MOBI Development Co., Ltd.
摩比發展有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 947)

Announcement of Interim Results for the six months ended 30 June 2026

- Revenue increased to approximately RMB218.3 million, representing a increase of approximately 1.6%.
- Gross profit margin increased from approximately 13.8% in the first half of 2025 to approximately 15.4% in the first half of 2026.
- Loss and total comprehensive expense for the period was approximately RMB30.44 million.
- Basic loss per share for the six months ended 30 June 2026 was approximately RMB3.82 cents.

The board (the "Board") of directors (the "Directors") of MOBI Development Co., Ltd. (the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2026 together with the comparative figures for the corresponding period in 2025. These condensed consolidated interim financial statements have not been audited, but have been reviewed by the Company's audit committee.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	**For the six months ended 30 June 2026 (Unaudited) RMB'000**	2025 (Unaudited) RMB'000
Revenue	3	**218,325**	214,813
Cost of sales		**(184,708)**	(185,088)
Gross profit		**33,617**	29,725
Other income and expenses	3	**5,086**	14,255
Research and development expenses		**(27,028)**	(29,196)
Distribution and selling expenses		**(11,408)**	(14,674)
Administrative expenses		**(29,079)**	(31,806)
Finance costs	4	**(2,090)**	(1,466)
Share of results of associates		**469**	350
Loss before taxation		**(30,433)**	(32,812)
Income tax expenses	5	**(2)**	(5)
Loss and total comprehensive expense for the period	6	**(30,435)**	(32,817)
Loss per share			
– basic (RMB cents)	8	**(3.82)**	(4.10)
– diluted (RMB cents)	8	**(3.82)**	(4.10)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	**30 June 2026 (Unaudited) RMB'000**	31 December 2025 (Audited) RMB'000
Non-current Assets			
Property, plant and equipment		**197,907**	200,330
Right-of-use assets		**23,740**	24,967
Deposits for purchase of plant and equipment		**12,881**	12,281
Deferred tax assets		**16,781**	16,616
Intangible assets		**31,632**	29,276
Interests in associates		**5,930**	5,470
		288,871	288,940
Current Assets			
Inventories		**80,489**	77,634
Trade receivables	9	**201,381**	150,972
Notes receivable		**57,920**	60,068
Prepayments, deposits and other receivables		**57,755**	62,419
Pledged bank balances		**69,086**	65,392
Bank balances and cash		**81,810**	148,768
		548,441	565,253
Current Liabilities			
Trade payables	10	**228,356**	216,864
Notes payable		**115,506**	139,916
Other payables and accruals		**57,221**	51,765
Contract liabilities		**9,710**	12,077
Bank and other borrowings		**139,710**	115,100
Lease liabilities		**1,635**	1,729
Deferred income		**24**	24
		552,162	537,475

	Notes	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Net Current (Liabilities) Assets		**(3,721)**	27,778
Total Assets less Current Liabilities		**285,150**	316,718
Non-current Liabilities			
Lease liabilities		**940**	1,725
Deferred income		**715**	727
Bank and other borrowings		**25,010**	25,340
		26,665	27,792
Net Assets		**258,485**	288,926
Capital and Reserves			
Issued share capital		**6**	6
Reserves		**258,479**	288,920
Total Equity		**258,485**	288,926

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements 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 with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The condensed consolidated interim financial statements do not include all the information and disclosures required in the financial statements, and should be read in conjunction with the annual financial statements for the year ended 31 December 2025.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those followed in the preparation of the Group’s consolidated financial statements for the year ended 31 December 2025.

In the current interim period, the Group has applied, for the first time, the following revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant for the preparation of the Group’s condensed consolidated financial statements:

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

The directors of the Company anticipate that the application of the above revised HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

2. SEGMENT INFORMATION

The Group has adopted HKFRS 8 Operating Segments to report segment information for the six months period ended 30 June 2025 and 2026. Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (“CODM”), being the chairman of the board of directors of the Company, for the purpose of resource allocation and performance assessment. Information reported to the CODM is focused on three principal categories of products – antenna system, base station RF subsystem and coverage extension solution and others.

No measure of segment assets and liabilities are reported to the CODM for performance assessment and resource allocation. Accordingly, no segment assets and liabilities are presented.

The Group’s reportable segments under HKFRS 8 are as follows:

Antenna system – manufacture and sale of antenna system and related products

Base station RF subsystem – manufacture and sale of base station RF subsystem and related products

Coverage extension solution and others – manufacture and sale of a wide array of coverage products and others

Information of segment revenues and segment results

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Segment revenues		
Antenna system	**52,779**	56,788
Base station RF subsystem	**137,088**	123,380
Coverage extension solution and others	**28,458**	34,645
	218,325	214,813
Segment results		
Antenna system	**(1,716)**	(6,122)
Base station RF subsystem	**7,523**	6,178
Coverage extension solution and others	**782**	473
	6,589	529
Reconciliation of segment results to loss before taxation:		
Other income and expenses	**5,086**	14,255
Unallocated corporate expenses	**(40,487)**	(46,480)
Finance costs	**(2,090)**	(1,466)
Share of results of associates	**469**	350
Loss before taxation	**(30,433)**	(32,812)
Other segment information		
Depreciation:		
Antenna system	**2,245**	3,644
Base station RF subsystem	**1,646**	2,563
Coverage extension solution and others	**323**	383
Segment total	**4,214**	6,590
Unallocated amount	**4,810**	5,913
Group total	**9,024**	12,503
Research and development expenses:		
Antenna system	**13,082**	15,740
Base station RF subsystem	**11,675**	10,888
Coverage extension solution and others	**2,271**	2,568
Group total	**27,028**	29,196

Revenues reported above represent revenues generated from external customers. There are no inter-segment sales during the six months ended 30 June 2025 and 2026.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in the annual report of the Company for the year ended 31 December 2025. The Group does not allocate other income and expenses, unallocated corporate expenses, finance costs and share of results of associates to individual reportable segments when making decisions about resources to be allocated to the segments and assessing their performance.

