THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of Nexchip Semiconductor Corporation.

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Nexchip Semiconductor Corporation, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Nexchip 晶合集成

NEXCHIP SEMICONDUCTOR CORPORATION
合肥晶合集成電路股份有限公司

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

(Stock Code: 2249)

(1) PROPOSED GENERAL MANDATE TO REPURCHASE H SHARES; (2) PROPOSED APPOINTMENT OF ACCOUNTING FIRMS FOR THE YEAR 2026; AND (3) NOTICE OF THE 2026 SECOND EXTRAORDINARY GENERAL MEETING

The notice convening the 2026 second extraordinary general meeting of the Company (the "**EGM**") to be held at the conference room of Nexchip Semiconductor Corporation, No. 88 Xifeihe Road, Hefei Comprehensive Bonded Zone, Xinzhan District, Hefei City, Anhui Province, the PRC on Wednesday, November 25, 2026 at 2:00 p.m. is set out in this circular.

Whether or not you are able to attend the EGM in person, please complete, sign and return the enclosed form of proxy for the EGM in accordance with the instructions printed thereon to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 24 hours before the time appointed for holding the EGM (i.e. not later than 2:00 p.m. on Tuesday, November 24, 2026). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof (as the case may be) in person should you so wish.

This circular together with the form of proxy is published on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the website of the Company at www.nexchip.com.cn.

November 5, 2026

CONTENTS

Page

DEFINITIONS 1

LETTER FROM THE BOARD 4

APPENDIX I — EXPLANATORY STATEMENT 14

NOTICE OF THE 2026 SECOND EXTRAORDINARY GENERAL MEETING 17

In this circular, unless the context requires otherwise, the following expressions have the following meanings:

"A Share(s)"	ordinary share(s) issued by the Company with nominal value of RMB1.00 each, which is/are subscribed for or credited as fully paid in Renminbi, and is/are listed for trading on the STAR Market of the SSE and traded in Renminbi
"Articles of Association" or "Articles"	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
"Audit Committee"	the audit committee under the board of directors of the Company
"Board"	the board of directors of Nexchip Semiconductor Corporation
"close associate(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"Company"	Nexchip Semiconductor Corporation (合肥晶合集成電路股份有限公司), a joint stock company established under the laws of the PRC with limited liability, the A Shares and H Shares of which are listed on the SSE (stock code: 688249) and the Stock Exchange (stock code: 2249), respectively
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"core connected person(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"Director(s)"	the director(s) of the Company or any of them
"EGM"	the 2026 second extraordinary general meeting of the Company to be held at the conference room of Nexchip Semiconductor Corporation, No. 88 Xifeihe Road, Hefei Comprehensive Bonded Zone, Xinzhan District, Hefei City, Anhui Province, the PRC on Wednesday, November 25, 2026 at 2:00 p.m.

"Explanatory Statement"	the explanatory statement in respect of the H Share Repurchase Mandate set out in Appendix I to this circular
"general meeting(s)"	the general meeting(s) of the Company
"Group"	Nexchip Semiconductor Corporation and its subsidiaries
"H Share(s)"	overseas listed foreign share(s) in the share capital of the Company with nominal value of RMB1.00 each, which is/are listed on the Main Board of the Hong Kong Stock Exchange and is/are subscribed for and traded in Hong Kong dollars
"H Shareholders"	holders of the H Shares
"H Share Registrar"	the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited
"H Share Repurchase Mandate"	a general mandate proposed to be granted to the Board at the EGM to repurchase H Shares not exceeding 10% of the total number of issued H Shares (excluding treasury shares, if any) as at the date of passing of the relevant resolution
"Hefei Construction Investment"	Hefei Construction Investment Holding (Group) Co., Ltd. (合肥市建設投資控股(集團)有限公司), a limited liability company established under the laws of the PRC and the Controlling Shareholder of the Company
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited

"PRC"	the People's Republic of China, which, for the purpose of this circular, does not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary shares in the capital of the Company with nominal value of RMB1.00 each, comprising A Shares and H Shares
"Shareholder(s)"	Shareholders of the Company
"SSE"	the Shanghai Stock Exchange
"subsidiary(ies)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong
"treasury share(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"%"	per cent.

