

深圳基本半導體股份有限公司 BASiC Semiconductor Co., Ltd.

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

Stock Code: 9971

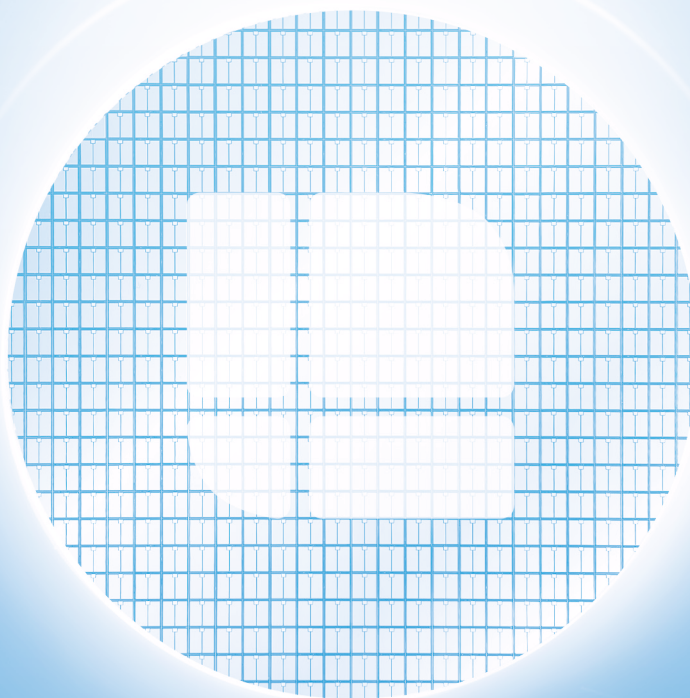


2026 INTERIM REPORT



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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dr. Wang Zhihan (汪之涵) (*Chairman*)
Dr. He Weiwei (和巍巍) (*Chief Executive Officer*)
Mr. Fu Junyin (傅俊寅)
Ms. Yan Rui (閆瑞)

Independent Non-Executive Directors

Mr. Li Juping (李居平)
Mr. Ye Xiang (叶翔)
Mr. Wang Susheng (王蘇生)

AUDIT COMMITTEE

Mr. Wang Susheng (王蘇生) (*Chairperson*)
Mr. Li Juping (李居平)
Mr. Ye Xiang (叶翔)

REMUNERATION AND APPRAISAL COMMITTEE

Mr. Li Juping (李居平) (*Chairperson*)
Mr. Wang Susheng (王蘇生)
Dr. Wang Zhihan (汪之涵)

NOMINATION COMMITTEE

Mr. Ye Xiang (叶翔) (*Chairperson*)
Mr. Li Juping (李居平)
Ms. Yan Rui (閆瑞)

JOINT COMPANY SECRETARIES

Mr. Zhang Yu (張煜)
Ms. Jian Xuegen (簡雪艮)

REGISTERED OFFICE

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Bronze Technology Tower
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Shenzhen
PRC

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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Nanshan District
Shenzhen
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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248 Queen's Road East
Wan Chai
Hong Kong

H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shop 1712-1716, 17th Floor
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Hong Kong

AUTHORISED REPRESENTATIVES

Dr. Wang Zhihan (汪之涵)
Ms. Jian Xuegen (簡雪艮)

INVESTORS CONTACT

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STOCK NAME

BASICSEMI

STOCK CODE

9971

COMPANY'S WEBSITE

<http://www.basicsemi.com/>

Corporate Information

PRINCIPAL BANKS

Shenzhen Rural Commercial Bank

Guangming Branch
Room D3-101, 201, 301, 401, Building D
CIMC Low-Earth Orbit Satellite
IoT Industrial Park, Kenen Road
Dongkeng Community, Fenghuang Sub-district
Guangming District
Shenzhen
PRC

Bank of China Limited, Shenzhen Donghai Branch

1st Floor, Commercial Area
Donghai International Center
No. 7888 Shenzhen Avenue
Futian District
Shenzhen, PRC

AUDITORS

Ernst & Young
*Certified Public Accountants and Registered Public
Interest Entity Auditors*
27/F, One Taikoo Place
979 King's Road Quarry Bay
Hong Kong

LEGAL ADVISOR

As to Hong Kong laws:

King & Wood
13/F, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

As to PRC laws:

King & Wood
28/F, China Resources Tower
2666 Keyuan South Road, Nanshan District
Shenzhen
PRC

COMPLIANCE ADVISOR

Rainbow Capital (HK) Limited
Office No. 710, 7/F Wing On House
71 Des Voeux Road Central
Central
Hong Kong

Definitions

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

“Articles” or “Articles of Association”	the articles of association adopted by our Company, as amended, supplemented or otherwise modified from time to time
“Audit Committee”	the audit committee of the Board
“BASiC Createnjoy LP”	Shenzhen BASiC Createnjoy Holding Partnership (Limited Partnership)* (深圳基本創享控股合夥企業(有限合夥)), a limited liability partnership established in the PRC with Dr. Wang as its general partner, an employee shareholding platform of our Company, and a member of the Controlling Shareholders Group
“BASiC Creation LP”	Shenzhen BASiC Creation Holding Partnership (Limited Partnership)* (深圳基本創造控股合夥企業(有限合夥)), a limited liability partnership established in the PRC with Dr. Wang as its general partner, an employee shareholding platform of our Company, and a member of the Controlling Shareholders Group
“BASiC Entrepreneur LP”	Shenzhen BASiC Entrepreneur Management Partnership (Limited Partnership)* (深圳基本創業管理合夥企業(有限合夥)), a limited liability partnership established in the PRC with Dr. Wang as its general partner, an employee shareholding platform of our Company, and a member of the Controlling Shareholders Group
“BASiC Innotech LP”	Shenzhen BASiC Innovation Technology Partnership (Limited Partnership)* (深圳基本創新技術合夥企業(有限合夥)), a limited liability partnership established in the PRC with Dr. Wang as its general partner, an employee shareholding platform of our Company, and a member of the Controlling Shareholders Group
“BASiC Original LP”	Shenzhen BASiC Original Holding Partnership (Limited Partnership)* (深圳基本原創控股合夥企業(有限合夥)), a limited partnership established in the PRC with Dr. Wang as its general partner, and a member of the Controlling Shareholders Group
“BASiC Principle LP”	Shenzhen BASiC Principle Holding Partnership (Limited Partnership)* (深圳基本原理控股合夥企業(有限合夥)), a limited liability partnership established in the PRC with Dr. Wang as its general partner, and a member of the Controlling Shareholders Group
“Board” or “Board of Directors”	the board of Directors of the Company
“Bronze Group”	Bronze Technologies Group Co., Ltd.* (深圳青銅劍科技股份有限公司), a joint stock limited liability company established in the PRC and a member of the Controlling Shareholders Group

Definitions

“Bronze Holding LP”	Shenzhen Bronze Holding Partnership (Limited Partnership)* (深圳青銅劍控股合夥企業(有限合夥)), a limited liability partnership established in the PRC with Dr. Wang as its general partner, and a member of the Controlling Shareholders Group
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“China” or “PRC”	the People’s Republic of China, excluding, for the purpose of this report, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Company” or “our Company” or “the Company”	BASiC Semiconductor Co., Ltd. (深圳基本半導體股份有限公司), a limited liability company established in the PRC on June 7, 2016 and converted into a joint stock limited liability company on November 15, 2024
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Controlling Shareholder(s)” or “Controlling Shareholders Group”	has the meaning ascribed to it under the Listing Rules and unless the context requires otherwise, refers to Dr. Wang, Ms. Wang Yongmiao (王永苗), Bronze Holding LP, InteBridge Tech, Bronze Group, BASiC Principle LP, BASiC Createnjoy LP, BASiC Innotech LP, BASiC Creation LP, BASiC Entrepreneur LP and BASiC Original LP
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary shares in the share capital of the Company with a nominal value of RMB0.20 each, which are subscribed for and fully paid in RMB
“Dr. Wang”	Dr. Wang Zhihan (汪之涵), the founder, chairman of the Board and an executive Director, a member of the Controlling Shareholders Group
“Global Offering”	Securities made available in markets across the globe at the same time
“Group” or “our Group”, “we” or “us”	the Company and its subsidiaries
“H Share(s)”	overseas-listed foreign share(s) in the share capital of the Company with nominal value of RMB0.20 each, which are listed on the Main Board of the Stock Exchange and subscribed for and traded in Hong Kong dollars
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

Definitions

“IC(s)”	integrated circuit(s), a small unit or package which is made as a single indivisible structure (such as a chip) and is electrically equivalent to a conventional circuit of many separate components
“IFRS”	International Financial Reporting Standards
“IGBT(s)”	insulated gate bipolar transistor(s), a type of transistor that combines the high efficiency and fast switching of a MOSFET with the high current and low saturation voltage of a bipolar transistor
“InteBridge Tech”	Shenzhen InteBridge Technology Limited* (深圳英倫博智科技有限公司), a limited liability company established in the PRC and a member of the Controlling Shareholders Group
“Listing”	the listing of H Shares on the Main Board of the Stock Exchange on July 8, 2026
“Listing Date”	July 8, 2026
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the stock market (excluding the option market) operated by the Stock Exchange, which is independent from and operated in parallel with the GEM of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“module(s)”	packaged components that include integrated circuits or other electronic components, which are used to build larger systems or devices
“MOSFET(s)”	metal oxide semiconductor field effect transistor, used for amplifying or switching electronic signals
“NEV(s)”	new energy vehicle(s), comprising battery electric vehicles and plug-in hybrid electric vehicles
“Nomination Committee”	the nomination committee of the Board
“Pathfinder SII(s)”	has the meaning ascribed to it in Chapter 2.5 of the Guide for New Listing Applicants published by the Stock Exchange
“Prospectus”	the Company’s prospectus dated June 29, 2026
“R&D”	research and development

Definitions

“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of the Board
“Reporting Period”	the six months ended June 30, 2026
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	shares in the capital of our Company with a nominal value of RMB0.20 each, comprising the Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“SiC”	silicon carbide, a compound of silicon and carbon known for its high thermal conductivity, high breakdown voltage, and efficiency in high-power, high-temperature applications
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent
“*”	for identification purpose only

Financial and Business Highlights

2026 INTERIM FINANCIAL AND BUSINESS HIGHLIGHTS

1. Solid revenue growth, achieving the milestone of gross profit margin turning positive

Our revenue increased by 15.5% from RMB104.4 million for the six months ended June 30, 2025 to RMB120.6 million for the six months ended June 30, 2026.

The overall gross profit margin improved from -28.8% for the six months ended June 30, 2025 to 2.8% for the six months ended June 30, 2026, representing a significant improvement of 31.6 percentage points, achieving the milestone of the gross profit margin turning positive.

During the Reporting Period, the loss for the period of the Company was RMB161.6 million, representing a year-on-year narrowing of 8.8%, and the adjusted net loss (non-IFRS measure) of the Company was RMB111.8 million, representing a year-on-year narrowing of 15.1%.

2. Iterative upgrade of the R&D platform and accelerated introduction of emerging application scenarios

During the Reporting Period, the Company continued to advance R&D and platform iterations focusing on three major product directions of SiC discrete devices, SiC power modules and power semiconductor gate drivers, thereby continuously enhancing the capabilities of the overall technology platform. With regard to specific application directions: in the automotive sector, automotive-grade SiC power modules continued to undergo iterations, with the launch of multiple new series of products; in the industrial sector, multiple new products have entered the sampling, verification or introduction stages; and the consumer electronics sector completed the development of a new process platform and launched products covering the corresponding demands.

3. Continuous optimization of customer structure and rapid revenue growth in the industrial and consumer sectors

During the Reporting Period, the Company continued to exert its efforts in deepening relationships with existing customers, expanding into new customers and achieving breakthroughs with overseas customers. The industrial-grade SiC power modules expanded to over 60 new customers, and the products were adopted in the AI data centers of leading domestic telecommunications operators. Demand for electroplating power supplies continued to increase, with cumulative orders exceeding 30,000 units. SiC discrete devices were successfully introduced to a number of leading domestic consumer electronics customers, officially entering application scenarios such as LED lighting power supplies, PD fast charging, power adapters and smart home appliances. In respect of overseas expansion, the automotive-grade SiC power modules secured a new project nomination for an overseas complete vehicle project from a European Tier-1 supplier.

Management Discussion and Analysis

I. COMPANY OVERVIEW AND INDUSTRY TRENDS

We are a Chinese third-generation semiconductor power device enterprise, specializing in the research, development, manufacturing and sales of SiC power devices, and possessing comprehensive capabilities in SiC chip design, wafer fabrication, module packaging, as well as gate driver design and testing. Based on our innovation and R&D capabilities, we have established a comprehensive product portfolio covering automotive- and industrial-grade SiC power modules, SiC discrete devices and power semiconductor gate drivers, serving a wide range of industries including new energy vehicles (NEV), data centers, renewable energy systems, energy storage systems, industrial control, consumer electronics and rail transportation.

