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HUA HONG SEMICONDUCTOR LIMITED

華虹半導體有限公司

(Incorporated in Hong Kong with limited liability)

Stock Code (01347)

News Release

Reports 2025 Second Quarter Results

*All currency figures in this report are in US Dollars unless indicated otherwise.
The consolidated financial statements are prepared in accordance with HKFRS.*

Hong Kong Special Administrative Region of the People's Republic of China – August 7, 2025.

Hua Hong Semiconductor Limited (SEHK: 01347; SSE STAR MARKET: 688347) (the "Company"), a global, leading pure-play foundry, today announced its consolidated operational results for the quarter ending June 30, 2025.

Second Quarter 2025 Highlights (Unaudited)

- Revenue was US\$566.1 million, 18.3% over 2Q 2024 and 4.6% above 1Q 2025.
- Gross margin was 10.9%, 0.4 percentage point over 2Q 2024 and 1.7 percentage points above 1Q 2025.
- Net profit attributable to shareholders of the parent company was US\$8.0 million, 19.2% over 2Q 2024 and 112.1% above 1Q 2025.

Third Quarter 2025 Guidance

- We expect revenue to be approximately US\$620 million to US\$640 million.
- We expect gross margin to be in the range of 10% to 12%.

President's Message

Dr. Peng Bai, President and Executive Director of the Company, commented on the second quarter performance for 2025:

"Second quarter 2025 sales revenue for Hua Hong Semiconductor reached US\$566 million, in line with guidance, while gross margin stood at 10.9%, above guidance. Both sales revenue and gross margin showed sequential growth, with capacity utilization hitting a record high for recent quarters. Amidst global trade and foundry market fluctuations, the company focused on enhancing core competencies in products, processes, R&D, and supply chain management. Initial progress has been made in cost reduction and efficiency improvement, leading to continuous optimization of key operational metrics."

President Bai continued, "Facing a semiconductor market with demand fragmentation, we remain anchored to our specialty technology domain, striving for breakthroughs in key technology platforms to diversify our product portfolio. As the new 12-inch production line in Wuxi steadily ramps up capacity, the company will achieve comprehensive upgrades from capacity scale to technology capability. Regarding market strategy, we align with domestic and international strategic customers' needs while embracing an international and open business development approach to expand our global client base. Hua Hong Semiconductor will continue to actively deploy strategic initiatives in the future to solidify the company's leading position in the foundry industry."

Webcast/Conference Call Announcement

Date: Thursday, August 7, 2025

Time: 17:00 Hong Kong/Shanghai Time
05:00 EST

Presenters: Dr. Peng Bai, President and Executive Director
Mr. Daniel Wang, Executive Vice President and Chief Financial Officer

Webcast: The call will be webcast live with audio and slides at:
https://www.huahonggrace.com/html/ir_calendar.php or
<https://edge.media-server.com/mmc/p/pemdk6h6>
(Note: registration is required to access the webcast.)

Dial-in Details: Please register in advance of the conference using the link provided below. Upon registering, you will be provided with participant dial-in numbers and personal PIN.

<https://register-conf.media-server.com/register/BI1686ec5f75fa43e1a37307d2e98221ed>

Important Note: Before the meeting starts, you will need the personal PIN to join the call. Please check and save the confirmation email after registering. For security reasons, please do not share your personal PIN with anyone else.

Replay: A recording will be available for replay at the below website about 2 hours after the event and will be available for 12 months.

https://www.huahonggrace.com/html/ir_calendar.php

About the Company

Hua Hong Semiconductor Limited (Stock Code: 688347.SH/ 01347.HK) (the "Company") is a global leading pure-play foundry with specialty technologies which offers a diverse array of wafer foundry and supporting services to its customers, implementing "8-inch + 12-inch" and advanced "Specialty IC + Power Discrete" development strategies. The Company focuses on continuous innovation of specialty technologies, including embedded/standalone non-volatile memory (NVM), power discrete, analog & power management, and logic & RF, supporting applications in emerging areas, such as new energy vehicles, green energy, and the Internet of Things. Of special note is the Company's outstanding quality control system that satisfies the strict requirements of automotive chip manufacturing. The Company is a member of the Hua Hong Group, which is an industrial group in China that owns mainstream "8-inch + 12-inch" advanced IC manufacturing process technologies.

