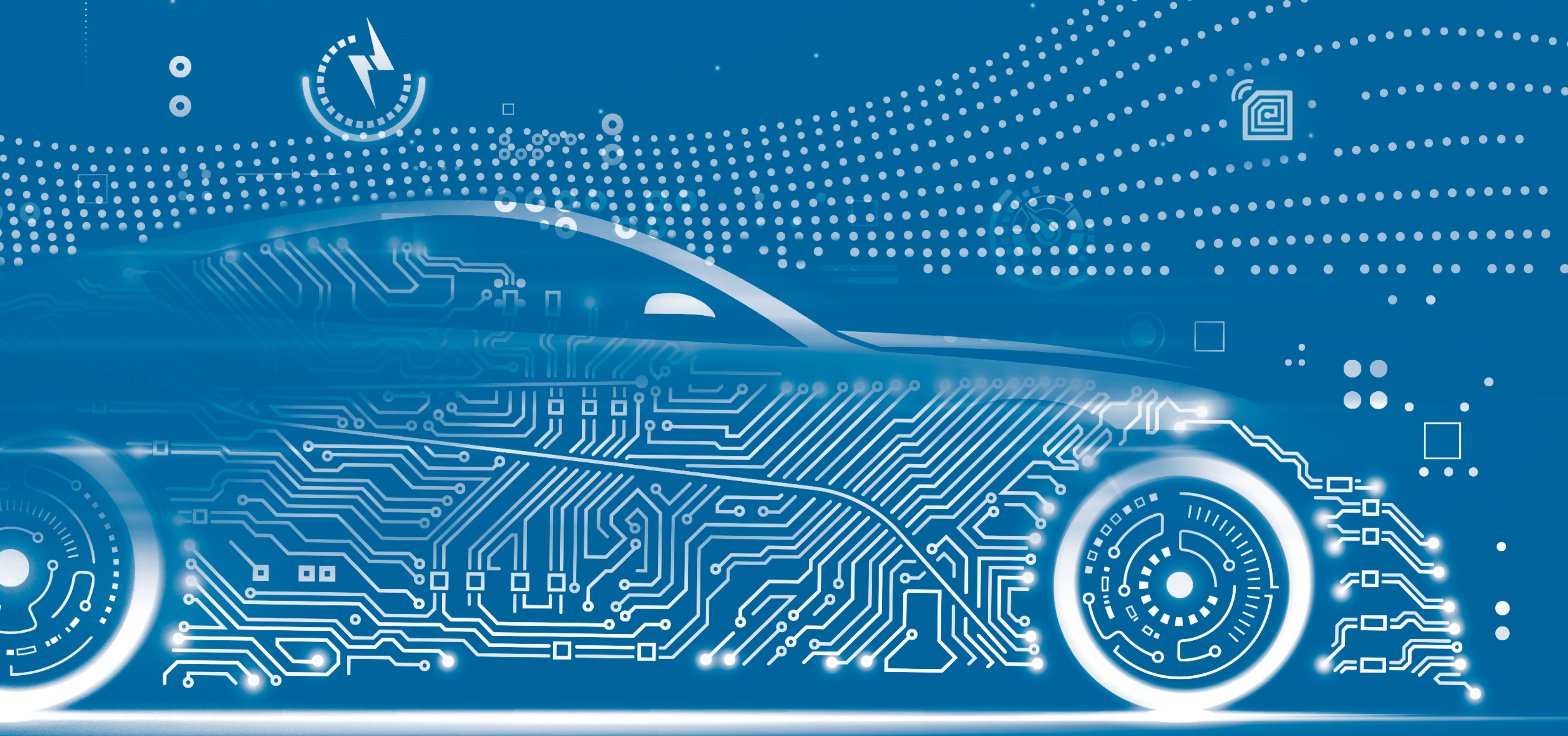

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Luk Wing Ming *(Chairman and Co-CEO)*
Mr. Chan Cheung Ngai *(Co-CEO)*
Mr. Chan Ming
Mr. Ng Ming Chee

Independent Non-executive Directors

Mr. Jiang Yongwei
Mr. Tsui Yung Kwok
Ms. Han Shuting

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COMPANY SECRETARY

Mr. Ng Ming Chee

AUTHORISED REPRESENTATIVES

Mr. Ng Ming Chee
Mr. Luk Wing Ming

AUDIT COMMITTEE

Mr. Tsui Yung Kwok *(Chairman)*
Mr. Jiang Yongwei
Ms. Han Shuting

REMUNERATION COMMITTEE

Mr. Jiang Yongwei *(Chairman)*
Mr. Chan Cheung Ngai
Mr. Tsui Yung Kwok

NOMINATION COMMITTEE

Mr. Luk Wing Ming *(Chairman)*
Mr. Jiang Yongwei
Ms. Han Shuting

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Mr. Luk Wing Ming *(Chairman)*
Mr. Chan Ming
Mr. Ng Ming Chee

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Ernst & Young
Certified Public Accountants
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Bank of Shanghai
Bank of China (Hong Kong) Limited
BNP Paribas
Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited

STOCK CODE

1760

WEBSITE

www.intron-tech.com

MANAGEMENT DISCUSSION AND ANALYSIS

SUMMARY

In the first half of 2026, China's automotive industry entered a period of profound adjustment, characterised by contracting market demand, cutthroat competition for the existing market and sustained pressure on industry profitability. According to data from the China Association of Automobile Manufacturers (CAAM), automobile sales in China amounted to 15.017 million units in the first half of 2026, representing a year-on-year decline of 4.1%. In the first half of 2026, sales of new energy vehicles reached 7.446 million units, rising 7.3% year-on-year and accounting for 49.6% of total automobile sales. In the first half of 2026, domestic sales of new energy vehicles stood at 5.09 million units, down 13.4% year-on-year, while exports of new energy vehicles hit 2.355 million units, surging 122.3% year-on-year. Meanwhile, from January to May 2026, the overall profit margin of the automotive industry stood at a mere 3.4%, and that of vehicle manufacturers fell to only 1.5%, both hitting historic lows.

The restructuring of the automotive industry continues to accelerate amid widespread integration of electrification, intelligentisation and connectivity technologies. Core technologies of intelligent driving and new energy are rapidly penetrating the full industrial chain covering research and development (R&D), manufacturing and supporting components, giving rise to pronounced structural divergence across the sector. At the same time, emerging sectors such as embodied intelligence and AIDC are experiencing rapid growth. Against the backdrop of an overall industry downturn and increasingly fierce market competition, the Group delivered counter-cyclical growth, underpinned by precise strategic planning, a comprehensive business portfolio and continuous technological advancement. For the half-year ended 30 June 2026 (the "**Period under review**"), the Group's revenue increased by 15% year-on-year, outperforming the broader industry against market headwinds and fully demonstrating the Group's strong operational resilience and core competitive advantages.

The Group's semiconductor solutions business centres on two core applications: automotive and cloud servers. The Group focused on the automotive sector and kept pace with the industrial upgrade trends towards intelligentisation and electrification by iterating core technologies and refining its product matrix of solutions. In parallel, the Group proactively expanded its growth footprint by venturing into high-value emerging application scenarios, including but not limited to cloud servers, AIDC and embodied intelligence, enabling diversified commercialisation of its technologies and laying solid foundations for the Group's counter-cyclical growth.

The automotive electronics business served as the core engine driving the Group's rapid growth against industry headwinds, and emerged as a core business with the most outstanding growth potential and strongest development momentum in recent years. Against the industry-wide pressure in the first half of 2026, revenue from this segment nearly doubled, reflecting exceptional market competitiveness and resilience to economic cycles. Focusing on core products such as power bricks and motor controllers, the automotive electronics business continuously refines product quality, optimises delivery systems and builds a stable base of high-quality customers, enabling scalable and standardised delivery capacity and standing out as a rare high-growth case within the industry.

Having started with its semiconductor solutions business, the Group has successfully expanded into the automotive electronics business through years of R&D investment and technological accumulation. Semiconductor solutions and automotive electronics, the Group's two core business lines operating with strong synergies, have emerged as the Group's key advantage in weathering cyclical industry headwinds, building a unique synergistic competitive moat within the industry. Currently, with the rise of emerging downstream demand for AIDC and embodied intelligence, the Group will continue to strengthen its ties with upstream original equipment manufacturers (OEMs) and downstream AIDC and embodied intelligence customers while drawing on the Group's expertise in high-voltage and high-power technologies to achieve the productisation of AIDC, embodied intelligence and others.

Overall, the Group adheres to its dual-core development strategy of “semiconductor solutions + productisation capabilities”, and continues to deepen business synergies, consolidate technological strengths and expand market penetration. Supported by a well-focused strategic layout and a robust operational framework, the Group has achieved rapid counter-cyclical growth. The Group firmly believes that this focused, efficient and sustainable strategic roadmap will enable it to consistently navigate industry cycles, deliver long-term, steady and high-quality sustainable growth, and further consolidate its leading position in the industry.

R&D serves as the cornerstone for the Group to withstand industrial cyclical volatility and build long-term competitiveness. The “asset-light and research-focused” business concept has consistently guided the Group’s development journey and underpinned its rapid growth amid the industry slump during the first half of 2026. During the first half of 2026, the Group further upgraded and optimised its R&D system by enhancing the composition of its high-calibre R&D team, strengthening refined management across the entire R&D process, and optimising the allocation of R&D resources. These initiatives comprehensively bolstered the Group’s R&D capabilities, consolidated its technological leadership, and fostered a virtuous cycle of R&D input and output. Leveraging its leading R&D technologies, stable and reliable product quality, efficient large-scale delivery capacity and high-quality ecosystem services, the Group has earned high recognition from downstream customers and industry ecosystem partners. During the reporting period, the Group won numerous prestigious industry awards, further elevating its influence and bargaining power in the industry and laying a solid technological and market foundation for deepening industrial cooperation and expanding market share in the future.

BUSINESS REVIEW

In the first half of 2026, China’s automotive industry was characterised by subdued domestic demand, sustained rapid growth in exports and an overall slowdown in growth. Leveraging over two decades of strong expertise in automotive electronics, electrification and intelligentisation, the Group proactively anticipated technological evolution and market trends. With exceptional R&D capabilities and established large-scale delivery systems, the Group fully supported mass production and commercialization, enabling its automotive electronics to achieve rapid growth against headwinds. In the semiconductor solutions business, driven by the AI-fuelled development of domestic computing power, the revenue contribution from the cloud server business has also continued to rise. To give a clearer presentation to shareholders and investors the development status, key priorities and future strategies of each business segment, and improve the comparability with industry peers for benchmarking analysis, the Group has adopted a new revenue classification framework starting from the 2025 Annual Report. Under the new classification approach, the Group has the following two principal businesses:

(1) Semiconductor Solutions Business

This business focuses on the distribution of semiconductors, as well as the provision of demand creation and technical services. Key segments include:

- **Automobile:** Primarily includes semiconductor solutions for the automotive industry, such as MCU, memory, power devices, sensors and drivers;
- **Cloud Servers:** Primarily includes semiconductor solutions for the AIDC server industry, such as server power systems, high-speed communication and storage;
- **Services & Others:** Primarily includes the distribution of semiconductor-related software solutions and revenue from technical services related to semiconductor solutions.