In the first half of 2026, the downstream applications of SiC power devices maintained multi-point growth: the construction of artificial intelligence computing power drove the upgrade of power supply architectures in data centers to high-voltage DC, opening up new application scenarios in segments such as server power supplies, uninterruptible power supplies, solid-state circuit breakers and solid-state transformers; the SiC penetration rate in the NEV sector continued to rise, and the launch of 800V high-voltage platform vehicle models drove the steady growth in demand for automotive-grade SiC power modules; the installed capacity of photovoltaic and energy storage systems maintained growth, inverters and energy storage converters migrated towards high-voltage platforms, and modular solutions accelerated the replacement of traditional discrete parallel solutions; the adoption of SiC in traditional industrial power supplies, such as electroplating power supplies, induction heating and welding power supplies, continued to accelerate; and scenarios including power adapters, smart home appliances and lighting in the consumer electronics sector also began to adopt SiC devices.

In terms of industry production capacity and pricing, the transition of wafer sizes from 6 inches to 8 inches accelerated. The supply pressure brought about by previous capacity expansions within the industry was gradually absorbed, and price competition moderated.

In terms of the competitive landscape, international manufacturers still held the major share of the global SiC power device market. Domestic manufacturers continued to propel the domestic substitution process by leveraging their advantages in cost, delivery and localized services. As industry competition returned to rationality, the market share was further concentrated among leading enterprises possessing full-industry-chain capabilities and large-scale manufacturing capabilities.

Management Discussion and Analysis

II. BUSINESS REVIEW

(I) *Product R&D*

During the Reporting Period, the Company advanced R&D and platform iterations focusing on three major product directions. The mini-pitch and micro-pitch process platforms for SiC chips continued to iterate, driving the technological enhancement of SiC power modules and discrete devices. The industrial-grade SiC power modules completed iterations of multiple series, and multiple new products entered the stages of sampling, verification or introduction in application scenarios such as AI data center power supplies, solid-state transformers, photovoltaics and energy storage. The automotive-grade SiC power modules launched multiple series of new products, and customized models for leading automotive customers have been delivered for verification. The development of a new process platform targeting the consumer electronics market was completed, and products covering the corresponding demands were launched. The prototype development and high-voltage testing of nearly 20 power semiconductor gate driver products were completed, and the design schemes for three next-generation self-developed driver chips progressed smoothly.

(II) *Market Expansion*

During the Reporting Period, the Company continued to exert its efforts in deepening relationships with existing customers, expanding into new customers and achieving breakthroughs with overseas customers. The automotive-grade SiC power modules continued to be delivered, and cooperation with existing customers was further deepened. The industrial-grade SiC power modules expanded to over 60 new customers, with revenue for the first half of 2026 increasing by 2,825.1% year on year, and the products were adopted in the AI data centers of leading domestic telecommunications operators; demand in areas such as photovoltaics, energy storage, charging facilities and electroplating power supplies continued to increase, among which cumulative orders in the electroplating power supply sector exceeded 30,000 units. SiC discrete devices were successfully introduced to a number of leading domestic consumer electronics customers, officially entering application scenarios such as LED lighting power supplies, PD fast charging, power adapters and smart home appliances, among which revenue from SiC MOSFETs for the first half of 2026 increased by 582.3% year on year. In respect of overseas expansion, the automotive-grade SiC power modules secured a new project nomination for an overseas complete vehicle project from a European Tier-1 supplier, the solid-state circuit breaker project of a leading international electrical enterprise adopting the Company's industrial-grade SiC power modules entered the testing and introduction stage, and photovoltaic inverter products equipped with SiC discrete devices achieved batch overseas delivery.

(III) *Manufacturing and Supply Chain Management*

During the Reporting Period, the supply chain management of the Company advanced around the two main themes of cost reduction and efficiency enhancement, and supply security, with its effectiveness further demonstrated. In respect of cost reduction, through measures such as centralized price negotiations, the introduction of second-source suppliers and domestic substitution, the procurement costs of epitaxial wafers and principal materials achieved a general decrease. The maximum reduction in procurement cost of certain production consumables exceeded 30%, and such cost control provided strong support for the improvement in gross profit; in respect of supply assurance, 11 new qualified suppliers were added during the Reporting Period, covering processes such as epitaxial wafer, outsourced processing, and production consumables. The multi-supplier system was further improved, and the delivery assurance capabilities continued to be enhanced.

Management Discussion and Analysis

III. BUSINESS STRATEGIES AND FUTURE PROSPECTS

(I) Strengthen R&D innovation and consolidate technological advantages

The Company will continue to increase its R&D investments, advance technological iterations across the entire value chain including SiC chip design, wafer fabrication, module packaging and gate drivers, steadily develop next-generation process platforms and promote the engineering application of forward-looking technologies, and accelerate the R&D of various new products, thereby continuously consolidating and enhancing its technological advantages and providing solid support for market expansion.

(II) Deepen penetration in application markets and optimize customer structure

While consolidating its core market position, the Company will actively expand into diversified application scenarios, so as to further optimize the customer structure and revenue stream. In the fields of renewable energy and industrial applications, the Company will deepen import substitution across various market segments. In the NEV sector, it will continue to deepen cooperation with existing customers and drive the development of new customers. The Company will seize the market opportunities presented by AI data centers, accelerate customer onboarding and mass delivery, and enhance its product portfolio covering the key segments of power supply and distribution for data centers. Furthermore, the Company will continue to explore the potential of the consumer electronics sector, enrich its product portfolio, and expand coverage of downstream applications.

(III) Accelerate overseas expansion and explore international markets

The Company will leverage the strategic layout of its existing overseas R&D and business teams to accelerate validation, introduction and project conversion for international customers. In the NEV sector, the Company will drive the progressive implementation of designated projects with overseas complete vehicle manufacturers and cooperation with international Tier-1 suppliers, and deepen synergistic cooperation with international semiconductor enterprises in segments such as packaging and testing; in the renewable energy and industrial sectors, it will capture emerging demands such as overseas AI data centers and high-voltage charging platforms, provide ancillary support for the overseas expansion of domestic customers, and actively develop overseas end customers. The overseas teams will rapidly respond to the demands of international customers, enhance the Company's brand influence in the international market, and explore new horizons for revenue growth.

Management Discussion and Analysis

(IV) Steadily expand production capacity to ensure delivery capabilities

The Company will steadily advance its capacity expansion in line with the growth pace of downstream demand. In respect of in-house production capacity, the Company will advance the construction of the Pingshan production base and the Zhongshan production base as planned, so as to further consolidate its scale advantages in the module packaging process; in respect of collaborative production capacity, the Company will adhere to the production model featuring parallel IDM and foundry collaborations, and promote the transfer of certain self-developed proprietary processes to foundry platforms, in order to achieve substantial capacity expansion with relatively low capital expenditures. The Company will advance the transition of its wafer platforms from 6-inch to 8-inch in an orderly manner, and continuously enhance the utilization rate of its production lines and manufacturing efficiency, thereby providing reliable assurance for order growth and customer deliveries.

Looking ahead, the Company will leverage its full value chain capabilities in SiC and large-scale manufacturing advantages to seize the long-term opportunities in AI data centers, NEV and energy transition, continuously consolidate its market position in the SiC power device sector, and create long-term value for Shareholders.

IV. FINANCIAL REVIEW

Revenue

Our revenue increased by 15.5% from RMB104.4 million for the six months ended June 30, 2025 to RMB120.6 million for the six months ended June 30, 2026, primarily attributable to the ramp-up in sales of SiC discrete devices and industrial-grade SiC power modules, partially offset by a decrease in sales of automotive-grade SiC power modules.

The following table sets forth our revenue by product type for the periods indicated:

	For the six months ended June 30,			
	2026		2025	
	RMB'000	% of Total	RMB'000	% of Total
SiC power modules	30,639	25.4	49,789	47.7
– Automotive-grade	16,189	13.4	49,295	47.2
– Industrial-grade	14,450	12.0	494	0.5
SiC discrete devices	26,060	21.6	9,982	9.6
– Schottky diodes	3,722	3.1	6,708	6.5
– MOSFETs	22,338	18.5	3,274	3.1
Power semiconductor gate drivers	40,972	34.0	41,604	39.9
Others	22,901	19.0	2,984	2.8
Total	120,572	100.0	104,359	100.0

Management Discussion and Analysis

The Group's revenue is primarily derived from three product segments: SiC power modules, SiC discrete devices and power semiconductor gate drivers. During the Reporting Period, the power semiconductor gate drivers segment was the largest revenue contributor, accounting for 34.0% of total revenue (six months ended June 30, 2025: 39.9%). Revenue of this segment remained broadly stable year on year, and the decrease in its proportion was mainly due to faster revenue growth of the other segments. The SiC discrete devices segment accounted for 21.6% of total revenue (six months ended June 30, 2025: 9.6%), primarily due to the accelerated adoption of our MOSFET products in renewable energy and industrial applications, AI data centers and consumer electronics. The SiC power modules segment contributed 25.4% of total revenue (six months ended June 30, 2025: 47.7%), primarily attributable to the decrease in revenue resulting from the downward adjustment of the selling prices of our automotive-grade products and the strategic reduction of sales of low-margin products, partially offset by the rapid ramp-up of industrial-grade SiC power modules. The Company has also introduced consumer electronics products during the Reporting Period, which have begun to contribute to the Group's revenue.

SiC power modules

Our revenue from sales of SiC power modules decreased by 38.5% from RMB49.8 million for the six months ended June 30, 2025 to RMB30.6 million for the six months ended June 30, 2026. On one hand, the decrease was a result of the downward adjustment of the selling prices of our automotive-grade products and the strategic reduction of sales of low-margin products. On the other hand, the decrease was partially offset by the rapid ramp-up of industrial-grade SiC power modules in renewable energy, charging infrastructure and industrial power supply applications. As a result, the proportion of sales revenue from SiC power modules has decreased to 25.4% for the six months ended June 30, 2026 from 47.7% for the six months ended June 30, 2025.

SiC discrete devices

Our revenue from sales of SiC discrete devices increased by 161.1% from RMB10.0 million for the six months ended June 30, 2025 to RMB26.1 million for the six months ended June 30, 2026, primarily due to the accelerated adoption of our MOSFET products in renewable energy and industrial applications, AI data centers and consumer electronics, especially for the revenue contribution from consumer electronics products in MOSFET.

Power semiconductor gate drivers

Our revenue from sales of power semiconductor gate drivers slightly decreased by 1.5% from RMB41.6 million for the six months ended June 30, 2025 to RMB41.0 million for the six months ended June 30, 2026, primarily due to a slight change in the sales mix of products with different specifications.

Others

Our revenue from others increased by 667.5% from RMB3.0 million for the six months ended June 30, 2025 to RMB22.9 million for the six months ended June 30, 2026, primarily due to the increase in sales of power stacks, auxiliary products for power semiconductor gate drivers (including IGBTs) and other products, coupled with a relatively low base in the corresponding period of last year, resulting in a more pronounced growth rate.

Management Discussion and Analysis

Cost of Sales

Our cost of sales decreased by 12.8% from RMB134.5 million for the six months ended June 30, 2025 to RMB117.2 million for the six months ended June 30, 2026, primarily due to decrease in costs of sales for automotive-grade SiC power modules, as well as the change from inventory write-down for the six months ended June 30, 2025 to reversal of inventory write-down for the six months ended June 30, 2026.

Gross Profit/(Loss) and Gross Profit/(Loss) Margin

We successfully turned our gross profit positive and achieved gross profit of RMB3.3 million for the six months ended June 30, 2026 from gross loss of RMB30.1 million for the six months ended June 30, 2025. The overall gross profit margin was 2.8% for the six months ended June 30, 2026, compared with gross loss margin at 28.8% for six months ended June 30, 2025.

The significant improvement of overall gross margin was mainly attributed to the improvement of gross margin in business segment of SiC discrete devices, the expansion of industrial-grade SiC power modules and the strategic reduction of sales of low-margin products.

Other Income and Gains

Our other income and gains increased by 246.4% from RMB3.2 million for the six months ended June 30, 2025 to RMB11.2 million for the six months ended June 30, 2026, primarily due to the significant increase in government grants because we received a larger amount of government grants that could be directly recognised as other income and gains during the Reporting Period.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 33.1% from RMB21.8 million for the six months ended June 30, 2025 to RMB29.0 million for the six months ended June 30, 2026, primarily due to (i) the increase in employee benefit expenses driven by headcount growth in our sales and marketing functions to support revenue expansion and (ii) the increase in share-based payment expenses during the Reporting Period.

Administrative Expenses

Our administrative expenses increased by 9.6% from RMB64.4 million for the six months ended June 30, 2025 to RMB70.6 million for the six months ended June 30, 2026, primarily due to (i) the increase in employee benefit expenses in line with the overall growth of the Group's operations and organisational scale; and (ii) the increase in share-based payment expenses during the Reporting Period.

Research and Development Expenses

Our research and development expenses increased by 14.2% from RMB54.0 million for the six months ended June 30, 2025 to RMB61.6 million for the six months ended June 30, 2026, primarily due to (i) the increase in R&D material costs, depreciation and amortization, consistent with our continued commitment in R&D efforts; (ii) the increase in share-based payment expenses during the Reporting Period.

Management Discussion and Analysis

Finance Costs

Our finance costs increased by 40.4% from RMB10.4 million for the six months ended June 30, 2025 to RMB14.6 million for the six months ended June 30, 2026, primarily due to (i) an increase in interest on bank and other borrowings to support our operations and business activities; (ii) an increase in interest on redemption liabilities to non-controlling shareholders.