NEXCHIP SEMICONDUCTOR CORPORATION
合肥晶合集成電路股份有限公司

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

(Stock Code: 2249)

Executive Directors:
Mr. TSAI Kuo-Chih *(Chairperson of the Board)*
Mr. ZHU Caiwei

Non-executive Directors:
Mr. LU Qinhang
Mr. QIU Wensheng
Mr. GUO Zhaozhi
Ms. YANG Guoqing

Independent Non-executive Directors:
Prof. SHENG Mingquan
Prof. LIN Zhiting
Mr. CHEN Ting

Registered Address and Principal Place of Business in the PRC:
No. 88 Xifeihe Road,
Hefei Comprehensive Bonded Zone,
Xinzhan District, Hefei City,
Anhui Province, the PRC

November 5, 2026

To the Shareholders,

Dear Sir or Madam,

(1) PROPOSED GENERAL MANDATE TO REPURCHASE H SHARES; (2) PROPOSED APPOINTMENT OF ACCOUNTING FIRMS FOR THE YEAR 2026; AND (3) NOTICE OF THE 2026 SECOND EXTRAORDINARY GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the two resolutions, namely the proposed general mandate to repurchase H Shares and the proposed appointment of accounting firms for the year 2026, to be proposed at the EGM to enable you to make an informed decision to vote on the proposed resolutions.

MATTERS TO BE RESOLVED AT THE EGM

I. PROPOSED GENERAL MANDATE TO REPURCHASE H SHARES

In order to safeguard the value of the Company and the interests of the Shareholders, boost investor confidence, increase the return to the Shareholders and promote the healthy development of the Company in the long run, and in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Hong Kong Listing Rules, the Rules Governing the Listing of Stocks on the STAR Market of the Shanghai Stock Exchange and other relevant laws, regulations and normative documents as well as the Articles of Association, it is agreed to grant the Board the H Share Repurchase Mandate, pursuant to which the Board shall, within the scope of the mandate and in light of the market conditions and the actual needs of the Company, determine and implement the matters relating to the repurchase of H Shares. Details of the mandate are as follows:

I. Details of the Repurchase Mandate

(I) Type, scope and venue of the share repurchase

1. Type of shares to be repurchased: the overseas listed foreign shares (H Shares) of the Company listed and traded on the Hong Kong Stock Exchange;

2. Scope of the share repurchase: the issued H Shares of the Company listed on the Hong Kong Stock Exchange (excluding treasury shares, if any);

3. Venue of the share repurchase: the Hong Kong Stock Exchange.

(II) Size limit on the share repurchase

The number of H Shares to be repurchased as determined by the Board under the H Share Repurchase Mandate shall not exceed 10% of the total number of issued H Shares of the Company (excluding treasury shares) as at the date of passing of this resolution by the EGM. The total amount of funds for the repurchase shall be not less than HK$300 million (inclusive) and shall not exceed HK$600 million (inclusive).

(III) Price range for the share repurchase

The price at which the H Shares may be repurchased shall not exceed HK$32.30 per Share. The actual repurchase price shall be determined during the implementation of the repurchase by the management of the Company, as authorized by the Board, taking into account the Company's secondary market share price, financial position and operating conditions.

In the event that, during the implementation of the repurchase, the market price of the Company's H Shares continues to be higher than the maximum repurchase price referred to above, resulting in an expected failure by the Company to achieve the minimum total funds for repurchase of HK$300 million, the Board may, in light of the market conditions and the actual circumstances of the Company and subject to compliance with the applicable laws and regulations and the Hong Kong Listing Rules and completion of the necessary approval and disclosure procedures, adjust the maximum repurchase price as appropriate so as to enable the achievement of the minimum repurchase amount. This repurchase will terminate once the minimum amount is achieved.