The Company operates three 8-inch wafer fabrication facilities in Shanghai Jinqiao and Shanghai Zhangjiang. In addition, the Company has built two global leading 12-inch wafer fabrication facilities devoted to specialty processes in Wuxi National Hi-Tech District, one of which is the world's first 12-inch power semiconductor foundry.

For more information, please visit: www.huahonggrace.com.

Summary of Operating Results
(Amounts in US\$ thousands, except for EPS and operating data)

	2Q 2025 (Unaudited)	2Q 2024 (Unaudited)	1Q 2025 (Unaudited)	YoY Change	QoQ Change
Revenue	566,065	478,524	540,937	18.3 %	4.6 %
Gross profit	61,611	50,063	49,997	23.1 %	23.2 %
Gross margin	10.9 %	10.5 %	9.2 %	0.4	1.7
Operating expenses	(97,917)	(90,328)	(97,110)	8.4 %	0.8 %
Other income / (loss) net	10,602	6,885	(8,294)	54.0 %	(227.8)%
Loss before tax	(25,704)	(33,380)	(55,407)	(23.0)%	(53.6)%
Income tax (expense) / credit	(7,097)	(8,368)	3,245	(15.2)%	(318.7)%
Loss for the period	(32,801)	(41,748)	(52,162)	(21.4)%	(37.1)%
Net profit margin	(5.8)%	(8.7)%	(9.6)%	2.9	3.8
Attributable to:					
Owners of the parent	7,952	6,673	3,750	19.2 %	112.1 %
Non-controlling interests	(40,753)	(48,421)	(55,912)	(15.8)%	(27.1)%
Earnings per share attributable to owners of the parent					
Basic	0.005	0.004	0.002	25.0 %	150.0 %
Diluted	0.005	0.004	0.002	25.0 %	150.0 %
Wafers shipped (in thousands 8" equivalent wafers)	1,305	1,106	1,231	18.0 %	6.0 %
Capacity utilization ¹	108.3 %	97.9 %	102.7 %	10.4	5.6
ROE ²	0.4 %	0.4 %	0.4 %	-	-

Second Quarter 2025

- *Revenue* was US\$566.1 million, 18.3% over 2Q 2024 and 4.6% over 1Q 2025, primarily driven by increased wafer shipments.
- *Gross margin* was 10.9%, 0.4 percentage point over 2Q 2024, primarily driven by improved capacity utilization and average selling price, partially offset by increased depreciation costs, and 1.7 percentage points above 1Q 2025, primarily driven by improved capacity utilization.
- *Operating expenses* were US\$97.9 million, 8.4% over 2Q 2024, primarily due to increased engineering wafer costs and depreciation expenses, and 0.8% over 1Q 2025.
- *Other income net* was US\$10.6 million, 54.0% over 2Q 2024, primarily driven by decreased foreign exchange losses and finance costs and increased government subsidies, partially offset by decreased interest income, and compared to other loss net of US\$8.3 million in 1Q 2025, primarily due to decreased foreign exchange losses and finance costs.
- *Income tax expense* was US\$7.1 million, 15.2% lower than 2Q 2024, primarily due to decreased taxable income.
- *Net loss for the period* was US\$32.8 million, compared to US\$41.7 million in 2Q 2024 and US\$52.2 million in 1Q 2025.
- *Net profit attributable to shareholders of the parent company* was US\$8.0 million, 19.2% over 2Q 2024 and 112.1% above 1Q 2025.
- *Basic earnings per share* was US\$0.005, 25.0% over 2Q 2024, and 150.0% over 1Q 2025.
- *ROE (annualized)* was 0.4%, flat with 2Q 2024 and 1Q 2025.

¹The capacity utilization is calculated based on average monthly equivalent wafers output divided by total estimated monthly capacity.

²Profit attributable to owners of the parent / weighted average net assets attributable to owners of the parent.

Analysis of Revenue

Revenue by service type	2Q 2025 US\$000 (Unaudited)	2Q 2025 % (Unaudited)	2Q 2024 US\$000 (Unaudited)	2Q 2024 % (Unaudited)	YoY Change US\$000	YoY Change %
Wafers	541,076	95.6 %	453,345	94.7 %	87,731	19.4 %
Others	24,989	4.4 %	25,179	5.3 %	(190)	(0.8)%
Total revenue	566,065	100.0 %	478,524	100.0 %	87,541	18.3 %

- 95.6% of total revenue was derived from the sale of semiconductor wafers in 2Q 2025.