Entity-wide disclosures:

Information about products

Revenues from each group of similar products within the reportable segments are as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Antenna system		
Multi-band/Multi-system antennas	**24,946**	34,199
Customized antennas	**16,466**	7,121
FDD+TDD antennas	**3,992**	9,989
Microwave antennas	**2,375**	4,653
Multi-beam antennas	**1,710**	665
Other antennas	**3,290**	161
	52,779	56,788
Base station RF subsystem		
WCDMA/FDD-LTE RF devices	**120,343**	114,431
Multi-frequency ultra-wideband RF devices	**7,593**	4,534
TD/TD-LTE RF devices	**5,491**	4,155
Other devices	**3,661**	260
	137,088	123,380
Coverage extension solution and others		
Aesthetic antennas	**12,785**	11,376
GPS and specialised products	**2,567**	5,521
Solar photovoltaic equipment	**1,317**	8,025
Indoor antennas and devices	**537**	7,913
Other products	**11,252**	1,810
	28,458	34,645
	218,325	214,813

Information about major customers

Revenues from customers of the corresponding periods contributing over 10% of the total sales of the Group are as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Customer A[1]	**57,454**	49,724
Customer B[1]	**104,145**	102,372

1 Revenue mainly from antenna system and base station RF subsystem

Geographical information

The reportable segments of the Group are mainly operated in the PRC and overseas according to continents distribution. An analysis of the Group's geographical information on revenues attributed to continents on the basis of the customer's location is set out in the following table:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
PRC	**112,151**	98,027
Overseas		
Other countries/areas in Asia	**43,956**	98,752
Europe	**39,374**	11,364
Americas	**22,838**	6,666
Africa	**6**	–
Oceania	**–**	4
Subtotal	**106,174**	116,786
	218,325	214,813

All non-current assets (other than deferred tax assets) of the Group are located in the PRC.

3. REVENUE, OTHER INCOME AND EXPENSES

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Revenue		
Sale of wireless communication antenna systems, base station RF subsystems and products of coverage extension solution and others	**218,325**	214,813
Other income and expenses		
Government grants	**3,280**	3,642
Compensation income	**192**	239
Rental income	**4,398**	7,307
Interest income	**1,427**	3,083
Net exchange (loss) gain	**(5,548)**	455
Other income (expenses)	**1,337**	(471)
	5,086	14,255

4. FINANCE COSTS

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Interest on bank borrowings		
– wholly repayable within five years	**2,019**	1,365
Interest on lease liabilities	**71**	101
	2,090	1,466

5. INCOME TAX EXPENSES

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
PRC income tax	**2**	–
Deferred tax	**–**	5
	2	5

The Company was incorporated in the Cayman Islands and is exempted from income tax.

The applicable tax rate of MOBI Technology (Hong Kong) Limited ("MOBI HK") is 16.5% of the estimated assessable profit for both periods.

MOBI Antenna Technologies (Shenzhen) Co., Ltd. ("MOBI Shenzhen") and MOBI Technology (Shenzhen) Co., Ltd. ("MOBI Technology") were established in Shenzhen, PRC, with applicable tax rate of 15%.

The applicable tax rate of MOBI Telecommunications Technologies (Ji'an) Co., Ltd. ("MOBI Jian") and MOBI Technologies (Xi'an) Co., Ltd. ("MOBI Xian") are 15% and 25% for the six months ended 30 June 2026 respectively.

The applicable tax rate of other PRC subsidiaries are 25% for the six months ended 30 June 2026.

6. LOSS AND TOTAL COMPREHENSIVE EXPENSE FOR THE PERIOD

Loss and total comprehensive expense for the period has been arrived at after charging (crediting) the following items:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Depreciation	**9,024**	12,503
Depreciation of rights-of-use assets	**894**	1,245
Cost of inventories recognised as expenses	**184,708**	185,788
Net exchange loss (gain)	**5,548**	(455)

7. DIVIDENDS

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Dividends recognised as distribution during the period:		
2024 final dividend	**–**	–
2025 final dividend	**–**	–
	–	–

At the Board meeting held on 21 August 2026, the Directors of the Company do not recommend any payment of interim dividend for the six months ended 30 June 2026.

8. LOSS PER SHARE

The loss figures for calculation of the basic loss and diluted loss per share attributable to the ordinary owners of the Company are based on the following data:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Loss		
Loss for the period attributable to owners of the Company and loss for the purpose of calculating basic and diluted loss per share	**(30,435)**	(32,817)

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	Shares'000	Shares'000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	**796,845**	800,620
Weighted average number of ordinary shares for the purpose of calculating diluted loss per share	**796,845**	800,620

The computation of diluted loss per share for the six months ended 30 June 2025 did not assume the exercise of the Company's share options as the exercise price of these options was higher than the average market price for shares for the six months ended 30 June 2025.