(2) Automotive Electronics Business

This business primarily provides OEM customers and Tier 1 customers with development and delivery of automotive electronics. It involves product design and validation tailored to different vehicle models, and ensuring both quantity and quality of product delivery during mass production. Key segments include:

- **Electric Mobility:** Primarily includes automotive electronic products related to electric mobility such as new energy vehicles motor control units (MCU), battery management systems (BMS) and power bricks;
- **Thermal Management:** Primarily includes automotive electronic products such as smart thermal management actuators, PTC and electric air conditioning compressor controllers (EAC);
- **Smart Mobility:** Primarily includes automotive electronic products such as front-view camera modules, advanced driver assistance systems (ADAS), vehicle control units (VCUs), zone control units (ZCUs), chassis systems and wireless charging controllers;
- **Services & Others:** Primarily includes revenue from R&D services for semiconductor enterprises and domestic and overseas automotive industry clients.

OVERALL RESULTS

In the first half of 2026, the Group's overall results achieved steady growth, with total revenue increasing by approximately 15% year-on-year to RMB3.4 billion. The change was primarily due to two factors: the semiconductor solutions business dropped by 9% year-on-year due to overall industry pressures and the Group's countermeasures; and the automotive electronics business achieved rapid growth against the trend, increasing by 99% year-on-year. Within the automotive electronics business, the electric mobility business segment recorded particularly significant growth, rising by 187% year-on-year. Revenue from the semiconductor solutions business in the second quarter increased by 32% quarter-on-quarter compared with the first quarter, while revenue from the automotive electronics business in the second quarter increased by 43% quarter-on-quarter compared with the first quarter.

Looking back at the first half of 2026, the Group's gross profit was RMB397 million, with a gross profit margin of 11.7%, down 1 percentage point from last year.

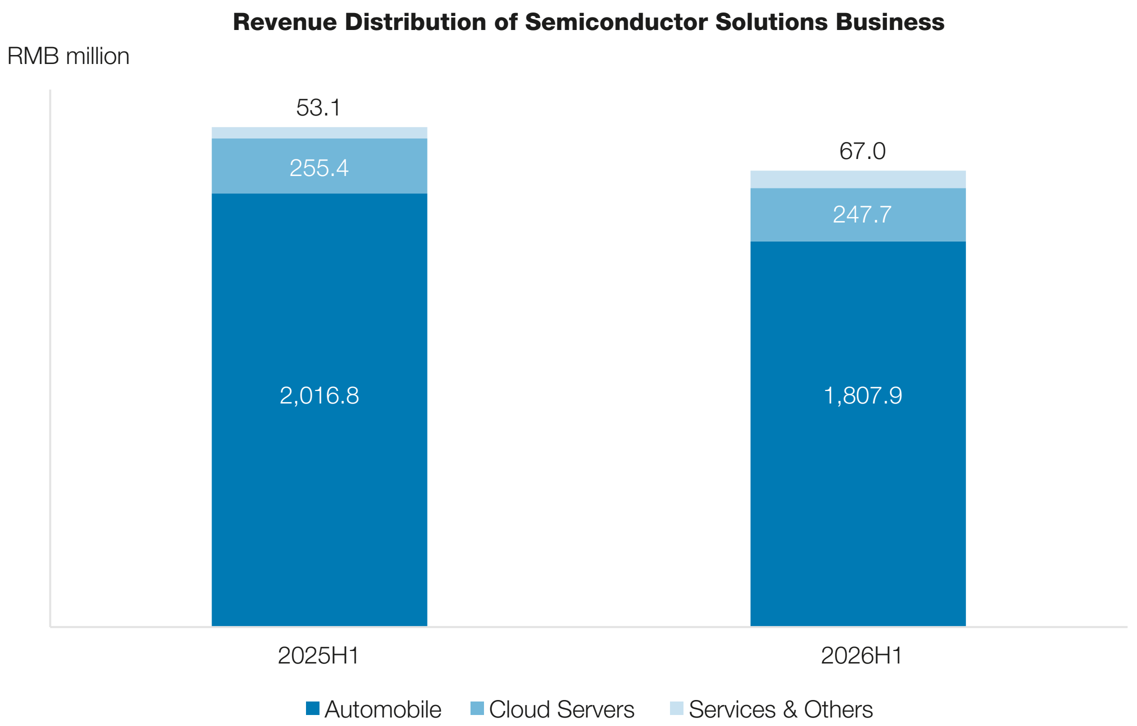
In the first half of 2026, the Group maintained its market leadership and consolidated its technological advantages through continuous R&D investment, while strategically positioning itself in emerging industries such as embodied intelligence and AIDC. The Group maintained total R&D expenses at 8.1% of total revenue, amounting to RMB274.7 million.

In the aspect of finance costs, looking back at the first half of the year, finance costs decreased by 39% from last year, primarily due to the decrease in interest on borrowings.

Profit attributable to shareholders for the first half of 2026 was RMB7.2 million, compared with RMB49.7 million for the same period last year. Net profit margin for the first half of 2026 was 0.2%.

SEGMENT RESULTS

(1) Semiconductor Solutions Business



Building upon traditional distribution, the Group's semiconductor solutions business further provides demand creation and technical services, as well as comprehensive support throughout the entire customer lifecycle, encompassing consulting, design support, technology development, product delivery, engineering services and full lifecycle quality management. The Group owns various core advantages in the semiconductor solutions business: with abundant resources and over 100 R&D employees, the Group has accumulated strong expertise and experience in advanced semiconductor technologies and application innovation; the Group assisted customers with whole-process customised support ranging from product defining and development to deployment, ensuring compliance with industry regulations and certification requirements; the Group delivered full-lifecycle technical services spanning component selection, system integration and mass production; and localised teams enabled the Group to deliver agile responses and efficient support.

During the Period under review, revenue from the semiconductor solutions business amounted to RMB2,122.6 million, accounting for 62.4% of total revenue, representing a decrease of 9% compared with the same period last year. Gross profit margin for the semiconductor business was 12.2% to 12.6%, down by approximately 0.1 to 0.5 percentage point compared with the same period last year and up by 4.0 to 4.8 percentage points quarter-on-quarter from the second half of 2025. The slight decline in revenue and broadly flat year-on-year of gross profit margin for the semiconductor solutions business was primarily due to an overall slowdown in the new energy vehicle sector during the first half of 2026, with automotive semiconductor prices remaining at rock-bottom levels, alongside largely flat revenue from cloud server-related semiconductor solutions business despite strong demand, which were mainly attributable to certain supply bottlenecks in the semiconductor sector. By quarter, revenue from the semiconductor solutions business was RMB915.3 million in the first quarter and RMB1,207.3 million in the second quarter, representing a significant quarter-on-quarter increase.

Automobile-related Solutions

During the Period under review, revenue from the automobile-related solutions segment was RMB1,807.9 million, accounting for 53.2% of total revenue, representing a decrease of 10% compared with the same period last year. The automotive semiconductor solutions business came under pressure, primarily due to a slowdown in the new energy vehicle sector during the first half of 2026, with downstream vehicle manufacturers facing significant profit pressures. From the second quarter of 2026, as the impact of purchase tax adjustment on new energy vehicles gradually faded, sales of new energy vehicles began to improve, and upstream automotive semiconductor supply also became increasingly tight. The Group's revenue from automobile-related solutions stood at RMB788.3 million in the first quarter of 2026 and RMB1,019.6 million in the second quarter of 2026, representing a quarter-on-quarter increase of 29%.

Cloud Server-related Solutions

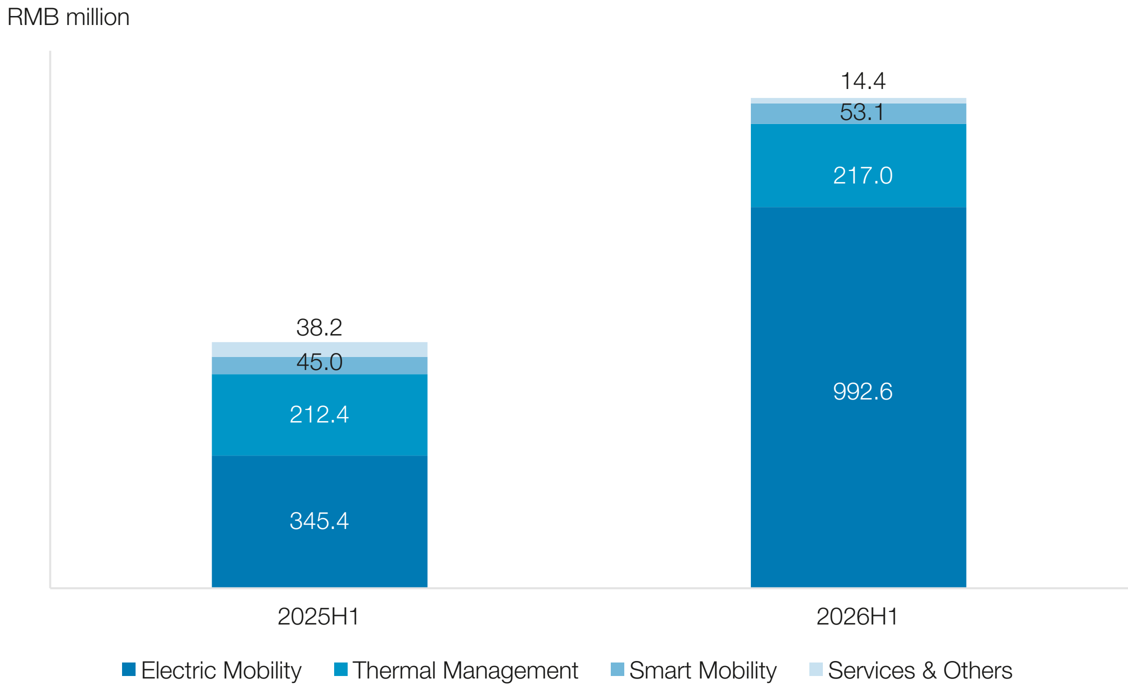
The Group's main products in the cloud server-related sector include GPU Boards, Power Delivery Boards and Smart Network Interface Cards. Its direct downstream customers are server manufacturers, and end customers are primarily internet companies. During the Period under review, revenue from cloud server-related semiconductor solutions declined slightly by 3% year-on-year to RMB247.7 million, accounting for 7.3% of total revenue. Revenue from the cloud server-related semiconductor solutions business remained broadly flat year-on-year, having shown significant growth quarter-on-quarter from the second half of 2025. This was primarily due to leading customers engaging in strategic stockpiling and pre-ordering during the first half of 2025, resulting in a high base for shipment volumes. From the second half of 2025, demand in the AIDC market was robust; however, due to supply bottlenecks for cloud server-related chips, revenue failed to grow in the first half of 2026.

Since the second quarter of 2026, the Group has strengthened supply security by, amongst other measures, entering into supply agreements with upstream and downstream partners. As a result, revenue from cloud server-related semiconductors in the first half of 2026 increased by 17% compared with the second half of 2025. Revenue from cloud server-related semiconductors stood at RMB97.2 million in the first quarter of 2026 and RMB150.5 million in the second quarter of 2026, representing a quarter-on-quarter increase of 55%.