Analysis of Revenue

Revenue by wafer size	2Q 2025 US\$000 (Unaudited)	2Q 2025 % (Unaudited)	2Q 2024 US\$000 (Unaudited)	2Q 2024 % (Unaudited)	YoY Change US\$000	YoY Change %
8" wafers	232,308	41.0 %	245,471	51.3 %	(13,163)	(5.4)%
12" wafers	333,757	59.0 %	233,053	48.7 %	100,704	43.2 %
Total revenue	566,065	100.0 %	478,524	100.0 %	87,541	18.3 %

- Revenues from 8" wafers and 12" wafers were US\$232.3 million and US\$333.8 million, respectively, in 2Q 2025.

Analysis of Revenue

Revenue by geography	2Q 2025 US\$000 (Unaudited)	2Q 2025 % (Unaudited)	2Q 2024 US\$000 (Unaudited)	2Q 2024 % (Unaudited)	YoY Change US\$000	YoY Change %
China ³	469,674	83.0 %	385,519	80.5 %	84,155	21.8 %
North America ⁴	53,007	9.4 %	46,829	9.8 %	6,178	13.2 %
Other Asia ⁵	28,647	5.0 %	29,003	6.1 %	(356)	(1.2)%
Europe	14,737	2.6 %	17,173	3.6 %	(2,436)	(14.2)%
Total revenue	566,065	100.0 %	478,524	100.0 %	87,541	18.3 %

- *Revenue from China* was US\$469.7 million, contributing 83.0% of total revenue and an increase of 21.8% compared to 2Q 2024, mainly driven by increased demand for other PMIC, super junction, analog, and logic products.
- *Revenue from North America* was US\$53.0 million, an increase of 13.2% compared to 2Q 2024, mainly driven by increased demand for other PMICs.
- *Revenue from Other Asia* was US\$28.6 million, a decrease of 1.2% compared to 2Q 2024.
- *Revenue from Europe* was US\$14.7 million, a decrease of 14.2% compared to 2Q 2024, mainly due to decreased demand for general MOSFET products.

³Includes Chinese Mainland and Hong Kong.

⁴Includes a major customer in US that was acquired by an Europe headquartered company in 2020.

⁵Includes Japan since 2Q 2025.

Analysis of Revenue

Revenue by technology platform	2Q 2025 US\$000 (Unaudited)	2Q 2025 % (Unaudited)	2Q 2024 US\$000 (Unaudited)	2Q 2024 % (Unaudited)	YoY Change US\$000	YoY Change %
Embedded NVM	141,158	24.9 %	137,126	28.7 %	4,032	2.9 %
Standalone NVM	27,603	4.9 %	23,675	4.9 %	3,928	16.6 %
Power Discrete	166,713	29.5 %	152,371	31.8 %	14,342	9.4 %
Logic & RF	68,589	12.1 %	63,487	13.3 %	5,102	8.0 %
Analog & PM	161,154	28.5 %	101,137	21.1 %	60,017	59.3 %
Others	848	0.1 %	728	0.2 %	120	16.5 %
Total revenue	566,065	100.0 %	478,524	100.0 %	87,541	18.3 %

- *Revenue from embedded NVM* was US\$141.2 million, an increase of 2.9% compared to 2Q 2024, mainly driven by increased demand for MCU products, partially offset by decreased demand for smart card ICs.
- *Revenue from standalone NVM* was US\$27.6 million, an increase of 16.6% compared to 2Q 2024, mainly driven by increased demand for flash products.
- *Revenue from power discrete* was US\$166.7 million, an increase of 9.4% compared to 2Q 2024, mainly driven by increased demand for super junction and general MOSFET products.
- *Revenue from logic & RF* was US\$68.6 million, an increase of 8.0% over 2Q 2024, mainly driven by increased demand for logic products.
- *Revenue from analog & power management* was US\$161.2 million, an increase of 59.3% over 2Q 2024, mainly driven by increased demand for other PMIC products.

