

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Suzhou Novosense Microelectronics Co., Ltd.

蘇州納芯微電子股份有限公司

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

(Stock code: 2676)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2026

FINANCIAL HIGHLIGHTS OF THE GROUP

The unaudited interim results of the Group for the six months ended June 30, 2026, together with comparative figures for the six months ended June 30, 2025, are as follows:

	For the six months ended June 30,		
	2026	2025	Change
	RMB'000	RMB'000	
	(Unaudited)	(Audited)	
Revenue	2,540,419	1,523,665	66.7%
Gross profit	743,215	500,672	48.4%
Profit/(Loss) from operations	75,803	(75,882)	N/A
Profit/(Loss) for the period	65,063	(78,010)	N/A
Total comprehensive income for the period	63,863	(75,586)	N/A
Earnings/(Loss) per share			
– Basic and diluted (RMB)	0.42	(0.55)	N/A

RESULTS FOR THE PERIOD

The Board of Directors (the “**Board**”) of Suzhou Novosense Microelectronics Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the Group’s unaudited condensed consolidated interim results for the Reporting Period of the six months ended June 30, 2026, together with the comparative figures for the six months ended June 30, 2025.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets at fair value through other comprehensive income, financial assets and financial liabilities at fair value through profit or loss, and derivative financial instruments measured at fair value.

FINANCIAL INFORMATION

The unaudited condensed consolidated interim financial information set forth in this announcement has been reviewed by the Audit Committee, approved by the Board, and reviewed by the overseas auditor of the Company, KPMG, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended June 30, 2026

		For the six months ended June 30,	
		2026	2025
	Notes	RMB'000	RMB'000
		(Unaudited)	(Audited)
Revenue	3	2,540,419	1,523,665
Cost of sales		<u>(1,797,204)</u>	<u>(1,022,993)</u>
Gross profit		<u>743,215</u>	<u>500,672</u>
Other net income		110,121	41,680
Selling and marketing expenses		(140,621)	(109,975)
Administrative expenses		(174,426)	(143,234)
Research and development expenses		(446,329)	(361,282)
Impairment loss on trade and other receivables		<u>(16,157)</u>	<u>(3,743)</u>
Profit/(Loss) from operations		75,803	(75,882)
Finance costs	4	(12,841)	(11,328)
Share of losses and provision for impairment of associates and a joint venture		<u>(148)</u>	<u>(2,392)</u>
Profit/(Loss) before taxation		62,814	(89,602)
Income tax	5	<u>2,249</u>	<u>11,592</u>
Profit/(Loss) for the period		<u>65,063</u>	<u>(78,010)</u>
Attributable to:			
Equity shareholders of the Company		67,591	(78,010)
Non-controlling interests		<u>(2,528)</u>	<u>—</u>
Profit/(Loss) for the period		<u>65,063</u>	<u>(78,010)</u>
Earnings/(Loss) per share			
Basic and diluted (RMB)	6	<u>0.42</u>	<u>(0.55)</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2026

	For the six months ended	
	June 30,	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)
Profit/(Loss) for the period	65,063	(78,010)
Other comprehensive income for the period		
Exchange differences on translation of:		
– financial statements of overseas subsidiaries	(1,200)	2,424
Total comprehensive income for the period	63,863	(75,586)
Attributable to:		
Equity shareholders of the Company	66,391	(75,586)
Non-controlling interests	(2,528)	–
Total comprehensive income for the period	63,863	(75,586)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2026

		June 30, 2026	December 31, 2025
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Audited)
Non-current assets			
Property, plant and equipment		2,021,280	1,837,365
Right-of-use assets		26,744	21,892
Intangible assets		358,731	389,174
Goodwill		545,470	545,470
Interests in associates and a joint venture		298,475	111,052
Financial assets measured at fair value through profit or loss (“ FVPL ”)		569,396	428,971
Time deposits		81,851	81,038
Other non-current assets		592,740	45,858
Deferred tax assets		88,785	43,102
		4,583,472	3,503,922
Current assets			
Inventories and contract costs	7	1,657,931	1,475,940
Contract assets		285	285
Trade and other receivables	8	1,231,555	995,907
Financial assets measured at FVPL		681,597	1,124,163
Time deposits		55,000	93,000
Restricted bank deposits		1,821	22,656
Cash and cash equivalents		2,301,149	2,465,627
		5,929,338	6,177,578
Current liabilities			
Trade and other payables	9	880,059	840,416
Contract liabilities		37,103	33,191
Interest-bearing borrowings		189,870	115,537
Lease liabilities		10,934	8,685
Current taxation		1,135	742
Refund liabilities from right of return		55,013	53,355
		1,174,114	1,051,926

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at June 30, 2026

	June 30, 2026	December 31, 2025
<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)
Net current assets	<u>4,755,224</u>	<u>5,125,652</u>
Total assets less current liabilities	<u>9,338,696</u>	<u>8,629,574</u>
Non-current liabilities		
Interest-bearing borrowings	1,391,401	851,512
Lease liabilities	14,549	10,891
Payable for acquisition of subsidiaries	17,489	17,489
Deferred income	37,688	40,081
Deferred tax liabilities	75,057	54,684
Refund liabilities from right of return	7,562	6,918
Financial liability measured at FVPL	<u>33,685</u>	<u>33,236</u>
	<u>1,577,431</u>	<u>1,014,811</u>
NET ASSETS	<u>7,761,265</u>	<u>7,614,763</u>
CAPITAL AND RESERVES		
Share capital	162,623	161,597
Treasury shares	(215,010)	(127,664)
Reserves	<u>7,794,998</u>	<u>7,563,249</u>
Total equity attributable to equity shareholders of the Company	7,742,611	7,597,182
Non-controlling interests	<u>18,654</u>	<u>17,581</u>
TOTAL EQUITY	<u>7,761,265</u>	<u>7,614,763</u>

NOTES

For the six months ended June 30, 2026

1. GENERAL INFORMATION

Suzhou Novosense Microelectronics Co., Ltd. (the “**Company**”) was established in Suzhou City, Jiangsu Province, People’s Republic of China (the “**PRC**”) on May 17, 2013 as a limited liability company under the PRC Company Law.

In March 2016, the Company was converted into a joint stock limited liability company. In April 2022, the Company’s A shares were listed on the STAR Market of the Shanghai Stock Exchange under the stock code 688052. The Company’s H shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited on December 8, 2025.

The Company and its subsidiaries (together, the “**Group**”) are principally engaged in design, research and development (R&D) of various types of chip products.

2. SUMMARY OF ACCOUNTING POLICIES

2.1 Basis of preparation of the financial statements

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (“**IAS**”) 34 “Interim financial reporting”, issued by the International Accounting Standards Board (“**IASB**”). This report was authorised for issue on 27 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 2.2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the HKICPA.

2.2 Changes in accounting policies

The IASB has issued a number of amendments to IFRS Accounting Standards that are first effective for the current accounting period. None of these developments have had a material effect on these financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. REVENUE

Disaggregation of revenue from contracts with customers by major products or services is as follows:

	For the six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products or service lines		
– Sensor Products	642,813	413,028
– Signal Chain Chips	1,011,287	585,789
– Power Management Chips	879,326	519,443
– Others	6,993	5,405
	2,540,419	1,523,665

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	For the six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Disaggregated by timing of revenue recognition		
Point in time	2,537,138	1,520,731
Over time	3,281	2,934
	2,540,419	1,523,665

4. PROFIT / (LOSS) BEFORE TAXATION

Profit/(Loss) before taxation is arrived at after charging:

		For the six months ended June 30,	
		2026	2025
		<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Audited)
(a) Finance costs			
Interest on			
– loans		12,472	11,010
– lease liabilities		<u>369</u>	<u>318</u>
		<u>12,841</u>	<u>11,328</u>
		For the six months ended June 30,	
		2026	2025
		<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Audited)
(b) Other items			
Depreciation charge			
– owned property, plant and equipment		108,942	83,412
– right-of-use assets		<u>5,008</u>	<u>5,019</u>
		<u>113,950</u>	<u>88,431</u>
Amortisation cost of intangible assets		<u>32,670</u>	<u>28,572</u>
Research and development expense		<u>446,329</u>	<u>361,282</u>
Cost of inventories		<u>1,797,204</u>	<u>1,022,993</u>

5. INCOME TAX

Taxation in the consolidated statement of profit or loss represents:

	For the six months ended June 30,	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)
Current tax		
Provision for the period	<u>1,768</u>	<u>2,116</u>
Deferred tax		
Origination and reversal of temporary differences	<u>(4,017)</u>	<u>(13,708)</u>
	<u>(2,249)</u>	<u>(11,592)</u>

6. EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on the earnings attributable to ordinary equity shareholders of the Company RMB67,591,000 (for the six months ended June 30, 2025: Loss attributable to ordinary equity shareholders of the Company of RMB78,010,000) and the weighted average of 160,860,000 ordinary shares (for the six months ended June 30, 2025: 142,411,000 shares) in issue during the period.

(b) Diluted earnings/(loss) per share

For the period of six months ended June 30, 2026, the calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB67,591,000 and the weighted average number of ordinary shares of 162,565,000 .

For the period of six months ended June 30, 2025, the restricted shares were not included in the calculation of diluted loss per share, as their effect would have been anti-dilutive. Accordingly, diluted loss per share was the same as basic loss per share.

7. INVENTORY AND CONTRACT COSTS

	June 30, 2026 <i>RMB'000</i> (Unaudited)	December 31, 2025 <i>RMB'000</i> (Audited)
Inventories		
Chip products		
– Raw materials	386,181	364,662
– Work in progress	711,740	553,605
– Finished goods	513,156	515,879
– Goods in transit	9,637	14,695
– Goods delivered to customers	15,296	9,632
	<u>1,636,010</u>	<u>1,458,473</u>
Contract costs	<u>21,921</u>	<u>17,467</u>
	<u><u>1,657,931</u></u>	<u><u>1,475,940</u></u>

8. TRADE AND OTHER RECEIVABLES

	June 30, 2026 <i>RMB'000</i> (Unaudited)	December 31, 2025 <i>RMB'000</i> (Audited)
Trade receivables	928,062	636,738
Bills receivables	<u>14,245</u>	<u>15,765</u>
Trade and bills receivables	<u>942,307</u>	<u>652,503</u>
Bills receivables measured at fair value through other comprehensive income	<u>17,092</u>	<u>31,991</u>
Other receivables	30,643	30,694
Capacity deposits	49,098	110,750
Value-added tax recoverable	24,813	40,583
Prepayment	129,292	92,960
Others	<u>38,310</u>	<u>36,426</u>
	<u><u>1,231,555</u></u>	<u><u>995,907</u></u>

As of the end of the Reporting Period, the ageing analysis of trade receivables and bills receivables, based on the due date and net of loss allowance, is as follows:

	June 30, 2026 RMB'000 (Unaudited)	December 31, 2025 RMB'000 (Audited)
Within 1 year	942,206	652,492
Over 1 year but less than 2 years	101	3
Over 2 years but less than 3 years	—	8
	<u>942,307</u>	<u>652,503</u>

9. TRADE AND OTHER PAYABLES

	June 30, 2026 RMB'000 (Unaudited)	December 31, 2025 RMB'000 (Audited)
Trade payables	539,446	461,838
Bills payables	—	5,000
Accrual payroll	162,609	317,039
Payable of investment in an associate	60,000	—
Subscription from restricted share incentive plan	59,963	—
Other taxes and surcharges payables	29,886	15,174
Other payables	10,666	3,817
Payable for acquisition of subsidiaries	17,489	37,548
	<u>880,059</u>	<u>840,416</u>

As of the end of the Reporting Period, the ageing analysis of trade payables is as follows:

	June 30, 2026 RMB'000 (Unaudited)	December 31, 2025 RMB'000 (Audited)
Within 1 year	519,049	448,086
Over 1 year but less than 2 years	18,221	12,329
Over 2 years but less than 3 years	959	520
Over 3 years	1,217	903
	<u>539,446</u>	<u>461,838</u>

10. DIVIDENDS

No dividend was paid or declared by the Company or any of its subsidiaries during the Reporting Period.

