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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 Fourth 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 – February 12, 2026.

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 December 31, 2025.

Fourth Quarter 2025 Highlights (Unaudited)

- Revenue reached another all-time high of US\$659.9 million, 22.4% over 4Q 2024 and 3.9% above 3Q 2025.
- Gross margin was 13.0%, 1.6 percentage points over 4Q 2024 and 0.5 percentage point dip from 3Q 2025.
- Net profit attributable to shareholders of the parent company was US\$17.5 million, compared to a loss of US\$25.2 million in 4Q 2024, and a profit of US\$25.7 million in 3Q 2025.

First Quarter 2026 Guidance

- We expect revenue to be approximately US\$650 million to US\$660 million.
- We expect gross margin to be in the range of 13% to 15%.

President's Message

Dr. Peng Bai, Chairman and President of the Company, commented on the fourth quarter and the full year performance for 2025:

" Fourth quarter 2025 sales revenue for Hua Hong Semiconductor reached an all-time high of US\$659.9 million, with a gross margin of 13.0% for the quarter, both in line with guidance. For the full year of 2025, the company reported sales revenue of US\$2,402.1 million and a gross margin of 11.8%, both achieving year-on-year growth and meeting management expectations. Against the backdrop of the global semiconductor market being driven by demand for AI and related products, coupled with a recovery in consumer demand led by the domestic market, the company maintained full-capacity operations throughout the year at an average capacity utilization rate of 106.1%, which ranked among the leading levels in the foundry industry."

Dr. Bai continued: "By optimizing product mix, reducing costs, and improving operational efficiency, we achieved strong performance across various specialty technology platforms, especially in Standalone NVM and Power Management areas, effectively supporting the company's revenue growth and margin expansion. In 2025, the company continued to advance its strategic plans for capacity expansion. The first phase of capacity construction for the second 12-inch production line in Wuxi (FAB9) exceeded expectations for completion, and the Shanghai 12-inch manufacturing base (FAB5) acquisition progressed as planned. Looking ahead, the company will maintain strong focus on developing world class specialty technology platforms with innovations and through rapid generational iteration, while deepening collaborations with strategic customers, both domestically and internationally. We remain confident in our ability to seize growth opportunities amid changes in the global semiconductor industry and are striving to meet shareholders' long-term expectations."

Webcast/Conference Call Announcement

Date: Thursday, February 12, 2026

Time: 17:00 Hong Kong/Shanghai Time
04:00 EST

Presenters: Dr. Peng Bai, Chairman and President of the Company
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/eicdo4wo>
(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/B1c6a59cc45c954742a912c5e8cd37e5a3>

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)

	4Q 2025 (Unaudited)	4Q 2024 (Unaudited)	3Q 2025 (Unaudited)	YoY Change	QoQ Change
Revenue	659,882	539,177	635,180	22.4 %	3.9 %
Gross profit	85,464	61,426	85,854	39.1 %	(0.5)%
Gross margin	13.0 %	11.4 %	13.5 %	1.6	(0.5)
Operating expenses	(130,165)	(110,626)	(100,433)	17.7 %	29.6 %
Other income / (loss) net	34,110	(40,468)	17,752	(184.3)%	92.1 %
(Loss) / profit before tax	(10,591)	(89,668)	3,173	(88.2)%	(433.8)%
Income tax expense	(8,069)	(6,596)	(10,363)	22.3 %	(22.1)%
Loss for the period	(18,660)	(96,264)	(7,190)	(80.6)%	159.5 %
Net profit margin	(2.8)%	(17.9)%	(1.1)%	15.1	(1.7)
Attributable to:					
Owners of the parent	17,454	(25,199)	25,725	(169.3)%	(32.2)%
Non-controlling interests	(36,114)	(71,065)	(32,915)	(49.2)%	9.7 %
Earnings per share attributable to owners of the parent					
Basic	0.010	(0.015)	0.015	(166.7)%	(33.3)%
Diluted	0.010	(0.015)	0.015	(166.7)%	(33.3)%
Wafers shipped (in thousands 8" equivalent wafers)	1,448	1,213	1,400	19.4 %	3.4 %
Capacity utilization ¹	103.8 %	103.2 %	109.5 %	0.6	(5.7)
ROE ²	1.2 %	(1.6)%	1.6 %	2.8	(0.4)