The actual price of each repurchase shall comply with the relevant provisions of the Hong Kong Listing Rules, and shall not be equal to or higher than 105% of the average closing price of H Shares over the five trading days preceding the date of the repurchase.

(IV) Source of funds for the share repurchase

The H Shares shall be repurchased out of the Company's own funds and/or self-raised funds, and the total amount of funds for the repurchase shall not affect the normal production and operation, research and development investment and debt servicing capacity of the Company.

(V) Purpose of the share repurchase

The purpose of the H Share repurchase shall be determined according to the development strategy of the Company and market conditions, including cancellation to reduce the registered capital and/or holding as treasury shares. Any such treasury shares shall be dealt with in accordance with applicable requirements (including for employee share ownership schemes or equity incentives). The specific purpose shall be determined by the Board within the scope of the mandate in light of the actual circumstances, and the corresponding approval and disclosure procedures shall be performed in accordance with the requirements.

II. Mandate Matters

Details of the mandate are as follows:

(I) It is proposed to the general meeting to grant the Board a general and unconditional mandate to exercise, within the validity period of the mandate and in light of market conditions and the needs of the Company, the powers of the Company to repurchase H Shares in compliance with the relevant laws and regulations, provided that the total number of H Shares to be repurchased shall not exceed 10% of the total number of issued H Shares (excluding treasury shares) of the Company as at the date of passing of this resolution by the EGM.

(II) The general mandate granted to the Board to repurchase H Shares shall be valid from the date on which this resolution is considered and approved by the EGM until the earlier of the following two dates:

1. the date of the conclusion of the next annual general meeting of the Company;

2. the date on which the mandate is revoked or varied by a special resolution passed by the general meeting of the Company.

(III) The Board is authorized, subject to the above mandate having been obtained and unless otherwise required by laws and regulations, to sub-delegate the aforesaid mandate to the management of the Company and its authorized persons, who may, jointly or severally, pursuant to the specific repurchase plan considered and approved by the Board, sign, execute, amend, complete and submit all agreements, contracts and documents relating to the repurchase mandate, complete the required approval, filing and disclosure procedures, and take other necessary actions and deal with other related matters in connection with the repurchase of H Shares.

The explanatory statement required to be provided to Shareholders under the Hong Kong Listing Rules is set out in Appendix I to this circular.

II. SELECTION AND APPOINTMENT OF ACCOUNTING FIRMS

Reference is made to the announcement (the "**Announcement**") of the Company dated October 16, 2026 in relation to the cancellation of the resolution on the reappointment of accounting firm originally to be proposed at the 2026 first extraordinary general meeting. As disclosed in the Announcement, given that RSM China CPA LLP ("**RSM**") has provided A Share annual audit services for the Company for 10 consecutive years, and considering the provisions regarding the consecutive engagement of the same accounting firm set forth in the Administrative Measures for the Selection and Appointment of Accounting Firms by State-owned Enterprises and Listed Companies (《國有企業、上市公司選聘會計師事務所管理辦法》) (the "**Administrative Measures**"), the Company has decided to cancel the relevant resolution in relation to the originally proposed reappointment of RSM and Rongcheng (Hong Kong) CPA Limited ("**Rongcheng Hong Kong**").

As disclosed in the Announcement, to the knowledge of the Company, and according to the confirmations of RSM and Rongcheng Hong Kong, there are no circumstances in relation to the cancellation of the reappointment of the accounting firm that need to be brought to the attention of the Company's shareholders and creditors. The Board, RSM and Rongcheng Hong Kong also confirmed that there are no disagreements or unresolved matters among the Company, RSM and Rongcheng Hong Kong in respect of the cancellation of the reappointment of the accounting firms. Furthermore, the Board confirms that, save for those disclosed in the Announcement and the circular, it is not aware of any other matters relating to the proposed appointments of new accounting firms that need to be brought to the attention of the shareholders of the Company.

Reference is also made to the Company's announcement dated November 5, 2026 regarding the proposed appointments of accounting firms for the year 2026.