9. TRADE RECEIVABLES

The Group offers credit terms generally accepted in the antenna system, base station RF subsystem and coverage extension solution and others manufacturing industries to its trade customers, which are ranging from 30 to 240 days for a significant number of the Company's products, although a longer credit term may be extended to certain customers, depending on price, the size of the contract, credibility and reputation of the customers. In order to manage the credit risks associated with trade receivables effectively, credit limits of customers are evaluated periodically. Before accepting any new customer, the Group conducts research on the creditworthiness of the new customer and assesses the potential customer's credit quality. Trade receivables that are neither past due nor impaired have the high ranking record attributable to their corresponding research on the creditworthiness.

The following is an aged analysis based on invoice date of trade receivables net of allowance for credit losses at the end of reporting period:

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
0 to 30 days	**43,801**	47,687
31 to 60 days	**27,558**	19,065
61 to 90 days	**24,801**	17,022
91 to 120 days	**19,936**	9,679
121 to 180 days	**18,929**	6,751
Over 180 days	**66,356**	50,768
	201,381	150,972

10. TRADE PAYABLES

The following is an aged analysis based on invoice date of trade payables at the end of reporting period:

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
0 to 30 days	**36,837**	48,191
31 to 60 days	**26,879**	36,046
61 to 90 days	**34,866**	23,048
91 to 180 days	**62,054**	36,202
Over 180 days	**67,720**	73,377
	228,356	216,864

Typical credit term of trade payables ranges from 60 to 120 days.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND FINANCIAL REVIEW

Revenue

The Group's unaudited consolidated revenue for the six months ended 30 June 2026 was approximately RMB218.3 million, representing an increase of approximately 1.6% as compared with approximately RMB214.8 million for the corresponding period in 2025. Of which, sales of antenna system products decreased by approximately 7.1% to approximately RMB52.78 million, sales of base station RF subsystem products increased by approximately 11.1% to approximately RMB137.1 million, and sales of coverage extension solution and other products decreased by approximately 17.9% to approximately RMB28.46 million.

In the first half of 2026, the communications industry as a whole remained in a cyclical fluctuation phase. In the domestic market, capital expenditure by operators continued to decline, with investment focus shifting from traditional 5G communication network construction to the deployment of computing infrastructure, which resulted in a substantial contraction in new procurement demand for traditional products such as 5G wireless main equipment and base station antennas, exerting downward pressure on overall demand in the traditional communications market. In overseas markets, the evolving geopolitical landscape and intensified regional conflicts have placed global supply chains under pressure to "de-risk", causing periodic disruptions to market demand release and project implementation in relevant regions. Facing multiple industry challenges, the Group achieved an upturn in growth through multi-pronged initiatives, with both sales revenue and product shipments increasing year-on-year during the Reporting Period. For external strategies, the Group continued to deepen its engagement with existing customers, consolidating its market share with operators and core equipment manufacturers, while actively expanding into government and enterprise customers and emerging industry customers, aiming to effectively hedge against industry cyclical risks based on diversified customer bases. For internal management, the Group focused on lean cost management and operational efficiency enhancement, continuously optimizing its operational management system. Although external headwinds prevented revenue growth from meeting expected targets, overall management quality improved. Currently, the Group is accelerating its strategic transformation and actively positioning itself in the 5G-A/6G technology evolution track, focusing on new tracks such as the application of new dielectric materials and satellite communications, and launching new products such as new dielectric material products and Beidou terminal modules. In the first half of 2026, the above products have completed factory inspection and certification of key strategic customers, and we have the capacity to supply them in batches. Those products are expected to emerge as new drivers for revenue growth, driving continuous improvement in the Group's overall profitability.

Looking ahead, the Group will adhere to a dual-wheel driven development model of "technology anchored in demand, innovation fueled by the market". On the one hand, the Group will pool resources to deepen its engagement in core tracks, advance the research and development (R&D) of cutting-edge technologies, and make forward-looking deployments to prepare for the development of next-generation communication technologies. On the other hand, it will further deepen its cooperative relationships with global operators and equipment manufacturers to expand its business scope. Meanwhile, the Group will actively explore emerging blue ocean scenarios such as new material applications and satellite communications, continuously uncover high-value business opportunities and expand its new customer base. With the anticipated recovery in operators' infrastructure investments and the mass implementation of new businesses, the Group is expected to usher in a sustained rebound in its performance.

Antenna system

The Group's products of antenna system are primarily sold to China's domestic network operators and major network operators in overseas markets (such as Asia, Europe and Americas); whilst a portion of our products of antenna system are sold to operator customers worldwide by way of network solution provider customers.

In the first half of 2026, revenue from antenna system products decreased by approximately 7.1% to approximately RMB52.78 million as compared to the same period in 2025 (corresponding period in 2025: approximately RMB56.79 million). This was primarily attributable to structural adjustments in the capital expenditure of domestic operators and regional demand fluctuations driven by geopolitical factors, which caused the sales of FDD+TDD antennas, microwave antennas, and multi-band/multi-system antennas decreased by approximately 60.0%, 49.0% and 27.1% to approximately RMB3.99 million, RMB2.38 million and RMB24.95 million respectively as compared to the same period last year. However, benefiting from the continued deepening of cooperative relationships with major domestic equipment manufacturers, sales of customized antennas surged by approximately 131.2% to approximately RMB16.47 million as compared to the same period in 2025.

Currently, the Group is closely aligning with the procurement strategies of domestic and overseas operators and equipment manufacturers. It has successfully secured framework agreements and obtained volume orders for multiple key new-generation smart antenna projects, with related orders steadily materializing in the first half of 2026. Meanwhile, the Group has continued to achieve breakthroughs in overseas markets. In the first half of the year, it secured antenna orders from a Mexican operator, and the first batch of delivered products has been deployed for signal coverage in three stadiums for the FIFA World Cup 2026, further elevating the Group's international brand influence. With the advancement of large-scale 5G-A network deployment, coupled with continuous new order wins, the Group's sales of antenna system products are expected to rebound.