Net Loss

As a result of the foregoing, we recorded a net loss of RMB161.6 million for the six months ended June 30, 2026, representing a decrease of approximately 8.8% as compared to a net loss of RMB177.2 million for the six months ended June 30, 2025. The decrease in net loss was mainly attributable to the improvement in gross profit.

Non-IFRS Measure

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted net loss for the period (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, IFRS. We believe this non-IFRS measure facilitates comparisons of operating performance from year to year, period to period, and company to company by eliminating potential impacts of certain items. We believe this measure provides useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as it helps our management. However, such non-IFRS financial measure we present may not be directly comparable to similar measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results of operations or financial condition as reported under IFRS.

We define adjusted net loss for the period (non-IFRS measure) as net loss for the period adjusted by adding back (i) share-based payment expenses and (ii) listing expenses. The following table reconciles our adjusted net loss for the period (non-IFRS measure) in accordance with IFRS, which is net loss for the period.

	For the six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
Loss for the period	(161,566)	(177,150)
Add:		
– Share-based payment expenses	37,941	31,714
– Listing expenses	11,780	13,753
Adjusted net loss (non-IFRS measure)	(111,845)	(131,683)

Adjusted net loss (non-IFRS measure) for the six months ended June 30, 2026 amounted to RMB111.8 million, representing a decrease of 15.1% as compared with RMB131.7 million for the six months ended June 30, 2025, which resulted from the increase in revenue and overall gross profit.

Management Discussion and Analysis

Liquidity, Capital Structure and Financial Resources

As of June 30, 2026, the Group had a total of RMB154.3 million in cash and cash equivalents, representing an increase of RMB55.6 million from RMB98.7 million as of December 31, 2025, mainly due to the increase in new bank and other borrowings and capital contributions from non-controlling shareholder for supporting the business operation and expansion. As of June 30, 2026, the Group's cash and cash equivalents were primarily denominated in RMB.

As of June 30, 2026, we had bank and other borrowings of approximately RMB414.1 million (December 31, 2025: approximately RMB324.3 million). The range of effective interest rates on the borrowings was 2.2% to 6.0% per annum as of June 30, 2026 (December 31, 2025: 2.2% to 7.0%). As of June 30, 2026, 69.0% of the Group's total borrowings were at fixed interest rates and 31.0% were at floating interest rates.

As of June 30, 2026, the Group's bank borrowings were all denominated in RMB. The Group did not use any financial instruments for hedging purposes during the Reporting Period.

Treasury Policies

The Group adopts prudent treasury management policies to regularly monitor liquidity requirements and to ensure that it maintains sufficient reserves of cash and adequate credit facilities from major financial institutions to meet the liquidity requirements and commitments as they fall due.

Gearing Ratio

Our gearing ratio, being total liabilities divided by total assets and multiplied by 100%, was 111.1% as of June 30, 2026 (December 31, 2025: 98.6%).

Financial Risks

The Group is exposed to various types of market risks including interest rate risk, foreign exchange risk, credit risk and liquidity risk.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term and long-term borrowings. The Group's policy is to manage its interest cost using a mix of fixed and variable rate debts. The Group's policy is to maintain certain of its interest-bearing bank borrowings at floating interest rates. The Group currently does not enter into any hedging instrument for both of the fair value interest rate risk and cash flow interest rate risk.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Head of Credit Control.

Management Discussion and Analysis

Foreign exchange risk

The Group's businesses are principally conducted in RMB. As of June 30, 2026, most of the Group's assets and liabilities were denominated in RMB. The Group is exposed to foreign exchange risk primarily with respect to HK\$ due to the proceeds received from the Global Offering and certain operating and listing expenses denominated in HK\$. The Group did not enter into any hedging transactions to manage the potential fluctuation in foreign currencies during the Reporting Period. The Group will continue to monitor its foreign currency exposure and will consider hedging its foreign exchange exposure should the need arise.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations. The Group aims to utilise interest-bearing bank and other borrowings and lease liabilities to maintain the balance between the consistency and flexibility of financing activities.

Capital Expenditures

Our capital expenditure decreased by 79.9% from RMB44.0 million for the six months ended June 30, 2025 to RMB8.9 million for the six months ended June 30, 2026, primarily in line with our business development plan.

Capital Commitments

As at 30 June 2026, the Group had capital commitments contracted but not provided for of RMB153.0 million (31 December 2025: RMB39.7 million), mainly relating to the purchase of property, plant and equipment.

Contingent Liabilities

The Group had no material contingent liabilities as of June 30, 2026 (December 31, 2025: Nil).

Information on Employees

As of June 30, 2026, the Group had 500 employees, including the executive Directors. Total staff costs (including Directors' emoluments) were approximately RMB110.9 million for the six months ended June 30, 2026, as compared to approximately RMB85.9 million for the six months ended June 30, 2025. Remuneration is determined with reference to market norms and individual employees' performance, qualification and experience.

We place high value on recruiting, training and retaining employees. We adopt high recruitment standards and strict procedures to ensure the quality of new hires and use various methods to attract different types of talent. We offer competitive remuneration packages, mainly comprising base salary, performance-based salary and bonuses. We also provide continuing education and training programs, including internal and external training, to upgrade the skills and knowledge of our employees.

Management Discussion and Analysis

As required under PRC regulations, we participate in various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury, maternity, and unemployment benefit plans. We contribute to defined contribution plans for our employees, including social pension insurance organised and implemented by local labour and social security bureau in the PRC, whereby we are required to contribute a certain percentage of the basic salaries of our employees to the plans. There is no provision under the defined contribution plans for forfeited contributions to be used by the Group to reduce the existing level of contributions.

In recognition of the contributions of our Directors and employees and to incentivize them to further promote our development, Shenzhen BASiC Creetenjoy Holding Partnership (Limited Partnership) (the “**BASiC Creetenjoy LP**”), Shenzhen BASiC Innovation Technology Partnership (Limited Partnership) (the “**BASiC Innotech LP**”), Shenzhen BASiC Creation Holding Partnership (Limited Partnership) (the “**BASiC Creation LP**”), and Shenzhen BASiC Entrepreneur Management Partnership (Limited Partnership) (the “**BASiC Entrepreneur LP**”) were established as our employee shareholding platforms (the “**Employee Shareholding Platform(s)**”). Pursuant to the partnership agreements and/or incentive schemes, partnership interests in the relevant Employee Shareholding Platforms were awarded to our Directors and employees. Each of the Employee Shareholding Platforms is controlled by Dr. Wang Zhihan as its general partner, who can independently exercise the voting rights attached to the Shares owned by such Employee Shareholding Platform.

Emolument Policy

The Remuneration and Appraisal Committee of the Company (the “**Remuneration and Appraisal Committee**”) is responsible for reviewing the Group’s remuneration policy and structure for the Directors and senior management. The emoluments of the Directors and senior management are determined by the Board, taking into account their respective responsibilities, duties, experience, individual performance and time devoted to the Group, and may be adjusted upon the recommendation of the Remuneration and Appraisal Committee.

Significant Investments Held

As of June 30, 2026, the Group did not hold any significant investment (including any investment in equity interest in any other company) (December 31, 2025: Nil).

Future Plans for Material Investments and Capital Assets

Save as disclosed in the prospectus dated June 29, 2026 (the “**Prospectus**”) and in the section headed “Use of Proceeds from the Global Offering” in this interim report, as of June 30, 2026, the Group did not have plan for material investments and capital assets.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

The Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures for the six months ended June 30, 2026 (for the six months ended June 30, 2025: Nil).

Management Discussion and Analysis

Charges on Group Assets

As of June 30, 2026, certain machinery and equipment of the Group with a net book value of RMB38.6 million (December 31, 2025: RMB70.1 million) were subject to sale and leaseback arrangements, and land use rights with a net book value of RMB60.6 million (December 31, 2025: RMB62.6 million) had been pledged as security for the Group's bank borrowings. As of June 30, 2026, certain machinery and equipment with a net book value of RMB199.3 million (December 31, 2025: RMB212.1 million) had been pledged to secure the performance of the Group's obligations under the redemption liabilities to non-controlling shareholders. In addition, as of June 30, 2026, the Group had pledged deposits and restricted cash with a net book value of RMB6.2 million (December 31, 2025: Nil).

Use of Proceeds from the Global Offering

The H Shares of the Company ("**H Shares**") were listed on the Stock Exchange by way of Global Offering on July 8, 2026 (the "**Listing Date**"), with a total of 287,534,442 H Shares (among which, (i) 260,148,242 H Shares converted from the domestic shares of the Company ("**Domestic Shares**"); and (ii) 27,386,200 new H Shares issued at HK\$31.62 per H Share) and 16,755,283 Domestic Shares in issue, each with a nominal value of RMB0.20. The net proceeds received from the Global Offering, after deducting the underwriting fees and commissions and expenses payable by the Company in connection with the Global Offering, amounted to approximately HK\$766.13 million. As of June 30, 2026, the net proceeds from the Global Offering have not been utilised as the Global Offering has not yet been completed. The Company intends to use the net proceeds from the Global Offering in accordance with the intended use of proceeds and proportion as well as the expected timetable as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

Independent Review Report



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To the board of directors of BASiC Semiconductor Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 21 to 58, which comprises the interim condensed consolidated statement of financial position of BASiC Semiconductor Co., Ltd. (the “**Company**”) and its subsidiaries (the “**Group**”) as at 30 June 2026 and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* (“**IAS 34**”) as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong
28 August 2026

Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2026

	Notes	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Audited)
REVENUE	4	120,572	104,359
Cost of sales		(117,245)	(134,456)
Gross profit/(loss)		3,327	(30,097)
Other income and gains	4	11,189	3,230
Selling and distribution expenses		(29,021)	(21,803)
Administrative expenses		(70,588)	(64,408)
Research and development costs		(61,628)	(53,969)
Impairment losses on financial assets, net		245	1,040
Other expenses		(497)	(227)
Finance costs		(14,583)	(10,389)
LOSS BEFORE TAX	5	(161,556)	(176,623)
Income tax expense	6	(10)	(527)
LOSS FOR THE PERIOD		(161,566)	(177,150)
Attributable to:			
Owners of the parent		(161,566)	(177,150)
Non-controlling interests		—	—
		(161,566)	(177,150)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	8	(0.58)	(0.65)

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
LOSS FOR THE PERIOD	(161,566)	(177,150)
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	(1,047)	(205)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	(1,047)	(205)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	(1,047)	(205)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(162,613)	(177,355)
Attributable to:		
Owners of the parent	(162,613)	(177,355)
Non-controlling interests	–	–
	(162,613)	(177,355)

Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	9	417,285	436,672
Right-of-use assets		101,169	107,275
Intangible assets		4,779	5,602
Financial assets at fair value through profit or loss		2,000	1,900
Prepayments, other receivables and other assets	10	45,414	41,146
Total non-current assets		570,647	592,595
CURRENT ASSETS			
Inventories		88,356	82,957
Trade and bills receivables	11	164,662	175,054
Prepayments, other receivables and other assets	10	78,420	65,242
Financial assets at fair value through other comprehensive income		719	159
Pledged deposits and restricted cash		6,236	–
Cash and cash equivalents		154,324	98,676
Total current assets		492,717	422,088
CURRENT LIABILITIES			
Trade payables	12	176,082	188,376
Contract liabilities		2,721	2,297
Other payables and accruals		176,877	134,578
Interest-bearing bank and other borrowings	13	375,019	313,987
Lease liabilities		13,912	13,395
Redemption liabilities to non-controlling shareholders	14	47,816	45,795
Provision		2,103	2,562
Total current liabilities		794,530	700,990

continued/...

Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
NET CURRENT LIABILITIES		(301,813)	(278,902)
TOTAL ASSETS LESS CURRENT LIABILITIES		268,834	313,693
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	13	39,092	10,310
Lease liabilities		34,848	36,362
Redemption liabilities to non-controlling shareholders	14	230,278	168,467
Deferred income		77,938	80,444
Provision		5,004	4,319
Total non-current liabilities		387,160	299,902
Net assets		(118,326)	13,791
EQUITY			
Equity attributable to owners of the parent			
Share capital	15	55,381	55,381
Deficits		(173,707)	(41,590)
Total equity		(118,326)	13,791

Wang Zhihan
Director

He Weiwei
Director

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Attributable to owners of the parent					Total	Non-controlling interest	Total equity
	Share capital	Capital reserve*	Share-based payment reserve*	Accumulated losses*	Exchange fluctuation reserve*			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(note 15)							
As at 1 January 2026	55,381	387,894	211,909	(639,955)	(1,438)	13,791	-	13,791
Loss for the period	-	-	-	(161,566)	-	(161,566)	-	(161,566)
Other comprehensive income for the period:								
Exchange differences related to foreign operations	-	-	-	-	(1,047)	(1,047)	-	(1,047)
Total comprehensive loss for the period	-	-	-	(161,566)	(1,047)	(162,613)	-	(162,613)
Share-based payments (note 16)	-	-	37,941	-	-	37,941	-	37,941
Put option granted to non-controlling shareholders	-	(7,445)	-	-	-	(7,445)	(50,000)	(57,445)
Capital contribution of non-controlling shareholders	-	-	-	-	-	-	50,000	50,000
As at 30 June 2026 (unaudited)	55,381	380,449*	249,850*	(801,521)*	(2,485)*	(118,326)	-	(118,326)

* The deficits accounts comprise the consolidated deficits of RMB173,707,000 in the consolidated statements of financial position as at 30 June 2026.