Looking ahead to the second half of 2026, the Group will further concentrate its resources and increase investment in the AIDC sector, while deepening strategic partnerships with upstream OEMs. By entering into supply agreements, the Group will further secure the supply of cloud server-related chips for the second half of the year. It is anticipated that the cloud server-related semiconductor solutions business will continue to grow compared with the first half of the year. The Group will continue to optimise resource allocation and deepen R&D and innovation in core technologies to strengthen its service capabilities and capitalise on growth opportunities in AI-driven cloud server-related solutions. Looking ahead, in addition to power supply solutions for core AI components, demand for high-speed signal integrity products is also expected to see greater growth potential.

(2) Automotive Electronics Business

Revenue Distribution of Automotive Electronics Business



The Group's automotive electronics encompass electric mobility, thermal management, smart mobility, services and others, covering multiple functional areas of vehicles, thus establishing a comprehensive presence. During the Period under review, the business recorded revenue of RMB1,277.1 million, accounting for 37.6% of total revenue, representing a year-on-year increase of 99%.The gross profit margin for automotive electronics stood at 10.3% to 10.7%, down 6.3 to 7.1 percentage points compared with the same period last year, primarily due to an overall increase in raw material prices, and the fact that these price increases had not yet been passed on to customers during the reporting period. In addition, the power bricks, being its new products, are still in the ramp-up phase, which have not yet achieved full economies of scale.

Looking back at the first half of the year, OEMs and their Tier 1 suppliers continued to be the primary customers of the Group, including leading domestic and international new energy vehicle brands. Overseas markets have become a key growth area, particularly as the international competitiveness of China's new energy vehicles continues to improve. Since 2024, the Company has secured cumulatively over 360 mass-production nomination projects. In the first half of 2026, the Group secured 52 new mass-production nomination projects, including 11 overseas projects. Such nomination projects cover key areas such as thermal management, chassis and ADAS. In addition to major domestic automakers, the Group's customer base has expanded to include major Japanese and European automakers and Tier 1 suppliers. In the first half of 2026, the number of new nomination projects saw a year-on-year decline. This was mainly attributable to slowing growth in the automotive industry. OEMs have scaled back plans for brand-new vehicle models with moderated demand for rapid hardware iteration. Instead, they placed greater emphasis on platform reuse, with more components carried over as platform parts onto new vehicle models. This shift reflected that the industry has entered a phase of in-depth consolidation. Fewer new projects do not imply lower shipment volumes; instead, it indicates heightened industry concentration, which benefits existing nominated projects by extending their lifecycles and increasing shipment volumes. The Group's nominated projects will also be more focused on leading automakers and flagship vehicle models. Within the industry, the Group still maintains a relatively advantageous position in terms of the number of newly nominated production-volume projects.

Within the automotive electronics business, the electric mobility segment demonstrated outstanding performance, recognising a significant year-on-year revenue increase in the first half of 2026. With further increased revenue contribution, it has emerged as key momentum for the high-quality development of the Group. The thermal management segment, represented by smart thermal management actuators and PTC controllers, further consolidated its market position, with revenue remaining stable. The smart mobility segment maintained steady growth despite temporarily intense competition within the industry. The Group will align with market trends and steadily advance its business development.

Electric Mobility

The Group's electric mobility segment primarily includes motor control units, power bricks and battery management systems. The core component "motor control unit power bricks" independently developed by the Group has reached the industry-leading level in key indicators such as power density, integration and reliability, and made technological breakthroughs in the application technology and control solutions of power semiconductors, creating distinct differentiation advantages compared with conventional power module solutions. Its higher integration characteristics helped customers reduce additional costs arising from system matching and deployment. As of the first half of 2026, the product remained in the ramp-up phase of mass production with ongoing capacity release. It was successful adopted by domestic high-end new energy vehicle manufacturers for mass supply.

During the Period under review, revenue from the business amounted to RMB992.6 million, accounting for 29.2% of total revenue, representing a year-on-year increase of 187%. The business maintained a rapid growth trajectory, and continued to achieve breakthroughs in areas such as product mass production and customer nomination. In the first half of 2026, the Group delivered an aggregate of 0.771 million units of passenger vehicle motor controller products (including power bricks and PCBA) to customers, supporting 0.393 million sets of motor control assemblies, including 0.134 million sets of power bricks.

As a key technological achievement for the Group in the automotive electronics sector, power bricks have effectively boosted the per-vehicle value and become one of the core driving forces for the Group's business growth in 2026. During the first half of the year, the Group undertook pilot production for 19 new power brick projects and secured 6 new nominations projects, cumulatively obtaining nomination projects from more than 10 end-user automakers. In the second half of the year, as production volumes for new vehicle models ramp up, revenue from electric mobility is expected to maintain robust growth.

With large-scale high-quality deliveries, the Group's market penetration continues to improve. According to Frost & Sullivan, the global penetration of power bricks in new energy vehicles is projected to reach 39.7%, with an estimated market size of RMB83.9 billion by 2030. The Group will take further steps in developing higher power density solutions to meet market demands and further leverage its service advantages in advanced solutions to further enhance market penetration.

Faced with intensifying industry competition in 2026 and higher automakers' expectations for integrated electric drive systems, traditional component-only suppliers are finding it increasingly difficult to satisfy OEMs' comprehensive requirements. Looking ahead, the Group will continue to increase R&D investment and optimise its product portfolio. Through technological innovation and deeper industry collaboration, the Group will cater to automakers' demand for highly efficient and reliable electric drive solutions, consolidate its competitive edge in the fiercely competitive market, and contribute to the technological evolution of electric drive architectures and the development of the industry.

Thermal Management

The Group's thermal management segment primarily includes controller products such as smart thermal management actuators, PTC controllers and compressor air conditioning controllers. In the field of thermal management controllers, the Group holds an industry-leading position. Looking back at the first half of 2026, the thermal management business recorded revenue of RMB217.0 million, accounting for 6.4% of total revenue, representing an increase of 2% compared with the same period last year. The Group's thermal management business has maintained steady growth.

Smart Mobility

During the Period under review, the smart mobility segment recorded revenue of RMB53.1 million, accounting for 1.6% of total revenue, representing an increase of 18% compared with the same period last year. In the first half of the year, the Group's smart mobility business saw growth in both revenue and shipment volume as products such as wireless fast-charging controllers scaled up production. In the second half of the year, growth is expected to continue as production of domain controllers for new customers ramps up. The Group will continue to strengthen technological R&D and scenario-based application and accelerate the application of chassis systems, ZCUs, wireless charging systems and other products by the market, enabling the business to develop in a healthy, sustainable and high-quality manner.

R&D AND GROUP DEVELOPMENT

R&D serves as the core driving force behind the Group's development strategy. Against the backdrop of accelerated advancements in electrification, intelligentisation and digital connectivity in the global automotive industry, the Group continuously consolidates its technological leadership and provides a solid foundation for enhancing market competitiveness, expanding market reach and driving business growth. In the first half of 2026, the Group proactively made continuous efforts in improving its R&D capabilities. By refining R&D teams and strengthening project management, we have maintained competitive edge. During the Period, the Group incurred R&D expenses of RMB274.7 million, representing a year-on-year increase of 25% and accounting for approximately 8.1% of the Group's total revenue.

As at 30 June 2026, the Group had 1,173 full-time R&D technicians, representing 73.2% of the total employees of the Group. During the same period, the Group held a total of 469 patents and 424 software copyrights, increasing by 49 and 55 respectively compared to the end of 2025. As of 30 June 2026, the Group had an aggregate of 262 patents under review, including 210 invention patents, 45 utility model patents and 7 design patents.

Power bricks are the Group's core products, representing a key focus of our R&D efforts. In the first half of 2026, we achieved large-scale shipments of frame-based potting SiC power module, with power ranging from 100 kW to 500 kW. These power bricks are compatible with both 400V and 800V high- and low-voltage platforms and are fully compatible with the entire lineup of models, including those with single-motor, dual-motor and P1-P3 range-extended configurations. To continuously improve performance and optimize costs, the Group has launched an integrated power brick based on plastic-encapsulated modules, reducing system stray inductance by more than 20% and effectively lowering manufacturing costs while enhancing product quality. In addition, the Group has achieved a breakthrough in the development of an embedded SiC inverter brick, which builds upon the integrated power brick design to deliver a further leap in performance and cost control: stray inductance has been significantly suppressed, and the amount of silicon carbide (SiC) wafers has been reduced by a quarter, further reducing system costs. Currently, the embedded SiC inverter brick has successfully passed the AQG324 automotive reliability certification and has entered the customer project testing phase. Mass production preparations are expected to be completed by 2027.

In the AIDC sector, during the first half of 2026, the Group actively collaborated with domestic computing chip manufacturers to develop corresponding computing card solutions, including power supply and storage solutions based on domestic chips, thereby achieving technical solution and business coverage across various mainstream computing platforms.

In the field of embodied intelligence, during the first half of 2026, the Group launched a 48V servo motor drive solution based on gallium nitride (GaN) technology. This solution can be easily embedded within embodied intelligence joints, end-effectors or mobile platforms, providing a key enabler for embodied intelligence OEMs to create compact, agile and smart embodied intelligence products. Targeting the broader Mobility market including embodied intelligence, AGVs, unmanned transport vehicles, special-purpose vehicles and mobile work platforms, the Group continues to expand the application boundaries of its computing platforms, thus establishing two platform-based product lines, the MCCU multimodal edge computing controller and the OPEN-ECU GDCU4xx. At the same time, in collaboration with Infineon, TASKING and Vector, the Group has released the DRIVECORE TC4 IT2 software solution, which is primarily aimed at applications such as the development of high-security-domain controllers and central computing platforms for highly reliable embodied intelligence and unmanned transport vehicle control platforms.

In the chassis sector, during the first half of 2026, the Group collaborated with global leading customers to develop controller systems such as steer-by-wire, and the high-voltage suspension system it developed is in the leading position domestically. At the same time, leveraging the Company's capabilities in semiconductor applications, it is accelerating the adoption of domestically produced semiconductors in chassis.

In the first half of 2026, regarding supporting testing and validation for mass delivery, the R&D testing and validation center continued to undertake and align with the Group's diverse testing and validation demand for electronic control products. Notably, testing demand for motor controllers and power bricks products has maintained rapid growth, and relevant testing technologies and equipment capabilities were quickly put in place. In the first half of 2026, the R&D testing and validation center saw the value of testing business undertaken within the Group increased by over 100.7% year-over-year, having completed approximately 80% of last year's total for the first half of the year; the number of testing assignments exceeded 460 orders, representing a 34.9% year-over-year increase, reflecting a significant rise in demand for R&D testing and validation.

In the first half of 2026, the Group further enhanced its R&D testing capabilities. The laboratory obtained various certifications and qualification upgrades, successfully passing audits conducted by leading industry clients. As a result, all tests for the ZCU project, including environmental, electrical performance, vibration and salt spray tests, can be completed in the Group's in-house laboratory.

Phase II of the Group's pilot production base for electronic control power bricks in Nantong, Jiangsu has commenced construction and is scheduled for commissioning within 2026. The project will expand and upgrade the existing manufacturing workshops and testing center, and further enhance high-end R&D and manufacturing capabilities for electronic control PCBA, power bricks and other components. Concurrently, a higher-standard laboratory will be constructed to provide strong support for continuous innovation and technological iteration. In the first half of 2026, the base successively introduced a variety of production and testing equipment and officially obtained certification for its electrostatic discharge protection management system.