Base station RF subsystem

The Group is one of the core suppliers of RF subsystems for international communication equipment manufacturers, and provides them with a variety of products and solutions, including RF subsystem products.

In the first half of 2026, revenue from base station RF subsystem products increased by approximately 11.1% to approximately RMB137.1 million as compared to the same period in 2025 (corresponding period in 2025: approximately RMB123.4 million), which was primarily because the continued deepening of strategic cooperation with major equipment manufacturer customers and the continuous expanding and deepening of the scope of collaboration facilitated sales of WCDMA/FDD-LTE RF devices, TD/TD-LTE RF devices and Multi-frequency ultra-wideband RF devices products growing by approximately 5.2%, 32.2% and 67.5% to approximately RMB120.3 million, RMB5.49 million and RMB7.59 million respectively as compared to the same period last year.

Currently, the Group maintains its position as a primary supplier to globally leading telecommunications equipment manufacturers, constantly expanding and deepening its cooperations with customers. The Group has successfully won bids for the framework contracts of multiple new platforms and new products from major equipment manufacturer customers, and related product orders have achieved mass shipments. Meanwhile, the Group has made breakthroughs in emerging technologies such as small filters. Several projects have been awarded R&D initiatives, which are expected to generate scale sales in the future and drive sustained performance growth.

Coverage extension solution and others

In the first half of 2026, sales of the Group's coverage extension solution and others decreased by approximately 17.9% to approximately RMB28.46 million as compared to the same period in 2025 (corresponding period in 2025: approximately RMB34.65 million), primarily due to a decline in demand. However, the Group continued to successfully secure bids for aesthetic antenna projects from domestic operators. In the first half of the year, sales of aesthetic antennas increased by approximately 12.4% to approximately RMB12.79 million as compared to the same period last year.

To effectively enhance its resilience against industry cyclical risks, the Group has continuously explored emerging sectors with growth potential in recent years. It has systematically invested in R&D and market development focusing on technology roadmaps and application scenarios in new tracks such as new material applications and satellite communications. Currently, certain products have passed factory inspections and certifications by key strategic customers, and are expected to gradually generate order sales in the second half of the year. The Group believes that these new tracks will serve as new drivers for performance growth, providing strong support for future development.

Customer

In the first half of 2026, the Group continued to deepen its strategic partnerships with major operators and equipment manufacturer customers, thereby consolidating its core customer base. Meanwhile, the Group actively explored new customer resources and organized targeted efforts to penetrate key market customers, optimizing its customer structure and focusing on enhancing its market share and industry competitiveness.

Currently, the peak period of domestic 5G network construction has passed, and the industry is transitioning from "heavy-asset expansion" to "structural upgrading", with demand having shifted from "new construction" to "replacement and upgrading of existing assets", leading to a decrease in traditional network construction requirements. Under the dual pressure of operators' continuously reducing capital expenditure and the declining return on investment for 5G, the traditional base station construction business has shown a contracting trend. Consequently, revenue from major domestic operators in the first half of 2026 decreased by approximately 44.2% to approximately RMB16.14 million as compared to the same period last year, accounting for approximately 7.4% of total revenue for the period. As 2026 marks the opening year of the "15th Five-Year Plan", the construction of 5G-A networks is continuously deepening, with some domestic operators having explicitly announced the launch of related centralized procurement in the second half of the year. The Group is currently actively participating in the relevant bidding processes. With the advancement of network construction and the smooth delivery of existing orders, the Group's sales revenue from domestic operators is expected to gradually recover.

In the first half of 2026, driven by adjustments in procurement strategies and the expansion of product line cooperation, the Group's sales to domestic equipment manufacturer customers increased by approximately 15.5% to approximately RMB57.45 million as compared to the same period last year, accounting for approximately 26.3% of total revenue. The Group has consistently maintained its position as a core supplier to major domestic equipment manufacturer customers. In the first half of 2026, it achieved deep R&D integration with customers across multiple product lines, expanding cooperation into entirely new product sequences and further deepening its strategic partnership. These are expected to continuously bring substantial incremental orders to the Group in the future.

Affected by factors such as network construction cycles and geopolitics, relevant market demand experienced temporary fluctuations, resulting in the Group's sales to international operator customers decreasing by approximately 9.3% to approximately RMB13.60 million in the first half of the year as compared to the same period last year, accounting for approximately 6.2% of total revenue. Nevertheless, the Group continues to position internationalization as a core strategic development direction. Relying on its robust technical capabilities and reliable product quality, it has steadily expanded its footprint in the global communications landscape, and has successfully been shortlisted by several multinational operators, demonstrating continuously growing market recognition. During the FIFA World Cup 2026, the Group partnered with a local operator to successfully supply high-performance antenna products for three World Cup stadiums in Mexico. This efficiently supported venue communication services and further highlighted the Group's practical capabilities in top-tier international scenarios. The Group will actively expand cooperation across a broader range of product categories, driving multidimensional collaboration with overseas operators from single-product supply to systematic solutions. As the deployment of overseas communication networks accelerates, the demand for high-quality antenna feeder systems in overseas markets will continue to grow, presenting more market opportunities for the Group.