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Share capital RMB'000 (note 15)	Capital reserve* RMB'000	Attributable to owners of the parent			Total RMB'000	Non- controlling interest RMB'000	Total equity RMB'000
			Share-based payment reserve* RMB'000	Accumulated losses* RMB'000	Exchange fluctuation reserve* RMB'000			
As at 1 January 2025	53,771	255,547	139,452	(304,738)	(790)	143,242	–	143,242
Loss for the period	–	–	–	(177,150)	–	(177,150)	–	(177,150)
Other comprehensive income for the period:								
Exchange differences related to foreign operations	–	–	–	–	(205)	(205)	–	(205)
Total comprehensive loss for the period	–	–	–	(177,150)	(205)	(177,355)	–	(177,355)
Issue of ordinary shares (note 15)	1,610	148,390	–	–	–	150,000	–	150,000
Share-based payments (note 16)	–	–	31,714	–	–	31,714	–	31,714
Put option granted to non- controlling shareholders	–	(11,091)	–	–	–	(11,091)	(99,979)	(111,070)
Capital contribution of non- controlling shareholders	–	21	–	–	–	21	99,979	100,000
As at 30 June 2025	55,381	392,867*	171,166*	(481,888)*	(995)*	136,531	–	136,531

* The reserve accounts comprise the consolidated reserves of RMB81,150,000 in the consolidated statements of financial position as at 30 June 2025.

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

		Six months ended 30 June	
	<i>Notes</i>	2026	2025
		RMB'000	RMB'000
		(Unaudited)	(Audited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(161,556)	(176,623)
Interest income	4	(110)	(447)
Investment income from financial asset at fair value through profit or loss	4	(62)	(14)
Fair value (gains)/losses on financial assets at fair value through profit or loss	5	(100)	90
Finance costs	5	14,583	10,389
Depreciation of property, plant and equipment	5	27,326	26,775
Depreciation of right-of-use assets	5	8,949	9,141
Amortisation of intangible assets	5	776	452
Gain on disposal of items of property, plant and equipment	5	–	(5)
Loss/(gain) on disposal of right-of-use assets	5	59	(17)
Reversal of impairment of trade receivables	5	(245)	(1,110)
Impairment of other receivables	5	–	70
Foreign exchange losses/(gains)	5	160	(61)
(Reversal)/write-down of inventories to net realisable value	5	(5,526)	3,820
Equity-settled share-based payments	5	37,941	31,714
		(77,805)	(95,826)
Decrease/(Increase) in inventories		3,754	(17,496)
(Increase)/decrease in trade and bills receivables		(38)	47,839
Increase in financial assets at fair value through other comprehensive income		(560)	(699)
(Increase)/decrease in prepayments, other receivables and other assets		(19,178)	35,588
Increase in pledged deposits and restricted cash		(6,236)	(243)
Decrease in trade payables		(12,294)	(11,462)
Increase in other payables and accruals		43,547	7,291
Increase/(decrease) in contract liabilities		424	(293)
Decrease in deferred income		(2,506)	(1,754)
Increase/(decrease) in provision		92	(1,887)
Used in operations		(70,800)	(38,942)
Interest received		25	177
Income tax paid		(10)	(527)
Net cash flows used in operating activities		(70,785)	(39,292)

continued/...

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial asset at fair value through profit or loss	(100,037)	–
Proceeds from redemption of financial assets at fair value through profit or loss	100,092	20
Purchase of items of property, plant and equipment	(8,861)	(44,040)
Purchase of items of intangible assets	–	(200)
Payment for leasehold land	–	(4,620)
Net cash flows used in investing activities	(8,806)	(48,840)
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank and other borrowings	231,049	191,271
Repayment of bank and other borrowings	(133,839)	(157,781)
Loans from related parties	16,400	159,515
Repayment of related party loans	(16,400)	(206,930)
Proceeds from issue of shares	–	150,000
Capital contributions from non-controlling shareholders	50,000	100,000
Acquisition of non-controlling shareholders	(380)	–
Payments of lease liabilities	(5,052)	(4,739)
Interest paid	(5,862)	(5,675)
Payment for deferred listing expenses	(656)	(579)
Deposit payment for other borrowings	–	(4,690)
Receipt of deposit for lease liabilities	–	60
Receipt of deposit for other borrowings	–	2,600
Net cash flows from financing activities	135,260	223,052
NET INCREASE IN CASH AND CASH EQUIVALENTS	55,669	134,920
Cash and cash equivalents at beginning of period	98,676	45,371
Effect of foreign exchange rate changes, net	(21)	81
CASH AND CASH EQUIVALENTS AT END OF PERIOD	154,324	180,372
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	154,324	180,372
Cash and cash equivalents as stated in the consolidated statements of financial position	154,324	180,372

Notes to the Interim Condensed Consolidated Financial Information

1. CORPORATE INFORMATION

BASiC Semiconductor Co., Ltd. (深圳基本半導體股份有限公司) (the “**Company**”), was incorporated in the People’s Republic of China (the “**PRC**”) as a limited liability company on 7 June 2016 and converted into a joint stock company with limited liability in November 2024. The address of the Company’s registered office is Room 801, Building 1, Bronze Technology Tower, No. 6 Guangke 1st Road, Laokeng Community, Longtian Subdistrict, Pingshan District, Shenzhen, PRC.

During the Reporting Period, the Company and its subsidiaries (collectively, the “**Group**”) are primarily engaged in the research, development, manufacturing, and sales of SiC power devices, the core business includes SiC chip design, wafer fabrication, module packaging, and gate driver design and testing.

In the opinion of the directors, Dr. Wang Zhihan, Bronze Technologies Group Co., Ltd., Ms. Wang Yongmiao, Shenzhen Bronze Holding Partnership (Limited Partnership), Shenzhen InteBridge Technology Limited, Employee Shareholding Platforms, Shenzhen BASiC Original Holding Partnership (Limited Partnership) and Shenzhen BASiC Principle Holding Partnership (Limited Partnership) are collectively considered as the controlling shareholders of the Group as of the end of Reporting Period.

The Company completed the initial public offering (“**IPO**”) and had its H shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) on 8 July 2026.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with IAS 34 Interim Financial Reporting. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the historical financial information of the Group for the three years ended 31 December 2023, 2024 and 2025 included in Appendix I of the Company’s prospectus dated 29 June 2026 (the “**Historical Financial Information**”) which have been prepared in accordance with IFRS Accounting Standards.

Going concern basis

The interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared on the assumption that the Group will continue as a going concern notwithstanding that as at 30 June 2026, the Group recorded net current liabilities of RMB301,813,000 and incurred losses from operations. The directors of the Company have reviewed the Group’s cash flow projections prepared by management, which cover a period of not less than twelve months from 30 June 2026 and are based on the following:

- (1) The Company completed the IPO with gross proceeds of HK\$866 million on 8 July 2026;
- and
- (2) As of 30 June 2026, the Group has access to borrowing facilities totalling RMB317 million.

Notes to the Interim Condensed Consolidated Financial Information

2.1 BASIS OF PREPARATION (CONTINUED)

Going concern basis (Continued)

Taking into account the financial resources available to the Group, including cash and cash equivalents on hand, the proceeds from the IPO, available bank facilities and financing agreements, the directors of the Company are of the opinion that the Group will have sufficient working capital to meet its financial liabilities and obligations as and when they fall due for the next twelve months from 30 June 2026. Accordingly, the directors of the Company consider it is appropriate to prepare the financial statements on a going concern basis.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

<i>Amendments to IFRS 9 and IFRS 7</i>	<i>Amendments to the Classification and Measurement of Financial Instruments</i>
<i>Amendments to IFRS 9 and IFRS 7</i>	<i>Contracts Referencing Nature-dependent Electricity</i>
<i>Annual Improvements to IFRS Accounting Standards – Volume 11</i>	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7</i>

The nature and impact of the amended IFRS Accounting Standards are described below:

- (a) Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

Notes to the Interim Condensed Consolidated Financial Information

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

- (b) Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity clarify the application of the “own-use” requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity’s financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.
- (c) Annual Improvements to IFRS Accounting Standards – Volume 11 set out narrow scope amendments to IFRS 1, IFRS 7 (and the accompanying Guidance on implementing IFRS 7), IFRS 9, IFRS 10 and IAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding IFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

Management monitors the operating results of the Group as a whole for the purpose of making decision on resources allocation and performance assessment, therefore, no operating segment information is presented.

Geographical information

Most of the operating entities are domiciled in Mainland China. Since the revenues of the Group mainly derived from external customers based in Mainland China and most of the Group’s non-current assets are located in Mainland China, no further geographical information in accordance with IFRS 8 Operating Segments is presented.

Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group’s revenue during the six months ended 30 June 2026 are set out below:

	Six months ended 30 June	
	2026 RMB’000 (Unaudited)	2025 RMB’000 (Audited)
Customer A	16,530	N/A*
Customer B	15,301	N/A*
Customer C	N/A*	38,718

* The corresponding revenue of these customers is not disclosed as the revenue individually did not account for 10% or more of the Group’s revenue during the respective periods.

Notes to the Interim Condensed Consolidated Financial Information

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Revenue from contracts with customers	120,572	104,359

Revenue from contracts with customers:

(i) Disaggregated revenue information

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Power semiconductor gate drivers	40,972	41,604
SiC discrete devices	26,060	9,982
SiC power modules	30,639	49,789
Others*	22,901	2,984
	120,572	104,359
Timing of revenue recognition		
Goods transferred at a point in time	118,285	104,331
Services transferred at a point in time	2,287	28
	120,572	104,359

* Others primarily include sales of power stack, power semiconductor testing equipment, IGBTs, silicon discrete devices and raw materials as well as provision of module technology development services.

Notes to the Interim Condensed Consolidated Financial Information

4. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

Revenue from contracts with customers: (Continued)

(i) Disaggregated revenue information (Continued)

The following table shows the amounts of revenue recognised in the Reporting Period that were included in the contract liabilities at the beginning of the Reporting Period:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Audited)
Revenue recognised that was included in contract liabilities at the beginning of the Reporting Period:	439	303

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

(a) Sale of products

The performance obligation is satisfied upon delivery and acceptance of the products and payment is generally due within 90 days from delivery.

(b) Provision of services

The performance obligation is satisfied upon completion and acceptance of the services and payment is generally due upon completion of the services.

For the above contracts with customers, they are rendered in a short period of time, which is generally less than one year, and the Group has elected the practical expedient for not to disclose the remaining performance obligations for these types of contracts.

Notes to the Interim Condensed Consolidated Financial Information

4. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

Other income and gains

An analysis of other income and gains is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Other income		
Government grants*	10,597	2,615
Individual income tax handling fee refund	154	68
Interest income	110	447
Investment income from financial assets at fair value through profit or loss	62	14
Others	166	3
Total other income	11,089	3,147
Gains		
Foreign exchange gains	–	61
Fair value gains on financial assets at fair value through profit or loss	100	–
Gain on disposal of right-of-use assets	–	17
Gain on disposal of items of property, plant and equipment	–	5
Total gains	100	83
Total other income and gains	11,189	3,230

* The amount mainly represented government incentive and support to the Group received during the Reporting Period. There are no unfulfilled conditions or contingencies relating to these grants.

Notes to the Interim Condensed Consolidated Financial Information

5. LOSS BEFORE TAX

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

	Note	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Audited)
Cost of inventories sold*		116,954	134,450
Cost of services provided*		291	6
Depreciation of property, plant and equipment**		27,326	26,775
Depreciation of right-of-use assets**		8,949	9,141
Amortisation of intangible assets**		776	452
Research and development expenses		61,628	53,969
Lease payments not included in the measurement of lease liabilities		90	142
Loss/(gain) on disposal of right-of-use assets***		59	(17)
Gain on disposal of items of property, plant and equipment***		–	(5)
Listing expenses		11,780	13,753
Impairment losses on financial assets, net:			
Reversal of impairment of trade receivables	11	(245)	(1,110)
Impairment of other receivables		–	70
(Reversal of write down)/write down of inventories to net realisable value****		(5,526)	3,820
Finance costs		14,583	10,389
Fair value (gain)/loss on financial assets at fair value through profit or loss		(100)	90
Foreign exchange losses/(gains)		160	(61)
Employee benefit expense (including directors', supervisors' and chief executive's remuneration):			
Wages and salaries		67,031	49,644
Pension scheme contributions		5,896	4,493
Equity-settled share-based payments		37,941	31,714
		110,868	85,851

* The amounts disclosed for cost of inventories sold included the write-down of inventories to net realisable value.

** The depreciation of property, plant and equipment, amortisation of intangible assets, and depreciation of right-of-use assets are included in "Cost of sales", "Selling and distribution expenses", "Administrative expenses" and "Research and development costs" in the interim condensed consolidated statement of profit or loss.