FINANCIAL REVIEW

Revenue

The table below sets forth the absolute amounts and percentages of the Company's revenue by business for the six months ended June 30, 2026 and for the six months ended June 30, 2025:

	For the six months ended June 30,				Change
	2026		2025		
	<i>RMB'000</i>	<i>% of Revenue</i>	<i>RMB'000</i>	<i>% of Revenue</i>	
	(Unaudited)		(Audited)		
Sensor Products	642,813	25.3%	413,028	27.1%	55.6%
Signal Chain Chips	1,011,287	39.8%	585,789	38.4%	72.6%
Power Management Chips	879,326	34.6%	519,443	34.1%	69.3%
Others ⁽¹⁾	6,993	0.3%	5,405	0.4%	29.4%
Total	2,540,419	100.0%	1,523,665	100.0%	66.7%

Note:

(1) Primarily included our revenue from customization services and sales of ancillary components.

For the six months ended June 30, 2026, the Company generated revenue of RMB2,540.4 million, representing a year-on-year increase of 66.7%. Specifically, revenue from sensor products reached RMB642.8 million, representing a year-on-year increase of 55.6%; revenue from signal chain chips reached RMB1,011.3 million, representing a year-on-year increase of 72.6%; revenue from power management chips reached RMB879.3 million, representing a year-on-year increase of 69.3%; and revenue from other businesses reached RMB7.0 million, representing a year-on-year increase of 29.4%.

By business segment, sensor products achieved a revenue of RMB642.8 million, representing a year-on-year increase of 55.6%, mainly because the Company has established a sensor product portfolio covering multiple industries and precision grades, meeting multi-tiered demands ranging from consumer-grade to high-reliability applications, thereby achieving rapid sales growth; signal chain chips achieved revenue of RMB1,011.3 million, representing a year-on-year increase of 72.6%, mainly due to the significant growth in demand in the downstream sectors such as automotive electronics and industrial automation; power management chips achieved revenue of RMB879.3 million, representing a year-on-year increase of 69.3%, mainly due to the continuous expansion of Company's power management products portfolio and the ongoing expansion of its domestic and international markets, resulting in a significant year-on-year increase in sales revenue.

Gross Profit and Gross Profit Margin

The table below sets forth the Company's absolute gross profit amounts and gross profit margins for the six months ended June 30, 2026 and for the six months ended June 30, 2025 by business:

	For the six months ended June 30,		
	2026	2025	
	RMB'000	RMB'000	Change
	(Unaudited)	(Audited)	
Amount before impairment loss of inventories			
Sensor Products	256,039	191,768	33.5%
Signal Chain Chips	327,071	204,781	59.7%
Power Management Chips	210,885	120,906	74.4%
<i>Others</i> ⁽¹⁾	4,732	3,460	36.8%
Subtotal	798,727	520,915	53.3%
Impairment Loss of Inventories	(55,512)	(20,243)	
Gross profit	743,215	500,672	48.4%
Gross profit margin	29.3%	32.9%	

Note:

(1) Primarily included our revenue from customization services and sales of ancillary components.

For the six months ended June 30, 2026, the Company's gross profit margin was 29.3%, representing a year-on-year decrease of 3.6 percentage points, the overall gross profit margin has remained relatively stable; the decline in the gross profit margin for the Reporting Period is primarily attributable to a rapid increase in the Company's material costs, driven by rising raw material prices from upstream suppliers.

Selling and Marketing Expenses

The table below sets forth the Company's selling and marketing expenses and percentages of revenue for the six months ended June 30, 2026 and for the six months ended June 30, 2025:

	For the six months ended June 30,				
	2026		2025		Change
	<i>RMB'000</i>	<i>% of Revenue</i>	<i>RMB'000</i>	<i>% of Revenue</i>	
	(Unaudited)		(Audited)		
Selling and Marketing Expenses	<u>140,621</u>	<u>5.5%</u>	<u>109,975</u>	<u>7.2%</u>	<u>27.9%</u>

For the six months ended June 30, 2026, the Company's selling and marketing expenses reached RMB140.6 million, representing a year-on-year increase of 27.9%. The selling and marketing expense ratio was 5.5%, representing a year-on-year decrease of 1.7 percentage points. This was primarily due to the continuous resource investments in market expansion, talent development, and other areas, which led to an increase in employee compensation within sales expenses compared to the same period last year. Consequently, while the overall selling expenses increased, however, the growth rate of selling expenses remained lower than that of revenue.

Administrative Expenses

The table below sets forth the Company's administrative expenses and percentages of revenue for the six months ended June 30, 2026 and for the six months ended June 30, 2025:

	For the six months ended June 30,				
	2026		2025		Change
	<i>RMB'000</i>	<i>% of Revenue</i>	<i>RMB'000</i>	<i>% of Revenue</i>	
	(Unaudited)		(Audited)		
Administrative Expenses	<u>174,426</u>	<u>6.9%</u>	<u>143,234</u>	<u>9.4%</u>	<u>21.8%</u>

For the six months ended June 30, 2026, the Company's administrative expenses amounted to RMB174.4 million, representing a year-on-year increase of 21.8%. The administrative expense ratio stood at 6.9%, representing a year-on-year decrease of 2.5 percentage points. The primary reason for the change was the expansion of the Company's scale. As the Company continued to strengthen its management team, the headcount of administrative personnel increased, leading to higher total remuneration costs. However, the growth rate of these expenses remained lower than that of revenue.

Research and Development Expenses

The table below sets forth the Company's research and development expenses and percentages of revenue for the six months ended June 30, 2026 and for the six months ended June 30, 2025:

	For the six months ended June 30,				
	2026		2025		Change
	<i>RMB'000</i>	<i>% of Revenue</i>	<i>RMB'000</i>	<i>% of Revenue</i>	
	(Unaudited)		(Audited)		
Research and Development Expenses	<u>446,329</u>	<u>17.6%</u>	<u>361,282</u>	<u>23.7%</u>	<u>23.5%</u>

For the six months ended June 30, 2026, the Company's research and development expenses reached RMB446.3 million, representing a year-on-year increase of 23.5%. The research and development expenses ratio was 17.6%, representing a year-on-year decrease of 6.1 percentage points. This is primarily due to the Company's consistent commitment to expanding its product portfolio and deepening its core technologies. In order to capitalize on long-term growth opportunities, attract and retain key talent, continuously refine its product portfolio, and thereby lay a solid foundation for future revenue growth, the Company has consistently allocated resources to areas such as R&D investment and talent development, resulting in an increase in total R&D expenses, while the growth rate remained lower than that of revenue.

Other Net Income

The Company's other income increased from RMB41.7 million for the six months ended June 30, 2025 to RMB110.1 million for the six months ended June 30, 2026, primarily due to an increase in the gain arising from changes in the fair value of financial assets measured at fair value through profit or loss for the Reporting Period compared with the previous period.

Finance Costs

The Company's finance costs increased from RMB11.3 million for the six months ended June 30, 2025 to RMB12.8 million for the six months ended June 30, 2026. Specifically: loan expenses increased from RMB11.0 million for the six months ended June 30, 2025 to RMB12.5 million for the six months ended June 30, 2026, primarily due to the Company's expanding business scale and increased working capital requirements.

Profit for the Period

The Company's profit for the period for the six months ended June 30, 2026 was RMB65.1 million, compared with a loss for this period of RMB78.0 million for the six months ended June 30, 2025, representing a turnaround from loss to profit. This was primarily due to the rapid growth in customer demand across downstream sectors such as automotive electronics, photovoltaics and energy storage, industrial automation, and server power supplies, which led to a substantial increase in the shipment volume of the Company's relevant products; the Company has continued to focus its product R&D on downstream application scenarios, continuously enriching its portfolio of semiconductor products and solutions, with the number of product models available for sale steadily increasing and sales continuing to expand steadily; the strategic expansion of overseas operations has continued to advance, with revenue contributions from overseas customers rising steadily, resulting in a significant increase in profit for this period for the six months ended June 30, 2026.

Consolidated Statements of Financial Position

The following table sets out the absolute amount of the condensed consolidated statements of financial position as at June 30, 2026 and December 31, 2025:

	June 30, 2026 <i>RMB'000</i> (Unaudited)	December 31, 2025 <i>RMB'000</i> (Audited)
Total non-current assets	4,583,472	3,503,922
Total current assets	<u>5,929,338</u>	<u>6,177,578</u>
Total assets	<u>10,512,810</u>	<u>9,681,500</u>
Total non-current liabilities	1,577,431	1,014,811
Total current liabilities	<u>1,174,114</u>	<u>1,051,926</u>
Total liabilities	<u>2,751,545</u>	<u>2,066,737</u>
Net current assets	<u>4,755,224</u>	<u>5,125,652</u>
Net assets	<u>7,761,265</u>	<u>7,614,763</u>
Share capital	162,623	161,597
Treasury shares	(215,010)	(127,664)
Reserves	<u>7,794,998</u>	<u>7,563,249</u>
Total equity attributable to equity shareholders of the Company	7,742,611	7,597,182
Non-controlling interests	<u>18,654</u>	<u>17,581</u>
Total equity	<u>7,761,265</u>	<u>7,614,763</u>

The Company's total non-current assets increased from RMB3,503.9 million as of December 31, 2025 to RMB4,583.5 million as of June 30, 2026, primarily due to an increase in property, plant, and equipment, and long-term receivables relating to capacity deposits.

The Company's total current assets decreased from RMB6,177.6 million as of December 31, 2025 to RMB5,929.3 million as of June 30, 2026, primarily due to the decrease in financial assets measured at FVPL.