Analysis of Revenue

Revenue by process technology node	2Q 2025 US\$000 (Unaudited)	2Q 2025 % (Unaudited)	2Q 2024 US\$000 (Unaudited)	2Q 2024 % (Unaudited)	YoY Change US\$000	YoY Change %
≤65nm	125,537	22.2 %	98,550	20.6 %	26,987	27.4 %
90nm & 95nm	145,447	25.7 %	95,285	19.9 %	50,162	52.6 %
0.11μm & 0.13μm	64,011	11.3 %	68,660	14.3 %	(4,649)	(6.8)%
0.15μm & 0.18μm	29,059	5.1 %	30,508	6.4 %	(1,449)	(4.7)%
0.25μm	1,174	0.2 %	2,436	0.5 %	(1,262)	(51.8)%
≥0.35μm	200,837	35.5 %	183,085	38.3 %	17,752	9.7 %
Total revenue	566,065	100.0 %	478,524	100.0 %	87,541	18.3 %

- Revenue from 65nm and below technology nodes was US\$125.5 million, an increase of 27.4% over 2Q 2024, mainly driven by increased demand for analog, logic and flash products.
- Revenue from the 90nm & 95nm technology nodes was US\$145.4 million, an increase of 52.6% over 2Q 2024, mainly driven by increased demand for other PMIC and MCU products.
- Revenue from the 0.11μm & 0.13μm technology nodes was US\$64.0 million, a decrease of 6.8% compared to 2Q 2024, mainly due to decreased demand for MCU and smart card ICs, partially offset by increased demand for logic products.
- Revenue from the 0.15μm & 0.18μm technology nodes was US\$29.1 million, a decrease of 4.7% compared to 2Q 2024.
- Revenue from the 0.25μm technology node was US\$1.2 million, a decrease of 51.8% compared to 2Q 2024, mainly due to decreased demand for discrete products.
- Revenue from the 0.35μm and above technology nodes was US\$200.8 million, an increase of 9.7% compared to 2Q 2024, mainly driven by increased demand for super junction, general MOSFET and other PMICs.

Analysis of Revenue

Revenue by end market distribution	2Q 2025 US\$000 (Unaudited)	2Q 2025 % (Unaudited)	2Q 2024 US\$000 (Unaudited)	2Q 2024 % (Unaudited)	YoY Change US\$000	YoY Change %
Consumer electronics	357,370	63.1 %	298,320	62.4 %	59,050	19.8 %
Industrial & automotive	129,150	22.8 %	110,643	23.1 %	18,507	16.7 %
Communications	71,638	12.7 %	59,486	12.4 %	12,152	20.4 %
Computing	7,907	1.4 %	10,075	2.1 %	(2,168)	(21.5)%
Total revenue	566,065	100.0 %	478,524	100.0 %	87,541	18.3 %

- *Revenue from consumer electronics*, our largest end market segment, contributed US\$357.4 million, reaching 63.1% of total revenue, an increase of 19.8% over 2Q 2024, mainly driven by increased demand for other PMIC, super junction, logic, and general MOSFET products.
- *Revenue from industrial & automotive* was US\$129.2 million, an increase of 16.7% compared to 2Q 2024, mainly driven by increased demand for MCU and other PMICs.
- *Revenue from communications* was US\$71.6 million, an increase of 20.4% compared to 2Q 2024, mainly driven by increased demand for analog products.
- *Revenue from computing* was US\$7.9 million, a decrease of 21.5% compared to 2Q 2024, mainly due to decreased demand for MCU, analog and logic products.

Capacity⁶ and Capacity Utilization

	2Q 2025 (Unaudited)	2Q 2024 (Unaudited)	1Q 2025 (Unaudited)
Total capacity (in thousands 8" equivalent wafers)	447	391	413
Overall capacity utilization	108.3%	97.9%	102.7%

- Monthly capacity was 447,000 8-inch equivalent wafers at the end of 2Q 2025. Overall capacity utilization was 108.3% in 2Q 2025, 5.6 percentage points over 1Q 2025.

Wafer Shipments

in thousands 8" equivalent wafers	2Q 2025 (Unaudited)	2Q 2024 (Unaudited)	1Q 2025 (Unaudited)	YoY Change	QoQ Change
Wafer shipments	1,305	1,106	1,231	18.0 %	6.0 %

- *Wafer shipments* were 1,305,000, an increase of 18.0% year over year, and 6.0% quarter over quarter.