*** The amounts are included in "Other expenses" and "Other income and gains" in the interim condensed consolidated statement of profit or loss.

**** The amounts are included in "Cost of sales" in the interim condensed consolidated statement of profit or loss.

Notes to the Interim Condensed Consolidated Financial Information

6. INCOME TAX EXPENSE

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

Mainland China

No provision for Mainland China income tax pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the “**CIT Law**”) has been made as the Company and its subsidiaries which operate in Mainland China are in loss position and have no estimated taxable profits.

BASiC Semiconductor Co., Ltd., Bronze Technologies Limited, BASiC Semiconductor (Wuxi) Co. Ltd (“**Wuxi BASiC**”), BASiC Semiconductor (Shenzhen) Limited were approved as the “High and New Technology Enterprise” under the relevant tax rules and regulations, and accordingly were entitled to a preferential CIT rate of 15%. This qualification is subject to review by the relevant tax authority in the PRC for every three years.

Shenzhen BASiC Innovation Research Limited, BASiC Semiconductor (Shanghai) Co., Ltd., BASiC Semiconductor (Hangzhou) Co., Ltd. have met the requirement under the relevant tax rules and regulations for small and low-profit enterprises, and accordingly, are subject to a reduced preferential CIT at a rate of 20%, and the portion of the annual taxable income exceeding RMB1,000,000 but not exceeding RMB3,000,000 is entitled to be included in the actual taxable income at reduced rates of 25% and the enterprise income tax will be paid at the rate of 20% in 2026 and 2025.

Overseas subsidiaries

For BASiC Semiconductor Kabushiki Kaisha, the portion of the annual taxable income exceeding JPY8,000,000 will be paid at the rate of 23.2% while the portion not exceeding JPY8,000,000 will be paid at the rate of 15% in 2026 and 2025.

BASiC Semiconductor (HK) Limited is subject to profits tax at the current tax rate of 8.25% on assessable profits up to HK\$2,000,000 and 16.5% on any part of assessable profits over HK\$2,000,000 under the laws of Hong Kong.

The income tax expense of the Group for the Reporting Period is analysed as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Current income tax	10	527
Deferred income tax	–	–
Total tax charge for the period	10	527

Notes to the Interim Condensed Consolidated Financial Information

6. INCOME TAX EXPENSE (CONTINUED)

A reconciliation of the tax expense applicable to loss before tax at the applicable tax rate in Mainland China which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Loss before tax	(161,556)	(176,623)
Tax charge at the statutory tax rate of 25%	(40,389)	(44,156)
Effect of different tax rates enacted by local authorities	12,804	17,284
Additional deduction for qualified research and development expenses	(5,460)	(5,256)
Effect of withholding tax	10	527
Deductible temporary differences and tax losses not recognised	27,093	27,189
Expenses not deductible for tax	5,952	4,939
Tax charge at the Group's effective tax rate	10	527

According to the CIT Law, the Company is entitled to additional deduction of qualified research and development expenses from the taxable income. The additional deduction percentage was 100% during the Reporting Period.

Deferred tax assets have not been recognised in respect of the following items:

	30 June	31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Tax losses	1,426,033	1,223,298
Deductible temporary differences	212,203	234,319
Total	1,638,236	1,457,617

The Group has accumulated tax losses of RMB1,426,033,000 and RMB1,223,298,000 in aggregate as at 30 June 2026 and 31 December 2025, respectively, which will expire in one to ten years to offset against future taxable profits of the companies in which losses were incurred. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

Notes to the Interim Condensed Consolidated Financial Information

7. DIVIDENDS

During the Reporting Period, no dividends have been paid or declared by the Company.

The Board did not recommend the declaration of an interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the Reporting Period.

No adjustment has been made to the basic loss per share amounts presented for the Reporting Period in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue.

The calculations of basic and diluted loss per share are based on:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Audited)
Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculations (RMB'000)	(161,566)	(177,150)
Weighted average number of ordinary shares in issue during the period, used in the basic loss per share calculation	276,903,525	271,633,535

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired assets at a cost of RMB8,036,000 (30 June 2025: RMB19,218,000).

No assets were disposed of by the Group during the six months ended 30 June 2026 (30 June 2025: RMB1,818,000).

During the six months ended 30 June 2026, no impairment loss was recognised (30 June 2025: nil) by the Group.

As at 31 December 2025 and 30 June 2026, certain of the Group's machinery and equipment with a net carrying amount of RMB212,058,000 and RMB199,336,000 were pledged to secure the Group's fulfilment of the obligations under the redemption liability to non-controlling shareholders.

Notes to the Interim Condensed Consolidated Financial Information

10. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Current		
Prepayments	27,654	26,716
Value-added tax recoverable	26,941	24,569
Right-of-return assets	579	190
Deferred listing expenses	4,756	4,194
Other receivables and deposits	18,532	9,615
	78,462	65,284
Provision for impairment	(42)	(42)
Total	78,420	65,242
Non-current		
Prepayment for property, plant and equipment	44,596	40,328
Other receivables and deposits	818	818
Total	45,414	41,146

11. TRADE AND BILLS RECEIVABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables	165,991	166,108
Bills receivable*	14,012	24,532
Less: Impairment of trade receivables	(15,341)	(15,586)
Net carrying amount	164,662	175,054

* Bills receivable are subject to impairment under the general approach and the impairment is considered to be minimal.

Notes to the Interim Condensed Consolidated Financial Information

11. TRADE AND BILLS RECEIVABLES (CONTINUED)

The Group's trading terms with its customers are mainly on credit. The credit period is generally 30 to 90 days upon receipt of invoice or after monthly clearance. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

As at 30 June 2026 and 31 December 2025, included in the Group's trade receivables are amounts due from the Group's related parties of RMB140,000 and RMB519,000 respectively, which are repayable on credit terms similar to those offered to the major customers of the Group (note 19(d)).

The fair values of trade receivables at the end of the Reporting Period approximated to their corresponding carrying amounts due to their relatively short maturity terms.

An aging analysis of the trade receivables as at the end of the Reporting Period, based on the revenue recognition date and net of loss allowance, is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 1 year	143,976	143,044
1 to 2 years	4,983	5,582
2 to 3 years	1,691	1,896
Total	150,650	150,522

The movements in the loss allowance for impairment of trade receivables are as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
At the beginning of the period/year	15,586	9,435
Impairment losses, net (<i>note 5</i>)	(245)	6,575
Amount written off as uncollectible	—	(424)
At the end of the period/year	15,341	15,586

Notes to the Interim Condensed Consolidated Financial Information

11. TRADE AND BILLS RECEIVABLES (CONTINUED)

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Trade receivables for which the counterparties failed to make the demanded repayments are defaulted receivables. The Group has provided impairment for the defaulted receivables based on the cash flows that the Group expects to receive.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 30 June 2026 (Unaudited)			
	Gross carrying amount RMB'000	Expected credit loss rate	Expected credit losses RMB'000
Within 1 year	152,917	6%	8,941
1 to 2 years	5,904	16%	921
2 to 3 years	3,001	44%	1,310
3 to 4 years	17	100%	17
At the end of the period	161,839	7%	11,189
Defaulted receivables	4,152	100%	4,152
Total	165,991	9%	15,341

As at 31 December 2025 (Audited)			
	Gross carrying amount RMB'000	Expected credit loss rate	Expected credit losses RMB'000
Within 1 year	151,928	6%	8,884
1 to 2 years	6,613	16%	1,031
2 to 3 years	3,364	44%	1,468
3 to 4 years	16	100%	16
At the end of the year	161,921	7%	11,399
Defaulted receivables	4,187	100%	4,187
Total	166,108	9%	15,586

Notes to the Interim Condensed Consolidated Financial Information

12. TRADE PAYABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade payables	176,082	188,376

As at 30 June 2026 and 31 December 2025, included in the trade payables are amounts of RMB74,000 and RMB196,000 due to the Group's related parties which are repayable on credit terms similar to those offered by the major suppliers of the Group (note 19(d)).

An ageing analysis of the trade payables as at the end of the Reporting Period, based on the date of goods received from the suppliers, is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 1 year	82,971	139,444
Over 1 year	93,111	48,932
Total	176,082	188,376

The trade payables are non-interest-bearing and are normally settled within 90 days upon monthly clearance.

Notes to the Interim Condensed Consolidated Financial Information

13. INTEREST-BEARING BANK AND OTHER BORROWINGS

	As at 30 June 2026 (Unaudited)			As at 31 December 2025 (Audited)		
	Effective Interest rate (%)	Maturity	RMB'000	Effective Interest rate (%)	Maturity	RMB'000
Current						
Bank loans – unsecured	2.70~3.10	2027	25,000	2.90~3.10	2026	15,000
Other loans – unsecured	3.00	2027	6,700	–	–	–
Other loans – secured (iii)	–	–	–	6.75	2026	16,885
Bank loans – secured (ii)	2.20~3.80	2027	317,330	2.20~7.00	2026	248,789
Current portion of long term bank loans – secured (ii)	2.95~3.35	2027	11,324	3.23~6.88	2026	4,596
Current portion of long term other loans – secured (iii)	6.00	2027	14,665	6.00	2026	28,717
Total – current			375,019			313,987
Non-current						
Long term bank loans – secured (ii)	2.95~3.00	2028~2035	39,092	2.95~6.88	2027~2035	10,310
Total – non-current			39,092			10,310
Total			414,111			324,297

Notes to the Interim Condensed Consolidated Financial Information

13. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Analysed into:		
Within 1 year or on demand	375,019	313,987
1 to 2 years	18,625	310
2 to 5 years	–	–
Over 5 years	20,467	10,000
Total	414,111	324,297

Notes:

- (i) All bank borrowings are denominated in RMB as at 31 December 2025 and 30 June 2026.
- (ii) As at 31 December 2025 and 30 June 2026, leasehold land with a net carrying amount of RMB62,613,000 and RMB60,604,000 were pledged to secure the bank and other borrowings.

As at 31 December 2025 and 30 June 2026, the Group pledged certain invention patents and utility model patents developed by the Group as collateral to secure bank loans. These patent rights had not previously been capitalised in the financial statements.

- (iii) As at 31 December 2025 and 30 June 2026, certain directors and related parties of the Group provided guarantees for the bank and other borrowings of the Group (note 19).

Notes to the Interim Condensed Consolidated Financial Information

14. REDEMPTION LIABILITIES TO NON-CONTROLLING SHAREHOLDERS

- (1) On 9 April 2019, the Company has entered into an investment agreement with Leaguer Zhongke Private Equity Fund Management (Shenzhen) Co., Ltd. and Nanjing Pukou Development Zone High-Tech Investment Co., Ltd. (the **“Two Investors”**) to jointly conduct a capital increase in the Company’s subsidiary, BASiC Semiconductor (Nanjing) Limited (**“Nanjing BASiC”**). Leaguer Zhongke Private Equity Fund Management (Shenzhen) Co., Ltd. is wholly owned by Leaguer Qingzhi Sci Tech Innovation (Shenzhen) Co., Ltd. which is a subsidiary of Shenzhen Leaguer Venture Capital Co., Ltd., a state-owned holding company. Nanjing Pukou Development Zone High-Tech Investment Co., Ltd. is a wholly state-owned enterprise, with Nanjing Pukou Economic Development Co., Ltd. as its controlling shareholder. Pursuant to the investment agreement, the investors shall have the right to issue a written notice to Nanjing BASiC and the Company requesting the repurchase of all or part of the equity held by these investors in Nanjing BASiC, if, on or before 31 December 2025, Nanjing BASiC fails to complete a qualified acquisition (with an aggregate valuation of no less than RMB390 million) or to officially submit and obtain acceptance of the application for an initial public offering in Mainland China (including listings on the Main Board, SME Board, ChiNext, Sci-Tech Innovation Board (STAR Market), or any other securities trading markets recognized by the Shanghai Stock Exchange or Shenzhen Stock Exchange at the time of application, excluding the New Third Board). The capital injection in Nanjing BASiC by the Two Investors was conducted through Nanjing BASiC Zhongke Venture Capital Management Partnership (**“BASiC Zhongke”**) which has a limited lifespan not exceeding 9 years.

Upon the closure of the investment, at the Group’s consolidated statements of the financial position, the Group recognised the contractual obligation to the Two Investors as financial liabilities measured at amortised cost using the effective interest rate method over the period from the closure date to the maturity date of 31 December 2025. At the Company’s statements of financial position, the Company classified it as financial liabilities at fair value through profit or loss, with the change in fair value charged to profit or loss except for the portion attributable to credit risk change that shall be charged to other comprehensive income. Management considered that fair value change in this repurchase liability attributable to changes of its own credit risk is not significant.

As the redemption rights have been triggered as at 31 December 2025, Two Investors have issued a written notice to Nanjing BASiC and the Company on 20 January 2026, requesting the repurchase of all or part of the equity held by these investors in Nanjing BASiC within 180 days. This redemption price is to be calculated based on the higher of (i) the capital contribution and a return of interest rate of 8% per annum; and (ii) the fair value of the net assets of Nanjing BASiC corresponding to the proportion of shares redeemed. The Group has repurchased the equity held by these investors in Nanjing BASiC and the redemption liability has been fully settled as at the date of this interim report.