The Company's total non-current liabilities increased from RMB1,014.8 million as of December 31, 2025 to RMB1,577.4 million as of June 30, 2026, primarily due to the increase in interest-bearing borrowings.

The Company's total current liabilities increased from RMB1,051.9 million as of December 31, 2025 to RMB1,174.1 million as of June 30, 2026, primarily due to an increase in trade and other payables, and interest-bearing borrowings repayable within one year.

The Company's net assets increased from RMB7,614.8 million as of December 31, 2025 to RMB7,761.3 million as of June 30, 2026, primarily due to exercise of the over-allotment option during the Reporting Period.

Consolidated Statements of Cash Flows

The following table sets forth selected information from the Company's cash flows for the six months ended June 30, 2026 and for the six months ended June 30, 2025:

	For the six months ended	
	June 30,	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)
Net cash used in operating activities	(710,483)	(307,665)
Net cash (used in)/generated from investing activities	(50,102)	13,180
Net cash generated/(used in) from financing activities	<u>667,200</u>	<u>(7,347)</u>
Net decrease in cash and cash equivalents	(93,385)	(301,832)
Cash and cash equivalents as at January 1,	2,464,327	1,012,215
Effect of foreign exchange rate changes	<u>(71,258)</u>	<u>2,584</u>
Cash and cash equivalents as at June 30,	<u><u>2,299,684</u></u>	<u><u>712,967</u></u>

For the six months ended June 30, 2026, the Company's net cash used in operating activities was RMB710.5 million. On the one hand, the Company's sales volume continued to grow rapidly, with both cash paid for the purchase of goods and services and cash received from the sale of goods and provision of services showing significant increases; while cash paid for the purchase of goods and services grew at a relatively faster rate due to production capacity and inventory requirements. On the other hand, the Company adheres to a people-oriented approach and continues to invest resources in talent development, resulting in a corresponding increase in cash paid to and on behalf of employees.

For the six months ended June 30, 2026, the Company's net cash used in investing activities was RMB50.1 million, primarily consisting of payments of RMB347.2 million for the purchase of property, plant and equipment, and payments of RMB135.0 million for the acquisition of associates, which was partially offset by net proceeds of RMB405.7 million from disposal of financial asset measured at FVPL.

For the six months ended June 30, 2026, the Company's net cash generated from financing activities was RMB667.2 million, primarily consisting of proceeds of RMB103.2 million from the Global Offering and bank loans received of RMB655.6 million, and payments of RMB87.3 million for the share buy-back (including transaction commissions and other fees).

Liquidity and Financial Resources

The Company maintains sufficient cash and cash equivalents to ensure financial flexibility. The Company's cash and cash equivalents primarily consist of cash at bank and on hand, demand deposits held with banks, and other highly liquid short-term investments. The table below sets forth the absolute amounts of the Company's cash and cash equivalents as of June 30, 2026 and December 31, 2025:

	June 30, 2026 RMB'000 (Unaudited)	December 31, 2025 RMB'000 (Audited)
Cash at bank and on hand	2,299,119	2,378,379
Deposits held with other financial institutions	<u>2,030</u>	<u>87,248</u>
Total	<u><u>2,301,149</u></u>	<u><u>2,465,627</u></u>

The Company's cash and cash equivalents decreased from RMB2,465.6 million as of December 31, 2025 to RMB2,301.1 million as of June 30, 2026, primarily due to the Company's continuously expanding sales volume and the substantial working capital expenditure required for production and operations.

	June 30, 2026 RMB'000 (Unaudited)	December 31, 2025 RMB'000 (Audited)
Bank loans	1,581,271	967,049
Other borrowings	<u>—</u>	<u>—</u>
Less: amount included under “current liabilities”	<u>189,870</u>	<u>115,537</u>
Total	<u>1,391,401</u>	<u>851,512</u>

The Company's current borrowings increased from RMB115.5 million as of December 31, 2025 to RMB189.9 million as of June 30, 2026, primarily due to the increase in the amount of long-term borrowings due within one year.

The Company's non-current borrowings increased from RMB851.5 million as of December 31, 2025 to RMB1,391.4 million as of June 30, 2026, primarily due to rapid business expansion, increased demand for working capital, and the corresponding increase in bank loans.

The Company does not expect any significant changes in the financing available to fund its operations in the future.

The Company maintains a sound capital ratio to support its business and manages its asset structure through the gearing ratio. The table below sets forth the amounts of total assets and total liabilities, as well as the gearing ratio, as of June 30, 2026 and December 31, 2025:

	June 30, 2026	December 31, 2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)
Total assets	10,512,810	9,681,500
Total liabilities	<u>2,751,545</u>	<u>2,066,737</u>
Gearing ratio	<u>26.2%</u>	<u>21.3%</u>

The Company's gearing ratio (defined as the ratio of total liabilities to total assets) increased from 21.3% as of December 31, 2025 to 26.2% as of June 30, 2026, primarily due to the increase in borrowings of the Company during the Reporting Period.

As of June 30, 2026, monetary assets accounted for approximately 39% of the Company's total current assets. Taking into account the Company's available financial resources, including cash and cash equivalents, available bank financing, cash flows from operating activities, and net proceeds from the Global Offering, the Company has sufficient working capital to sustain operations for at least 12 months.

Capital Commitments

The following table sets forth the absolute amounts of the Company's capital commitments as of June 30, 2026 and December 31, 2025:

	June 30, 2026	December 31, 2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)
Contracted for acquisition of property, plant and equipment	<u>208,621</u>	<u>201,878</u>

As of June 30, 2026, the Company's capital commitments amounted to RMB208.6 million, primarily consisting of long-term asset purchase agreements entered into to ensure production capacity in response to the rapid growth of the Company's business scale.

Capital Expenditures

The table below sets forth the absolute amounts of the Company's capital expenditures for the six months ended June 30, 2026 and for the six months ended June 30, 2025:

	For the six months ended	
	June 30,	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)
Payment for the purchase of property, plant, and equipment, and intangible assets	347,233	144,376
Net cash paid for the acquisition of subsidiaries	20,058	60,176
Payment for the purchase of associates	135,028	10,000
Total	<u>502,319</u>	<u>214,552</u>

The Company's capital expenditure includes payment for the purchase of property, plant and equipment and intangible assets, net cash paid for the acquisition of subsidiaries, and payment for the purchase of associates. The Company's capital expenditure increased from RMB214.6 million for the six months ended June 30, 2025 to RMB502.3 million for the six months ended June 30, 2026, mainly due to an increase of RMB202.9 million in payments made during the period for the purchase of property, plant and equipment, and intangible assets. During the Reporting Period, demand from customers in downstream sectors such as automotive electronics, photovoltaics and energy storage, industrial automation, and server power supplies grew rapidly, prompting the Company to increase its capital expenditure to meet production requirements.

The Company expects to fund its future capital expenditures using its operating cash flow and internally generated or externally raised funds.

Contingent Liabilities

As of June 30, 2026, the Company had no material contingent liabilities that need to be disclosed (As of December 31, 2025: nil).

Foreign Exchange Risk

The Company operates globally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the respective functional currencies of our subsidiaries. During the Reporting Period, the Group did not use any financial instruments to hedge against foreign exchange risk.

Pledge of Assets

As of June 30, 2026, the net book value of collateral pledged or mortgaged by the Company to secure bank borrowings was RMB1,213.5 million (as of December 31, 2025: RMB1,222.7 million), primarily consisting of buildings and equity.

Save as disclosed above, the Group had no other material asset pledges or charges as of June 30, 2026.

Off-Balance Sheet Arrangements

As of June 30, 2026, the Company had not entered into and did not expect to enter into any off-balance sheet arrangements.

MANAGEMENT DISCUSSION AND ANALYSIS

I. INDUSTRY CONDITIONS DURING THE REPORTING PERIOD

(1) Overview of the Analog IC Market

1) Global Semiconductor Market Overview

In the first half of 2026, the global semiconductor market continued its recovery momentum from 2025, sustaining growth driven by demand for AI computing power. According to the Spring forecast report released by the World Semiconductor Trade Statistics (WSTS) in 2026, the global semiconductor market size will reach US\$1.51 trillion in 2026, representing a year-on-year increase of approximately 90% with the growth rate hitting a record high. Specifically, memory is projected to grow by approximately 250% year-on-year, logic ICs by 37%, microprocessors by 20%, analog ICs by 10%, discrete devices by 8%, and sensors and optoelectronic devices by 3%.

In terms of growth drivers, beyond stable demand from traditional sectors like industrial control, the continuous evolution of AI technology and the rapid development of autonomous driving and robots further stimulated demand for analog chips. Particularly, applications such as AI servers and automotive electronics continued to see strong demand for high-performance analog chips, a core foundation for the scaling up of analog ICs.

2) Domestic Semiconductor Market Overview

According to the data from the General Administration of Customs, China's integrated circuit exports reached US\$177.28 billion in the first half of the year, representing a year-on-year increase of over 96%. Such export value set a new historical high for a half-year period and approached the full-year total for 2025 (US\$202.04 billion); the export volume increased by 7% year-on-year to 179.44 billion units, and the average export price rose significantly year-on-year. In June, integrated circuit exports reached approximately US\$38.21 billion, accounting for 10% of total exports and ranking as the top export category.

According to statistics from the China Business Industry Research Institute (中商產業研究院), the market size of China's analog chip sector reached approximately RMB220.3 billion in 2025 and is projected to reach RMB245.1 billion in 2026. Driven by continuous improvements in the product performance and reliability from domestic analog chips, the domestic substitution process has rapidly shifted from consumer electronics sectors to industrial and automotive markets requiring higher reliability. The rapid development of AI infrastructure, new energy vehicles, smart devices, 5G communications, and robots has boosted demand for analog chips such as power management and signal chain solutions. Particularly, advancements in AI servers and new energy vehicles have further fueled demand growth for products like power management integrated circuits. Domestic analog chip companies are expected to further increase their market share as the shift toward domestically produced alternatives accelerates.

(2) Sensor Market Overview

According to the statistics from the China Business Industry Research Institute, the Chinese sensor market size was RMB406.12 billion in 2024, representing a year-on-year increase of 11.43%; the market size reached approximately RMB452.53 billion in 2025 and is projected to reach RMB504.24 billion in 2026.

As downstream sectors such as new energy vehicles, industrial automation, smart homes, low-altitude economy, health monitoring and humanoid robots continue to expand, they have driven rapid growth in demand for magnetic sensors, pressure sensors and LiDAR. Automotive electronics is a key sector for domestic substitution of high-end sensors. The demand for magnetic sensors, pressure sensors, and LiDAR continues to grow rapidly as the penetration rate of Level 2 driver assistance increases and pilot programs for Level 3 autonomous driving advance.