Fourth Quarter 2025

- *Revenue* reached another all-time high of US\$659.9 million, 22.4% over 4Q 2024, and 3.9% over 3Q 2025, primarily driven by increased wafer shipments and improved average selling price.
- *Gross margin* was 13.0%, 1.6 percentage points over 4Q 2024, primarily driven by improved average selling price and cost reduction efforts, and 0.5 percentage point dip from 3Q 2025, primarily due to increased labor costs.
- *Operating expenses* were US\$130.2 million, 17.7% over 4Q 2024, primarily due to increased labor costs and depreciation expenses, and 29.6% over 3Q 2025, mainly due to increased labor costs.
- *Other income net* was US\$34.1 million, compared to other loss net of US\$40.5 million in 4Q 2024, primarily due to foreign exchange gains versus foreign exchange losses in 4Q 2024, decreased finance costs and increased government subsidies. It was 92.1% over 3Q 2025, mainly due to decreased finance costs.
- *Income tax expense* was US\$8.1 million, 22.3% higher than 4Q 2024, primarily due to increased taxable income.
- *Net loss for the period* was US\$18.7 million, narrowed by 80.6% compared to 4Q 2024, and a widening of 159.5% in loss from 3Q 2025.
- *Net profit attributable to shareholders of the parent company* was US\$17.5 million, compared to a loss of US\$25.2 million in 4Q 2024, and a profit of US\$25.7 million in 3Q 2025.
- *Basic earnings per share* was US\$0.010.
- *ROE (annualized)* was 1.2%.

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.

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

	2025 (Unaudited)	2024 (Audited)	YoY Change
Revenue	2,402,064	2,003,993	19.9 %
Gross profit	282,926	205,128	37.9 %
Gross margin	11.8 %	10.2 %	1.6
Operating expenses	(425,625)	(360,904)	17.9 %
Other income net	54,170	21,984	146.4 %
Loss before tax	(88,529)	(133,792)	(33.8)%
Income tax expense	(22,284)	(6,593)	238.0 %
Loss for the year	(110,813)	(140,385)	(21.1)%
Net profit margin	(4.6)%	(7.0)%	2.4
Attributable to:			
Owners of the parent	54,881	58,108	(5.6)%
Non-controlling interests	(165,694)	(198,493)	(16.5)%
Earnings per share attributable to owners of the parent			
Basic	0.032	0.034	(5.9)%
Diluted	0.032	0.034	(5.9)%
Wafers shipped (in thousands 8" equivalent wafers)	5,384	4,545	18.5 %
Capacity utilization	106.1 %	99.5 %	6.6
ROE	0.9 %	0.9 %	-

Full Year 2025

- *Revenue* was US\$2,402.1 million, a growth of 19.9% over the prior year, primarily driven by increased wafer shipments.
- *Gross margin* was 11.8%, 1.6 percentage points over 2024, primarily driven by improved average selling price and cost reduction effort, partially offset by higher depreciation costs.
- *Operating expenses* were US\$425.6 million, 17.9% over 2024, largely attributable to increased research and development expenses.
- *Other income net* was US\$54.2 million, 146.4% above 2024, primarily due to decreased finance costs and foreign exchange losses and increased government subsidies, partially offset by decreased interest income.
- *Loss for the year* was US\$110.8 million, narrowed by 21.1% compared to 2024.
- *Net profit attributable to shareholders of the parent company* was US\$54.9 million, 5.6% dip from 2024.
- *Basic earnings per share* was US\$0.032.
- *ROE* was 0.9%.