In the first half of 2026, the Group's sales to international equipment manufacturer customers decreased slightly by approximately 0.1% to approximately RMB106.2 million as compared to the same period last year, accounting for approximately 48.6% of total revenue, primarily due to a decline in demand for microwave products, which led to a reduction in orders from relevant international equipment manufacturer customers. However, the Group's cooperation with major international equipment manufacturer customers has further deepened. Product sales and shipments to these customers both achieved growth in the first half of the year, effectively offsetting the decline in sales to other equipment manufacturer customers. In 2026, the Group maintained a leading market share among major international equipment manufacturer customers and continued to expand business cooperation on new platforms and new products. These projects are expected to bring certain business growth opportunities to the Group in the coming years.

Furthermore, the Group has continuously advanced its strategy of customer structure diversification, accumulating industry experience and customer resources, and has currently established a government-enterprise customer matrix of a certain scale. In the first half of 2026, excluding operator and equipment manufacturer customers, sales revenue from other customers surged by approximately 67.1% to approximately RMB24.93 million as compared to the same period last year, accounting for approximately 11.4% of total revenue. Currently, the Group is focusing on expanding into new business areas such as new material applications and satellite communications, accumulating new industry customer resources to build a multi-layered customer structure. This will effectively mitigate the impact of cyclical fluctuations in operator network construction, systematically enhance the Group's overall risk resistance and operational resilience, and lay a solid foundation for steady future revenue growth and continuous profitability improvement.

Gross Profit

The Group's gross profit increased by approximately RMB3.89 million, or approximately 13.1%, from approximately RMB29.73 million in the first half of 2025 to approximately RMB33.62 million in the first half of 2026.

For the six months ended 30 June 2026, the Group's overall gross profit margin increased to approximately 15.4%, compared with approximately 13.8% for the corresponding period in 2025. During the first half of the year, continuous increases in raw material and labor costs exerted downward pressure on gross profit. However, the Group has consistently positioned cost and quality control as core strategic priorities, further strengthened cost control measures across its product lines, conducted cost analysis and tracking for key products, and established an end-to-end comprehensive management system to enhance operational efficiency. Going forward, the Group will continue to elevate its overall gross profit margin through measures such as optimizing its product sales mix, deepening its technological premium capabilities, and reinforcing cost control.

Other Income and Expenses

Other income and expenses decreased by approximately 64.3% from approximately RMB14.26 million in the first half of 2025 to approximately RMB5.09 million in the first half of 2026, primarily attributable to a substantial increase in the Group's foreign exchange losses.

Distribution and Selling Expenses

Distribution and selling expenses decreased by approximately 22.2% from approximately RMB14.67 million in the first half of 2025 to approximately RMB11.41 million in the first half of 2026, primarily due to a decrease in expenses for marketing and exhibitions, business expenses, advertising fees, logistic fees, consulting fees, as well as rent and utility expenses.

Administrative Expenses

Administrative expenses decreased by approximately 8.6% from approximately RMB31.81 million in the first half of 2025 to approximately RMB29.08 million in the corresponding period in 2026, primarily attributable to the Group's strengthened expenses control, which resulted in (1) a decrease in management/utility expenses, welfare expenses, work safety expenses, and other miscellaneous expenses; and (2) a significant reduction in social insurance premiums, property insurance premiums, other insurance premiums, and depreciation expenses.

Research and Development Expenses

For the six months ended 30 June 2026, the Group recognized capitalization expenses of approximately RMB4.20 million. After capitalization, R&D expenses decreased by approximately 7.4% from approximately RMB29.20 million in the first half of 2025 to approximately RMB27.03 million in the first half of 2026, primarily due to a decrease in expenses for wages, social insurance premiums, logistic fees, welfare expenses, depreciation expenses, R&D materials expenses and amortization of intangible asset.

Finance Costs

Finance costs increased by approximately 42.2% from approximately RMB1.47 million in the first half of 2025 to approximately RMB2.09 million in the first half of 2026, primarily due to an increase in interest expenses on bank borrowings.

Loss before Taxation

The Group recorded the loss before taxation of approximately RMB30.43 million in the first half of 2026, compared with the loss before taxation of approximately RMB32.81 million in the first half of 2025, representing a decrease in loss of approximately 7.3% as compared to the same period last year. Net profit margin before tax charges increased from approximately -15.3% in the first half of 2025 to approximately -13.9% in the first half of 2026.

The loss before taxation was primarily attributable to external factors, including the shift in investment focus by domestic operators and geopolitical dynamics, which resulted in sales revenue growth falling short of expected targets in the first half of the year. Additionally, upward pressures on gross profit margins from rising raw material and labor costs persisted. Furthermore, the significant depreciation of US dollar against RMB in the first half of the year led to foreign exchange losses of approximately RMB5.55 million for the Group in the first half of 2026, compared with foreign exchange gains of approximately RMB0.45 million in the corresponding period last year, resulting in a combined impact on profit or loss of approximately RMB6.00 million. Excluding the impact of the aforementioned foreign exchange gains and losses, the loss before taxation for the first half of the year narrowed by approximately 25.2% as compared to the corresponding period last year, and the narrowing of loss was significantly widened, with a significant loss reduction effect.

Income Tax Expense

The Group's incomes tax expenses for the first half of 2026 was approximately RMB2,000, while income tax expenses for the corresponding period in 2025 was approximately RMB5,000. Our effective tax rates calculated from the tax charged to the consolidated statements of comprehensive income over the loss before taxation were approximately -0.02% in the first half of 2025 and approximately -0.01% in the first half of 2026, respectively.

Loss for the Reporting Period

Loss for the first half of 2026 was approximately RMB30.44 million, while loss for the corresponding period in 2025 was approximately RMB32.82 million. Loss for the Reporting Period decreased by approximately RMB2.38 million or approximately 7.3% as compared to the same period last year. The Group's net profit margin for the first half of 2026 was approximately -13.9%, as compared with approximately -15.3% for the corresponding period in the first half of 2025.