(3) Major Downstream Market Overview

1) *Automotive Electronics*

According to statistics from the China Association of Automobile Manufacturers, automobile production and sales reached 14.993 million units and 15.017 million units respectively in the first half of 2026, representing year-on-year decreases of 4% and 4.1%; new energy vehicle production and sales reached 7.438 million and 7.446 million units respectively, growing 6.7% and 7.3% year-on-year. New energy vehicle sales accounted for 49.6% of total new vehicle sales. In June 2026, production and sales of new energy vehicles amounted to 1.598 million and 1.643 million units respectively, representing year-on-year increases of 26% and 23.6%, respectively. In terms of exports, cumulative automobile exports reached 5.096 million units in the first half of the year, representing a year-on-year increase of 65.3%; new energy vehicle exports reached 2.355 million units, representing a year-on-year increase of 1.2 times and accounting for more than 46% of total automobile exports.

In 2024, the domestic production rate for automotive analog chips in China was just 5%. To break free from reliance on imported analog chips, domestic automotive brands are actively promoting the localization of analog chips to ensure supply chain autonomy and control. Besides, intelligent technology has become a core development trend in the automotive industry. According to statistics and forecasts of Frost & Sullivan, the per-vehicle value of analog chips in smart new energy vehicles reached RMB1,500–2,800 in 2024 and is projected to rise to RMB2,200–4,000 by 2029.

According to data from the Ministry of Industry and Information Technology (the “MIIT”), in the first half of 2026, the penetration rate of passenger vehicles with Level 2 combined driving assistance functions reached 70.5%, and the penetration rate of passenger vehicles with Navigate on Autopilot (NOA) functions reached 34.2%. The first batch of Level 3 conditionally automated vehicles began operating on public roads in specific areas. The continuous iteration of intelligent cockpit and autonomous driving functions, along with multi-sensor fusion solutions compensating for the shortcomings of pure vision solutions, are driving the demand for signal chain and power management chips. In the field of intelligent driving, analog chips perform critical functions such as radar/camera signal conditioning, sensor fusion, and high-voltage system isolation, ensuring real-time processing of multimodal data. As the penetration rate of Level 2 driver assistance increases and pilot programs for Level 3 autonomous driving advance, demand for supporting chips for high-end sensors, such as LiDAR and 4D imaging millimeter-wave radar will continue to grow.

2) *Photovoltaics and Energy Storage*

According to statistics from the National Energy Administration, as of the end of June 2026, the cumulative installed capacity of national power generation reached 4.04 billion kilowatts, representing a year-on-year increase of 10.8%; the installed capacity of solar power generation reached 1.27 billion kilowatts, representing a year-on-year increase of 15.8%; the installed capacity of wind power generation reached 0.68 billion kilowatts, representing a year-on-year increase of 18.5%. In the first half of the year, the newly installed capacity in China reached 72.07 GW, representing a year-on-year decrease of approximately 66%. According to the China Photovoltaic Industry Association (中國光伏行業協會), the global newly installed capacity is expected to reach 612 GW in 2026, with a CAGR of 7% from 2026 to 2030, and the newly installed capacity is projected to rise to 864 GW by 2030.

Analog chips play a critical role in core renewable energy equipment such as photovoltaic inverters and energy storage converters. As photovoltaic inverters and energy storage converters continue to evolve toward higher efficiency, greater integration, and smaller form factors, analog chips have evolved significantly from single-function modules to multi-dimensional heterogeneous fusion architectures. Relying primarily on System-in-Package (SiP) technology, these chips integrate drive circuits, signal conditioning, digital interfaces, and power management units onto a single chip, while also incorporating passive components. This significantly reduces the number of external components, enhancing the reliability of photovoltaic equipment systems. Furthermore, the integrated design can incorporate intelligent sensing capabilities by integrating over-temperature, over-current, and over-voltage detection modules within the chip, enabling real-time fault monitoring and rapid response.

3) *Industrial Automation*

According to data from the MIIT, the value added of the equipment manufacturing sector grew by 6.4% year-on-year in the first half of the year, accounting for 20% of the total industrial value added of enterprises above designated size and contributing 23.5% to the growth of industrial value added of enterprises above designated size; production volume of industrial robots and service robots increased by 28% and 11.9%, respectively, compared to the same period last year.

The growth of “AI+” related industries continued to drive demand for automation equipment in high-end sectors such as semiconductors and electronics manufacturing, and pilot production lines for solid-state batteries and the expansion of lithium-ion battery production will also usher in a new cycle of equipment investment. In addition, the development of new quality productive forces, exemplified by the low-altitude economy and embodied intelligence, will open up entirely new growth opportunities for the industry. Meanwhile, the global expansion of industrial control solutions will become a key long-term growth driver for enterprises, with leading domestic companies accelerating their global footprint to drive incremental revenue growth.

4) *AI Servers*

According to data from Fortune Business Insights, the global AI server market is projected to reach US\$262.22 billion by 2026, with a compound annual growth rate of 34.73% from 2024 to 2034. By the end of 2034, the market size is expected to exceed US\$2,847.32 billion.

The AI server power management system is responsible for ensuring a stable power supply for AI servers. In primary and secondary power supply sections such as PSUs and UPSs, as server power consumption and voltage continue to increase, isolated power supplies, isolated sampling and isolated drivers play a critical role in providing safety protection through high-voltage and low-voltage electrical isolation, and the demand for these solutions continues to grow; in the tertiary power supply section that supplies power to GPU/CPU cores, multi-phase DrMOS solutions comprising multi-phase controllers and DrMOSs have become the mainstream approach. In addition, AI servers rely on ADCs/DACs to facilitate the conversion between analog and digital signals for data acquisition and output; Ethernet physical layer chips and fiber optic communication modules handle signal amplification, filtering, and transmission. As the liquid cooling technology rapidly gains traction, the demand for analog chips, including temperature sensors and fan drivers, continues to grow.

5) *Humanoid Robots*

According to data from the MIIT, the production volume of humanoid robots in China was approximately 20,000 units in 2025 and exceeded 40,000 units for the first half of 2026. Annual production is expected to exceed 100,000 units.

The demand for analog chips in humanoid robots spans multiple core areas such as power management, signal conversion and processing, communication interfaces, sensor signal processing, as well as motor drive and control. A single humanoid robot requires dozens of magnetic sensors, pressure sensors and inertial measurement units (IMU). With the continuous advancement of AI, 5G communications, and IoT technologies, humanoid robots are transitioning from proof-of-concept to commercial deployment, driving the gradual formation of a new supply chain ecosystem for biomimetic skin, various sensors and flexible materials.

6) *Consumer Electronics*

According to data on national economic performance for the first half of 2026 released by the State Council Information Office, the retail sales of smart wearable devices, including smart glasses, more than doubled, while retail sales of high-energy-efficiency home appliances increased by more than 30%. The ongoing evolution of consumer electronics toward 5G connectivity, smart functionality and wearable devices has driven an increase in the unit value and demand for analog chips such as power management and audio amplifiers.

II. MAIN BUSINESS OF THE COMPANY DURING THE REPORTING PERIOD

(I) Overview of Main Business

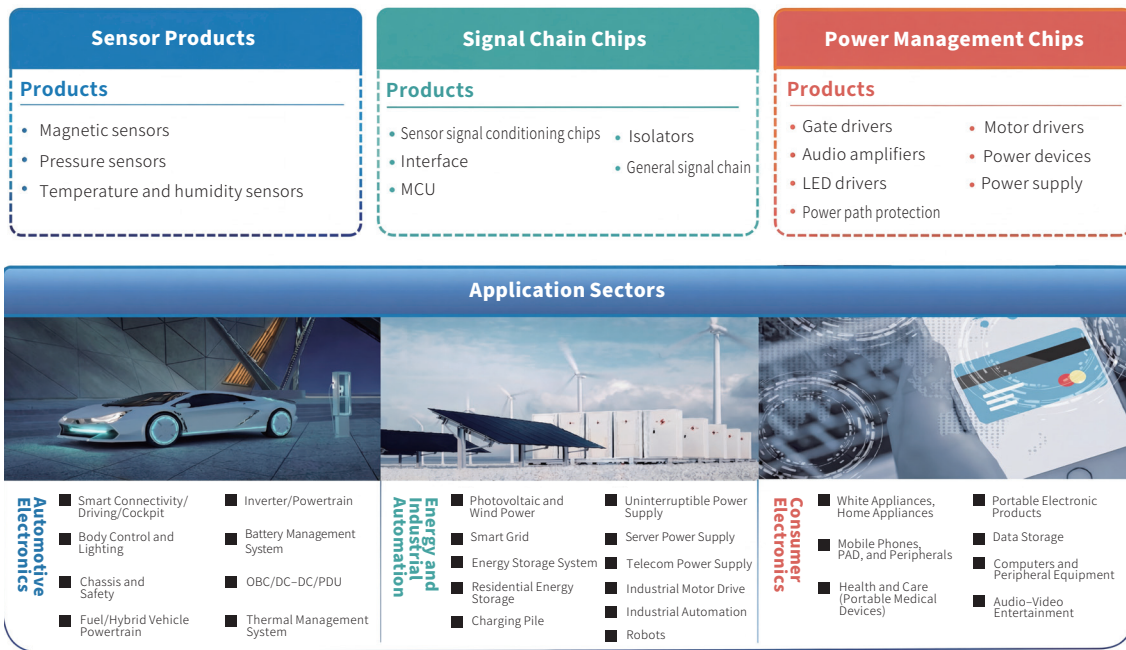
The Company is a high-performance, high-reliability analog and mixed-signal chip company. With the mission of “Sense & Drive the Future, Build a Green, Smart and Connected World with Semiconductors”, the Company adheres to the corporate values of “Robust, Reliable, Keep Learning, Persist in Long-term Value”, and is committed to providing chip-level solutions for the connection between the digital world and the physical world.

The Company focuses on organizing product development around downstream application scenarios, concentrating on three core product categories: sensor products, signal chain chips, and power management chips. We provide a comprehensive portfolio of semiconductor products and solutions, which are widely applied in the automotive, energy and industrial automation and consumer electronics sectors. Currently, we can provide over 4,200 product models available for sale.

During the Reporting Period, there were no material changes to the Company’s main business.