Analysis of Revenue

Revenue by service type	4Q 2025 US\$000 (Unaudited)	4Q 2025 % (Unaudited)	4Q 2024 US\$000 (Unaudited)	4Q 2024 % (Unaudited)	YoY Change US\$000	YoY Change %
Wafers	634,431	96.1 %	512,677	95.1 %	121,754	23.7 %
Others	25,451	3.9 %	26,500	4.9 %	(1,049)	(4.0)%
Total revenue	659,882	100.0 %	539,177	100.0 %	120,705	22.4 %

- 96.1% of total revenue was derived from the sale of semiconductor wafers in 4Q 2025.

Analysis of Revenue

Revenue by wafer size	4Q 2025 US\$000 (Unaudited)	4Q 2025 % (Unaudited)	4Q 2024 US\$000 (Unaudited)	4Q 2024 % (Unaudited)	YoY Change US\$000	YoY Change %
8" wafers	252,846	38.3 %	252,234	46.8 %	612	0.2 %
12" wafers	407,036	61.7 %	286,943	53.2 %	120,093	41.9 %
Total revenue	659,882	100.0 %	539,177	100.0 %	120,705	22.4 %

- Revenues from 8" wafers and 12" wafers were US\$252.8 million and US\$407.0 million, respectively, in 4Q 2025.

Analysis of Revenue

Revenue by geography	4Q 2025 US\$000 (Unaudited)	4Q 2025 % (Unaudited)	4Q 2024 US\$000 (Unaudited)	4Q 2024 % (Unaudited)	YoY Change US\$000	YoY Change %
China ³	539,345	81.8 %	450,782	83.7 %	88,563	19.6 %
North America ⁴	72,825	11.0 %	48,120	8.9 %	24,705	51.3 %
Other Asia ⁵	28,378	4.3 %	26,017	4.8 %	2,361	9.1 %
Europe	19,334	2.9 %	14,258	2.6 %	5,076	35.6 %
Total revenue	659,882	100.0 %	539,177	100.0 %	120,705	22.4 %

- *Revenue from China* was US\$539.3 million, contributing 81.8% of total revenue and an increase of 19.6% compared to 4Q 2024, mainly driven by increased demand for other PMIC, MCU, flash and CIS products.
- *Revenue from North America* was US\$72.8 million, an increase of 51.3% compared to 4Q 2024, mainly driven by increased demand for other PMIC and MCU products.
- *Revenue from Other Asia* was US\$28.4 million, an increase of 9.1% compared to 4Q 2024.
- *Revenue from Europe* was US\$19.3 million, an increase of 35.6% compared to 4Q 2024, mainly driven by increased demand for MCU and IGBT products.

³Includes Chinese Mainland and Hong Kong.

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

⁵Includes Taiwan, China and Japan.

Analysis of Revenue

Revenue by technology platform	4Q 2025 US\$000 (Unaudited)	4Q 2025 % (Unaudited)	4Q 2024 US\$000 (Unaudited)	4Q 2024 % (Unaudited)	YoY Change US\$000	YoY Change %
Embedded NVM	180,187	27.3 %	137,184	25.4 %	43,003	31.3 %
Standalone NVM	56,610	8.6 %	46,056	8.5 %	10,554	22.9 %
Power Discrete	168,859	25.6 %	164,954	30.7 %	3,905	2.4 %
Logic & RF	80,424	12.2 %	67,491	12.5 %	12,933	19.2 %
Analog & PM	173,802	26.3 %	123,492	22.9 %	50,310	40.7 %
Total revenue	659,882	100.0 %	539,177	100.0 %	120,705	22.4 %

- *Revenue from embedded NVM* was US\$180.2 million, an increase of 31.3% compared to 4Q 2024, mainly driven by increased demand for MCU and smart card ICs.
- *Revenue from standalone NVM* was US\$56.6 million, an increase of 22.9% compared to 4Q 2024, mainly driven by increased demand for flash products.
- *Revenue from power discrete* was US\$168.9 million, an increase of 2.4% compared to 4Q 2024, mainly driven by increased demand for general MOSFET products.
- *Revenue from logic & RF* was US\$80.4 million, an increase of 19.2% over 4Q 2024, mainly driven by increased demand for CIS products.
- *Revenue from analog & power management* was US\$173.8 million, an increase of 40.7% over 4Q 2024, mainly driven by increased demand for other PMIC products.