The Company has completed the procedures for the selection and appointment of the accounting firms for the year 2026 in accordance with the relevant requirements of the Administrative Measures and the Policy on the Selection and Appointment of Accounting Firms of Nexchip Semiconductor Corporation (《合肥晶合集成電路股份有限公司會計師事務所選聘制度》). After the selection and appointment procedure and upon the consideration and approval by the Audit Committee, the Board has resolved to propose the appointments of (i) Ernst & Young Hua Ming LLP ("**EY Hua Ming**") as the auditing firm for the Company's A Share financial statements and internal control for the year 2026; and (ii) Ernst & Young ("**EY Hong Kong**") as the auditing firm for the Company's H Share financial statements for the year 2026 (collectively, the "**Proposed Appointments**"). If the Proposed Appointments are approved by the general meeting, the terms of appointment of EY Hua Ming and EY Hong Kong shall commence on the date of approval at the relevant general meeting and end on the conclusion of the next annual general meeting of the Company.

Reasons for Selection and Assessment by the Audit Committee

In assessing the Proposed Appointments, the Audit Committee comprehensively considered the suitability of EY Hua Ming and EY Hong Kong to undertake the relevant audit work of the Company for the year 2026 from the following aspects, with reference to the Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors and the Guidance Notes on Change of Auditors published by the Accounting and Financial Reporting Council of Hong Kong (the "**AFRC**"), and taking into account the assessment results of the selection:

(i) Governance and leadership

The Audit Committee has reviewed the organizational structure and leadership profiles of EY Hua Ming and EY Hong Kong, as well as their relevant policies on governance and quality management, and has taken into account their extensive experience in serving listed companies in the PRC and Hong Kong. The Audit Committee is satisfied that they are committed to performing audit work in a manner that aligns with the interests of the shareholders of the Company and the wider public interest.

(ii) Professional ethics and independence

The Audit Committee considers that the independence of the auditors is crucial to the audit work, and has taken into account the independence and objectivity of EY Hua Ming and EY Hong Kong. Based on the information provided by EY Hua Ming and EY Hong Kong, each has established appropriate systems and procedures to ensure its independence from the Company. Such systems and procedures include client acceptance and continuance assessment, independence review and conflict-of-interest checks, to confirm that there are no financial, business, employment or other relationships between it (including its partners and audit team members) and the Company, the directors or substantial shareholders of the Company that may affect its independence. The Audit Committee has considered the internal quality management and independence safeguard mechanisms of EY Hua Ming and EY Hong Kong, including professional ethics requirements and engagement partner rotation arrangements. Based on the information currently available, the Audit Committee has not noted any circumstances that may affect the independence of EY Hua Ming and EY Hong Kong from the Company, and considers that each has sufficient independence and objectivity to perform its duties as the auditor of the Company.

(iii) Industry knowledge and professional competence

EY Hua Ming and EY Hong Kong have extensive experience in auditing listed companies and in providing cross-border audit services. EY Hua Ming has a proven track record in the PRC capital market and has provided annual audit services to A Share listed companies across a wide range of industries, including the industry in which the Company operates. EY Hong Kong, on the other hand, has extensive experience in serving Hong Kong listed companies, including a number of companies in the integrated circuit industry. The Audit Committee has reviewed the qualifications, market position and industry experience of EY Hua Ming and EY Hong Kong. The Audit Committee has further assessed the engagement team proposed by EY Hua Ming and EY Hong Kong. The team comprises four core members, including the engagement partner and the engagement quality review partner, and all four core members have experience in the integrated circuit industry. The Audit Committee is satisfied that EY Hua Ming and EY Hong Kong possess the necessary industry knowledge and technical competence to perform the audit effectively.

(iv) Audit project execution and resource allocation

The Audit Committee has reviewed the audit methodology, audit plan and composition of the engagement team proposed by EY Hua Ming and EY Hong Kong. The proposed engagement partner and key team members all possess relevant experience in auditing listed companies and professional competence in the relevant industry. The audit plan adopts a clear and risk-oriented approach, and adequate resources, personnel and time have been allocated to address significant matters in the audit areas. The Audit Committee considers that the proposed audit team possesses sufficient professional competence, experience and capacity to complete the audit work with high quality.