(II) Overview of Main Products and Services

The Company's products cover three major product categories: sensor products, signal chain chips, and power management chips, which are widely applied in the automotive, energy and industrial automation and consumer electronics sectors. Among these, energy and industrial automation primarily refer to industrial applications related to energy systems, covering all stages from power generation, transmission, and distribution to end-use electricity consumption, including PV and energy storage, digital power supply, industrial control, and smart grid. The specific details of the Company's products are as follows:



(1) *Sensor Products*

The Company's sensor products primarily include magnetic sensors, pressure sensors, and temperature and humidity sensors. Details are as follows:

Product Category	Key Products	Characteristics
Magnetic sensors	Integrated current sensors, linear current sensors, wheel speed sensors, angle sensors, industrial encoders, switches and latches, and linear position sensors	Based on Hall, AMR, TMR, BFC, and VHS technologies, providing a comprehensive portfolio of high-precision magnetic sensor solutions for current sensing, angle detection, and position measurement. Widely used in automotive electronics, industrial control, medical electronics, home appliances, and consumer electronics markets.
Pressure sensors	Gauge pressure sensors, absolute pressure sensors, differential pressure sensors	Primarily operating on the piezoresistive effect of silicon and utilizing advanced MEMS micro-fabrication processes, capable of achieving micro-low pressure detection (-100kPa to 400kPa) across a wide temperature range. The pre-calibrated design significantly simplifies customer system integration. Widely used in automotive electronics, industrial control, medical electronics, and white goods.
Temperature and humidity sensors	Analog output temperature sensors, digital output temperature sensors, temperature and humidity sensors	Primarily utilizing the temperature effect of transistor PN junctions and integrating high-precision signal conditioning circuits. Their ultra-high output accuracy and extremely low power consumption allow for wide application in industrial, medical, portable devices, home appliances, wearable devices, as well as computers and servers. Versatile packaging options are broadly suitable for various environments and devices.

(2) *Signal Chain Products*

Signal chain chips are used throughout the signal path from input to output in a system, encompassing the entire process of signal collection, amplification, transmission, and processing, primarily including linear products, isolator products, converter products, interface products, etc. The Company's signal chain products cover sensor signal conditioning chips, isolators, interfaces, general signal chains, and MCUs within the signal chain sub-segments. Details are as follows:

Product Category	Key Products	Characteristics
Sensor signal conditioning chips	MEMS microphone ASICs, thermopile sensor ASICs, PIR sensor ASICs, pressure sensor ASICs, magnetic sensor ASICs	Integrating various self-designed circuit modules into a single chip, capable of achieving multiple functions such as sensor signal sampling, amplification, ADC conversion, sensor calibration, temperature compensation, and output signal adjustment. Performance and cost are significantly optimized. Serving as the core component of sensor systems, they are widely used in automotive electronics, industrial automation, smart homes, and TWS earphone consumer electronics scenarios.
Isolator products	Digital isolators, isolated interfaces, isolated power modules, isolated sampling products	Based on CMOS processes, utilizing capacitive coupling technology and changes in the internal electric field of capacitors to achieve digital signal transmission. Additionally, building on standard digital isolation chips, the Company has successively developed ultra-wide-body isolators and "Isolation+" products. "Isolation+" products integrate multiple types of digital isolation chips such as power and interfaces, enabling simultaneous power, interface, and signal isolation. Featuring high integration, low cost, and compact size, they are widely used in automotive electronics, energy and industrial automation, and consumer electronics.

Product Category	Key Products	Characteristics
Interface	CAN/LIN interfaces, I ² C interfaces, SerDes interfaces	Interface chips feature communication functions based on general and specific protocols, widely applied for signal transmission between electronic systems to enhance system performance and reliability.
General signal chain chips	Voltage references, amplifiers, data converters	Standard analog signal chain chips based on operational amplifiers (including general-purpose op-amps, precision op-amps, current amplifiers, etc.), general voltage references, general comparators, general analog switches, and discrete ADCs/DACs. Widely used as fundamental components of analog circuits in industrial and automotive applications.
MCU	Real-time control MCU/DSP, general-purpose MCU, embedded processor MCU+	Real-time control MCUs/DSPs utilize high-frequency, high-performance ARM cores combined with proprietary math acceleration cores, along with dedicated peripherals optimized for real-time control, to enhance system control real-time performance; MCU+ products, on the other hand, emphasize the high integration of analog peripherals and application-specific optimization. A single small MCU core integrates power management, interfaces, and analog circuits for motor drive power and driver stages, or signal processing front-end circuits for sensors. These products are applicable in scenarios such as photovoltaic energy storage, power modules, servo drives, automotive electronics, and smart home systems.

(3) Power Management Products

Power management chips handle power conversion, distribution, detection, and other power management responsibilities within electronic equipment systems. They are critical components that evolve in tandem with electronic product technology and application upgrades, featuring a wide variety of types. The Company's power management products primarily include gate drivers, power supplies, LED drivers, motor drivers, audio amplifiers, and power path protection. Details are as follows:

Product Category	Key Products	Characteristics
Gate drivers	Isolated gate drivers, non-isolated gate drivers	Designed to drive power devices such as MOSFETs, IGBTs, SiC, and GaN, capable of amplifying logic signals from the control unit (MCU), including boosting voltage levels and enhancing current output capacity to achieve fast switching of power devices. Widely used in switching power supply and motor control designs across industrial, communication, and NEV sectors.
Motor drivers	BDC motor drivers, relay and solenoid drivers, stepper motor drivers	Designed to drive various motor loads such as BDC, Stepper, Relay, Valve, and BLDC. Under logic signal inputs from the MCU, they switch and activate outputs to drive various motor loads according to system requirements. Widely applied in motor control designs in industrial, automotive, and other fields.
Audio amplifiers	Audio power amplifiers	Designed to amplify weak pre-stage signals and drive speakers to produce sound. Primarily focusing on automotive-grade, medium- and high-power Class D audio amplifiers supporting comprehensive diagnostic and protection functions such as load short circuit, open circuit, and overcurrent protection.

Product Category	Key Products	Characteristics
Power devices	SiC diodes and MOSFETs	Core components for controlling and converting electric energy in electronic systems, playing a crucial role in medium and high-power applications. Silicon Carbide (SiC) material, due to its inherent wide bandgap characteristics and excellent thermal conductivity, enables devices based on this material to deliver superior performance in high-efficiency energy conversion, fast switching speeds, high voltage endurance, and low conduction loss. Widely suitable for NEVs, PV, and energy storage systems.
LED drivers	Linear LED drivers, switching LED drivers	Supporting complete diagnostic protection, high constant current accuracy, and strong thermal dissipation. Primarily used in applications such as automotive tail lights, headlights, and interior ambient lighting.
Power supply	DC-DC, LDOs, voltage monitors, SBC, PMIC	Establishing a comprehensive product portfolio for automotive board-level power supply systems, covering general-purpose power solutions such as primary-side/secondary-side buck converters, LDOs, and boost converters, as well as highly integrated, application-specific power solutions including SBCs and PMICs.
Power path protection	High/low-side switches, electronic fuses	Suitable for driving various load types, including resistive, capacitive, and inductive loads, and supporting comprehensive diagnostic protection features. Primarily used in body control modules, vehicle control units, power distribution controllers, and BMS.

(III) Discussion and Analysis of Operations

The Company focuses on main business development, organizing product development around downstream application scenarios, concentrating on three core product directions: sensor products, signal chain chips, and power management chips. We provide an extensive range of semiconductor products and solutions widely applied in automotive, energy and industrial automation and consumer electronics, currently offering over 4,200 products. The Company's operating status during the Reporting Period is as follows:

1. Operating Performance

For the six months ended June 30, 2026, the Company achieved an operating revenue of RMB2,540.4 million, representing a year-on-year increase of 66.7%, the net profit attributable to shareholders of the listed company for the current period was RMB67.6 million, the net loss attributable to shareholders of the listed company for the current period, after deducting non-recurring profit or loss, was RMB47.9 million. Specific details are as follows:

From the perspective of the quarterly data, the Company's operating revenue grew from RMB1,141.4 million in the first quarter to RMB1,399.1 million in the second quarter, achieving consecutive quarter-on-quarter revenue growth for multiple quarters, and the overall operating results were in a trend of rapid growth. The revenue growth was mainly attributable to: (1) on the demand side, driven by a combination of multiple factors, including recovery in domestic demand, the accelerated overseas expansion of the PV, energy storage, and automotive sectors and the surge in AI infrastructure demand, led to rapid growth in customer demand in downstream sectors such as automotive electronics, server power supplies, photovoltaic and energy storage, industrial automation, which in turn drove a substantial increase in the shipment volume of the Company's related products; (2) on the product side, the Company continued to deploy product research and development around downstream application scenarios, constantly enriching its matrix of semiconductor products and solutions, and the number of product models available for sale continued to increase, with sales scale expanding steadily; and (3) on the market side, the Company steadily advanced the strategic expansion of its overseas business, with revenue contribution from overseas customers progressively increasing.

For the first quarter of 2026, the net loss attributable to shareholders of the listed company and the net loss attributable to shareholders of the listed company after deducting non-recurring profit or loss amounted to RMB35.737 million and RMB54.77 million, respectively. For the second quarter of 2026, the net profit attributable to shareholders of the listed company and the net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss amounted to RMB103.328 million and RMB6.881 million, respectively. The turnaround to profitability of both the net profit attributable to shareholders of the listed company and the net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss in the second quarter of 2026 was mainly attributable to simultaneous improvements on both the revenue and expense fronts: (1) on the revenue side, the growth in customer demand, the enrichment of the product matrix and the continued expansion of overseas business drove a substantial increase in the Company's shipment volume and revenue; and (2) on the expense side, the Company continued to deepen lean management and enhance organizational efficiency, resulting in a decrease in the proportion of total expenses to operating revenue, which in turn drove an improvement in profitability.

2. *Research and Development*

The Company consistently adhered to technological innovation and R&D investment. For the six months ended June 30, 2026, R&D expenses were RMB446.3 million, representing a year-on-year increase of 23.5%, which was primarily due to the Company's focus on the accumulation of talent and technology, continuously investing resources in R&D, talent building, and other aspects; as the Company's scale expanded, the total amount of R&D investment increased overall, primarily due to the increase in R&D personnel and their average compensation. As of June 30, 2026, the number of the Company's R&D personnel was 704, representing a year-on-year increase of 20%. For the six months ended June 30, 2026, the average remuneration of the Company's R&D personnel was RMB443,000 per person, representing a slight year-on-year increase of 0.9%. Specific details are as follows:

- (1) **Sensor Products.** In the magnetic sensors direction, the high-precision vernier absolute encoder chip based on eddy current sensing principles and integrating a self-developed nonlinear self-calibration algorithm has entered volume production. The absolute angle encoder chip based on dual-track vernier magnetic sensing has completed customer sampling and verification. The second-generation inductive proximity sensor has completed end-customer validation, with its multi-point digital temperature calibration effectively enhancing customer production efficiency. The next-generation Hall sensor based on COT process has completed tape-out. For automotive acceleration sensors direction, the acceleration sensor designed for chassis Road Noise Cancellation (RNC) applications is capable of monitoring road noise in real time and feeding signals back to the cabin audio system for noise reduction. Development of this product is progressing smoothly. For pressure sensors direction, the ultra-low-power pressure sensor equipped with a configurable battery pack thermal runaway algorithm has completed customer sampling and testing, and is able to accommodate the differentiated requirements of various battery pack customers.
- (2) **Signal Chain Products.** The Company's isolation product line comprehensively covers full-scenario application requirements ranging from compact space layouts to high-voltage sampling, with continuous iterative upgrades and the launch of multiple new products, including a "miniaturized" digital isolator, a next-generation isolated CAN chip, a wide-voltage isolated voltage sampling chip, an automotive-grade fully integrated isolated power supply chip, and an EMC-optimized high-voltage solid-state relay chip. Among them, the next-generation digital isolator has achieved mass shipment in both industrial and automotive markets. The Company's interface product line continues to expand its automotive-grade product portfolio, having launched its first automotive audio interface bus chip to meet the application requirements of automotive OEMs. In the high-speed interface direction, the automotive video SerDes interface chip was progressing smoothly.