⁶ Wafers per month at the end of the period, calculated on a 30-day basis for comparison purposes.

Operating Expenses Analysis

Amounts in US\$ thousands	2Q 2025 (Unaudited)	2Q 2024 (Unaudited)	1Q 2025 (Unaudited)	YoY Change	QoQ Change
Selling and distribution expenses	2,630	2,785	2,214	(5.6)%	18.8 %
Administrative expenses ⁷	95,287	87,543	94,896	8.8 %	0.4 %
Operating expenses	97,917	90,328	97,110	8.4 %	0.8 %

- *Operating expenses* were US\$97.9 million, 8.4% over 2Q 2024, primarily due to increased engineering wafer costs and depreciation expenses, and 0.8% over 1Q 2025.

Other Income / (Loss) Net Analysis

Amounts in US\$ thousands	2Q 2025 (Unaudited)	2Q 2024 (Unaudited)	1Q 2025 (Unaudited)	YoY Change	QoQ Change
Rental income	3,460	3,558	3,513	(2.8)%	(1.5)%
Interest income	15,294	29,787	15,619	(48.7)%	(2.1)%
Foreign exchange losses	(1,064)	(7,921)	(16,199)	(86.6)%	(93.4)%
Share of profit of associates	591	1,394	652	(57.6)%	(9.4)%
Finance costs	(18,250)	(24,847)	(23,301)	(26.6)%	(21.7)%
Government subsidies	9,866	4,778	11,231	106.5 %	(12.2)%
Others	705	136	191	418.4 %	269.1 %
Other income / (loss) net	10,602	6,885	(8,294)	54.0 %	(227.8)%

- *Other income net* was US\$10.6 million, 54.0% over 2Q 2024, primarily due to decreased foreign exchange losses and finance costs and increased government subsidies, partially offset by decreased interest income, and compared to other loss net of US\$8.3 million in 1Q 2025, primarily due to decreased foreign exchange losses and finance costs.

⁷Administrative expenses include government grants recognized as an offset item.

Cash Flow Analysis

Amounts in US\$ thousands	2Q 2025 (Unaudited)	2Q 2024 (Unaudited)	1Q 2025 (Unaudited)	YoY Change	QoQ Change
Net cash flows generated from operating activities	169,630	96,890	50,186	75.1 %	238.0 %
Net cash flows used in investing activities	(385,556)	(171,973)	(494,291)	124.2 %	(22.0)%
Net cash flows (used in) / generated from financing activities	(25,185)	416,148	59,137	(106.1)%	(142.6)%
Effect of exchange rate changes	8,076	(25,185)	5,771	(132.1)%	39.9 %
Net change in cash	(233,035)	315,880	(379,197)	(173.8)%	(38.5)%

- *Net cash flows generated from operating activities* was US\$169.6 million, 75.1% over 2Q 2024 and 238.0% above 1Q 2025, primarily due to increased receipts from customers.
- *Net cash flows used in investing activities* was US\$385.6 million, including US\$407.7 million investment in fixed assets and US\$2.8 million investment in an associate, partially offset by US\$19.4 million interest income and US\$5.5 million receipts of government grants of equipment.
- *Net cash flows used in financing activities* was US\$25.2 million, including US\$125.7 million of bank principal repayments, US\$38.6 million interest payments and US\$1.2 million lease payments, partially offset by US\$138.1 million proceeds from bank borrowings and US\$2.2 million proceeds from share option exercises.

Capital Structure

Amounts in US\$ thousands	30-Jun-2025 (Unaudited)	31-Mar-2025 (Unaudited)
Total assets	12,237,080	12,286,786
Total liabilities	3,363,437	3,406,124
Total equity	8,873,643	8,880,662
<i>Debt ratio⁸</i>	27.5%	27.7%

Capital Expenditures

Amounts in US\$ thousands	2Q 2025 (Unaudited)	1Q 2025 (Unaudited)
Hua Hong 8"	17,612	14,264
Hua Hong Wuxi	13,676	18,402
Hua Hong Manufacturing	376,440	478,185
Total	407,728	510,851

- *Capital expenditures* were US\$407.7 million in 2Q 2025, including US\$376.4 million for Hua Hong Manufacturing, US\$17.6 million for Hua Hong 8", and US\$13.7 million for Hua Hong Wuxi.