SUPPLY CHAIN MANAGEMENT AND PRODUCT QUALITY CONTROL

Guided by the principle of "asset-light and research-focused", the Group primarily adopts an asset-light model for automotive electronics production, which accommodates the current rapid iteration in the automotive industry, enables flexibility in production capacity and avoids idle capacity. As the deepened integration of internet and automotive sectors in technology and marketing, accurately forecasting vehicle sales has become increasingly challenging. This model enables the Group to respond swiftly to shifts in customer demand during sales surges.

The Group implements full lifecycle process management for product delivery, ensuring in-depth control over the production process. The Group insists on process control by first achieving mass production of processes at the R&D pilot plants in Nantong and Wuxi before replicating them to mass production facilities. In the first half of 2026, the Group conducted pilot production of 19 new power brick projects and 204 new PCBA projects.

In the first half of 2026, the Group delivered 5.493 million automotive electronic products, representing a year-over-year increase of 46%. A total of 0.134 million sets of new power brick products were delivered, with end customers covering more than 10 leading original equipment manufacturers (OEMs) in the industry. Despite more volume of deliveries, the Group maintained exceptionally high product quality with a zero-mileage failure rate as low as 12.7 PPM (Parts Per Million), earning strong recognition from customers.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

In 2026, the Group continued to be guided by its "2030 Sustainability Vision" to comprehensively advance its environmental, social and governance ("**ESG**") initiatives. In terms of climate action, taking 2025 as the base year, the Group has established 2030 greenhouse gas ("**GHG**") (Scopes 1 and 2) emission reduction targets as a key foundation for its long-term climate strategy, while striving to align with industry best practices and regulatory requirements. At the same time, the Group continues to advance carbon reduction across the value chain, improve energy and carbon emissions data management, and, based on the 11 identified material emission categories in Scope 3, focus on key areas such as raw material procurement, logistics and transportation, product use and disposal, thereby gradually strengthening communication and collaboration with upstream and downstream partners in data collection, green procurement and collaborative emissions reduction. In the areas of green R&D, low-carbon product design and circular economy, the Group continues to integrate eco-design principles throughout the entire product lifecycle, and advance lightweight design, the use of renewable materials and product recyclability assessments, while reducing the testing time, mileage and energy consumption required for traditional vehicle road testing through AI-driven virtual testing, thereby further enhancing the efficiency, security and environmental benefits of autonomous driving R&D. Meanwhile, leveraging high-performance controllers, energy management and intelligent driving technologies, the Group continues to enhance the energy efficiency and safety performance of its solutions related to new energy vehicle, so as to provide technical support for the low-carbon transition of the new energy vehicle industry chain. The Group has performed steadily among multiple ESG rating agencies, including QuantData (rating: A), Lianhe Equator (rating: A), Sino-Securities Index (rating: BBB) and CCXGF (rating: BB), reflecting the Group's continuous efforts in ESG.

OUTLOOK

Starting from semiconductor solutions business, the Group has gradually expanded into the automotive electronics sector. From smart thermal management actuators and PTC controllers of lower per-vehicle value to MCU and BMS, and now power brick products, of higher per-vehicle value, the Group has achieved significant breakthroughs in per-vehicle value, propelling it onto a fast track of development.

In the first half of 2026, the domestic new energy vehicle market is challenged by factors such as the phase-out of purchase tax reductions for new energy vehicles. As time passed, the impact of the policy phase-out gradually subsided. According to data from the China Association of Automobile Manufacturers (CAAM), in June 2026, new energy vehicle sales rose 23.6% year-over-year. Specifically, domestic sales fell 0.4% year-over-year, being basically flat year-on-year, while overseas demand for new energy vehicles remains relatively robust, with export sales of new energy vehicles in June 2026 increasing 1.6 times year-over-year. Looking ahead to the second half of 2026, as domestic demand for new energy vehicles recovers, the industry is expected to return to a trend of stable growth.

The Group continues to deepen its relationships with all leading OEM customers. With the large-scale and mass delivery of self-developed core products such as power bricks, revenue from the Group's automotive electronics segment is expected to achieve steady growth. In terms of overseas market expansion, the Group will leverage the technological, manufacturing and customer service strengths accumulated in the domestic market to further accelerate its overseas expansion. Looking forward, the Group will focus on its core product portfolio, continue to increase resource allocation for overseas business and establish direct connections with overseas OEM customers, striving to secure more mass-production nomination projects for automotive electronic products.

A key technological and industrial advantage of the Group lies in the application of chips. Relying on this, the Group will continue to deepen collaboration with upstream chip manufacturers and expand the scope of cooperation in areas such as new energy vehicles, AIDC and embodied intelligence.

In the AIDC sector, the Group will seize the historic opportunity presented by domestic computing power. On one hand, it will solidify strategic partnerships with upstream OEMs through strategic collaborations and supply agreements; on the other hand, it will expand the scope of cooperation with downstream domestic server manufacturers. Leveraging the Group's expertise in high-voltage, high-power power electronics technologies such as 800V systems, SiC applications and 48V DC/DC, the Group extends collaboration from semiconductor solutions to product commercialisation, thereby continuously enhancing the Group's standing within the AIDC industry chain.

In the embodied intelligence sector, the Group will further intensify integration with upstream and downstream industrial partners. Making full use of the premium supply chain resources, stringent quality control systems and mass production capabilities in the automotive industry, and supported by the established automotive electronics ecosystem, the Group aims to implement scenario-based innovation and develop and launch more sophisticated and improved embodied intelligence controller products.

In the first half of 2026, the Group secured over 52 new mass-production nomination projects, including 11 for overseas nomination projects. These span the following areas and technologies:

- New energy vehicle motor control units (MCU)
- Power bricks
- Battery management systems (BMS)
- Thermal management technologies, including PTC heaters and actuators (pumps and fans, etc.)
- Advanced driver assistance systems (ADAS)
- Chassis systems
- Vehicle control units (VCU), zone control units (ZCU)

Looking ahead, the Group will continue to increase its resource investment in R&D to further consolidate its leading competitive edge in the industry. In this regard, the Group will focus on its domestic market and deepen its operations therein to lay a solid foundation for long-term development, while simultaneously accelerating the expansion of its global industrial footprint; in addition, leveraging its core technological advantages, the Group will drive steady business expansion, striving to achieve long-term sustainable growth and deliver greater investment value to its shareholders.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2026, our total revenue increased by 15% year-on-year to RMB 3,399.7 million (30 June 2025: RMB2,966.3 million). The change was primarily due to a significant increase in the automotive electronics business by 99% year-on-year. The electric mobility segment within the automotive electronics business demonstrated particularly strong growth, which increased by 187%.

The following table sets out the Group's revenue breakdown by segments during the period indicated:

	Six months ended 30 June		Year-on-year Percentage
	2026	2025	Change
	RMB'000	*RMB'000*	
– *Automobile*	***1,807,871***	*2,016,760*	*-10%*
– *Cloud servers*	***247,740***	*255,444*	*-3%*
– *Services & others*	***67,003***	*53,131*	*26%*
Semiconductor solutions business	**2,122,614**	2,325,335	-9%
– *Electric mobility*	***992,645***	*345,404*	*187%*
– *Thermal management*	***216,959***	*212,355*	*2%*
– *Smart mobility*	***53,059***	*45,039*	*18%*
– *Services & others*	***14,403***	*38,189*	*-62%*
Automotive electronics business	**1,277,066**	640,987	99%
Total	**3,399,680**	2,966,322	15%

Gross Profit and Gross Profit Margin

Gross profit for the six months ended 30 June 2026 decreased by 1% to RMB397.1 million as compared to the corresponding period last year. The Group's overall gross profit margin for the six months ended 30 June 2026 was 11.7% (for the six months ended 30 June 2025: 13.5%).

Other Income and Gains

The Group's other income and gains mainly included bank interest income, government grants and foreign exchange gains. For the six months ended 30 June 2026, other income and gains decreased by 4% to RMB18.4 million, mainly due to the lower bank interest income compared to the corresponding period last year.

Selling and Distribution Expenses

Selling and distribution expenses mainly consisted of salaries, benefits and equity-settled share option and award expenses for staff, travel and business entertainment expenses, marketing expenses, and administrative depreciation related costs. During the Period under review, the Group's selling and distribution expenses amounted to RMB51.7 million, representing an increase of 8% as compared to the corresponding period in 2025. The increase was mainly attributable to higher travelling expenses and sales personnel support for business growth.

Administrative Expenses

Administrative expenses mainly consisted of (a) R&D expenses; and (b) other administration expenses including salaries, benefits and equity-settled share option and award expenses for the management, administrative and financial personnel, administrative costs, travel expenses, depreciation expenses relating to property, plant and equipment used for administrative purposes, amortisation expenses for the management information systems, other taxes and levies.

During the Period under review, administrative expenses amounted to RMB297.6 million, representing an increase of 16% as compared to the corresponding period in 2025. In particular, (a) R&D expenses charged as administrative expenses amounting to RMB232.9 million, together with the amortisation of deferred development costs of RMB41.8 million charged to cost of sales, the total R&D expenses amounted to RMB274.7 million, accounting for 8.1% of revenue. The 25% increase in R&D expenses as compared with the corresponding period in 2025 was due to an increase in salaries for R&D staff, consumable expenses and contract manufacturing fee, and (b) other administrative expenses amounted to RMB64.7 million, representing an increase of 2% as compared to the corresponding period last year, which was mainly due to an increase in personnel expenses.

Other Expenses

Other expenses mainly consisted of losses on derivative instruments at fair value through profit or loss during the Period under review. These expenses amounted to RMB8.8 million during the Period under review, representing a decrease of 71% as compared to the corresponding period last year, which was mainly due to the appreciation of RMB against the USD resulting in a change of foreign exchange to net gain during the period from net loss in the corresponding period last year.

Finance Costs

During the Period under review, finance costs amounted to RMB33.0 million, representing a decrease of 39% as compared to the corresponding period in 2025, which was mainly due to the saving of interest payment of the Group.

Income Tax (Expense)/Credit

During the Period under review, the income tax expense amounted to RMB18.4 million, representing a fluctuation of 212% from an income tax credit of RMB16.5 million for the corresponding period in 2025, which was mainly attributable to a significant decrease of deferred tax asset being recognised during the period compared to the corresponding period in 2025.

Profit for the Period

During the Period under review, the Group's profit decreased by 87% from RMB48.0 million for the six months ended 30 June 2025 to RMB6.2 million for the six months ended 30 June 2026.

LIQUIDITY AND FINANCIAL RESOURCES

During the Period under review, the Group continued to maintain a satisfactory and healthy liquidity position. As at 30 June 2026, the Group had cash and cash equivalents of RMB569.4 million (31 December 2025: RMB489.6 million).

As at 30 June 2026, the Group recorded net current assets of RMB1,913.4 million (31 December 2025: RMB1,624.2 million). Capital expenditure for the first half of the year was RMB34.4 million, which was mainly used for the addition of R&D equipment and improvement of R&D infrastructures, facilitating multi-location R&D support and services to customers.

As at 30 June 2026, the gearing ratio of the Group was 54% (31 December 2025: 50%), which represents net debt divided by the equity attributable to owners of the parent plus net debt. Net debt includes interest-bearing bank and other loans, trade and notes payables, other payables and accruals, less cash and cash equivalents and pledged deposits.

As at 30 June 2026, the Group had outstanding bank loans amounting to RMB1,699.3 million (31 December 2025: RMB1,605.0 million).