In the general signal chain direction, the Company's products cover general operational amplifiers, current-sense amplifiers, and automotive-specific MCU+ analog products. The product series above are expected to gradually become new business growth drivers for the Company over the coming years.

The Company's MEMS microphone ASIC product line business achieved steady growth. The Company has gradually grown into a significant market participant within this sub-sector. Going forward, the Company will continue to increase R&D investment in higher signal-to-noise ratio and lower power consumption silicon microphone ASIC products to further consolidate and enhance market competitiveness.

In the real-time control MCU direction, the Company has launched a real-time control MCU featuring a tri-core homogeneous M7 core with an integrated EtherCAT slave controller, which can be widely applied in industrial servo, robot joint, and other fields. During the reporting period, certain real-time control MCU products of the Company obtained ISO 26262 ASIL-B functional safety certification.

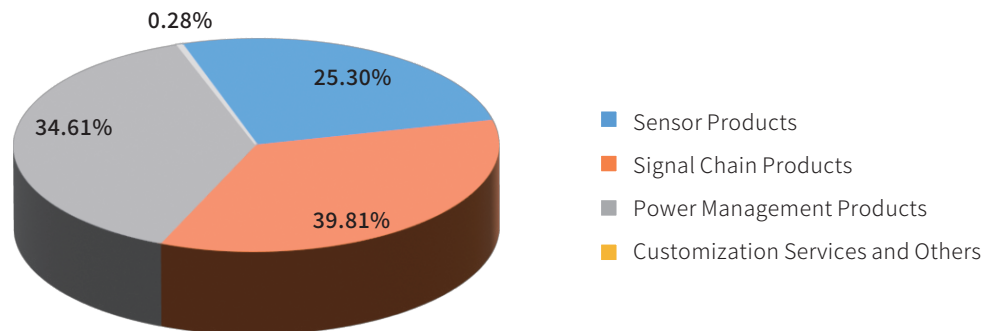
- (3) Power Management Products. In the isolated gate driver direction, the Company's new-generation single/dual-channel isolated driver products, specifically developed for SiC power devices, have been successively volume-produced and rapidly achieved large-scale shipments in the automotive OBC, charging pile, and photovoltaic inverter markets. While the first-generation functional safety driver products are shipping at scale, the second-generation functional safety isolated gate driver chip has commenced sampling and testing with OEMs and secured multiple project design wins, further consolidating the Company's market share and competitive position in the automotive main drive sector. In the non-isolated gate driver direction, the medium/low-voltage GaN driver chip for AI server power supply applications has achieved volume shipment, and the power integrated chip for automotive LiDAR has completed testing and validation with key customers, further expanding the GaN-related gate driver and power integrated product matrix.

In the motor driver product direction, the Company's second-generation multi-channel integrated half-bridge driver chip has commenced volume production and delivery. The multi-channel pre-driver chip developed based on the Company's COT process has completed testing and introduction with multiple customers as well as project design wins. The high-current integrated H-bridge driver series has achieved large-scale shipments, and the Company has substantially achieved full coverage of DC motor driver products for vehicle body control systems. In the audio amplifier product direction, the first 4-channel 75W Class D audio amplifier has added multiple new customer introductions and project design wins.

In the LED driver segment, multi-channel products have ramped up to volume production and shipment, while customized products developed for key customers' systems have completed validation and been successfully introduced. Boost converter chips, constant current source step-down chips, and matrix control chips targeting automotive headlight lighting solutions have completed volume production and shipment, and have completed validation and introduction at multiple leading customers. In the power supply segment, the first SBC for ECU system and MCU power supply and the first PMIC designed specifically for automotive cameras have both completed introduction and validation with leading domestic and international customers in the industry. In the power path protection segment, the development of single-chip process technology for next-generation products is progressing smoothly, the high-side switch series continues to expand, and the related products have achieved large-scale ramp-up with market share continuing to increase.

During the Reporting Period, the revenue structure of the Company's products is as follows:

2026 Half Year Product Structure



3. *Market Applications*

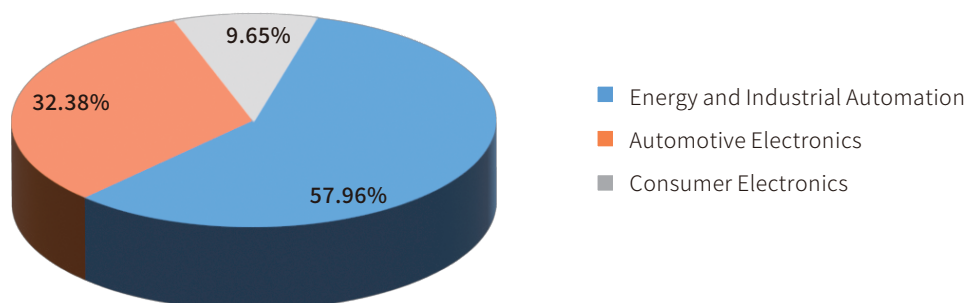
In the first half of 2026, the production and sales volume of new energy vehicles reached 7.438 million units and 7.446 million units, representing an increase of 6.7% and 7.3% year-on-year, respectively. The trends of automotive electrification and intelligence transformation continued to deepen, with the penetration rate of passenger vehicles equipped with L2 combined driving assistance functions reaching 70.5% and the penetration rate of Navigate on Autopilot functions reaching 34.2%. The 800V high-voltage fast charging platform has been comprehensively popularized, driving the automotive electronics business to maintain rapid growth. The Company can provide systematic solutions for automobiles, and provide a range of products covering sensor products, signal chain chips, and power management chips across sectors such as NEV battery, motor and electronic control systems, automotive lighting, electronic control, body domain control, fuel vehicle powertrains, thermal management, intelligent cockpits, and chassis safety. These include digital isolators, isolated drivers, isolated sampling, sensors, LED drivers, general interfaces, power path protection, wheel speed sensors, motor drivers, Class D audio amplifiers, real-time control MCUs, automotive SoC chips, SerDes interfaces, etc. During the Reporting Period, the Company's shipment volume in the automotive electronics sector reached 534 million units, with cumulative shipments exceeding 1.952 billion units.

In the energy and industrial automation sector, the industrial control field experienced steady growth alongside the recovery of the manufacturing industry. The PMI of manufacturing industry stood at 50.3% in June, remaining in the expansion range for 4 consecutive months, and the average PMI of the second quarter returned to the expansion range after 5 consecutive quarters of contraction. The PMI of high-tech manufacturing industry reached 53.5%, with continuous recovery in demand for industrial automation equipment and motor drives. The photovoltaic and new energy sector underwent profound adjustments in the first half of the year, with product prices across all links of the industrial chain continuously bottoming out, and the industry entered the stage of accelerated de-capacity. The power module sector benefited from downstream demand such as AI servers. The Company provides drivers, isolation chips, MCUs, and other products for server power supply primary and secondary PSUs. The high-voltage GaN driver chips and the medium/low-voltage GaN co-packaged products have achieved bulk shipments. Some products of the Company have achieved mass production shipments among domestic and international server power supply customers. For humanoid robots, the Company's magnetic encoders enable fine motion control in dexterous hands; various sensors, power products, and interfaces facilitate perception and communication functions; and the power battery BMS system can also utilize the Company's power products, current sensors, temperature sensors, etc. Overall, the energy and industrial automation market demonstrated a structural differentiation pattern characterized by industrial control recovery, photovoltaic sector under pressure, and strong growth of AI power supply business.

Simultaneously, the consumer electronics market continued to recover, with smart phones, wearable devices, and smart homes driving demand for MEMS sensors, while markets such as 3D printing, drones, and robot vacuums all demonstrated high prosperity.

From the perspective of revenue structure by downstream application, revenue from the automotive electronics sector accounted for 32.38%, a slight decrease compared to 34.04% in the same period last year. Revenue from the energy and industrial automation sector accounted for 57.96%, a slight increase compared to 52.57% in the same period last year, which was primarily due to the rapid growth in the Company's revenue from energy storage and digital power solutions, driven by improved conditions in the downstream market. The Company's revenue share in the consumer electronics sector was 9.65%, a slight decrease compared to 13.38% in the same period last year.

Proportion of Downstream Application Sectors in 2026 Half Year



4. *Internal Management*

During the Reporting Period, in the face of an increasingly tight industry supply environment, the Company relied on long-term cooperation with suppliers to secure delivery requirements, and adhered to the strategy of “deepening strategic cooperation, locking in long-term agreements, and diversifying the layout”, thereby laying the foundation for medium- to long-term business growth.

In terms of supply chain layout, the Company continued to deepen its dual circulation layout. On the wafer manufacturing front, the Company drove capacity expansion at core suppliers and entered into long-term capacity agreements, deepening existing cooperation as well as simultaneously introducing new suppliers, thereby strengthening the resilience of the supply system. In the packaging and testing sector, the Company combined investment in capacity expansion with outsourced cooperation, proactively deployed testing capacity and increased equipment investment, ensured seamless connection between product verification and volume delivery, optimized foundry costs and efficiency, and mitigated the impact of industry cyclical fluctuations.

In terms of platform technology research and development, the Company advanced the construction of its COT process platform, accelerated the iteration of BCD automotive-grade processes, and enhanced product competitiveness through Design-Technology Co-Optimization (DTCO). It also strengthened full-lifecycle supplier management, advanced the verification of localization of key raw materials in an orderly manner, and continuously increased the proportion of self-supply of critical materials.

In terms of operational management, the Company optimized its matrix organizational management model, and enhanced cross-departmental collaboration by leveraging the procurement expert team and the factory management group. It also advanced the digital transformation of supply chain processes, improved the S&OP and planning system, and enhanced management transparency and operational efficiency, thereby supporting procurement cost control and optimal resource allocation.

In terms of system certification, the Company's IATF16949 supporting site certification passed the first annual surveillance audit by SGS during the Reporting Period. The ISO 26262 functional safety management system has continuously maintained effective operation at the highest ASIL-D "Defined-Practiced" level. In terms of digital quality control, the Company continued to promote the digital upgrading of quality infrastructure. The Hazardous Substance Control System and the Lesson Learned Knowledge Base System have been successively completed and put into operation. The IMC-MQ Abnormal Material Management System has completed the launch review. The RFMEA system has completed a full upgrade from the professional version to the enterprise version. At present, the Company has built an integrated quality management framework covering five major systems including quality management, functional safety, environmental management, information security and laboratory capabilities, and its systematic automotive-grade delivery assurance capability has been continuously enhanced.