(v) Communication with the Audit Committee

Based on the information provided by EY Hua Ming and EY Hong Kong, the Audit Committee has reviewed the communication plan and interaction arrangements proposed between them and the Audit Committee. Subject to their formal appointment, EY Hua Ming and EY Hong Kong will, from time to time, maintain communication with the Audit Committee and the management of the Company on the progress of the audit, so as to ensure that key audit matters are properly addressed in a timely manner. The Audit Committee considers that such communication arrangements will facilitate the maintenance of timely and effective two-way communication on significant financial reporting and audit matters, and comply with the relevant requirements of the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules.

(vi) Audit quality monitoring procedures

The Audit Committee notes that each of EY Hua Ming and EY Hong Kong maintains a comprehensive quality management system in accordance with the applicable standards. In addition, the Audit Committee has reviewed the searches conducted on the websites of the relevant authorities and has found no record of any disciplinary actions against EY Hua Ming, EY Hong Kong, the relevant audit engagement partners and other key engagement team members. To the knowledge of the Audit Committee, it is not aware of any act or activity of EY Hua Ming or EY Hong Kong that may impair their integrity, objectivity or independence, or have an adverse effect on the quality of their audit services provided to the Company.

In addition, the Audit Committee also considered whether the proposed audit fees are commensurate with the scale of the Company's business, the scope and complexity of the audit, the expected workload and the resources to be committed, so as to ensure that the proposed fees are adequate to support the appropriate audit work and quality.

With comprehensive consideration of the above factors and the assessment results of the selection, the Audit Committee believes that EY Hua Ming and EY Hong Kong possess the independence, professional competence and resources necessary to undertake the relevant audit work of the Company for the year 2026, and are capable of conducting audit work in accordance with the relevant requirements for the Company's A Share and H Share financial reports. Their proposed audit fees are commensurate with the audit services proposed to be provided. Accordingly, it recommends the Proposed Appointments to the Board.

Audit Fees

Based on its business scale, the industry in which it operates, the complexity of accounting treatment and other factors, and taking into account the personnel to be deployed for the audit work, the estimated workload and the standard fee rates of accounting firms, the Company estimates that EY Hua Ming's audit fees for the year 2026 will be RMB2.7 million (tax inclusive), of which the financial statement audit fee will be RMB2.3 million and the internal control audit fee will be RMB0.4 million. The Company estimates that the audit fees to be charged by EY Hong Kong for the H Share financial statements for the year 2026 will be RMB1 million (tax inclusive).

The Board hereby proposes that the shareholders consider and approve the aforementioned estimated audit fees, grant authority to the management of the Company or its authorized persons to implement the specific engagement matters and determine the final audit fees based on the scope and content of the actual audit and review work at the general meeting. The final audit fees are not expected to deviate materially from the above estimated amounts, except for material changes in the basis or assumptions for determining the relevant fees.

The audit fees payable to EY Hua Ming for A Shares audit services for the year 2026 (including the financial statement audit and the internal control audit) are RMB0.3 million higher than the audit fees of RMB2.4 million originally proposed for the reappointment of RSM as set out in the circular of the Company dated September 30, 2026, primarily because: (i) this is the first time that EY Hua Ming has undertaken the audit of the Company; and (ii) the audit fees were determined through competitive negotiations following the selection and appointment procedure, having taken into account the engagement team, expert resources and quality management requirements to be committed by EY Hua Ming. The Audit Committee considers that the aforementioned fees are commensurate with the audit services proposed to be provided.