As at 30 June 2026, certain of the Group's bank loans, letters of credit, letters of guarantee and notes payable are secured by pledges over certain of the Group's deposits amounting to RMB120.2 million (31 December 2025: RMB134.8 million). Save as disclosed above, no other Group's assets were charged to any financial institution.

INTERIM DIVIDEND

The directors of the Company (the "**Directors**") did not recommend the payment of a dividend by the Company for the Period under review (for the six months ended 30 June 2025: nil).

MATERIAL EVENTS AFTER THE REPORTING PERIOD

The Group has no significant events after the Period that need to be disclosed.

CAPITAL COMMITMENT

As at 30 June 2026, the Group had capital commitments contracted, but not provided for, amounting to RMB17.5 million (31 December 2025: RMB6.8 million).

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

During the Period under review, the Group did not have any significant investments, material acquisitions or disposals of subsidiaries, associates and joint ventures (31 December 2025: nil).

CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have significant contingent liabilities (31 December 2025: nil).

FOREIGN EXCHANGE EXPOSURE

The Group primarily operates in the PRC with a mixed currency revenue source. It is therefore exposed to foreign currency risk arising from fluctuations in exchange rates between the RMB and other currencies in which it conducts its business. The Group is subject to foreign currency risk attributable to its bank balances, trade and other receivables and payables as well as bank loans that are denominated in currencies other than the RMB. The Group seeks to limit its exposure to foreign currency risk by minimising its net foreign currency position. The Group also minimises losses caused by foreign exchange fluctuations through cost transfer by adjusting the prices offered to customers and considers supplementing foreign exchange forward contracts when necessary.

During the Period under review, the Group managed foreign currency exchange rate fluctuations by the aforesaid means to mitigate such exposure. The Group will closely monitor the change in foreign exchange rates to manage currency risks and consider necessary actions as required.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had 1,602 employees (30 June 2025: 1,340 employees). The Group's labour costs, including salaries, bonuses, pension and welfare, and equity-settled share option and award expenses, excluding Directors' and co-chief executives' remuneration, were RMB283.5 million, equivalent to 8.3% of the Group's revenue in the Period.

The Group provides attractive salary packages, including a competitive basic salary plus an annual performance bonus, as well as arranging ongoing special training for employees to facilitate their promotion within the organisation and enhance their loyalty to the Company. The Group's employees are subject to regular work performance appraisal to evaluate their promotion prospects and salary. The latter is decided with reference to market practice and the performance, qualifications and experience of the individual employee as well as the results of the Group.

As at 30 June 2026, the Group had a total of 46,005,000 and 21,960,000 outstanding share options granted to eligible employees under the share option scheme adopted on 22 June 2018 and under the share scheme adopted on 27 May 2024 respectively, to enhance attractiveness in compensation as well as motivation for employee performance. For details, please refer to the announcements of the Company dated 21 January 2019, 30 September 2020, 18 May 2021, 25 November 2022, 20 September 2023 and 1 June 2026, respectively.

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "**MPF Scheme**") under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for its employees in Hong Kong. The Group did not record any forfeited contribution from the MPF Scheme for the six months ended 30 June 2026 to reduce the existing level of contributions (for the year ended 31 December 2025: Nil).

The Group's employees in the PRC participate in various defined contribution schemes managed by local government authorities, pursuant to which the Group pays a stipulated percentage of payroll costs as contributions to the schemes. The Group has no obligation to pay further contributions, and no forfeited contributions were available to the Group to reduce the existing level of contributions.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The shares of the Company (the "**Share(s)**") were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 12 July 2018 with net proceeds received by the Company from the Global Offering (as defined in the prospectus of the Company dated 29 June 2018 (the "**Prospectus**")) amounted to HK$766.7 million (equivalent to RMB655.4 million), after deducting the underwriting fees, commissions and all related expenses (the "**Net Proceeds**").

As disclosed in the announcement of the Company dated 12 July 2019, having reassessed the funding needs for the enhancement of the Group's overall R&D infrastructure, the board of Directors (the "**Board**") has resolved to amend the proposed use of part of the Net Proceeds originally allocated for the enhancement of the Group's R&D infrastructure by investing in and acquiring testing and other equipment, and technology software to accelerate the Group's solutions development cycle and thus increase exposure of the Group's solutions to customers to enhancement of the Group's R&D infrastructure by (i) investing in and acquiring testing and other equipment, and technology software to accelerate the Group's solution development cycle and thus increase exposure of the Group's solutions to customers; and (ii) investing in, acquiring and renovating properties for R&D purposes.

During the Period, the Net Proceeds were used for purposes consistent with the section headed "Future Plans and Use of Proceeds" as set out in the Prospectus and the announcement of the Company dated 12 July 2019.

Details of the planned applications for the Net Proceeds, actual usage of the Net Proceeds up to 30 June 2026 and the expected timeframe for utilising the remaining unused Net Proceeds are set out below:

Use of Proceeds	**Planned Applications** (RMB million)	**Percentage of Total Net Proceeds** (%)	**Unutilised Net Proceeds brought forward from 31 December 2025** (RMB million)	**Proceeds Utilised during the six months ended 30 June 2026** (RMB million)	**Actual Usage up to 30 June 2026** (RMB million)	**Unutilised Net Proceeds as at 30 June 2026** (RMB million)	**Expected Timeframe for Utilising the Remaining Unused Net Proceeds**
1. For the expansion of R&D capabilities	196.6	30	0	0	196.6	0	N/A
2. For the enhancement of R&D infrastructure	196.6	30	0	0	196.6	0	N/A
3. For the acquisition of R&D capabilities	196.6	30	46.8	0	149.8	46.8	Expected to be fully utilised by end of 2027*
4. General working capital	65.6	10	0	0	65.6	0	N/A
Total	655.4	100	46.8	0	608.6	46.8	

* As disclosed in the 2024 annual report, after considering the recent global and domestic economic environment and the associated uncertainty, the expected timeframe for utilising the remaining unused net proceeds was extended to the end of 2025. As disclosed in the 2025 interim report, the expected timeframe was further extended to the end of 2026, as more time is required to select and identify suitable potential investees. The expected timeframe was further extended to the end of 2027, as more time is required to select and identify suitable potential investees.

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

The Company or any of its subsidiaries did not purchase, sell or redeem any of its listed securities (including sale of treasury shares) during the Period under review.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, the following persons (other than the interests of the Directors or chief executive of the Company as disclosed below) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "**SFO**") or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of Shareholders	Nature of Interest	Number of Securities Held[1]	Approximate Shareholding Percentage (%)
Magnate Era Limited ("**Magnate Era**")[2, 3, 6 & 8]	Beneficial owner	525,000,000 (L)	48.26%
Treasure Map Ventures Limited ("**Treasure Map**")[2, 5 & 6]	Beneficial owner	75,000,000 (L)	6.89%
Heroic Mind Limited ("**Heroic Mind**")[2, 7 & 8]	Beneficial owner	75,000,000 (L)	6.89%
Zenith Benefit Investments Limited ("**Zenith Benefit**")[2, 4, 6 & 8]	Beneficial owner	43,970,000 (L)	4.04%

Notes:

1. The letter "L" denotes the long position of the Shares.
2. Magnate Era, Treasure Map, Heroic Mind and Zenith Benefit are corporate controlling shareholders (as defined under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**")) of the Company.
3. Magnate Era is beneficially owned by both Mr. Luk Wing Ming ("**Mr. Luk**") and Mr. Chan Cheung Ngai ("**Mr. Chan**") in equal shares.
4. Zenith Benefit is beneficially owned by both Mr. Luk and Mr. Chan in equal shares.
5. Treasure Map is beneficially owned as to 100.0% by Mr. Luk.
6. As disclosed in Notes 3,4 and 5 above, Mr. Luk owned a 50.0% shareholding interest in Magnate Era, a 50.0% shareholding interest in Zenith Benefit and a 100.0% shareholding interest in Treasure Map. He is deemed to be interested in the entirety of 643,970,000 Shares directly held by the three aforesaid holding companies by virtue of the SFO.
7. Heroic Mind is beneficially owned as to 100.0% by Mr. Chan.
8. As disclosed in Notes 3, 4 and 7 above, Mr. Chan owned a 50.0% shareholding interest in Magnate Era, a 50.0% shareholding interest in Zenith Benefit and a 100.0% shareholding interest in Heroic Mind. He is deemed to be interested in the entirety of 643,970,000 Shares directly held by the three aforesaid holding companies by virtue of the SFO.

Save as disclosed above, as at 30 June 2026, the Company is not aware of any other person or corporation (other than Directors or chief executive of the Company) who had or are taken to have an interest or a short position in the Shares and underlying Shares of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of Part XV of the SFO.

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

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company in the Shares and underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transaction by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules, and Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) are as follows:

a) Long position in ordinary Shares

Name of Shareholders	Nature of Interest	Number of Securities Held[1]	Approximate Shareholding Percentage (%)
Mr. Luk[2]	Interest of controlled corporations	643,970,000 (L)	59.20%
Mr. Chan[3]	Interest of controlled corporations	643,970,000 (L)	59.20%
Ms. Zhang Dan[4]	Interest of spouse	643,970,000 (L)	59.20%
Ms. Zhang Hui[5]	Interest of spouse	643,970,000 (L)	59.20%
Mr. Chan Ming	Beneficial owner	3,200,000 (L)	0.29%
Mr. Ng Ming Chee	Beneficial owner	2,260,000 (L)	0.21%
Mr. Tsui Yung Kwok	Beneficial owner	40,000 (L)	0.00%
Mr. Jiang Yongwei	Beneficial owner	40,000 (L)	0.00%

Notes:

1. The letter "L" denotes the long position of the Shares.

2. Mr. Luk owned a 50.0% shareholding interest in Magnate Era, a 50.0% shareholding interest in Zenith Benefit and a 100.0% shareholding interest in Treasure Map. He is deemed to be interested in the entirety of 643,970,000 Shares directly held by the three aforesaid holding companies by virtue of the SFO.

3. Mr. Chan owned a 50.0% shareholding interest in Magnate Era, a 50.0% shareholding interest in Zenith Benefit and a 100.0% shareholding interest in Heroic Mind. He is deemed to be interested in the entirety of 643,970,000 Shares directly held by the three aforesaid holding companies by virtue of the SFO.

4. Ms. Zhang Dan is the spouse of Mr. Luk. Ms. Zhang Dan is deemed to be interested in the entirety of the 643,970,000 Shares in which Mr. Luk is interested in virtue of the SFO.

5. Ms. Zhang Hui is the spouse of Mr. Chan. Ms. Zhang Hui is deemed to be interested in the entirety of the 643,970,000 Shares in which Mr. Chan is interested in virtue of the SFO.

b) Long position in underlying Shares – share options

The following Directors of the Company have personal interests in options to subscribe to the Shares of the Company:

Name	Date of grant	Exercisable period	Number of Share Options						
			Balance as at 1 January 2026	Granted during the Period	Exercised during the Period	Lapsed/ Forfeited during the Period	Cancelled during the Period	Balance as at 30 June 2026	Exercise price per Share HK$
Chan Ming	18 May 2021	1 June 2022 to 31 May 2028	200,000	–	–	–	–	200,000	4.25
Ng Ming Chee	18 May 2021	1 June 2022 to 31 May 2028	160,000	–	–	–	–	160,000	4.25
Jiang Yongwei	18 May 2021	1 June 2022 to 31 May 2028	40,000	–	–	–	–	40,000	4.25
Tsui Yung Kwok	18 May 2021	1 June 2022 to 31 May 2028	40,000	–	–	–	–	40,000	4.25

Save as disclosed above, as at 30 June 2026, none of the Directors or the chief executives of the Company or any of their respective associates had any interests and short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under Section 352 of Part XV of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme on 22 June 2018 (the "**2018 Share Option Scheme**") for the purpose of recognising and acknowledging the contributions of certain eligible participants had or may have made to the Group whose contributions are or will be beneficial to the performance, growth or success of the Group.