Analysis of Revenue

Revenue by process technology node	4Q 2025 US\$000 (Unaudited)	4Q 2025 % (Unaudited)	4Q 2024 US\$000 (Unaudited)	4Q 2024 % (Unaudited)	YoY Change US\$000	YoY Change %
≤65nm	186,687	28.3 %	129,033	23.9 %	57,654	44.7 %
90nm & 95nm	163,929	24.8 %	106,414	19.7 %	57,515	54.0 %
0.11μm & 0.13μm	69,767	10.6 %	70,233	13.0 %	(466)	(0.7)%
0.15μm & 0.18μm	33,543	5.1 %	31,328	5.8 %	2,215	7.1 %
0.25μm	1,852	0.3 %	2,724	0.5 %	(872)	(32.0)%
≥0.35μm	204,104	30.9 %	199,445	37.1 %	4,659	2.3 %
Total revenue	659,882	100.0 %	539,177	100.0 %	120,705	22.4 %

- Revenue from 65nm and below technology nodes was US\$186.7 million, an increase of 44.7% over 4Q 2024, mainly driven by increased demand for other PMIC, flash, MCU, CIS, logic and RF products.
- Revenue from the 90nm & 95nm technology nodes was US\$163.9 million, an increase of 54.0% over 4Q 2024, mainly driven by increased demand for other PMIC, MCU and smart card ICs.
- Revenue from the 0.11μm & 0.13μm technology nodes was US\$69.8 million, flat from 4Q 2024.
- Revenue from the 0.15μm & 0.18μm technology nodes was US\$33.5 million, an increase of 7.1% mainly driven by increased demand for MCU and other PMIC products.
- Revenue from the 0.25μm technology node was US\$1.9 million, a decrease of 32.0% compared to 4Q 2024, mainly due to decreased demand for discrete products.
- Revenue from the 0.35μm and above technology nodes was US\$204.1 million, an increase of 2.3% compared to 4Q 2024, mainly driven by increased demand for general MOSFET products.

Analysis of Revenue

Revenue by end market distribution	4Q 2025 US\$000 (Unaudited)	4Q 2025 % (Unaudited)	4Q 2024 US\$000 (Unaudited)	4Q 2024 % (Unaudited)	YoY Change US\$000	YoY Change %
Consumer electronics	419,635	63.7 %	344,594	63.9 %	75,041	21.8 %
Industrial & automotive	146,724	22.2 %	124,037	23.0 %	22,687	18.3 %
Communications	83,454	12.6 %	64,619	12.0 %	18,835	29.1 %
Computing	10,069	1.5 %	5,927	1.1 %	4,142	69.9 %
Total revenue	659,882	100.0 %	539,177	100.0 %	120,705	22.4 %

- *Revenue from consumer electronics*, our largest end market segment, contributed US\$419.6 million, reaching 63.7% of total revenue, an increase of 21.8% over 4Q 2024, mainly driven by increased demand for other PMIC, MCU and flash products.
- *Revenue from industrial & automotive* was US\$146.7 million, an increase of 18.3% compared to 4Q 2024, mainly driven by increased demand for other PMIC and smart card ICs.
- *Revenue from communications* was US\$83.5 million, an increase of 29.1% compared to 4Q 2024, mainly driven by increased demand for CIS, RF, smart card ICs and analog products.
- *Revenue from computing* was US\$10.1 million, an increase of 69.9% compared to 4Q 2024, mainly driven by increased demand for general MOSFET and MCU products.

Capacity⁶ and Capacity Utilization

	4Q 2025 (Unaudited)	4Q 2024 (Unaudited)	3Q 2025 (Unaudited)
Total capacity (in thousands 8" equivalent wafers)	486	391	468
Overall capacity utilization	103.8%	103.2%	109.5%

- Monthly capacity was 486,000 8-inch equivalent wafers at the end of 4Q 2025. Overall capacity utilization was 103.8% in 4Q 2025.