Notes to the Interim Condensed Consolidated Financial Information

14. REDEMPTION LIABILITIES TO NON-CONTROLLING SHAREHOLDERS (CONTINUED)

- (2) On 23 May 2025, the Company, Dr. Wang Zhihan, Dr. He Weiwei, Shenzhen Investment Holding Cornerstone New Energy Vehicle Industry Private Equity Investment Fund Partnership (Limited Partnership) (“**SZ Investment NEV**”), an Independent Third Party, and BASiC Packaging (Shenzhen) Limited (“**SZ Packaging**”), a subsidiary of the Group, entered into a capital increase agreement. The Company and SZ Investment NEV have agreed to subscribe to a total of RMB300 million in newly issued registered capital of SZ Packaging, the subscription has been completed on 31 December 2025.

Pursuant to the capital increase agreement, SZ Investment NEV has the right to request the Company to redeem all or any portion of the capital held by SZ Investment NEV, at any time after 31 December 2028 or from time to time on or after the earliest date of the occurrence of certain trigger events, at a redemption price of the issued capital and a return of interest rate of 8% per annum.

In the Group’s consolidated statements of the financial position, the Group recognised the contractual obligation to SZ Investment NEV as financial liabilities measured at amortised cost using the effective interest rate method. Any difference between the amount of non-controlling interest derecognised and the redemption liabilities is accounted for within equity. At the Company’s statements of financial position, the Company classified it as financial liabilities at fair value through profit or loss, with the change in fair value charged to profit or loss except for the portion attributable to credit risk change that shall be charged to other comprehensive income. Management considered that fair value change in this repurchase liability attributable to changes of its own credit risk is not significant.

- (3) On 28 January 2026, the Company, Wuxi Innovation Chuangrong Equity Investment Partnership (Limited Partnership) (“**the Investor**”), an Independent Third Party, and Wuxi BASiC, a subsidiary of the Group, entered into a capital increase agreement. The Company and the Investor have agreed to subscribe to a total of RMB50 million in newly issued registered capital of Wuxi BASiC, the subscription has been completed on 30 January 2026.

Pursuant to the capital increase agreement, the Investor has the right to request the Company to redeem all or any portion of the capital held by the Investor, at any time after 31 December 2031 or from time to time on or after the earliest date of the occurrence of certain trigger events, at a redemption price of the issued capital and a return of interest rate of 8% per annum.

In the Group’s consolidated statements of the financial position, the Group recognised the contractual obligation to the Investor as financial liabilities measured at amortised cost using the effective interest rate method. Any difference between the amount of non-controlling interest derecognised and the redemption liabilities is accounted for within equity. At the Company’s statements of financial position, the Company classified it as financial liabilities at fair value through profit or loss, with the change in fair value charged to profit or loss except for the portion attributable to credit risk change that shall be charged to other comprehensive income. Management considered that fair value change in this repurchase liability attributable to changes of its own credit risk is not significant.

Notes to the Interim Condensed Consolidated Financial Information

14. REDEMPTION LIABILITIES TO NON-CONTROLLING SHAREHOLDERS (CONTINUED)

The movements of this redemption liability during the Reporting Period are as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Carrying amount at 1 January	214,262	41,976
Additions	57,445	166,043
Accretion of interest recognised during the period/year	6,387	6,243
Carrying amount at 30 June/31 December	278,094	214,262
Analysed into:		
Current portion	47,816	45,795
Non-current portion	230,278	168,467

The redemption liabilities were classified as non-current liabilities unless the investors had the right to demand the Company to redeem the investments within 12 months after the end of the Reporting Period.

Notes to the Interim Condensed Consolidated Financial Information

15. SHARE CAPITAL

A summary of movements in the share capital is as follows:

	Number of shares in issue	Share capital RMB'000
As at 1 January 2025	53,770,801	53,771
Issue of ordinary shares upon capital investment*	1,609,904	1,610
Share sub-division**	221,522,820	–
As at 31 December 2025, 1 January 2026 and 30 June 2026	276,903,525	55,381

* During the year ended 31 December 2025, the Company received capital contributions of RMB150,000,000. The capital contributions increased the share capital and capital reserve by RMB1,610,000 and RMB148,390,000, respectively.

** On 10 May 2025, the ordinary shares with nominal value RMB1.00 each were subdivided on a one-for-five basis, and the nominal value was changed to RMB0.20 each. The total number of shares was changed from 55,380,705 shares to 276,903,525 shares.

16. SHARE-BASED PAYMENTS

The Group approved and adopted the share award scheme (the “**Share Award Scheme**”) for certain employees of the Group (“**Share Incentive Participants**”) in order to recognise the contributions of the Share Incentive Participants to the growth and development of the Group, and incentivise them to further promote the development of the Group.

In order to implement the Share Award Scheme, Shenzhen BASiC Createnjoy Holding Partnership (Limited Partnership) (“**BASiC Createnjoy**”), Shenzhen BASiC Innovation Technology Partnership (Limited Partnership) (“**BASiC Innovation**”), Shenzhen BASiC Creation Holding Partnership (Limited Partnership) (“**BASiC Creation**”) and Shenzhen BASiC Entrepreneur Management Partnership (Limited Partnership) (“**BASiC Entrepreneur**”) including its wholly-owned subsidiary, Shenzhen BASiC Force Management Partnership (Limited Partnership) (“**BASiC Force**”) were established and designated as share incentive platforms to hold the shares specially awarded to the eligible participants as the ultimate beneficial owners. The Group has no control over the share incentive platforms.

Notes to the Interim Condensed Consolidated Financial Information

16. SHARE-BASED PAYMENTS (CONTINUED)

In November 2016, BASiC Innovation subscribed for 2,100,000 shares of the Company at a consideration of RMB25,000. In August 2018, BASiC Innovation acquired 300,000 shares of the Company from a shareholder at a consideration of RMB1,000,000. In August 2018, BASiC Entrepreneur acquired 1,950,000 shares of the Company from a shareholder at a consideration of RMB6,500,000. In April and June 2021, BASiC Creation acquired 4,065 and 2,294,230 shares of the Company from shareholders at a consideration of RMB17,000 and RMB9,982,000, respectively. In February 2022, BASiC Createnjoy subscribed for 3,534,733 shares of the Company at a consideration of RMB60,000,000. All of the shares held by these share incentive platforms ("RSUs") have been granted to the Share Incentive Participants as at 31 December 2024.

The share awards granted to the Share Incentive Participants by BASiC Creation and BASiC Createnjoy shall be subject to both a listing-based condition (the "IPO Condition") as well as service conditions. The IPO Condition would be satisfied when the ordinary shares of the Company are successfully listed on a recognised stock exchange.

On 10 May 2025, the Group has approved to shorten the vesting periods for the share awards granted under BASiC Creation and BASiC Createnjoy by 24 months. The Group has applied prospective adjustment of the vesting period as at the modification date, that is to recognise the expenses over the modified remaining vesting period.

The fair values of the share awards granted were estimated as at the grant date by using an option pricing model, taking into account the terms and conditions upon which the share awards were granted. The following table lists the significant inputs to the fair value model used during the Reporting Period:

	27 July 2023	28 May 2024
Risk-free interest rate (%)	2.30	1.75
Volatility (%)	42.80	39.70

The following table summarises the Group's Scheme activities during the Reporting Period:

	Number of shares
At 1 January 2025	5,833,028
Effect of share sub-division	23,332,112
Granted during the period	–
Vested during the period	(433,080)
Forfeited during the period	–
At 30 June 2025, 1 January 2026 and 30 June 2026	28,732,060

The aforesaid transactions have been accounted for as share-based payment transactions. During the six months ended 30 June 2026 and 2025, the Group recognised share-based payment expenses of RMB37,941,000 and RMB31,714,000, respectively.

Notes to the Interim Condensed Consolidated Financial Information

17. CONTINGENT LIABILITIES

At the end of the Reporting Periods, the Group did not have any significant contingent liabilities.

18. COMMITMENTS

(a) The Group had the following contractual commitments at the end of the Reporting Period:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Contracted, but not provided for:		
Purchase of items of property, plant and equipment	152,973	39,748
Total	152,973	39,748

(b) The Group had the following short-term lease commitments at the end of the Reporting Period. The future lease payments for these non-cancellable lease contracts are falling due as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within one year	89	173

19. RELATED PARTY TRANSACTIONS AND BALANCES

(a) Name and relationships of the related parties:

	Relationship with the Group
Bronze Technologies Group Co., Ltd (深圳青銅劍科技股份有限公司)	Company controlled by the substantial shareholder
Shenzhen BASiC Primary Colors Holding Partnership (Limited Partnership) (深圳基本原色控股合夥企業(有限合夥))	Shareholder
Dr. Wang Zhihan (汪之涵)	Founder, Chairman of the Board and Executive Director
Dr. He Weiwei (和巍巍)	Executive Director and Chief Executive Officer
Mr. Yu Shuangbai (喻雙柏)	Chief Executive Officer of a subsidiary of the Company
Mr. Fu Junyin (傅俊寅)	Executive Director
Ms. Li Xin (李欣)	The spouse of Dr. Wang Zhihan

Notes to the Interim Condensed Consolidated Financial Information

19. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(b) The Group had the following transactions with related parties during the Reporting Period:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Sales of products/services to Bronze Technologies Group Co., Ltd	124	921
Disposal of leasehold improvements to Bronze Technologies Group Co., Ltd*	–	1,813
Purchases of products/services from Bronze Technologies Group Co., Ltd	61	173
Lease payment to Bronze Technologies Group Co., Ltd	2,436	2,357
Interest expenses charged by: Bronze Technologies Group Co., Ltd	–	317
Loans borrowed from Shenzhen BASiC Primary Colors Holding Partnership (Limited Partnership)**	16,400	8,000
Bronze Technologies Group Co., Ltd***	–	151,515
Total	16,400	159,515
Loans repaid to Shenzhen BASiC Primary Colors Holding Partnership (Limited Partnership)**	16,400	–
Bronze Technologies Group Co., Ltd***	–	206,930
Total	16,400	206,930

Notes to the Interim Condensed Consolidated Financial Information

19. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

- (b) The Group had the following transactions with related parties during the Reporting Period:
(Continued)

* In January 2025, the Group terminated the lease of one floor of office property with Bronze Technologies Group Co., Ltd. At the same time, the Group disposed of the leasehold improvements in relation to the terminated lease floor, at a consideration equal to the net carrying value of the assets on the disposal date.

** The loans from Shenzhen BASiC Primary Colors Holding Partnership (Limited Partnership) were unsecured, interest-free, non-trade in nature.

*** The loans from Bronze Technologies Group Co., Ltd were unsecured, non-trade in nature, with an interest rate of 4.35% per annum.

These transactions were carried out in accordance with the terms and conditions mutually agreed by the parties involved.

Bronze Technologies Group Co., Ltd have granted Bronze Technologies Limited, a subsidiary of the Group, a non-transferable license to use five trademarks registered in the PRC (the “**Licensed Trademarks**”) on a royalty-free basis during the Reporting Period.

- (c) Guarantee provided by related parties:

30 June 2026 (unaudited)

Guarantee provided by:	Amount RMB'000	Duration
Dr. Wang Zhihan*	286,813	2026~2035
Dr. He Weiwei*	189,664	2026
Bronze Technologies Group Co., Ltd*	171,600	2026
Ms. Li Xin*	50,854	2026
Mr. Yu Shuangbai*	30,000	2026
Mr. Fu Junyin*	9,700	2026

Notes to the Interim Condensed Consolidated Financial Information

19. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(c) Guarantee provided by related parties: (Continued)

31 December 2025 Guarantee provided by:	Amount RMB'000	Duration
Dr. Wang Zhihan*	218,493	2025~2035
Dr. He Weiwei*	120,542	2025~2027
Bronze Technologies Group Co., Ltd*	104,400	2025~2026
Ms. Li Xin*	64,093	2025~2026
Mr. Yu Shuangbai*	30,000	2025~2026
Mr. Fu Junyin*	10,857	2025~2026
Shenzhen BASiC Primary Colors Holding Partnership (Limited Partnership) **	14,300	2025~2026

* As of 30 June 2026, the outstanding principal of RMB322.8 million was subject to related party guarantees, all of which have been released as of the date of this interim report.

** In February 2026, the guarantee provided by Shenzhen BASiC Primary Colors Holding Partnership (Limited Partnership) was released and replaced by a bank guarantee which is subject to a counter-guarantee from the Company and Dr. Wang Zhihan. The bank has released Dr. Wang Zhihan from his counter-guarantee obligation as of the date of this interim report.

Notes to the Interim Condensed Consolidated Financial Information

19. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(d) Outstanding balances by related parties:

The Group had the following outstanding balances with related parties as at 30 June 2026 and 31 December 2025.