5. *Talent Development*

Adhering to the people-oriented principle, the Company activated the endogenous driving force of the organization through the dual drive of mechanism and culture, to support the achievement of long-term strategic goals. During the Reporting Period, the Company upheld the dual-channel career development mechanism of “business management + domain experts” to build a multi-level talent supply chain that aligns with the business strategy, focused on key talent groups to implement full-cycle targeted training covering new employee onboarding, backbone talent identification and manager capability transformation, and improved the expert appointment and assessment system. During the Reporting Period, the Company held the 9th NOVOSENSE Technology Conference, and regularly carried out technical salon activities to build a platform for technical exchange and innovation sharing for employees, driving the Company’s long-term development with talent empowerment.

III. ANALYSIS OF CORE COMPETITIVE STRENGTHS

1. Core Technology and Research and Development Advantages

(1) *Abundant Core Technology Reserves*

As an integrated circuit design enterprise, the Company possesses specialized research and development capabilities in analog chip design and deeply participates in subsequent manufacturing processes, including packaging configuration and testing software development, allowing us to establish a comprehensive end-to-end system from chip definition to chip design and delivery. Through years of research and development accumulation, based on signal chain technology, the Company has carried out independent research and development in the analog and mixed-signal fields, forming multiple core technologies across five major areas: sensors, signal chains, power, motor drive, and third-generation power semiconductors. These are widely applied in various self-developed analog and mixed-signal chip products, with the core technical indicators of major products reaching or outperforming those of international competitors.

(2) Outstanding Non-standard Product Design Capabilities

To meet the application requirements of downstream customers, the Company can customize and develop corresponding products according to customers' parameters, such as developing sensor products such as wheel speed sensors and side airbag pressure sensors, and power management products such as low-side driver chips, satisfying the diverse product usage needs of downstream automotive customers. In addition, the Company can design chips, provide customized packaging and testing methods based on customer needs, and deeply participate in the design and setup of customers' product verification and testing processes, providing customers with multi-stage services from chip design and product adaptation to mass calibration. Leveraging our understanding of the industry and technical accumulation, the Company has helped multiple downstream customers successfully enter the qualified supply systems of target automotive manufacturers.

2. Quality Control Advantages

The Company attaches great importance to product reliability and consistently adheres to high standards of quality requirements. Guided by the "robust and reliable" quality policy, the Company insists on strict quality control from product research and development to production to provide customers with stable and reliable products. With customer satisfaction as the ultimate goal, the Company honors its commitments to customers, continuously improves products and services, and strives to become a trusted company. Adhering to the quality management philosophy of "quality is embedded from the design stage and extends throughout the entire product lifecycle", the Company has built a comprehensive quality management system, and ensured its implementation and execution through the construction of organizational capacity and IT-driven process systems to continuously pursue a "zero-defect" quality goal. In the field of automotive-grade products, the Company has established a comprehensive automotive-grade quality management system covering the entire product lifecycle. This system centers on cross-departmental synergy, automotive-grade quality frameworks, product design and development under automotive standards, production process control, and AEC-Q series reliability certification to meet the diverse requirements of automotive-grade customers.

3. Product Category Advantages

After years of continuous development, the Company can provide a comprehensive suite of products from signal collection to processing and transmission, possesses a product matrix from power supply, drive to power path protection, and covers a variety of sensor products such as magnetic, pressure, and temperature and humidity sensors. The Company has built an extensive product portfolio around downstream application scenarios, with product coverage capabilities ranging from consumer-grade and industrial-grade to automotive-grade. The Company continues its research and development efforts and developed or launched multiple new products across the three main product directions during the Reporting Period. In terms of sensors, the eddy current absolute encoder IC, low-power pressure sensor among others, achieved mass production, while the magnetic induction angle encoder and battery pack thermal runaway pressure sensor, among others, completed sampling; in terms of signal chain, the new-generation digital isolator achieved high-volume shipments, the automotive SerDes interface IC was progressing smoothly and launched its first in-vehicle audio interface bus chip and a real-time control MCU featuring the M7 core; in terms of power management, the SiC isolated driver shipped at scale in the automotive OBC, charging pile and photovoltaic markets, the AI server GaN driver achieved volume shipments, and the second-generation functional safety driver, multi-channel pre-driver chip and Class D audio amplifier, among others, secured design wins. The SBC and PMIC have been successfully introduced and validated by leading customers in the industry, both domestically and internationally.

4. Customer Resource Advantages

Leveraging solid technical research and development strength and excellent product reputation, the Company has gained the recognition of numerous industry-leading benchmark customers. In addition, the Company possesses extensive experience in the definition, development, and mass production of analog chips, sensors, and special MCUs for the automotive OEM market. Compared to companies in other sectors, automotive customers have longer certification cycles and stricter testing, with higher requirements for product technology and quality. The Company's automotive-grade chips have been deployed in large scale by a vast number of mainstream automotive OEMs and automotive Tier-1 suppliers. Gaining certification from industry benchmark customers also facilitates the Company's commercial expansion among customers in the same field, further widening its leading advantage.

5. Supply Chain Advantages

In terms of wafer manufacturing, the Company has maintained long-term and stable cooperative relationships with major suppliers. In terms of chip packaging and testing, the Company has cooperated deeply with major packaging and testing suppliers for many years, forming stable packaging and testing processes. The Company has purchased dedicated testing equipment and handed them over to certain testing suppliers for chip testing, securing exclusive production capacity. At the same time, with the rapid growth of the business scale, the Company has built its own packaging and testing factory to conduct in-house packaging and testing for pressure sensors and customized products. This ensures the Company's capacity needs and controls costs, reducing the impact of industry capacity fluctuations on product output and supply cycles of the Company.

IV. OUTLOOK FOR THE COMPANY'S FUTURE DEVELOPMENT

Development Strategies of the Company

The Company focuses on the technology field of analog and mixed-signal chips. In the future, the Company will continue to focus on the three major product categories of sensor products, signal chain chips and power management chips to continuously break through technical bottlenecks in product development, focus on targeted industries and leading customers for sustained application innovation, and enrich product categories to strive to become a leading provider of comprehensive chip solutions in the energy and industrial automation and automotive electronics sectors.

Key Operating Priorities in the Second Half of 2026

The Company will consistently adhere to the operating philosophy of long-termism, anchor the goal of becoming a “leading provider of comprehensive chip solutions in the energy and industrial automation and automotive electronics sectors”, and take “centered on customers and based on organizational capabilities” as its core thread. In the second half of 2026, the Company will focus its efforts on key directions such as technological innovation and engineering capability upgrades, deepening layout in core markets and expanding into new fields, global layout, and strategic supply chain collaborative assurance, deepen its layout in high-value tracks, and strive to achieve steady revenue growth and continuously improve profitability. The major operating plans are as follows:

I. Increasing Investment in Forward-Looking Technological Innovation and Strengthening Engineering Capabilities

The Company will advance the construction of a tiered preliminary research mechanism coordinating advanced laboratories and product lines, and continuously deepen its efforts in the three major technical systems: circuit design, engineering, and system application platforms, encouraging innovative exploration oriented towards next-generation or forward-looking products. We will synchronously advance preliminary research on forward-looking technologies in various stages such as design process, packaging techniques, and testing methods, and continuously tackle key technologies such as the mass production of the next-generation isolation process platform, the iteration of the automotive-grade BCD process platform, and the development of magnetic sensor processes, to drive the continuous enhancement of product competitiveness through technological innovation. At the same time, the Company will continuously strengthen the construction of backend engineering capabilities such as packaging, testing, and product engineering, building full-process engineering advantages from design to mass production to provide solid support for product R&D and quality control. Through control measures such as testing screening, mass production data analysis, and Top BIN analysis, we will continuously explore room for process improvement, steadily improve product yield, systematically reduce the risk of defective products flowing out, and consolidate quality reputation and customer trust.

II. Deepen the foundation of core markets and accelerate strategic breakthroughs in new fields

The Company will continue to focus on the core markets of energy and industrial automation and automotive electronics, consolidating its leading position in energy and industrial automation and automotive NEV battery, motor and electronic control systems markets. In the energy and industrial automation sector, the Company will firmly grasp the opportunities of recovery and high-speed growth in downstream demand such as photovoltaic storage, industrial automation, and AI servers, steadily expanding market share for its leading products such as isolators, drivers, and sensors, and actively advancing the market expansion of new products such as high-performance power management chips. In the automotive electronics sector, we will continue to focus on advantageous applications such as the battery, motor and electronic control systems for new energy vehicles, continuously increasing the per-vehicle value, and deepen joint innovation and cooperation with leading customers in various application fields, driving the Company's transformation from a chip supplier to a system-level solutions provider. Especially in new fields such as intelligent driving and smart cockpits, we will increase investment in product cooperation, focusing on directions such as automotive power supplies, domain controllers, automotive audio, and ambient lighting drivers, to build a tiered market and business portfolio to lay a solid foundation for long-term sustainable development.

III. Accelerate Global Layout and Increase Overseas Market Share

Relying on the global system built by the A+H dual capital platform, the Company will take overseas markets as a key investment area and continue to advance its global market expansion. While consolidating the existing cooperation foundation with MNC customers, we will increase the layout of overseas sales networks and the construction of localized service teams, promoting the increase of product penetration among leading international customers. By deeply understanding the certification standards and supply chain requirements of overseas customers, we will accelerate the acquisition of overseas qualifications and mass production adoption for key product lines. We will continue to strengthen our overseas bases in Japan, South Korea, Germany, and other regions, refine our regional layout based on demand, and establish localized sales, technical support, and customer service systems to comprehensively enhance our response efficiency and overall service capabilities in overseas markets.

IV. Deepen Strategic Supply Chain Synergy and Ensure Long-Term Capacity Supply

The Company remains committed to prioritizing supply chain agility, security, and sustainability, and will carry out deep collaborative cooperation with strategic suppliers, establishing comprehensive strategic cooperative relationships from capacity planning and joint process innovation to supply priority. We will continue to use methods such as long-term supply-demand coordination, joint process innovation, and the establishment of dedicated production lines to ensure stable and sufficient capacity support during the high-speed growth stage of the Company's business. Guided by strategic foresight and operational resilience, the Company will, through refined operations, proactive capacity planning, and dynamic inventory strategies, obtain long-term and sufficient capacity assurance for future growth, effectively supporting the rapid expansion of its business scale and continued market growth.