Wafer Shipments

in thousands 8" equivalent wafers	4Q 2025 (Unaudited)	4Q 2024 (Unaudited)	3Q 2025 (Unaudited)	YoY Change	QoQ Change
Wafer shipments	1,448	1,213	1,400	19.4 %	3.4 %

- *Wafer shipments* were 1,448,000, an increase of 19.4% year over year, and 3.4% 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	4Q 2025 (Unaudited)	4Q 2024 (Unaudited)	3Q 2025 (Unaudited)	YoY Change	QoQ Change
Selling and distribution expenses	3,791	2,617	2,332	44.9 %	62.6 %
Administrative expenses ⁷	126,374	108,009	98,101	17.0 %	28.8 %
Operating expenses	130,165	110,626	100,433	17.7 %	29.6 %

- *Operating expenses* were US\$130.2 million, 17.7% over 4Q 2024, primarily due to increased labor costs and depreciation expenses, and 29.6% over 3Q 2025, mainly due to increased labor costs.

Other Income / (Loss) Net Analysis

Amounts in US\$ thousands	4Q 2025 (Unaudited)	4Q 2024 (Unaudited)	3Q 2025 (Unaudited)	YoY Change	QoQ Change
Rental income	3,932	3,481	3,625	13.0 %	8.5 %
Interest income	15,228	20,450	13,762	(25.5)%	10.7 %
Foreign exchange gains / (losses)	7,014	(48,664)	3,746	(114.4)%	87.2 %
Share of profit / (loss) of associates	1,261	(433)	1,843	(391.2)%	(31.6)%
Finance costs	(8,414)	(20,406)	(18,249)	(58.8)%	(53.9)%
Government subsidies	16,280	4,705	12,741	246.0 %	27.8 %
Others	(1,191)	399	284	(398.5)%	(519.4)%
Other income net	34,110	(40,468)	17,752	(184.3)%	92.1 %

- *Other income net* was US\$34.1 million, compared to other loss net of US\$40.5 million in 4Q 2025, primarily due to foreign exchange gains versus foreign exchange losses in 4Q 2024, decreased finance costs and increased government subsidies. It was 92.1% over 3Q 2025, mainly due to decreased finance costs.

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

Cash Flow Analysis

Amounts in US\$ thousands	4Q 2025 (Unaudited)	4Q 2024 (Unaudited)	3Q 2025 (Unaudited)	YoY Change	QoQ Change
Net cash flows generated from operating activities	246,026	348,783	184,150	(29.5)%	33.6 %
Net cash flows used in investing activities	(585,659)	(1,484,688)	(253,296)	(60.6)%	131.2 %
Net cash flows generated from / (used in) financing activities	1,361,101	(50,929)	104,163	(2,772.5)%	1,206.7 %
Effect of exchange rate changes	34,759	(120,783)	22,816	(128.8)%	52.3 %
Net change in cash	1,056,227	(1,307,617)	57,833	(180.8)%	1,726.3 %

- *Net cash flows generated from operating activities* was US\$246.0 million, 29.5% lower than 4Q 2024, mainly due to increased payment for suppliers and decreased receipts of government subsidies, partially offset by increased receipts from customers. It was 33.6% over 3Q 2025, largely driven by increased receipts of government subsidies.
- *Net cash flows used in investing activities* was US\$585.7 million, including US\$633.5 million investment in fixed assets and US\$3.6 million investment in an equity instrument, partially offset by US\$36.6 million receipts of government grants of equipment, US\$13.6 million interest income and US\$1.2 million receipts of disposal of equipment.
- *Net cash flows generated from financing activities* was US\$1,361.1 million, including US\$919.0 million proceeds from bank borrowings, US\$594.6 million from other financing activities, US\$12.1 million receipts of government grants for finance costs, and US\$4.7 million proceeds from share option exercises, partially offset by US\$136.1 million of bank principal repayments, US\$32.8 million interest payments and US\$0.4 million lease payments.