FUTURE PROSPECTS

Looking ahead, the Group will continue to implement the dual-wheel driven strategy featuring "R&D innovation + market expansion". On the R&D front, the Group will focus on tackling core technologies, conduct forward-looking pre-research on key technological directions, consolidate and expand its existing technological moat, and enhance its competitiveness in next-generation communication technologies. On the market front, while consolidating its current business foundation, the Group will actively build a "second growth curve". It will continuously advance new businesses such as new material applications, satellite communications, and telecommunications integrated with energy saving/new energy, accelerate the development of commercialization capabilities, drive the conversion of technological achievements into orders, and sustain sales revenue growth. Meanwhile, the Group will continuously strengthen its cost and expense control measures. Through refined management and enhanced operational efficiency, the Group will optimize resource allocation and achieve effective loss mitigation, thereby laying a more robust financial foundation for the sustainable development of its business.

Currently, the peak period of large-scale 5G macro base station construction has passed. Domestic operators will accelerate the deployment of 5G-A networks, shifting their construction focus from large-scale new projects to deep coverage and blind-spot filling. Greater emphasis will be placed on intelligent energy-saving renovations for base stations and upgrades to indoor distribution systems. At the policy level, in April 2026, a meeting of the Political Bureau of the CPC Central Committee incorporated "new-generation communication networks" into the top-level national deployment of the "six major networks". This initiative aims to promote high-speed, extensive coverage, and low-latency development of information networks, providing underlying support for applications such as AI large models, remote control, and autonomous driving. Furthermore, the Ministry of Industry and Information Technology (MIIT) has introduced a series of policies around the integrated development of "AI + Information and Communications Technology (ICT)", and issued the *Implementation Opinions on Innovative Development of "AI + ICT" (2026–2028)*(《"人工智能+信息通信"創新發展實施意見 (2026—2028年) 》). These policies focus on the deep integration of AI with 5G-A/6G, new-generation optical networks and other fields. Driven by strong domestic policy support and active planning by operators, the communications industry is expected to usher in a new round of development demand.

Overseas communications network construction continues to exhibit significant regional differentiation. Developed markets such as Europe, the US, Japan and South Korea have transitioned from 5G construction to the large-scale commercialization of 5G-A and the pre-research phase for 6G. Conversely, emerging markets, such as Southeast Asia and Latin America, remain in the phase of expanding 5G network coverage. Meanwhile, global supply chains are undergoing accelerated regional restructuring under the influence of geopolitical dynamics. The Group has positioned international development as a core strategy. Leveraging its technological and quality advantages, it is steadily expanding its global footprint. The Group is committed to securing shortlist qualifications from multinational operators and deepening its strategic cooperations with international equipment manufacturers, striving to achieve simultaneous growth in its delivery share and market share to further enhance its global competitiveness.

Customers

The Group persists in the vision and goal of "becoming the world's first-class supplier of RF technology for mobile communications", and is committed to providing RF technology solutions to global leading system equipment manufacturers and telecommunications operators. The Group is also one of the few one-stop providers in China who can provide RF solutions to international system equipment manufacturers and telecommunications operators, which has enabled the Group to consistently maintain a continuous leading edge in product technology and constantly expand its customer channels.

The Group continues to deepen its strategic cooperations with traditional customers, including domestic and overseas operators and equipment manufacturers. On the operator front, the Group has cultivated the domestic operator market for over two decades. By actively participating in various bidding projects, it has accumulated extensive market experience and customer resources across multiple product lines, including base station antennas, indoor distribution antennas, and aesthetic antennas. Concurrently, the Group steadfastly pursues its internationalization strategy, focusing on securing shortlist qualifications from overseas operators while continuously enhancing product coverage and reliability. It has successfully been shortlisted by several major multinational operators, with related framework projects progressing steadily. On the equipment manufacturer front, the Group firmly maintains its position as a primary supplier to major equipment manufacturer customers, with stably awarded core business projects. Meanwhile, the Group is actively exploring business cooperation opportunities for new products and new platforms. Currently, certain projects have been awarded R&D initiatives, or have completed new product introduction certifications, further broadening the Group's cooperation landscape with equipment manufacturer customers and creating additional market opportunities. Looking ahead, as the global deployment of 5G-A networks accelerates, relevant demand will be gradually released. Coupled with the broadening scope of cooperation with equipment manufacturer customers, the Group is confident in further increasing its market share among both operator and equipment manufacturer customers, thereby driving sustained performance growth.

The Group continues to optimize its customer structure by accelerating industrial transformation, expanding into new business areas, and actively tapping into potential customer resources. Currently, the Group is prioritizing the development of targeted market customers. Leveraging its technological accumulation in emerging fields such as new dielectric material applications, satellite communications, and telecommunications integrated with energy saving/new energy, the Group has established clear customer targets and directions for cooperation. In particular, certain projects have completed factory inspections and certifications by customers, while others are currently in the sampling phase or under customer negotiation. By breaking through traditional business barriers and continuously driving customer diversification amid industrial upgrading and transformation, the Group will strongly support the future expansion of its sales network and performance enhancement.

Looking ahead, the Group will continue to adhere to the dual-wheel driven strategy. Internally, it will deepen its service capabilities and strengthen long-term cooperations with strategic customers through a comprehensive end-to-end support system. Externally, it will actively explore incremental growth by closely monitoring emerging fields such as new material applications, satellite communications, and telecommunications integrated with energy saving/new energy. By leveraging technological innovation as a fulcrum, the Group will accelerate its breakthroughs in acquiring new customers. As the global construction of communications infrastructure continues to gather momentum and significant opportunities emerge amid industry transformations, the Group is confident in continuously expanding its market footprint through orderly expansion.