The 2018 Share Option Scheme has been terminated with effect from 27 May 2024 (the "**Termination Date**") by way of an ordinary resolution at the 2024 annual general meeting. Since the Termination Date, no further options can be granted under the 2018 Share Option Scheme, and there were 73,944,550 outstanding share options granted but not yet exercised under the 2018 Share Option Scheme as at the Termination Date. As at 30 June 2026, there were 46,005,000 outstanding share options under the 2018 Share Option Scheme.

As at the beginning and the end of the Period, there was no option available for grant under the scheme mandate of the 2018 Share Option Scheme.

Pursuant to the amendments to Chapter 17 of the Listing Rules in relation to share schemes of listed issuers that came into effect on 1 January 2023, the Board resolved to adopt a new share scheme (the "**2024 Share Scheme**") in compliance with the new Chapter 17 of the Listing Rules. For details, please refer to the announcement of the Company dated 20 March 2024, and the circular of the Company dated 24 April 2024. The 2024 Share Scheme was approved by the Shareholders at the annual general meeting of the Company held on 27 May 2024. During the Period, 21,960,000 share options have been granted under the 2024 Share Scheme.

As at the beginning and the end of the Period, the number of options and awards available for grant under the scheme mandate of the 2024 Share Scheme was 108,783,840 and 86,823,840, respectively. No service provider sublimit has been authorised under the 2024 Share Scheme.

The details of the exercise price and number of options outstanding during the Period which have been granted to, exercised and cancelled by the eligible participants under the 2018 Share Option Scheme and the 2024 Share Scheme are as follows:

			Number of Share Options						
Category	**Date of grant**	**Exercisable period**	**Balance as at 1 January 2026**	**Granted during the Period**	**Exercised during the Period**	**Lapsed/ Forfeited during the Period**	**Cancelled during the Period**	**Balance as at 30 June 2026**	**Exercise price per Share** HK$
Executive Directors[11]	18 May 2021[3]	1 June 2022 to 31 May 2028[4]	360,000	–	–	–	–	360,000	4.25
Independent non-executive Directors[11]	18 May 2021[3]	1 June 2022 to 31 May 2028[4]	80,000	–	–	–	–	80,000	4.25
Employees	30 September 2020[1]	1 October 2021 to 30 September 2027[2]	2,850,000	–	–	250,000	–	2,600,000	2.810
	18 May 2021[3]	1 June 2022 to 31 May 2028[4]	19,225,000	–	–	640,000	–	18,585,000	4.25
	25 November 2022[5]	1 December 2023 to 30 November 2029[6]	9,820,000	–	–	540,000	–	9,280,000	4.324
	20 September 2023[7]	1 October 2024 to 30 September 2030[8]	15,620,000	–	–	520,000	–	15,100,000	3.364
	1 June 2026[9]	1 June 2027 to 1 June 2030[10]	–	21,960,000	–	–	–	21,960,000	1.86
Total			47,955,000	21,960,000	–	1,950,000	–	67,965,000	

Notes:

1) The closing price of the Shares immediately before the grant of share options on 30 September 2020 was HK$2.81.

2) The Granted Options shall be vested to the grantees in accordance with the vesting schedule as follows: (i) as to 25% of the total number of Granted Options on 1 October 2021; (ii) as to 25% of the total number of Granted Options on 1 October 2022; (iii) as to 25% of the total number of Granted Options on 1 October 2023; and (iv) as to 25% of the total number of Granted Options on 1 October 2024. Once vested, the Granted Options shall be exercisable on a cumulative basis.

3) The closing price of the Shares immediately before the grant of share options on 18 May 2021 was HK$4.25.

4) The Granted Options shall be vested to the grantees in accordance with the vesting schedule as follows: (i) as to 25% of the total number of Granted Options on 1 June 2022; (ii) as to 25% of the total number of Granted Options on 1 June 2023; (iii) as to 25% of the total number of Granted Options on 1 June 2024; and (iv) as to 25% of the total number of Granted Options on 1 June 2025. Once vested, the Granted Options shall be exercisable on a cumulative basis.

5) The closing price of the Shares immediately before the grant of share options on 25 November 2022 was HK$4.25.

6) The Granted Options shall be vested to the grantees in accordance with the vesting schedule as follows: (i) as to 25% of the total number of Granted Options on 1 December 2023; (ii) as to 25% of the total number of Granted Options on 1 December 2024; (iii) as to 25% of the total number of Granted Options on 1 December 2025; and (iv) as to 25% of the total number of Granted Options on 1 December 2026. Once vested, the Granted Options shall be exercisable on a cumulative basis.

7) The closing price of the Shares immediately before the grant of share options on 20 September 2023 was HK$3.23.

8) The Granted Options shall be vested to the grantees in accordance with the vesting schedule as follows: (i) as to 25% of the total number of Granted Options on 1 October 2024; (ii) as to 25% of the total number of Granted Options on 1 October 2025; (iii) as to 25% of the total number of Granted Options on 1 October 2026; and (iv) as to 25% of the total number of Granted Options on 1 October 2027. Once vested, the Granted Options shall be exercisable on a cumulative basis.

9) The closing price of the Shares immediately before the grant of share options on 1 June 2026 was HK$1.86.

10) The Granted Options shall be vested to the grantees in accordance with the vesting schedule as follows: (i) 50% of the Share Options shall vest on the date of the first anniversary of the Date of Grant; and (ii) the remaining 50% of the Share Options so granted shall vest on the date of the second anniversary of the Date of Grant. Once vested, the Granted Options shall be exercisable on a cumulative basis.

11) Details of share options granted to the Directors are disclosed in the section headed "Directors' and chief executive's interests and short positions in Shares, underlying Shares and debentures of the Company or its associated corporations" above.

As at the date of this report, the total number of Shares available for issue upon exercise of all outstanding options already granted under the 2018 Share Option Scheme and the 2024 Share Scheme were 46,005,000 and 21,960,000, representing approximately 4.23% and 2.02% of the issued share capital of the Company, respectively.

The number of Shares that may be issued in respect of the options granted under the 2024 Share Scheme during the Period divided by the weighted average number Shares of the Company in issue for the Period is 2.02%.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance to safeguard the interests of its Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules as its own code of corporate governance. The Board is of the view that the Company has complied with all applicable code provisions of the CG Code during the Period under review, except for a deviation from the code provision C.2.1 of the CG Code that the roles of the chairman and chief executive should be separate and should not be performed by the same individual. Mr. Luk Wing Ming is our chairman and co-CEO, responsible for strategic development and business operations. The Board believes that this arrangement will improve the efficiency of our decision-making and execution process.

Further, the Group has put in place an appropriate check-and-balance mechanism through the Board and the independent non-executive Directors. In light of the above, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in the circumstances of the Group.

The Board will review the corporate governance structure and practices from time to time and shall make the necessary arrangements that the Board considers appropriate.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted written guidelines (the "**Written Guidelines**") in no less exacting terms than the Model Code as set out in Appendix C3 of the Listing Rules as its own code for securities transactions by the Directors.

Having made specific enquiries from all Directors, all of them have confirmed that they have complied with the Model Code and the Written Guidelines during the Period under review and as at the date of this report. No incident of non-compliance with the Written Guidelines by the employees who are likely to be in possession of inside information about the Company was noted by the Company.

SPECIFIC PERFORMANCE OBLIGATIONS OF CONTROLLING SHAREHOLDERS UNDER FACILITIES AGREEMENT

On 14 February 2023, the Company as borrower, and Intron Technology (China) Limited (the "**Guarantor**"), a direct wholly-owned subsidiary of the Company as guarantor, entered into a facilities agreement (the "**Facilities Agreement I**") with a syndicate of banks as lenders (collectively referred to as the "**Lenders I**") for a syndicated loan in the total principal amount of up to US$60,000,000 (the "**Facilities I**") subject to the terms and conditions of the Facilities Agreement I. The Facilities I have a final repayment date falling 36 months from the first drawdown date. Pursuant to the Facilities Agreement I, if Mr. Luk Wing Ming and Mr. Chan Cheung Ngai (the "**Ultimate Controlling Shareholders**") collectively do not or cease to (a) own beneficially, directly or indirectly, at least 51% of all the issued share capital (which are free from any security) in the Company or the Guarantor or (b) control the Company or the Guarantor; the Lenders I would be entitled to cancel the available commitment under the Facilities I and to declare that all amounts outstanding (including the loans and interest accrued) under the Facilities Agreement I shall immediately become due and payable.

For further details, please refer to the announcement of the Company dated 14 February 2023.

On 22 August 2025, the Company as borrower, and the Guarantor, entered into a facilities agreement (the "**Facilities Agreement II**") with a syndicate of banks as lenders (collectively referred to as the "**Lenders II**") for a syndicated loan in the total principal amount of US$90,000,000, with an accordion option to increase the aggregate principal amount to not exceeding US$120,000,000 (the "**Facilities II**") subject to the terms and conditions of the Facilities Agreement II. The Facilities II have a final repayment date falling 36 months from the first drawdown date. One of the purposes of the Facilities II is to fully refinance Facilities I. Pursuant to the Facilities Agreement II, if the Ultimate Controlling Shareholders collectively do not or cease to (a) own beneficially, directly or indirectly, at least 51% of all the issued share capital (which are free from any security) in the Company or the Guarantor or (b) control the Company or the Guarantor; the Lenders II would be entitled to cancel the available commitment under the Facilities II and to declare that all amounts outstanding (including the loans and interest accrued) under the Facilities Agreement II shall immediately become due and payable.

For further details, please refer to the announcement of the Company dated 22 August 2025.

As at the date of this report, Mr. Luk Wing Ming and Mr. Chan Cheung Ngai collectively own approximately 66% of the issued share capital of the Company.

As at the date of this report, the above specific performance obligations imposed on the Ultimate Controlling Shareholders under the Facilities Agreement II continue to exist.