Capital Structure

Amounts in US\$ thousands	31-Dec-2025 (Unaudited)	30-Sep-2025 (Unaudited)
Total assets	14,453,772	12,511,666
Total liabilities	5,289,541	3,502,618
Total equity	9,164,231	9,009,048
<i>Debt ratio</i> ⁸	36.6%	28.0%

Capital Expenditures

Amounts in US\$ thousands	4Q 2025 (Unaudited)	3Q 2025 (Unaudited)
Hua Hong 8"	74,527	19,305
Hua Hong 12"	558,956	242,589
Total	633,483	261,894

- *Capital expenditures* were US\$633.5 million in 4Q 2025, including US\$559.0 million for Hua Hong 12" and US\$74.5 million for Hua Hong 8".

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

Liquidity

Amounts in US\$ thousands	31-Dec-2025 (Unaudited)	30-Sep-2025 (Unaudited)
Completed properties held for sale	215,511	223,302
Inventories	544,368	526,840
Trade and notes receivables	282,053	257,067
Prepayments, other receivables and other assets	561,328	494,222
Due from related parties	10,135	22,150
Restricted and time deposits	32,342	31,993
Cash and cash equivalents	4,960,960	3,904,733
Total current assets	6,606,697	5,460,307
Trade payables	330,370	275,064
Other payables and accruals	1,008,586	704,754
Interest-bearing bank borrowings	403,748	340,686
Lease liabilities	3,229	3,598
Government grants	89,049	66,498
Due to related parties	6,225	7,832
Income tax payable	15,014	14,341
Total current liabilities	1,856,221	1,412,773
Net working capital	4,750,476	4,047,534
<i>Quick ratio</i>	3.1x	3.3x
<i>Current ratio</i>	3.6x	3.9x
Trade and notes receivables turnover days	37	37
Inventories turnover days	83	85

- *Trade and notes receivables* increased from US\$257.1 million on 30 September 2025 to US\$282.1 million on 31 December 2025, mainly due to increased revenue.
- *Prepayments, other receivables and other assets* increased from US\$494.2 million on 30 September 2025 to US\$561.3 million on 31 December 2025, mainly due to increased value-added tax credit.
- *Due from related parties* decreased from US\$22.2 million on 30 September 2025 to US\$10.1 million on 31 December 2025, mainly due to receipt of rental receivables from one of our related parties.
- *Trade payables* increased from US\$275.1 million on 30 September 2025 to US\$330.4 million on 31 December 2025, due to increased purchase.
- *Other payables and accruals* increased from US\$704.8 million on 30 September 2025 to US\$1,008.6 million on 31 December 2025, mainly due to increased payables for capital expenditures.
- *Interest-bearing bank borrowings* increased from US\$340.7 million on 30 September 2025 to US\$403.7 million on 31 December 2025, mainly due to the increase in the current portion of long term bank borrowings.
- *Government grants* increased from US\$66.5 million on 30 September 2025 to US\$89.0 million on 31 December 2025, primarily due to increased receipts of government funding.
- On 31 December 2025, *net working capital* was US\$4,750.5 million and the *current ratio* was 3.6.
- *Trade and notes receivables turnover days* were 37.
- *Inventories turnover days* were 83.