Products

With over 20 years of deep expertise in the wireless communications sector, the Group is one of the few domestic companies that possesses capabilities in both antenna systems and base station RF subsystems, and has accumulated mature technologies and processes in these two core segments. In recent years, amid challenges posed by cyclical fluctuations in the communications industry, the Group has accelerated the implementation of its industrial transformation strategy. By leveraging its technological synergies, it has actively sought valuable new opportunities and continuously expanded into emerging business areas such as the new material applications, satellite communications, and telecommunications integrated with energy saving/new energy. Currently, the Group has achieved breakthroughs in corresponding technologies. The Group has consistently upheld the development philosophy of "R&D as the core", continuously enriching its product portfolio and driving innovation in technologies, processes and workflows to comprehensively enhance its overall competitiveness.

Currently, the 5G-A network has entered a critical stage of deep deployment and industrial applications. Base station antennas are undergoing a systematic transition from traditional passive antennas to green, digital, and intelligent solutions, with the construction of green, digital, and intelligent antenna networks gradually entering the stage of large-scale commercialization, which has enabled base station antennas transforming from single signal transmitting and receiving devices into an intelligent network foundation integrating sensing, computing and regulation and playing an increasingly critical role in the evolution of AI wireless networks and 6G networks. Meanwhile, the focus of operators' network construction has shifted from "quantity" to "quality". Network optimization and expansion demands, such as RedCap deployment, green and energy-saving base station renovations, and AI-RAN upgrades, remain stable, supporting the steady development of the base station antenna market. Closely following industry development trends, the Group has made breakthrough progress in areas such as AI auto-tracking antennas and green antennas, successfully securing bids for multiple domestic and overseas projects and maintaining stable shipments. Concurrently, the Group continues to conduct R&D in cutting-edge technological fields, continuously allocating R&D resources to key technological directions including intelligent reflection surface (IRS) antennas, metamaterial terahertz antennas, Massive MIMO antennas, A+P antennas, integrated sensing and communication (ISAC) antennas, and transparent antennas. These provide core technological reserves for the continuous advancement of 5G-A and the evolution of 6G technologies.

In the base station RF subsystem sector, as global communication technologies continue to evolve toward 5G-A and 6G, the demand for high-frequency band deployment at base stations continues to rise, driving RF devices toward miniaturization and lightweight designs. The material selection for filters is also ushering in an opportunity for upgrading. Ceramic dielectric materials, with their outstanding advantages of high Q-factor and low loss, demonstrate tremendous application potential under the future trend of high-frequency evolution. The Group continues to advance the application of new dielectric materials, to effectively address the product iteration requirements driven by future technological evolution. Through continuously iterated innovation outcomes that precisely align with customer needs, the Group will drive sustained performance growth in its RF subsystem business in the future.

Looking ahead, with the rapid development of 5G/6G technologies, the accelerated commercialization of application scenarios such as the Internet of Everything (IoE), space-air-ground integrated communications, and the integration of communication, sensing, computing, and intelligence will give rise to a series of brand-new market opportunities and growth spaces. Seizing the opportunities presented by industry transformations, the Group continues to accelerate its strategic transformation pace, focusing on expanding new tracks such as new dielectric material applications and satellite communications to build a diversified product matrix. Regarding new dielectric material applications, a new dielectric material product launched by the Group has completed introduction certifications by key strategic customers in the first half of the year, while other new dielectric products are currently in the sampling phase with targeted customers. The application scenarios for new dielectric materials are extremely broad, spanning telecommunications, electric power, aerospace, consumer electronics, drones, and automotive electronics, injecting strong momentum into the diversified development of future businesses. In terms of satellite communications, leveraging its customer resources among equipment manufacturers and operators, the Group is actively conducting cooperation to provide module-level products. Its Beidou terminal module has completed sampling with targeted customers and successfully passed certifications, and is expected to achieve scale sales in the second half of the year. Going forward, the Group will further expand into new business areas and continuously cultivate new drivers for performance growth.

Conclusion

The large-scale commercial deployment of 5G-A and the launch of 6G pre-research will unlock new growth opportunities for the telecommunications equipment industry and continue to unleash new development momentum. The Group believes that a diversified business structure will facilitate steady expansion of market share in the future. In addition to focusing on the iteration and innovation of existing products, the Group will increase R&D investment to develop new products and platforms in response to customers' evolving needs amid the technological advancement and application innovation of 5G, 5G-A/6G. As the scope and depth of services and collaboration with domestic and international operator and equipment manufacturer customers continue to expand, and with the ongoing expansion into new business areas, the Group will be well-positioned to secure a firm foothold in an increasingly complex competitive landscape of the future, capture more market opportunities, and maximize the returns for its shareholders and the society.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

During the period under review, the Group has funded the Group's operations and capital requirements from cash generated from operations, trade credit from our suppliers and bank borrowings. Our primary uses of cash have been for our increased working capital requirements and capital expenditures on purchases of production equipment in Shenzhen, Ji'an and Xi'an, China.

As at 30 June 2026, the Group had net current liabilities of approximately RMB3.72 million (31 December 2025: net current assets of approximately RMB27.78 million), including inventories of approximately RMB80.49 million (31 December 2025: approximately RMB77.63 million), trade and notes receivables of approximately RMB259.3 million (31 December 2025: approximately RMB211.0 million) and trade and notes payables of approximately RMB343.9 million (31 December 2025: approximately RMB356.8 million).