AUDIT COMMITTEE REVIEW

The Company has established an Audit Committee which is accountable to the Board and the primary duties of which include the review and supervision of the Group's financial reporting process and internal control measures. For the Period under review, the Audit Committee comprised of three independent non-executive Directors, namely, Mr. Tsui Yung Kwok, Mr. Jiang Yongwei and Ms. Han Shuting. Mr. Tsui Yung Kwok serves as the chairman of the Audit Committee of the Company, who has the professional qualifications and experience in financial matters in compliance with the requirements of the Listing Rules.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters, including the review of the unaudited condensed consolidated interim financial statements of the Group for the Period under review. They considered that the unaudited interim financial statements of the Group for the Period under review were in compliance with the relevant accounting standards, rules and regulations and that appropriate disclosures were made.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	Unaudited Six months ended 30 June 2026 RMB'000	2025 RMB'000
REVENUE	5	**3,399,680**	2,966,322
Cost of sales		**(3,002,620)**	(2,565,276)
Gross profit		**397,060**	401,046
Other income and gains	5	**18,367**	19,177
Selling and distribution expenses		**(51,689)**	(47,995)
Administrative expenses		**(297,550)**	(256,328)
Other expenses		**(8,803)**	(30,674)
Finance costs	7	**(33,033)**	(53,841)
Share of profits and losses of associates		**302**	56
PROFIT BEFORE TAX	6	**24,654**	31,441
Income tax (expense)/credit	8	**(18,449)**	16,534
PROFIT FOR THE PERIOD		**6,205**	47,975
Attributable to:			
Owners of the parent		**7,233**	49,740
Non-controlling interests		**(1,028)**	(1,765)
		6,205	47,975
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted	10	**RMB0.66 cents**	RMB4.57 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
PROFIT FOR THE PERIOD	**6,205**	47,975
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**39,459**	17,499
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**39,459**	17,499
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the Company	**(28,596)**	(11,703)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	**(28,596)**	(11,703)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**10,863**	5,796
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**17,068**	53,771
Attributable to:		
Owners of the parent	**18,096**	55,536
Non-controlling interests	**(1,028)**	(1,765)
	17,068	53,771

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	11	**236,659**	243,898
Right-of-use assets		**37,173**	43,377
Other intangible assets	12	**505,091**	487,257
Investment in associates		**15,202**	14,900
Financial assets at fair value through profit or loss		**215,503**	227,910
Equity investment designated at fair value through other comprehensive income		**8,951**	8,951
Deferred tax assets		**172,916**	168,496
Advance payments for property, plant and equipment		**32,550**	31,818
Total non-current assets		**1,224,045**	1,226,607
CURRENT ASSETS			
Inventories	13	**1,045,993**	1,211,928
Trade and notes receivables	14	**2,679,098**	2,097,104
Contract assets		**1,316**	1,316
Prepayments, other receivables and other assets	15	**610,780**	554,028
Pledged deposits		**120,164**	134,782
Cash and cash equivalents	16	**569,354**	489,569
Total current assets		**5,026,705**	4,488,727
CURRENT LIABILITIES			
Trade and notes payables	17	**1,270,527**	740,203
Other payables and accruals	18	**673,129**	782,331
Derivative financial instruments		**1,206**	440
Interest-bearing bank and other loans	19	**1,069,587**	1,264,616
Lease liabilities		**17,299**	18,369
Tax payable		**81,577**	58,582
Total current liabilities		**3,113,325**	2,864,541
NET CURRENT ASSETS		**1,913,380**	1,624,186
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,137,425**	2,850,793

	Notes	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
NON-CURRENT LIABILITIES			
Lease liabilities		**7,659**	12,416
Government grants	20	**100**	220
Deferred tax liabilities		**4,583**	4,633
Interest-bearing bank and other loans	19	**629,743**	340,312
Total non-current liabilities		**642,085**	357,581
Net assets		**2,495,340**	2,493,212
EQUITY			
Equity attributable to owners of the parent			
Share capital	21	**9,249**	9,249
Reserves		**2,488,727**	2,485,571
		2,497,976	2,494,820
Non-controlling interests		**(2,636)**	(1,608)
Total equity		**2,495,340**	2,493,212

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the parent										
	Share capital RMB'000	Share premium* RMB'000	Share option and award reserve* RMB'000	Statutory surplus reserves* RMB'000	Capital reserve* RMB'000	Exchange fluctuation reserve* RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income* RMB'000	Retained profits* RMB'000	Total RMB'000	Non-controlling interest RMB'000	Total equity RMB'000
For the six months ended 30 June 2025 (unaudited)											
At 1 January 2025	9,249	946,917	93,563	34,245	25,825	16,902	2,851	1,350,274	2,479,826	1,440	2,481,266
Profit for the period	–	–	–	–	–	–	–	49,740	49,740	(1,765)	47,975
Other comprehensive income for the period:											
Exchange differences on translation of the Company	–	–	–	–	–	(11,703)	–	–	(11,703)	–	(11,703)
Exchange differences on translation of foreign operations	–	–	–	–	–	17,499	–	–	17,499	–	17,499
Total comprehensive income for the period	–	–	–	–	–	5,796	–	49,740	55,536	(1,765)	53,771
Transactions with non-controlling interests	–	–	–	–	(493)	–	–	–	(493)	14	(479)
Equity-settled share option and award arrangements	–	–	4,304	–	–	–	–	–	4,304	–	4,304
Final dividends declared and approved	–	–	–	–	–	–	–	(62,839)	(62,839)	–	(62,839)
At 30 June 2025	9,249	946,917	97,867	34,245	25,332	22,698	2,851	1,337,175	2,476,334	(311)	2,476,023
For the six months ended 30 June 2026 (unaudited)											
At 1 January 2026	**9,249**	**946,917**	**102,581**	**50,012**	**25,503**	**24,375**	**6,643**	**1,329,540**	**2,494,820**	**(1,608)**	**2,493,212**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,233**	**7,233**	**(1,028)**	**6,205**
Other comprehensive income for the period:											
Exchange differences on translation of the Company	**-**	**-**	**-**	**-**	**-**	**(28,596)**	**-**	**-**	**(28,596)**	**-**	**(28,596)**
Exchange differences on translation of foreign operations	**-**	**-**	**-**	**-**	**-**	**39,459**	**-**	**-**	**39,459**	**-**	**39,459**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**10,863**	**-**	**7,233**	**18,096**	**(1,028)**	**17,068**
Equity-settled share option and award arrangements	**-**	**-**	**2,316**	**-**	**-**	**-**	**-**	**-**	**2,316**	**-**	**2,316**
Dividends declared and approved	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(17,256)**	**(17,256)**	**-**	**(17,256)**
At 30 June 2026	**9,249**	**946,917**	**104,897**	**50,012**	**25,503**	**35,238**	**6,643**	**1,319,517**	**2,497,976**	**(2,636)**	**2,495,340**

* These reserve accounts comprise the consolidated reserves of RMB2,488,727,000 (31 December 2025: RMB2,485,571,000) in the consolidated statement of financial position.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Unaudited Six months ended 30 June	
	2026 **RMB'000**	2025 RMB'000
OPERATING ACTIVITIES		
Net cash flows from operating activities	**68,203**	198,711
INVESTING ACTIVITIES		
Purchases of items of property, plant and equipment	**(25,527)**	(11,448)
Additions to other intangible assets	**(64,306)**	(52,387)
Purchase of financial assets at fair value through profit or loss	**–**	(5,000)
Other investing cash flows	**4,439**	3,301
Net cash flows used in investing activities	**(85,394)**	(65,534)
FINANCING ACTIVITIES		
Net proceeds from bank and other loans	**86,028**	(397,446)
Decrease in pledged deposits	**1,664**	35,967
Other financing cash flows (net)	**(9,966)**	(10,312)
Net cash flows from/(used in) financing activities	**77,726**	(371,791)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**60,535**	(238,614)
Effect of foreign exchange rate changes, net	**19,250**	891
Cash and cash equivalents at beginning of period	**489,569**	916,208
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**569,354**	678,485

1. GENERAL INFORMATION

Intron Technology Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") are focusing on developing automotive components engineering solutions for key automotive manufacturers in China. The Company is a limited liability company incorporated in the Cayman Islands on 3 January 2017.

2. BASIS OF PRESENTATION

The Group's unaudited condensed consolidated interim financial statements ("**Financial Statements**") for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosure requirements of Appendix D2 to the Listing Rules.

These Financial Statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

These Financial Statements have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, investments in associates and derivative financial instruments which have been measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of these Financial Statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following new and revised Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations)issued by the HKICPA for the first time for the current periods' financial information.

Amendments to HKFRS9 and HKFRS7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS9 and HKFRS7	Contracts Referencing Nature-dependent Electricity
Annual Improvements to HKFRS Accounting Standard – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The new and revised standards had no significant financial impact on these Financial Statements. The Group has not applied any new and revised standard that is not yet effective for the current accounting period.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on its products and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

(a) Revenue from external customers

	Unaudited Six months ended 30 June	
	2026 **RMB'000**	2025 RMB'000
Hong Kong	**45,501**	197,777
Chinese mainland	**3,349,500**	2,756,785
Other countries/regions	**4,679**	11,760
	3,399,680	2,966,322

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

(b) Non-current assets

	As at **30 June** **2026** **(unaudited)** **RMB'000**	As at 31 December 2025 (audited) RMB'000
Hong Kong	**8,164**	9,100
Chinese mainland	**817,347**	811,237
Other countries/regions	**1,164**	913
	826,675	821,250

The non-current asset information above is based on the locations of the assets and excludes deferred tax assets, financial assets at fair value through profit or loss and equity investment designated at fair value through other comprehensive income.

4. OPERATING SEGMENT INFORMATION (CONTINUED)

Information about major customers

Revenue from a major customer accounted for 10% or more of the Group's revenue, as set out below:

	Unaudited Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Customer 1	**372,573**	N/A*

* The corresponding revenue of the customer is not disclosed as the revenue individually did not account for 10% or more of the Group's revenue for the period.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue, other income and gains is as follows:

		Unaudited Six months ended 30 June	
		2026 RMB'000	2025 RMB'000
(i)	**Revenue from contracts with customers**		
	At a point in time		
	– Sale of products	**3,391,132**	2,932,332
	– Rendering of consulting services	**8,548**	33,990
		3,399,680	2,966,322
(ii)	**Other income**		
	Government grants*	**11,457**	7,664
	Bank interest income	**3,272**	6,135
	Dividend income from financial assets at fair value through profit or loss	**–**	550
	Foreign exchange gains, net	**3,497**	–
	Others	**141**	647
	Total other income	**18,367**	14,996
(iii)	**Gains**		
	Gain on derivative instruments at fair value through profit or loss	**–**	4,181
	Total other income and gains	**18,367**	19,177

* The amount represents grants received by the subsidiaries of the Company from the local government where they reside. There are no unfulfilled conditions and other contingencies relating to these grants.

6. PROFIT BEFORE TAX

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

	Unaudited	
	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Cost of inventories sold	**2,996,839**	2,539,342
Cost of services provided	**5,781**	25,934
Depreciation of property, plant and equipment	**31,492**	29,418
Depreciation of right-of-use assets	**10,344**	11,447
Amortisation of patents and software*	**5,199**	5,315
Research and development costs:		
Deferred expenditure amortised*	**41,786**	26,741
Current period expenditure	**232,868**	193,128
	274,654	219,869
Lease payments not included in the measurement of lease liabilities	**2,868**	2,991
Government grants	**(11,457)**	(7,664)
Bank interest income	**(3,272)**	(6,135)
Foreign exchange (gains)/losses, net	**(3,497)**	30,401
Employee benefit expense		
(excluding directors' and co-chief executives' remuneration):		
Wages and salaries	**225,722**	202,220
Equity-settled share option and award expense	**2,316**	4,239
Pension scheme contributions***	**48,895**	42,513
Staff welfare expenses	**6,607**	3,466
Less: Amount capitalised	**(45,479)**	(32,388)
	238,061	220,050
Write-down of inventories to net realizable value**	**20,424**	30,683

* The amortisation of patents and software for the period is included in "Administrative expenses" and the amortization of deferred development costs for the period is included in "Cost of sales" in the consolidated statement of profit or loss.