Repurchase, Redemption or Sale of Listed Securities of the Company

For the six months ended June 30, 2026, the Company repurchased a total of 521,686 A Shares and held as treasury Shares (the “**Repurchased Shares**”) on the Shanghai Stock Exchange for an aggregate consideration of RMB87,336,043.66 (excluding commissions and additional fees). The repurchase was conducted with the intention to be fully used for employee share ownership plans or equity incentives at an appropriate time in the future. Details of the Repurchased Shares are as follows:

Date of Repurchase	Number of Shares Repurchased	Price Per Share Paid		Aggregate Consideration RMB
		Highest Price RMB	Lowest Price RMB	
January 5, 2026	256,441	163.20	160.20	41,424,481.88
January 12, 2026	175,488	175.39	172.88	30,510,585.45
January 13, 2026	<u>89,757</u>	172.99	169.94	<u>15,400,976.33</u>
Total	<u>521,686</u>			<u>87,336,043.66</u>

As at June 30, 2026, the Company held 1,373,858 A Shares as treasury Shares and are intended to be fully used for employee share ownership plans or equity incentives at an appropriate time in the future.

Save as disclosed above, neither the Company nor any of its subsidiaries had repurchased, redeemed or sold any of the Company's listed securities (including the sale or transfer of any treasury Shares) during the Reporting Period.

Issuance of Shares

The Company issued 19,068,400 H Shares on December 8, 2025, which were listed on the Main Board of the Stock Exchange at an offer price of HK\$116.00 per Share. Subsequently, the Company issued 1,026,600 H Shares pursuant to the over-allotment option on January 2, 2026, at an offer price of HK\$116.00 per Share. The Company issued a total of 20,095,000 H Shares in this issuance. After deducting the listing expenses directly attributable to the issue of new shares, the net proceeds amounted to HK\$2,210.8 million (equivalent to approximately RMB2,010.1 million, representing a net amount of approximately RMB100.0 per Share). As of the date of this announcement, there has been no change to the intended use of net proceeds as previously disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus. For details of the breakdown of the use of proceeds, please refer to the 2026 interim report to be published in due course.

Save as disclosed above, the Company did not issue any other Shares during the Reporting Period.

Significant Investments and Material Acquisitions or Disposals of Subsidiaries, Associates and Joint Ventures

During the Reporting Period, the Company made an additional investment of RMB100 million in its joint venture, Suzhou Yuanxin Hezhi Management Consulting Partnership (Limited Partnership) (蘇州遠芯合智管理諮詢合夥企業(有限合夥)), and an additional investment of approximately RMB 87.57 million in its associate, Xinxian Semiconductor (Suzhou) Co., Ltd (芯弦半導體(蘇州)有限公司). The above investments do not constitute notifiable transactions as defined in Chapter 14 of the Hong Kong Listing Rules.

During the Reporting Period, the Company had no significant investments or material acquisitions or disposals of subsidiaries, associates and joint ventures.

Dividends

For the six months ended June 30, 2026, the Company has not paid or proposed to pay any dividends (for the six months ended June 30, 2025: Nil).

Subsequent Events

On 23 July 2026, the Company granted 464,953 A Share Type II Restricted Shares to five hundred and twenty-eight employees with a grant price of RMB139.87 per share. On the same day, the Company granted 859,226 H Share Awards to sixty-three employees and nine service providers with a grant price of HK\$72.60 per share. No adjustment has been made in this interim financial report in this regard.

Save as disclosed above, the Company has no other material subsequent events since the end of the Reporting Period.

Audit Committee

As at the date of this announcement, the Audit Committee consists of three independent non-executive Directors of the Company, namely Ms. Du Linlin, Dr. Zhang Limin and Dr. Leng Qunwen. Ms. Du Linlin is the chairlady of the Audit Committee. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed financial reporting matters, including the review of the condensed consolidated interim financial statements of the Group for the six months ended June 30, 2026, and discussed risk management and internal control matters, with no disagreements. This interim results announcement is based on the Company's condensed consolidated financial statements for the six months ended June 30, 2026, as agreed upon with the Company's auditor, KPMG.

Corporate Governance Practices

The Company is committed to achieving high standards of corporate governance.

The Board believes that high standards of corporate governance are essential for providing a framework for the Group to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency.

The Company has adopted the code provisions of the Corporate Governance Code set out in Appendix C1 to the Hong Kong Listing Rules as the basis of the Company's corporate governance practices. The Board considers that, for the six months ended June 30, 2026, the Company has complied with all applicable code provisions as set out in the Corporate Governance Code, save as disclosed below.

Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. We do not have a separate chairman and general manager, and Mr. Wang Shengyang currently performs these two roles. The Board believes that, in view of his experience, personal profile and understanding of our business operations, Mr. Wang Shengyang is the Director best suited to identify strategic opportunities and vesting the roles of both chairman and general manager in Mr. Wang Shengyang can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board. The Board believes that vesting the roles of both chairman and general manager in the same person facilitates the execution of the Group's business strategies and maximizes effectiveness of its operation. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees, and independent non-executive Directors. The Board considers that the balance of power and authority under the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman and general manager of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code set out in Appendix C3 to the Hong Kong Listing Rules as its code of conduct regarding securities transactions by the Directors.

Specific enquiries have been made to all Directors, and the Directors have confirmed that they have complied with the Model Code for the six months ended June 30, 2026.

The Company has also established the "System for the Administration of Information Disclosure" and the "Management System for the Registration of Insiders with Access to Insider Information" (collectively referred to as the "**Regulations on Information Disclosure**") for securities transactions by employees who are likely to be in possession of inside information of the Company or its securities due to their position or employment, on terms no less exacting than the Model Code. To the best knowledge of the Directors, there was no incident of non-compliance with the Regulations on Information Disclosure by any employees for the six months ended June 30, 2026.

Publication of Interim Results and 2026 Interim Report of H Shares

This results announcement is published on the websites of the Company (www.novosns.com) and the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk). The interim report of H Shares of the Company for the six months ended June 30, 2026 will be made available for review on the websites of the Company and the Hong Kong Stock Exchange in due course, and will be dispatched to Shareholders who have elected to receive printed copies in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set forth below:

“A Share(s)”	domestic share(s) of the Company with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange and traded in Renminbi
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors of the Company
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“China” or “PRC”	the People’s Republic of China
“Company” or “we”	Suzhou Novosense Microelectronics Co., Ltd. (蘇州納芯微電子股份有限公司), a company established in the PRC on May 17, 2013, the A Shares of which are listed on the Shanghai Stock Exchange (stock code: 688052), and the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 2676)
“Director(s)”	the director(s) of the Company
“domestic”	mainland of PRC (for the purpose of this announcement only, excluding Hong Kong, Macao and Taiwan)
“Global Offering”	the offering of H Shares by the Company for subscription, details of which are set out in the Prospectus

“Group”	the Company and its consolidated subsidiaries
“H Share(s)”	overseas listed foreign ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“IFRS”	International Financial Reporting Standards, including standards, amendments and interpretations issued by the International Accounting Standards Board and International Accounting Standards and interpretations issued by the International Accounting Standards Committee
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
“PRC Company Law”	the Company Law of the PRC (中華人民共和國公司法)
“Prospectus”	the prospectus of the Company dated November 28, 2025 in connection with the Global Offering
“Reporting Period” or “this period”	January 1, 2026 to June 30, 2026
“Renminbi” or “RMB”	Renminbi, the lawful currency of China
“PRC Securities Law”	the Securities Law of the PRC (中華人民共和國證券法)
“Share(s)”	ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares

“Shareholder(s)”	holder(s) of our Share(s)
“year-on-year”	compared with the same period of the previous year
“%”	percent

GLOSSARY OF TECHNICAL TERMS

In this announcement, unless the context otherwise requires, explanations and definitions of certain terms used in this document in connection with the Company and our business shall have the meanings set out below. The terms and their meanings may not always correspond to standard industry meaning or usage of these terms.

“ADC”	analog-to-digital converter, a device used to convert continuous analog signals into discrete digital signals
“AEC-Q”	standards established by the Automotive Electronics Council
“Analog”	an analog signal is a voltage, current or physical quantity that continuously and infinitely varies in accordance with some time-varying parameter
“automotive-grade”	an automotive-grade chip refers to a chip that is specifically designed, manufactured and qualified to meet the stringent requirements and standards of the automotive industry
“BMS”	battery management system
“CAGR”	compound annual growth rate
“CAN”	controller area network, a communication protocol
“CMOS”	complementary metal-oxide semiconductor
“DAC”	digital-to-analog converter, a device used to convert digital signals into analog signals
“DC”	direct current
“Digital”	a signal that represents data as a sequence of discrete values

“fabless”	a business model where the entity focuses on R&D and design of ICs and outsources manufacturing to third parties
“GaN”	gallium nitride, a binary III/V direct bandgap semiconductor well-suited for high-power transistors capable of operating at high temperatures
“Hall effect”	refers to the generation of a voltage difference across an electrical conductor when a magnetic field is applied perpendicular to the current, the foundation of many magnetic sensing technologies
“IC” or “Integrated circuit”	a set of electronic circuits on one small plate of semiconductor material (a chip)
“I ² C”	a synchronous, multi-master/multi-slave, single-ended, serial communication protocol
“IGBT”	insulated gate bipolar transistor, a three-terminal power semiconductor device primarily forming an electronic switch
“LDO”	low dropout regulator, a type of voltage regulator that can operate with a very small input-output differential voltage
“LED”	light-emitting diode, a semiconductor diode that emits light when conducting current and is used in electronic equipment
“LIN”	network protocol used for communication between components in modern vehicles
“MCU”	micro controller unit, a type of chip that contains a general-purpose processor core, input/output interfaces and other modules for a variety of applications
“MEMS”	micro-electro-mechanical system, the technology of microscopic devices that are made up of components between 1 and 100 micrometres in size
“MOSFET”	metal-oxide-semiconductor field-effect transistor, a type of transistor used to amplify or switch electronic signals

“op-amp”	an analog circuit block that takes a differential voltage input and produces a single-ended voltage output
“PV”	photovoltaics
“R&D”	research and development
“Sensor”	a device that measures or detects physical world conditions, such as motion, heat or light, and converts the conditions into analog or digital representations
“SiC”	silicon carbide, a semiconductor material used in various electronic applications
“V”	volt, a unit for voltage
“VHS”	vertical Hall sensor, a Hall sensor structure optimized for detecting vertical magnetic fields

By order of the Board
Suzhou Novosense Microelectronics Co., Ltd.
Mr. Wang Shengyang
Chairman of the Board and Executive Director

Hong Kong, August 27, 2026

As of the date of this announcement, the Directors are: (i) Mr. Wang Shengyang, Mr. Sheng Yun, Mr. Wang Yifeng and Mr. Jiang Chaoshang as executive Directors; (ii) Mr. Wu Jie and Mr. Zhang Shuai as non-executive Directors; and (iii) Ms. Du Linlin, Dr. Zhang Limin and Dr. Leng Qunwen as independent non-executive Directors.