⁸ Debt ratio is calculated based on total liabilities / total assets.

Liquidity

Amounts in US\$ thousands	30-Jun-2025 (Unaudited)	31-Mar-2025 (Unaudited)
Properties under development	221,661	221,061
Inventories	513,434	468,597
Trade and notes receivables	264,329	286,763
Prepayments, other receivables and other assets	452,513	411,207
Due from related parties	14,360	16,520
Restricted and time deposits	31,756	31,669
Cash and cash equivalents	3,846,900	4,079,935
Total current assets	5,344,953	5,515,752
Trade payables	263,352	255,321
Other payables and accruals	716,648	759,177
Interest-bearing bank borrowings	341,313	329,972
Lease liabilities	5,839	7,543
Government grants	59,040	57,700
Due to related parties	8,560	12,724
Income tax payable	16,046	18,620
Total current liabilities	1,410,798	1,441,057
Net working capital	3,934,155	4,074,695
<i>Quick ratio</i>	3.3x	3.3x
<i>Current ratio</i>	3.8x	3.8x
Trade and notes receivables turnover days	44	46
Inventories turnover days	88	86

- *Inventories* increased from US\$468.6 million on 31 March 2025 to US\$513.4 million on 30 June 2025, mainly due to increased work- in-progress and finished goods of our new fab.
- *Prepayments, other receivables and other assets* increased from US\$411.2 million on 31 March 2025 to US\$452.5 million on 30 June 2025, mainly due to increased value-added tax credit.
- *Other payables and accruals* decreased from US\$759.2 million on 31 March 2025 to US\$716.6 million on 30 June 2025, mainly due to payments for capital expenditures.
- *Interest-bearing bank borrowings* increased from US\$330.0 million on 31 March 2025 to US\$341.3 million on 30 June 2025, mainly due to increased long term bank borrowings within one year.
- On 30 June 2025, *net working capital* was US\$3,934.2 million and the *current ratio* was 3.8.
- *Trade and notes receivables turnover days* were 44.
- *Inventories turnover days* were 88.

Please visit Company's website at www.huahonggrace.com
for further details regarding recent announcements.

Hua Hong Semiconductor Limited
Condensed Consolidated Statements of Profit or Loss
(In US\$ Thousands Except Share Data)

	For the Three Months Ended		
	30-Jun-2025 (Unaudited)	30-Jun-2024 (Unaudited)	31-Mar-2025 (Unaudited)
Revenue	566,065	478,524	540,937
Cost of sales	(504,454)	(428,461)	(490,940)
Gross profit	61,611	50,063	49,997
Other income and gains	29,353	38,259	30,563
Selling and distribution expenses	(2,630)	(2,785)	(2,214)
Administrative expenses	(95,287)	(87,543)	(94,896)
Other expenses	(1,092)	(7,921)	(16,208)
Finance costs	(18,250)	(24,847)	(23,301)
Share of profit of associates	591	1,394	652
Loss before tax	(25,704)	(33,380)	(55,407)
Income tax (expense) / credit	(7,097)	(8,368)	3,245
Loss for the period	(32,801)	(41,748)	(52,162)
Attributable to:			
Owners of the parent	7,952	6,673	3,750
Non-controlling interests	(40,753)	(48,421)	(55,912)
Earnings per share attributable to owners of parent			
Basic	0.005	0.004	0.002
Diluted	0.005	0.004	0.002
Shares used in calculating basic earnings per share attributable to owners of parent	1,726,241,791	1,716,917,408	1,721,931,435
Shares used in calculating diluted earnings per share attributable to owners of parent	1,731,895,843	1,720,532,998	1,728,142,630

Hua Hong Semiconductor Limited
Condensed Consolidated Statements of Financial Position (In US\$ Thousands)