For the six months ended 30 June 2026, average turnover days of our inventories, trade and notes receivables and trade and notes payables are approximately 77 days (1H 2025: approximately 94 days), 195 days (1H 2025: approximately 235 days) and 343 days (1H 2025: approximately 444 days), respectively. Turnover days are derived by dividing the arithmetic mean of the beginning and ending balances of relevant assets/liabilities classes for the relevant period by sales/cost of sales and multiplying by the number of days in the period. In general, the average credit period for PRC network operators is longer than global network operators and solution providers. We offer credit terms generally accepted in the antennas and base station RF subsystems manufacturing industry to our trade customers. As at 30 June 2026, the Group pledged bank balance with a value of approximately RMB69.09 million to the bank (31 December 2025: approximately RMB65.39 million), cash and bank balances of approximately RMB81.81 million (31 December 2025: approximately RMB148.8 million) and recorded bank and other borrowings of approximately RMB164.7 million (31 December 2025: approximately RMB140.4 million). The current ratio (current assets divided by current liabilities) from approximately 1.05 times as at 31 December 2025 decreased to approximately 0.99 times as at 30 June 2026. The gearing ratio (bank and other borrowings divided by total assets) was approximately 19.7% as at 30 June 2026, while the gearing ratio as at 31 December 2025 was approximately 16.4%.

The Board is of the opinion that the Group has a solid and stable financial position and adequate resources to support the necessary operating funding requirements and foreseeable capital expenditures.

FOREIGN EXCHANGE EXPOSURE

Renminbi ("RMB") is the functional currency of the Group. Currencies other than RMB expose the Group to foreign currency risk. We have foreign currency sales and purchases and certain trade receivables and bank balances are denominated in United States dollar ("US$"), Euro ("EUR"), Indonesian Rupiah ("Indonesian Rupiah") and Hong Kong dollars ("HK$"). We currently do not have a foreign currency hedging policy. However, the management monitors and will consider hedging of foreign currency exposure when necessary.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had approximately 1,009 staffs. The total staff costs amounted to approximately RMB62.42 million for the six months ended 30 June 2026. The remuneration of the Group's employees is determined on the basis of their responsibilities and industry practices. Regular training is provided to improve the skills and expertise of relevant staff. The Group also grants share options and discretionary bonuses to eligible staff based on their performance.

CHARGE ON ASSETS

As at 30 June 2026, bank balances of approximately RMB69.09 million were pledged to secure bank borrowings and notes payables granted to the Group.

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

As at 30 June 2026, the Group had contracted for capital commitments relating to acquisition of property, plant and equipment of approximately RMB12.88 million. The Group did not have any significant contingent liabilities.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2026, a total amount of 38,000 shares of the Company had been repurchased at prices ranging from HK$0.137 per share to HK$0.160 per share by the Company via Stock Exchange. The Company had subsequently cancelled all these shares repurchased during the period. Save as mentioned above, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2026.

DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2026.

CORPORATE GOVERNANCE

The Board has been adamant in upholding high standards of corporate governance to maximize the operational efficiency, corporate values and shareholder returns of the Company. The Company adopted sound governance and disclosure practices and continued to upgrade internal control system, strengthen risk control management and reinforce the corporate governance structure.

The Company has complied with the code provisions of the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") during the six months ended 30 June 2026 except for the deviation of code provision C.2.1.

The code provision C.2.1 of the CG Code stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Mr. Hu Xiang ("Mr. Hu") served as both the Chairman and Chief Executive Officer of the Company until 10 April 2025. Due to adjustments to the division of duties, Mr. Hu resigned as the Chief Executive Officer of the Company on 11 April 2025. At the same time, the Board of the Company has established the position of Chief Operating Officer, Ms. Zhou Lingbo ("Ms. Zhou") has been appointed as Chief Operating Officer with effect from 11 April 2025. Ms. Zhou is responsible for the overall operation and management of the Company, leading the executive team, and reporting to the Chairman and the Board on the day-to-day business operations and management. For details, please refer to the announcement issued by the Company on 11 April 2025. Therefore, although the Company has not established the position of Chief Executive Officer, the Board believes that the current division of responsibilities is sufficient to ensure a balance of power and authority.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules. All Directors have confirmed, following specific enquiry by the Company, that they complied with the required standard set out in the Model Code throughout the six months ended 30 June 2026.

AUDIT COMMITTEE

The Company has set up an audit committee with written terms of reference. The audit committee comprises three independent non-executive Directors. The principal duties of the audit committee include the review and supervision of the Group's financial reporting systems and internal control procedures, review of the Group's financial position and review of the relationship with the external auditor of the Company.

The Group's condensed consolidated interim financial statements for the six months ended 30 June 2026 have been reviewed by the audit committee of the Company, who are of the opinion that such statements comply with the applicable accounting standards and legal requirements, and that adequate disclosures have been made.

PUBLICATION OF INTERIM RESULTS AND 2026 INTERIM REPORT

This results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.mobi-antenna.com). The 2026 Interim Report of the Company will be available on both websites and dispatched to shareholders in due course.

By order of the Board
MOBI Development Co., Ltd.
Hu Xiang
Chairman

Hong Kong, 21 August 2026

As at the date of this announcement, the executive directors of the Company are Mr. HU Xiang, Ms. ZHOU Lingbo and Mr. YE Rong; the non-executive director is Mr. QU Deqian; and the independent non-executive directors are Mr. LI Tianshu, Mr. ZHANG Han and Ms. GE Xiaojing.