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Amounts due from related parties:		
Trade and bills receivables		
Bronze Technologies Group Co., Ltd*	140	519
Prepayments, other receivables and other assets		
Bronze Technologies Group Co., Ltd*	130	130
Mr. Fu Junyin**	–	240
	130	370
Amounts due to related parties:		
Trade payables		
Bronze Technologies Group Co., Ltd*	74	196
Other payables and accruals		
Bronze Technologies Group Co., Ltd*	937	980
Lease liabilities		
Bronze Technologies Group Co., Ltd*	4,833	7,835

* Trade in nature

** Non-trade in nature, which was fully paid on 24 June 2026.

Notes to the Interim Condensed Consolidated Financial Information

19. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

- (e) Compensation of key management personnel of the Group:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Audited)
Salaries, bonuses, allowances and benefits in kind	2,684	4,492
Performance related bonuses	2,640	1,484
Pension scheme contributions	254	312
Equity-settled share-based payment expenses	10,010	9,881
	15,588	16,169

- (f) Redemption rights of the Pre-IPO Investors granted by related parties:

According to the share subscription agreements entered into by the Company and the shareholders, the Pre-IPO Investors had been granted the redemption right by the Controlling Shareholders and the founders (collectively, the “**Related Parties Redemption Right**”). The Company is not a party to the Related Parties Redemption Right. Pursuant to the supplemental agreement entered into by the Company and the shareholders in April and May 2025, the Related Parties Redemption Right have been terminated prior to the first submission of the IPO to the Stock Exchange.

The Company has not provided any form of guarantee in connection with any potential default or failure by the related parties to fulfill their obligations relating to the Related Parties Special Rights. Accordingly, no financial liability regarding Related Parties Special Rights was recorded by the Company during the Reporting Period.

20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

All the carrying amounts of the Group’s financial instruments approximate to their fair values due to the short-term maturities of these instruments.

The Group’s finance department is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the end of the Reporting Period, the finance department analysed the movements in the values of financial instruments and determined the major inputs applied in the valuation. The valuation is reviewed and approved by the finance manager. The valuation process and results are discussed with the directors of the Company once a year for annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Notes to the Interim Condensed Consolidated Financial Information

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

The fair values of the financial assets and financial liabilities at fair value through profit or loss have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The Group invests in unlisted investments, which represent wealth management products issued by banks in Mainland China and unlisted equity investment. The Group has estimated the fair value of the unlisted equity investment by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instruments are included in Level 2. If one or more of the significant inputs are not based on observable market data, the instruments are included in Level 3. Below is a summary of significant unobservable inputs to the valuation of the unlisted equity investment:

	Valuation technique	Significant Unobservable inputs	Range		Sensitivity of fair value to the input
			30 June 2026	31 December 2025	
Unlisted equity investments	Valuation multiples	Average Enterprise Value to Sales multiples ("EV/S")	2.4X-2.7X	1.8X-2.7X	30 June 2026: 10% increase/decrease in multiple would result in increase/decrease in fair value by RMB112,000 and RMB112,000, respectively. 31 December 2025: 10% increase/decrease in multiple would result in increase/decrease in fair value by RMB111,000 and RMB111,000, respectively.
		Discount for lack of marketability	30%	30%	30 June 2026: 10% increase/decrease in multiple would result in decrease/increase in fair value by RMB68,000 and RMB68,000, respectively. 31 December 2025: 10% increase/decrease in multiple would result in decrease/increase in fair value by RMB26,000 and RMB26,000, respectively.

Notes to the Interim Condensed Consolidated Financial Information

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

Fair value hierarchy

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

Assets measured at fair value:

As at 30 June 2026 (unaudited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Financial assets at fair value through other comprehensive income	–	719	–	719
Financial assets at fair value through profit or loss	–	–	2,000	2,000
Total	–	719	2,000	2,719

As at 31 December 2025 (audited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Financial assets at fair value through other comprehensive income	–	159	–	159
Financial assets at fair value through profit or loss	–	–	1,900	1,900
Total	–	159	1,900	2,059

Notes to the Interim Condensed Consolidated Financial Information

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

Fair value hierarchy (Continued)

Assets measured at fair value: (Continued)

The movements in fair value measurements within Level 3 during the Reporting Period are as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Equity investments at fair value through profit or loss		
As at 1 January	1,900	2,150
Gains/(losses) recognised in profit or loss	100	(250)
As at 30 June/31 December	2,000	1,900

During the Reporting Period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

21. EVENTS AFTER THE REPORTING PERIOD

The H shares of the Company were listed on the Main Board of the Stock Exchange on 8 July 2026.

Save as otherwise disclosed in this interim report, there was no other significant event that may affect the Group since the end of the Reporting Period and up to the date of this interim report.

22. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

This interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 28 August 2026.

Other Information

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As of June 30, 2026, H Shares have not yet been listed on the Stock Exchange. Therefore, Divisions 7 and 8 of Part XV of the SFO, Section 352 of the SFO and the Model Code were not applicable.

As of the date of this interim report, the interests and short positions of our Directors and chief executives of our Company in the Shares, underlying Shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to our Company and the Stock Exchange were as follows:

Name of Directors/chief executive	Class of Shares	Capacity/ Nature of interest	Number of Shares held ⁽¹⁾	Approximate percentage of the total issued domestic share capital ⁽²⁾	Approximate percentage of the total issued H share capital ⁽³⁾	Approximate percentage of the total issued share capital ⁽⁴⁾
Dr. Wang ⁽⁵⁾	H Shares	Interest in controlled corporation	123,034,655	–	42.78%	40.43%
	Domestic Shares	Interest in controlled corporation	4,286,261	25.58%	–	1.41%

Notes:

- (1) All interest(s) represented long position(s).
- (2) The calculation is based on a total of 16,755,283 issued Domestic Shares as of the date of this interim report.
- (3) The calculation is based on a total of 287,534,442 issued H Shares as of the date of this interim report.
- (4) The calculation is based on a total of 304,289,725 issued Shares as of the date of this interim report.
- (5) Dr. Wang is deemed to be interested in the following Shares, including: (i) 54,154,890 H Shares held by Bronze Group due to his direct interests, the interests held by Bronze Holding LP (in which he serves as the general manager), his concert party arrangement with InteBridge Tech, and the interests of his mother, Ms. Wang Yongmiao (王永苗); and (ii) 18,404,300 H Shares held by BASiC Principle LP, 17,372,476 H Shares and 301,189 Domestic Shares held by BASiC Createnjoy LP, 12,000,000 H Shares held by BASiC Innotech LP, 11,352,989 H Shares and 138,486 Domestic Shares held by BASiC Creation LP, and 9,750,000 H Shares held by BASiC Entrepreneur LP and 3,846,586 Domestic Shares held by BASiC Original LP due to his role as the general partner in each of the aforesaid entities under the SFO.

Other Information

Save as disclosed above, as of the date of this interim report, there were no interests or short positions held by our Directors and chief executives of our Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporations which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As of June 30, 2026, H Shares have not yet been listed on the Stock Exchange. Therefore, Divisions 2 and 3 of Part XV of the SFO and section 336 of the SFO were not applicable.

As of the date of the interim report, to the best knowledge of the Directors after making reasonable enquiries, the following persons (other than Directors and chief executives of the Company) have interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company and the Stock Exchange pursuant to Division 2 and 3 of Part XV of the SFO or which have to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Shareholders	Class of Shares	Capacity/ Nature of interest	Number of Shares held ⁽¹⁾	Approximate percentage of the total issued domestic share capital ⁽²⁾	Approximate percentage of the total issued H share capital ⁽³⁾	Approximate percentage of the total issued share capital ⁽⁴⁾
Bronze Group ⁽⁵⁾⁽⁶⁾⁽⁷⁾	H Shares	Beneficial owner	54,154,890	–	18.83%	17.80%
Shenzhen InteBridge Technology Limited* (深圳英倫博智科技有限公司) ("InteBridge Tech") ⁽⁸⁾	H Shares	Interest in controlled corporation	54,154,890	–	18.83%	17.80%
BASiC Principle LP ⁽⁵⁾	H Shares	Beneficial owner	18,404,300	–	6.40%	6.05%
BASiC Createnjoy LP ⁽⁵⁾	H Shares	Beneficial owner	17,372,476	–	6.04%	5.71%
Shenzhen Leaguer Co., Ltd.* (深圳市力合科創股份有限公司) ("Shenzhen Leaguer") ⁽⁹⁾	H Shares	Interest in controlled corporation	16,022,350	–	5.57%	5.27%
BASiC Original LP ⁽⁵⁾	Domestic Shares	Beneficial owner	3,846,586	22.96%	–	1.26%

Other Information

Name of Shareholders	Class of Shares	Capacity/ Nature of interest	Number of Shares held ⁽¹⁾	Approximate percentage of the total issued domestic share capital ⁽²⁾	Approximate percentage of the total issued H share capital ⁽³⁾	Approximate percentage of the total issued share capital ⁽⁴⁾
Shenzhen InteBridge International Innovation Ltd.* (深圳英博國際創新有限公司) ("InteBridge International") ⁽¹⁰⁾	Domestic Shares	Interest in controlled corporation	2,700,000	16.11%	—	0.89%
Shenzhen Cambridge Innovation Technology Partnership (Limited Partnership)* (深圳劍橋創新技術合夥企業 (有限合夥)) ("Cambridge Innovation LP") ⁽¹⁰⁾	Domestic Shares	Interest in controlled corporation	2,700,000	16.11%	—	0.89%
Shenzhen InteBridge Innovation Partnership (Limited Partnership)* (深圳英智創新合夥企業 (有限合夥)) ("InteBridge Innovation LP") ⁽¹⁰⁾	Domestic Shares	Beneficial owner	2,700,000	16.11%	—	0.89%
Jinpu Venture Capital Investment Co., Ltd. (津蒲創業投資有限公司) ("Jinpu Investment")	Domestic Shares	Beneficial owner	2,979,867	17.78%	—	0.98%
Qingdao Taifu Huihong Jiuhao Private Equity Investment Fund Partnership (Limited Partnership)* (青島泰富匯洪玖號私募股權投資基金合夥企業 (有限合夥)) ("Taifu Huihong")	Domestic Shares	Beneficial owner	1,607,143	9.59%	—	0.53%

Other Information

Name of Shareholders	Class of Shares	Capacity/ Nature of interest	Number of Shares held ⁽¹⁾	Approximate percentage of the total issued domestic share capital ⁽²⁾	Approximate percentage of the total issued H share capital ⁽³⁾	Approximate percentage of the total issued share capital ⁽⁴⁾
China US Green Shenggu (Tianjin) Venture Capital Fund Partnership (Limited Partnership)* (中美綠色盛谷(天津)創業投資基金合夥企業(有限合夥)) (“China US Green Shenggu”)	Domestic Shares	Beneficial owner	1,325,525	7.91%	–	0.44%
Shenzhen Kexi Gongying Industrial Investment Partnership (Limited Partnership)* (深圳珂璽共贏產業投資合夥企業(有限合夥)) (“Kexi Investment”)	Domestic Shares	Beneficial owner	892,857	5.33%	–	0.29%

Notes:

- (1) All interest(s) represented long position(s).
- (2) The calculation is based on a total of 16,755,283 issued Domestic Shares as of the date of this interim report.
- (3) The calculation is based on a total of 287,534,442 issued H Shares as of the date of this interim report.
- (4) The calculation is based on a total of 304,289,725 issued Shares as of the date of this interim report.
- (5) Dr. Wang is deemed to be interested in all the interests of Bronze Group, taking into account his direct interests, the interests held by Bronze Holding LP (in which he serves as the general manager), his concert party arrangement with InteBridge Tech, and the interests of his mother, Ms. Wang Yongmiao (王永苗). See note (6) below for details. Moreover, Dr. Wang acted as the general partner of BASiC Principle LP, BASiC Createnjoy LP, BASiC Innotech LP, BASiC Creation LP, BASiC Entrepreneur LP and BASiC Original LP. Accordingly, under the SFO, Dr. Wang is deemed to be interested in the 54,154,890 H Shares held by Bronze Group, 18,404,300 H Shares held by BASiC Principle LP, 17,372,476 H Shares and 301,189 Domestic Shares held by BASiC Createnjoy LP, 12,000,000 H Shares held by BASiC Innotech LP, 11,352,989 H Shares and 138,486 Domestic Shares held by BASiC Creation LP, 9,750,000 H Shares held by BASiC Entrepreneur LP and 3,846,586 Domestic Shares held by BASiC Original LP.