	As of		
	30-Jun-2025 (Unaudited)	31-Mar-2025 (Unaudited)	30-Jun-2024 (Unaudited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6,101,971	5,967,555	3,750,176
Investment property	218,468	209,257	165,611
Right-of-use assets	66,002	76,359	80,629
Intangible assets	27,313	29,122	42,320
Investment in associates	144,421	140,650	141,036
Equity instruments designated at fair value through other comprehensive income	290,515	289,722	285,938
Long term prepayment	42,672	57,989	139,425
Deferred tax assets	765	380	629
Total non-current assets	6,892,127	6,771,034	4,605,764
CURRENT ASSETS			
Properties under development	221,661	221,061	207,151
Inventories	513,434	468,597	462,563
Trade and notes receivables	264,329	286,763	274,382
Prepayments, other receivables and other assets	452,513	411,207	75,761
Due from related parties	14,360	16,520	16,034
Restricted and time deposits	31,756	31,669	39,259
Cash and cash equivalents	3,846,900	4,079,935	6,423,866
Total current assets	5,344,953	5,515,752	7,499,016
CURRENT LIABILITIES			
Trade payables	263,352	255,321	246,206
Other payables and accruals	716,648	759,177	505,945
Interest-bearing bank borrowings	341,313	329,972	247,034
Lease liabilities	5,839	7,543	4,674
Government grants	59,040	57,700	39,359
Due to related parties	8,560	12,724	8,340
Income tax payable	16,046	18,620	19,038
Total current liabilities	1,410,798	1,441,057	1,070,596
NET CURRENT ASSETS	3,934,155	4,074,695	6,428,420
TOTAL ASSETS LESS CURRENT LIABILITIES	10,826,282	10,845,729	11,034,184
Non-current liabilities			
Interest-bearing bank borrowings	1,933,971	1,948,409	1,964,956
Lease liabilities	15,035	15,160	19,440
Deferred tax liabilities	3,633	1,498	4,892
Total non-current liabilities	1,952,639	1,965,067	1,989,288
Net assets	8,873,643	8,880,662	9,044,896
Equity and liabilities capital and reserves			
Share capital	4,960,855	4,957,182	4,935,470
Reserves	1,339,047	1,315,995	1,333,799
Equity attributable to the owners of the company	6,299,902	6,273,177	6,269,269
Non-controlling interests	2,573,741	2,607,485	2,775,627
Total equity	8,873,643	8,880,662	9,044,896

Hua Hong Semiconductor Limited
Condensed Consolidated Statement of Cash Flows (In US\$ Thousands)

	For the Three Months Ended		
	30-Jun-2025 (Unaudited)	30-Jun-2024 (Unaudited)	31-Mar-2025 (Unaudited)
Cash flows from operating activities:			
Loss before tax	(25,704)	(33,380)	(55,407)
Depreciation and amortization	179,658	136,881	172,126
Share of profit of associates	(591)	(1,394)	(652)
Changes in working capital and others	16,267	(5,217)	(65,881)
Net cash flows generated from operating activities	169,630	96,890	50,186
Cash flows from investing activities:			
Payments for property, plant and equipment and intangible assets	(407,728)	(196,830)	(510,851)
Investment in an associate	(2,794)	-	-
Other cash flow generated from investing activities	24,966	24,857	16,560
Net cash flows used in investing activities	(385,556)	(171,973)	(494,291)
Cash flows from financing activities:			
New bank loans	138,096	99,042	860,985
Proceeds from issue of shares	2,218	579	13,077
Repayment of bank borrowings	(125,677)	(87,530)	(811,156)
Interest paid	(38,623)	(49,800)	(3,252)
Payment of lease liabilities	(1,199)	(2,348)	(517)
Capital contribution from non-controlling interests	-	492,450	-
Dividends paid to shareholders	-	(36,245)	-
Net cash flows (used in) / generated from financing activities	(25,185)	416,148	59,137
Net (decrease) / increase in cash and cash equivalents	(241,111)	341,065	(384,968)
Cash and cash equivalents, beginning of period	4,079,935	6,107,986	4,459,132
Effects of exchange rate changes	8,076	(25,185)	5,771
Cash and cash equivalents, ending of period	3,846,900	6,423,866	4,079,935

As of the date of this announcement, the directors of the Company are:

Executive Directors

Junjun Tang (Chairman)
Peng Bai (President)

Non-Executive Directors

Jun Ye
Guodong Sun
Bo Chen
Chengyan Xiong

Independent Non-Executive Directors

Stephen Tso Tung Chang
Kwai Huen Wong, JP
Songlin Feng

By order of the Board

Hua Hong Semiconductor Limited

Mr. Junjun Tang
Chairman and Executive Director

Hong Kong SAR, PRC
August 7, 2025