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		
	31-Dec-2025 (Unaudited)	31-Dec-2024 (Unaudited)	30-Sep-2025 (Unaudited)
Revenue	659,882	539,177	635,180
Cost of sales	(574,418)	(477,751)	(549,326)
Gross profit	85,464	61,426	85,854
Other income and gains	44,107	29,155	34,361
Fair value loss on an investment property	(2,844)	(39)	
Selling and distribution expenses	(3,791)	(2,617)	(2,332)
Administrative expenses	(126,374)	(108,009)	(98,101)
Other expenses	-	(48,745)	(203)
Finance costs	(8,414)	(20,406)	(18,249)
Share of profit / (loss) of associates	1,261	(433)	1,843
(Loss) / profit before tax	(10,591)	(89,668)	3,173
Income tax expense	(8,069)	(6,596)	(10,363)
Loss for the period	(18,660)	(96,264)	(7,190)
Attributable to:			
Owners of the parent	17,454	(25,199)	25,725
Non-controlling interests	(36,114)	(71,065)	(32,915)
Earnings per share attributable to owners of parent			
Basic	0.010	(0.015)	0.015
Diluted	0.010	(0.015)	0.015
Shares used in calculating basic earnings per share attributable to owners of parent	1,736,132,077	1,718,222,223	1,731,461,953
Shares used in calculating diluted earnings per share attributable to owners of parent	1,736,269,454	1,724,086,667	1,733,014,365

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

	For the Year Ended	
	31-Dec-2025 (Unaudited)	31-Dec-2024 (Audited)
Revenue	2,402,064	2,003,993
Cost of sales	(2,119,138)	(1,798,865)
Gross profit	282,926	205,128
Other income and gains	127,408	149,072
Fair value loss on an investment property	(2,844)	(39)
Selling and distribution expenses	(10,967)	(9,628)
Administrative expenses	(414,658)	(351,276)
Other expenses	(6,527)	(33,395)
Finance costs	(68,214)	(97,113)
Share of profit of associates	4,347	3,459
Loss before tax	(88,529)	(133,792)
Income tax expense	(22,284)	(6,593)
Loss for the year	(110,813)	(140,385)
Attributable to:		
Owners of the parent	54,881	58,108
Non-controlling interests	(165,694)	(198,493)
Earnings per share attributable to owners of parent		
Basic	0.032	0.034
Diluted	0.032	0.034
Shares used in calculating basic earnings per share attributable to owners of parent	1,728,942,231	1,717,346,778
Shares used in calculating diluted earnings per share attributable to owners of parent	1,729,052,605	1,721,085,846

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

	As of		
	31-Dec-2025 (Unaudited)	30-Sep-2025 (Unaudited)	31-Dec-2024 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6,676,442	6,162,217	5,859,117
Investment property	219,772	220,223	164,153
Right-of-use assets	64,482	65,141	77,761
Intangible assets	35,509	33,982	31,456
Investment in associates	150,222	147,349	139,799
Equity instruments designated at fair value through other comprehensive income	478,799	381,305	289,311
Long term prepayment	221,849	41,142	21,008
Total non-current assets	7,847,075	7,051,359	6,582,605
CURRENT ASSETS			
Completed properties held for sale	215,511	223,302	221,905
Inventories	544,368	526,840	467,060
Trade and notes receivables	282,053	257,067	270,461
Prepayments, other receivables and other assets	561,328	494,222	363,997
Due from related parties	10,135	22,150	18,324
Restricted and time deposits	32,342	31,993	31,624
Cash and cash equivalents	4,960,960	3,904,733	4,459,132
Total current assets	6,606,697	5,460,307	5,832,503
CURRENT LIABILITIES			
Trade payables	330,370	275,064	298,372
Other payables and accruals	1,008,586	704,754	880,447
Interest-bearing bank borrowings	403,748	340,686	280,704
Lease liabilities	3,229	3,598	4,912
Government grants	89,049	66,498	57,563
Due to related parties	6,225	7,832	9,125
Income tax payable	15,014	14,341	31,115
Total current liabilities	1,856,221	1,412,773	1,562,238
NET CURRENT ASSETS	4,750,476	4,047,534	4,270,265
TOTAL ASSETS LESS CURRENT LIABILITIES	12,597,551	11,098,893	10,852,870
Non-current liabilities			
Interest-bearing bank borrowings	2,787,096	2,056,802	1,917,235
Lease liabilities	15,679	15,329	18,068
Deferred tax liabilities	35,964	17,714	10,948
Other long-term liabilities	594,581	-	-
Total non-current liabilities	3,433,320	2,089,845	1,946,251
Net assets	9,164,231	9,009,048	8,906,619
Equity and liabilities capital and reserves			
Share capital	4,987,482	4,982,556	4,938,457
Reserves	1,625,181	1,466,529	1,308,569
Equity attributable to the owners of the company	6,612,663	6,449,085	6,247,026
Non-controlling interests	2,551,568	2,559,963	2,659,593
Total equity	9,164,231	9,009,048	8,906,619