** Write-down of inventories to net realisable value is included in "Cost of sales" in the consolidated statement of profit or loss.

*** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Unaudited Six months ended 30 June	
	2026 **RMB'000**	2025 RMB'000
Interest on bank borrowings	**26,088**	40,465
Interest on discounted notes receivable	**6,459**	12,807
Interest on lease liabilities	**486**	569
	33,033	53,841

8. INCOME TAX

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

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly is not subject to income tax in the Cayman Islands. The Company has registered with the Company Registry in Hong Kong on 22 December 2017 and recorded an interest income during the period. Since the provision of credit of the loan was in Hong Kong, the interest income received is subject to Hong Kong Profits Tax.

Pursuant to the relevant tax law of the Hong Kong Special Administrative Region, Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (2025: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2025: 8.25%) and the remaining assessable profits are taxed at 16.5% (2025: 16.5%).

The provision for current income tax in Chinese mainland is based on a statutory tax rate of 25% of the assessable profits of the PRC subsidiaries of the Group as determined in accordance with the PRC Corporate Income Tax Law.

Shanghai Intron Electronics Company Limited, Shanghai G-Pulse Electronics Technology Company Limited, Wuxi Maxdone Electronics Technology Company Limited, Shenzhen Intron Electronics Company Limited and Shanghai Qingheng Automotive Electronics Company Limited are qualified as High and New Technology Enterprises and are subject to a preferential income tax rate of 15% (2025: 15%) during the period. Certain subsidiaries of the Group are qualified as Small and Micro Enterprises and are subject to a preferential tax rate of 5%-25% (2025: 5%-25%) during the period.

8. INCOME TAX (CONTINUED)

	Unaudited Six months ended 30 June 2026 RMB'000	Unaudited Six months ended 30 June 2025 RMB'000
Current – Chinese mainland		
Charge for the period	**12**	350
Current – Elsewhere		
Charge for the period	**22,857**	20,896
Deferred tax	**(4,420)**	(37,780)
Total tax expense/(credit) for the period	**18,449**	(16,534)

9. DIVIDENDS

The Directors did not recommend the payment of a dividend by the Company for the six months ended 30 June 2026.

On 26 May 2026, a final dividend for the year ended 31 December 2025 of HK1.82 cents per ordinary share (2024: HK6.3 cents), amounting to HK$19,799,000 (equivalent to RMB17,256,000), has been approved by the shareholders at the annual general meeting of the Company. The final dividend for the year ended 31 December 2025 was paid in July 2026 and is reflected as dividends payable in these Financial Statements.

10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,087,838,400 (six months ended 30 June 2025: 1,087,838,400) outstanding during the period.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares under the share option scheme.

No adjustment has been made to the basic earnings per share amount presented for the period in respect of a dilution as the exercise prices of the Company's outstanding share options were higher than the average market prices for the shares during the period.

10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (CONTINUED)

The calculation of the basic and diluted earnings per share is based on:

	Unaudited Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	**7,233**	49,740

	Unaudited Six months ended 30 June	
	2026 Number of shares	2025 Number of shares
Shares		
Weighted average number of ordinary shares in issue during the period	**1,087,838,400**	1,087,838,400

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired items of property, plant and equipment with a cost of RMB23,428,000 (six months ended 30 June 2025: RMB27,958,000). The Group also disposed of certain items of property, plant and equipment at the aggregate carrying amount of RMB1,020,000 (six months ended 30 June 2025: RMB57,000) during the period.

12. OTHER INTANGIBLE ASSETS

	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
Net book value at the beginning of the period/year	**487,257**	424,697
Additions – internal development	**53,825**	116,365
Additions – others	**10,994**	11,846
Amortization	**(46,985)**	(65,651)
Net book value at the end of the period/year	**505,091**	487,257

13. INVENTORIES

	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
Semiconductor devices and electronic components	**1,045,993**	1,211,928

14. TRADE AND NOTES RECEIVABLES

	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
Trade receivables	**2,428,203**	1,824,971
Notes receivable	**276,947**	293,775
	2,705,150	2,118,746
Impairment	**(26,052)**	(21,642)
	2,679,098	2,097,104

The Group's trading terms with its customers are mainly on credit. The credit period is generally within three months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over these balances. Trade receivables are non-interest-bearing.

Included in the Group's trade receivables are amounts due from the Group's related parties of RMB10,820,000 As at 30 June 2026 (31 December 2025: RMB19,025,000), which are repayable on credit terms similar to those offered to the other customers of the Group.

14. TRADE AND NOTES RECEIVABLES (CONTINUED)

The ageing analysis of trade receivables based on the invoice date and net of loss allowance is as follows:

	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
Less than 3 months	**2,255,667**	1,666,021
3 to 6 months	**103,203**	101,674
6 to 12 months	**23,241**	10,560
1 to 2 years	**12,083**	20,522
Over 2 years	**7,957**	4,552
	2,402,151	1,803,329

15. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
Prepayments	**552,070**	506,820
Prepaid expenses	**16,944**	11,812
Interest receivables	**552**	419
Other tax recoverable	**11,304**	13,787
Deposits and other receivables	**35,459**	27,406
	616,329	560,244
Impairment allowance	**(5,549)**	(6,216)
Total	**610,780**	554,028

16. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
Cash and bank balances	**569,354**	489,569
Pledged deposits	**120,164**	134,782
Subtotal	**689,518**	624,351
Less: Pledged deposits		
– Pledged for bank borrowings (note 19)	**(66,931)**	(68,596)
– Pledged for notes payable	**(18,193)**	(12,386)
– Pledged for letter of credit	**(35,040)**	(53,800)
Cash and cash equivalents	**569,354**	489,569

17. TRADE AND NOTES PAYABLES

	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
Trade payables	**1,002,129**	607,415
Notes payables	**268,398**	132,788
	1,270,527	740,203

17. TRADE AND NOTES PAYABLES (CONTINUED)

An ageing analysis of the trade payables based on the invoice date is as follows:

	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
Less than 3 months	**939,504**	361,762
3 to 6 months	**55,955**	244,049
6 to 12 months	**5,149**	660
1 to 2 years	**672**	737
Over 2 years	**849**	207
	1,002,129	607,415

The trade payables are non-interest-bearing and are normally settled within three months.

18. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
Other payables	**487,098**	558,234
Dividends payable	**17,198**	–
Taxes payable other than corporate income tax	**62,761**	52,249
Payroll and welfare payable	**52,703**	113,261
Contract liabilities	**51,230**	54,799
Payables for purchase of property, plant, equipment and other intangible assets	**2,139**	3,788
	673,129	782,331

Other payables are non-interest-bearing and repayable on demand.

19. INTEREST-BEARING BANK AND OTHER LOANS

The Group's bank borrowings and other loans are repayable as follows:

	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
Within 1 year or on demand	**1,069,587**	1,264,616
Between 1 and 2 years	**139,943**	63,952
Between 2 and 5 years	**489,800**	276,360
	1,699,330	1,604,928
Less: Non-current portion	**(629,743)**	(340,312)
Current Portion	**1,069,587**	1,264,616

Note:

Certain of the Group's bank loans are secured by the pledges over certain of the Group's deposits amounting to RMB66,931,000 As at 30 June 2026 (31 December 2025: RMB68,596,000) and are guaranteed by the intercompany of the Group.

20. GOVERNMENT GRANTS

	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
Non-current	**100**	220

The grants related to the subsidies received from the government for the purpose of compensation for expenses arising from research and development and improvement of manufacturing facilities on certain special projects. Upon completion of the related projects and having passed the final assessment of the relevant government authorities, the grants related to the expense items would be recognised as other income directly in the statements of profit or loss and the grants related to an asset would be released to the statement of profit or loss over the expected useful life of the relevant asset.

21. SHARE CAPITAL

	Number of shares	Nominal value HK$'000
Authorised:		
Ordinary shares of HK$0.01 each		
At 31 December 2025 and 30 June 2026 (unaudited)	**2,400,000,000**	24,000
		RMB'000
Issued and fully paid:		
Ordinary shares of HK$0.01 each		
At 31 December 2025, 1 January 2026 and 30 June 2026 (unaudited)	**1,087,838,400**	9,249

22. PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's bank and other loans are included in note 19 to these Financial Statements.

23. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	As at 30 June 2026 (unaudited) RMB'000	As at 31 December 2025 (audited) RMB'000
Contracted, but not provided for:		
Patents, plant and machinery	**17,478**	6,750

24. MATERIAL RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in these Financial Statements, the Group had the following transactions with related parties for the period:

	Unaudited Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Sales of products and services to:		
Moshi Automatic Technology (Shanghai) Co., Ltd.*	**5,438**	7,350

* The sales of products to the related party were made according to the published prices and conditions offered to the major customers of the Group.

(b) Compensation of key management personnel of the Group:

	Unaudited Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Salaries, allowances and benefit in kind	**9,762**	9,762
Pension scheme contributions	**191**	164
Equity-settled share option and award expense	**13**	36
Total compensation paid to key management personnel	**9,966**	9,962

25. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

All the carrying amounts of the Group's financial instruments approximate to their fair values.

Management has assessed the fair value of cash and cash equivalents, pledged deposits, trade and note receivables, financial assets included in prepayment, other receivables and other assets, trade and note payables, financial liabilities included in other payables and accruals, and interest-bearing bank and other loans and lease liabilities approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the non-current portion of lease liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for lease liabilities as at the end of the reporting period were assessed to be insignificant.

The Group enters into derivative financial instruments with banks. Derivative financial instruments, such as forward currency contracts, are measured using a valuation technique similar to the forward pricing model, using present value calculation. The model incorporates various market observable inputs, including foreign exchange spot and forward rates and the discount factor. The carrying amounts of forward currency contracts are the same as their fair values.

The fair value of unlisted equity investments designated at fair value through other comprehensive income and designated as financial assets at fair value through profit and loss have been estimated using a market based valuation technique and discounted cash flow valuation technique.

The fair value of the notes receivable is classified as financial assets at fair value through other comprehensive income under HKFRS 9 as at 30 June 2026 has been calculated by discounting the expected future cash flows, which are the par values of the notes receivable. In addition, the notes receivable will mature within one year, and thus their fair values approximate to their carrying values.

25. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 June 2026

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Notes receivable	–	248,301	–	248,301
Equity investments designated at fair value through other comprehensive income	–	–	8,951	8,951
Financial assets at fair value through profit or loss	–	–	215,503	215,503
Total	–	248,301	224,454	472,755

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Notes receivable	–	224,559	–	224,559
Equity investments designated at fair value through other comprehensive income	–	–	8,951	8,951
Financial assets at fair value through profit or loss	–	–	227,910	227,910
Total	–	224,559	236,861	461,420

25. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (Continued)

Liabilities measured at fair value:

As at 30 June 2026

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Derivative financial instruments	–	1,206	–	1,206

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Derivative financial instruments	–	440	–	440

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2025: Nil).

By order of the Board
INTRON TECHNOLOGY HOLDINGS LIMITED
LUK WING MING
Chairman and executive Director

Hong Kong, 31 August 2026

As at the date of this report, the executive Directors are Mr. Luk Wing Ming, Mr. Chan Cheung Ngai, Mr. Chan Ming and Mr. Ng Ming Chee; and the independent non-executive Directors are Mr. Jiang Yongwei, Mr. Tsui Yung Kwok and Ms. Han Shuting.