Other Information

- (6) Bronze Group is owned as to (a) 40.85% by Dr. Wang directly, (b) 27.35% by Bronze Holding LP, (c) 19.57% by InteBridge Tech, and (d) 12.23% by Ms. Wang Yongmiao (王永苗), Dr. Wang's mother. Pursuant to the concert party agreement between Dr. Wang and InteBridge Tech, they agreed to act in concert with respect to their shareholder rights in Bronze Group, including voting and proposing resolutions, with Dr. Wang's decision prevailing in case of disagreement. Bronze Holding LP is controlled by Dr. Wang as its general partner holding a 90% interest, with Mr. Fu Junyin holding the remaining 10%. InteBridge Tech is owned as to 13%, 25%, 15%, 25%, 3% and 19% by Dr. Wang, Ms. Wang Yongmiao, Dr. He Weiwei, Mr. Fu Junyin, Ms. Yan Rui, and five employees of the Company or Bronze Group, respectively, and none of such employees holds more than 5% of the equity interest in InteBridge Tech.
- (7) As of the date of this interim report, 4,006,400 shares, representing 49% of the total issued share capital, in Bronze Group, were pledged to Shenzhen Rural Commercial Bank Co., Ltd. Guangming Branch* (深圳農村商業銀行股份有限公司光明支行) as collateral for a credit facility of RMB160 million with a term of 120 months starting from July 14, 2021 (the **"Bronze Group Credit Facility"**), comprising (i) 1,561,670 shares pledged by Dr. Wang, representing 19.10% of the total issued share capital of Bronze Group, (ii) 844,730 shares pledged by Bronze Holding LP, representing 10.33% of the total issued share capital of Bronze Group, and (iii) 1,600,000 shares pledged by InteBridge Tech, representing 19.57% of the total issued share capital of Bronze Group (collectively, the **"Bronze Group Pledge"**). In the event of enforcement of the Bronze Group Pledge, Bronze Group would continue to be controlled by Dr. Wang, who would retain 51% voting power through his direct and indirect interests, and accordingly such enforcement would not impact the shareholding structure, business operations or financial position of the Group. As of the date of this interim report, to the best knowledge of the Directors having made all reasonable enquiries, there have been no adverse credit records under the Bronze Group Credit Facility nor any notice of enforcement of the Bronze Group Pledge.
- (8) InteBridge Tech and Dr. Wang entered into a concert party agreement pursuant to which they agreed to act in concert with respect to their shareholder rights in Bronze Group, including voting and proposing resolutions, with Dr. Wang's decision prevailing in case of disagreement. By virtue of the SFO, InteBridge Tech is deemed to be interested in Dr. Wang's interests in Bronze Group, and in turn, the Shares held by Bronze Group.
- (9) Shenzhen Leaguer is deemed to be interested in the 11,001,225 H Shares held by Leaguer VC and the 5,021,125 H Shares held by Leaguer Yongjin as each of Shenzhen Leaguer Venture Capital Co., Ltd (**"Leaguer VC"**) and Shenzhen Leaguer Yongjin Venture Capital Enterprise (Limited Partnership) (**"Leaguer Yongjin"**) is either ultimately controlled by Leaguer Group Co., Ltd. (力合科創集團有限公司)* (**"Leaguer Group"**), which is a wholly-owned subsidiary of Shenzhen Leaguer, or subject to Leaguer Group's authority to direct their material investment decisions.
- (10) InteBridge Innovation LP's general partner is InteBridge International, which holds a 20% interest. InteBridge International is owned as to 75% by Cambridge Innovation LP, which is in turn owned as to 68% by Dr. Wang and 16% by Bronze Group, with the remaining 16% held by an independent third party. The remaining 25% interest of InteBridge International is held by five entities, none of which holds more than 10% interest. To the best knowledge of the Directors, InteBridge Innovation LP is an investment platform targeting investments in high-tech enterprises, and none of its general partner (i.e. InteBridge International) nor limited partners has control over InteBridge Innovation LP. By virtue of the SFO, each of InteBridge International and Cambridge Innovation LP is deemed to be interested in the Shares held by InteBridge Innovation LP.

Other Information

Save as disclosed above, as at the date of this interim report, the Directors were not aware of any other persons (other than Directors and chief executives of the Company) who have interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company and the Stock Exchange pursuant to Division 2 and 3 of Part XV of the SFO or to be recorded in a register required to be kept by the Company pursuant to Section 336 of the SFO.

LOCK-UP PERIOD

The table below sets out the list of persons who are, together with their respective close associates, subject to lock-up requirements pursuant to Rule 18C.14 of the Listing Rules as of the date of this interim report:

Name	Capacity	Aggregate number of Shares held immediately following the completion of the Global Offering	Aggregate ownership percentage of shareholding in the total issued share capital of the Company following the completion of the Global Offering	Lock-up period
Key persons and their close associates				
Dr. Wang ⁽¹⁾⁽⁹⁾	Founder, executive Director, chairman of our Board and a core R&D team member	127,320,916	41.84	Commencing on the date of the Prospectus and ending on expiry of 12 months from the Listing Date (i.e. July 7, 2027)
Bronze Group ⁽²⁾⁽⁸⁾	Dr. Wang's close associate	54,154,890	17.80	
BASIC Principle LP ⁽³⁾⁽⁸⁾	Dr. Wang's close associate	18,404,300	6.05	
BASIC Original LP ⁽¹⁾	Dr. Wang's close associate	3,846,586	1.26	
Dr. He Weiwei ⁽²⁾⁽⁸⁾⁽⁹⁾	Executive Director, chief executive officer and a core R&D team member	N/A	N/A	
Mr. Fu Junyin ⁽²⁾⁽⁸⁾⁽⁹⁾	Executive Director and a core R&D team member	N/A	N/A	
Ms. Yan Rui ⁽²⁾⁽⁸⁾⁽⁹⁾	Executive Director	N/A	N/A	
Mr. Zhang Yu ⁽⁸⁾⁽⁹⁾	Secretary of the Board and joint company secretary	N/A	N/A	
Mr. Zhang Yongkun ⁽⁸⁾⁽⁹⁾	Director of finance	N/A	N/A	
Employee shareholding platforms				
BASIC Createnjoy LP ⁽⁴⁾⁽⁸⁾	Dr. Wang's close associate	17,673,665	5.81	Commencing on the date of the Prospectus and ending on expiry of 12 months from the Listing Date (i.e. July 7, 2027)
BASIC Innotech LP ⁽⁵⁾⁽⁸⁾	Dr. Wang's close associate	12,000,000	3.94	
BASIC Creation LP ⁽⁶⁾⁽⁸⁾	Dr. Wang's close associate	11,491,475	3.78	
BASIC Entrepreneur LP ⁽⁷⁾⁽⁸⁾	Dr. Wang's close associate	9,750,000	3.20	
Pathfinder SIs				
Leaguer VC	Pathfinder SII	11,001,225	3.62	
Leaguer Yongjin	Pathfinder SII	5,021,125	1.65	
Wingtech Technology Co., Ltd.* (聞泰科技股份有限公司)	Pathfinder SII	10,162,360	3.34	

Other Information

Name	Capacity	Aggregate number of Shares held immediately following the completion of the Global Offering	Aggregate ownership percentage of shareholding in the total issued share capital of the Company following the completion of the Global Offering	Lock-up period
Shenzhen InteBridge Technology Equity Investment Fund Partnership (Limited Partnership)* (深圳英智科技股權投資基金合夥企業 (有限合夥))	Pathfinder SII	8,622,770	2.83	

Notes:

- Dr. Wang is deemed to be interested in all the interests of Bronze Group, taking into account his direct interests, the interests held by Bronze Holding LP (in which he serves as the general manager), his concert party arrangement with InteBridge Tech, and the interests of his mother, Ms. Wang Yongmiao (王永苗). See note (3) below for details. Moreover, Dr. Wang is the general partner of BASiC Principle LP, BASiC Createnjoy LP, BASiC Innotech LP, BASiC Creation LP, BASiC Entrepreneur LP and BASiC Original LP. Accordingly, under the SFO, Dr. Wang is deemed to be interested in the entire Shares held by Bronze Group, BASiC Principle LP, BASiC Createnjoy LP, BASiC Innotech LP, BASiC Creation LP, BASiC Entrepreneur LP and BASiC Original LP.
- Bronze Group is owned as to (a) 40.85% by Dr. Wang directly, (b) 27.35% by Bronze Holding LP, (c) 19.57% by InteBridge Tech, and (d) 12.23% by Ms. Wang Yongmiao (王永苗), Dr. Wang's mother. In December 2021, Dr. Wang and InteBridge Tech entered into a concert party agreement pursuant to which they agreed to act in concert with respect to their shareholder rights in Bronze Group, including voting and proposing resolutions, with Dr. Wang's decision prevailing in case of disagreement. InteBridge Tech was established as an investment platform for Bronze Group's employees and has at all times been under the control and management of Dr. Wang as its sole director. The agreement was entered into to strengthen governance and provide clarity, simply reflecting and confirming the existing control arrangement on Bronze Group. Bronze Holding LP is controlled by Dr. Wang as its general partner holding a 90% interest, with Mr. Fu Junyin holding the remaining 10%. InteBridge Tech is owned as to 13%, 25%, 15%, 25%, 3% and 19% by Dr. Wang, Ms. Wang Yongmiao, Dr. He Weiwei, Mr. Fu Junyin, Ms. Yan Rui, and five employees of the Company or Bronze Group, respectively, and none of such employees holds more than 5% of the equity interest in InteBridge Tech.
- BASiC Principle LP is controlled by Dr. Wang as its general partner with 1.87% partnership interests. BASiC Original LP is controlled by Dr. Wang as its general partner with 2.18% direct partnership interests and 17.59% controlled through Bronze Group.

Other Information

- (4) BASiC Cretenjoy LP is an employee shareholding platform controlled by Dr. Wang as its general partner.
- (5) BASiC Innotech LP is an employee shareholding platform controlled by Dr. Wang as its general partner.
- (6) BASiC Creation LP is an employee shareholding platform controlled by Dr. Wang as its general partner.
- (7) BASiC Entrepreneur LP is an employee shareholding platform controlled by Dr. Wang as its general partner.
- (8) Apart from Dr. Wang, the executive Directors, senior management members and core R&D members who are subject to lock-up requirements pursuant to Rule 18C.14 of the Listing Rules and who indirectly hold Shares through (a) Bronze Group or (b) the employee shareholding platforms, namely BASiC Cretenjoy LP, BASiC Innotech LP, BASiC Creation LP and BASiC Entrepreneur LP, include (i) Dr. He Weiwei, who is our executive Director, chief executive officer and a core R&D member; (ii) Mr. Fu Junyin, who is our executive Director and a core R&D member; (iii) Ms. Yan Rui, who is our executive Director; (iv) Mr. Zhang Yu, who is our Secretary of the Board and joint company secretary; and (v) Mr. Zhang Yongkun, who is our director of finance.
- (9) None of these individuals directly hold any Shares. See notes (2) and (8), as applicable.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Save as disclosed in this interim report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

CONVERTIBLE SECURITIES, SHARE SCHEMES, WARRANTS OR SIMILAR RIGHTS

For the six months ended June 30, 2026, the Company did not issue any convertible securities, share options, warrants or similar rights.

For the six months ended June 30, 2026, the Group has no share scheme (including any share option scheme) subject to the provisions of Chapter 17 of the Listing Rules.

On August 28, 2026, the Company adopted the H Share Equity Share Incentive Scheme (the “**Scheme**”). The Scheme constitutes a share scheme involving existing H Shares under Chapter 17 of the Listing Rules. For details, please refer to the Company’s announcement and circular dated August 11, 2026.

DEBENTURES IN ISSUE

For the six months ended June 30, 2026, neither the Company nor any of its subsidiaries issued any debentures.

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

For the six months ended June 30, 2026, there was no purchase, sale or redemption of any listed securities (including sale of treasury shares (as defined under the Listing Rules)) of the Company by the Company or any of its subsidiaries. As at June 30, 2026, the Company did not hold any treasury shares.

Other Information

MATERIAL PROCEEDINGS AND ARBITRATIONS

For the six months ended June 30, 2026, the Group was not involved in any material legal proceedings or arbitrations where any member of the Group was a defendant. To the best of the Directors' knowledge, there are no pending or threatened material legal proceedings or claims against any member of the Group.

COMPLIANCE WITH THE MODEL CODE

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

As the H Shares had not been listed on the Stock Exchange as of June 30, 2026, the Model Code was not applicable to the Company during the Reporting Period. Having made specific enquiry of all Directors, each of the Directors has confirmed that he/she has fully complied with all relevant requirements set out in the Model Code from the Listing Date to the date of this interim report.

COMPLIANCE WITH THE CG CODE

The Company is committed to maintaining high standards of corporate governance practices to safeguard the interests of Shareholders and enhance corporate value.

As the H Shares had not been listed on the Stock Exchange as of June 30, 2026, the CG Code was not applicable to the Company during the Reporting Period. From the Listing Date to the date of this interim report, the Company has complied with all code provisions set out in Part 2 of the CG Code. The Board will continue to review and monitor the corporate governance position of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance of the Company.

CHANGES IN INFORMATION OF DIRECTORS

There is no information required to be disclosed pursuant to Rule 13.51B of the Listing Rules from the Listing Date to the date of this interim report.

INTERIM DIVIDEND

The Board did not recommend the declaration of an interim dividend for the six months ended June 30, 2026 (for the six months ended June 30, 2025: Nil).

EVENTS AFTER THE REPORTING PERIOD

Save for the listing of H Shares on the Stock Exchange on July 8, 2026, the Directors are not aware of other significant events affecting the Company and its subsidiaries which have occurred after the end of the Reporting Period and up to the date of this interim report.

Other Information

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Audit Committee, comprises three independent non-executive Directors, namely Mr. Wang Susheng (Chairperson), Mr. Li Juping, and Mr. Ye Xiang. The primary responsibilities of the Audit Committee are to review and supervise the Group's financial reporting process, risk management and internal control system. The terms of reference of the Audit Committee are available on the Stock Exchange's website and the Company's website.

The Audit Committee has reviewed the unaudited interim condensed consolidated financial statements of the Group for the six months ended June 30, 2026 and this interim report, and discussed the relevant accounting matters. The Audit Committee considers that this interim report has been prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been made.