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

	For the Three Months Ended		
	31-Dec-2025 (Unaudited)	31-Dec-2024 (Unaudited)	30-Sep-2025 (Unaudited)
Cash flows from operating activities:			
(Loss) / profit before tax	(10,591)	(89,668)	3,173
Depreciation and amortization	195,876	142,306	187,269
Share of (profit) / loss of associates	(1,261)	433	(1,843)
Changes in working capital and others	62,002	295,712	(4,449)
Net cash flows generated from operating activities	246,026	348,783	184,150
Cash flows from investing activities:			
Payments for property, plant and equipment and intangible assets	(633,483)	(1,546,384)	(261,894)
Investment in an equity instrument	(3,557)	-	(14,030)
Receipt of government grants of equipment	36,596	41,149	-
Other cash flow generated from investing activities	14,785	20,547	22,628
Net cash flows used in investing activities	(585,659)	(1,484,688)	(253,296)
Cash flows from financing activities:			
New bank loans	919,025	84,551	99,923
Proceeds from issue of shares	4,740	1,478	14,376
Repayment of bank borrowings	(136,107)	(91,518)	(3,284)
Interest paid	(32,834)	(50,498)	(4,971)
Payment of lease liabilities	(428)	(401)	(1,881)
Receipt of government grants for interest expenses	12,124	5,459	-
Other cash flow generated from financing activities	594,581	-	-
Net cash flows generated from / (used in) financing activities	1,361,101	(50,929)	104,163
Net increase / (decrease) in cash and cash equivalents	1,021,468	(1,186,834)	35,017
Cash and cash equivalents, beginning of period	3,904,733	5,766,749	3,846,900
Effects of exchange rate changes	34,759	(120,783)	22,816
Cash and cash equivalents, ending of period	4,960,960	4,459,132	3,904,733

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

	For the Year Ended	
	31-Dec-2025 (Unaudited)	31-Dec-2024 (Audited)
Cash flows from operating activities:		
Loss before tax	(88,529)	(133,792)
Depreciation and amortization	734,928	555,832
Share of profit of associates	(4,347)	(3,459)
Changes in working capital and others	7,940	40,914
Net cash flows generated from operating activities	649,992	459,495
Cash flows from investing activities:		
Payments for property, plant and equipment and intangible assets	(1,813,956)	(2,779,857)
Purchase of an equity investment	(17,587)	(17,618)
Investment in an associate	(2,794)	-
Receipt of government grants of equipment	49,186	41,149
Other cash flow generated from investing activities	66,349	84,794
Net cash flows used in investing activities	(1,718,802)	(2,671,532)
Cash flows from financing activities:		
Proceeds from issue of shares	34,411	3,642
Capital contribution from non-controlling interests	-	1,181,880
New bank loans	2,018,029	289,285
Repayment of bank borrowings	(1,076,224)	(183,524)
Interest paid	(79,680)	(105,736)
Dividends paid	-	(36,247)
Receipt of government grants for interest expenses	12,124	5,459
Principal portion of lease payments	(4,025)	(4,634)
Other cash flow generated from financing activities	594,581	-
Net cash flows generated from financing activities	1,499,216	1,150,125
Net increase / (decrease) in cash and cash equivalents	430,406	(1,061,912)
Cash and cash equivalents, beginning of period	4,459,132	5,585,181
Effects of exchange rate changes	71,422	(64,137)
Cash and cash equivalents, ending of period	4,960,960	4,459,132

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

Executive Directors

Peng Bai (Chairman and 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

Peng Bai

Chairman and Executive Director

Hong Kong SAR, PRC

February 12, 2026