EGM

The EGM will be held at the conference room of Nexchip Semiconductor Corporation, No. 88 Xifeihe Road, Hefei Comprehensive Bonded Zone, Xinzhan District, Hefei City, Anhui Province, the PRC on Wednesday, November 25, 2026 at 2:00 p.m. A notice convening the EGM together with a form of proxy for use at the EGM is enclosed. Please complete, sign and return the form of proxy in accordance with the instructions printed thereon to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 24 hours before the time appointed for holding the EGM (i.e. 2:00 p.m. on Tuesday, November 24, 2026). Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the EGM in person.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has any material interest in the resolutions proposed, considered and approved at the EGM in respect of the proposed general mandate to repurchase H Shares and the appointment of the accounting firms, which would require such Shareholder to abstain from voting in accordance with the Hong Kong Listing Rules.

CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

In order to determine the H Shareholders who are entitled to attend and vote at the EGM, the register of members of H Shares of the Company will be closed from Friday, November 20, 2026 to Wednesday, November 25, 2026 (both dates inclusive), during which period no transfer of H Shares will be registered. H Shareholders whose names appear on the register of members of H Shares of the Company on Wednesday, November 25, 2026 are entitled to attend and vote at the EGM. For H Shareholders who wish to attend the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, November 19, 2026.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of Shareholders at a general meeting must be taken by poll save for certain exceptions. On a poll, every Shareholder present in person or by proxy (or, in the case of a Shareholder being a corporation, by its duly authorized representative) shall have one vote for each Share registered in his/her name in the register of members. A Shareholder entitled to more than one vote need not cast all his/her votes in favor of or against a resolution, or abstain from voting on it.

RECOMMENDATIONS

The Board considers that each of the resolutions proposed at the EGM is in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favor of all resolutions to be proposed at the EGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
By order of the Board
Nexchip Semiconductor Corporation
合肥晶合集成電路股份有限公司
Mr. Tsai Kuo-Chih
Executive Director and Chairperson of the Board

Hong Kong, November 5, 2026

This appendix constitutes the explanatory statement as required by the Hong Kong Listing Rules and is intended to provide you with such information as is reasonably necessary to enable you to make an informed decision on the resolution in relation to the H Share Repurchase Mandate to be proposed at the EGM.

REASONS FOR THE REPURCHASE OF H SHARES

In order to safeguard the value of the Company and the interests of the Shareholders, boost investor confidence, enhance the return to the Shareholders, and promote the healthy development of the Company in the long run, the Board believes that the H Share Repurchase Mandate will enable the Company to flexibly repurchase H Shares at appropriate times, which is in the interests of the Company and the Shareholders as a whole. Such repurchases may increase the net asset value per Share and/or earnings per Share, subject to prevailing market conditions and funding arrangements at the relevant time. The Directors will only exercise such mandate when they consider that the repurchases will benefit the Company and the Shareholders as a whole.

NUMBER OF ISSUED SHARES AND EXERCISE OF THE H SHARE REPURCHASE MANDATE

As at the date of this circular, the total number of issued Shares of the Company was 2,234,787,210 Shares, comprising 2,007,733,310 A Shares (including 62,088,500 treasury A Shares) and 227,053,900 H Shares (with no treasury H Shares). Assuming that the number of issued H Shares of the Company remains unchanged prior to the date of the EGM and the H Share Repurchase Mandate is approved by the Shareholders, the Company may repurchase a maximum of 22,705,390 H Shares under the H Share Repurchase Mandate, representing 10% of the total number of issued H Shares of the Company (excluding treasury shares) as at the date of passing of the relevant resolution.

The H Share Repurchase Mandate shall take effect from the date of passing of the relevant resolution at the EGM and shall expire on the earlier of: (a) the date of conclusion of the next annual general meeting of the Company; and (b) the date on which the mandate is revoked or varied by a special resolution passed by the general meeting. The exercise of the mandate is subject to compliance with the Hong Kong Listing Rules, the Articles of Association and the applicable laws and regulations of the PRC, and the obtaining of relevant regulatory approvals or the completion of filings where applicable.

The total amount of funds for the repurchase shall be no less than HK$300 million (inclusive) and shall not exceed HK$600 million (inclusive), and the price at which the H Shares may be repurchased shall not exceed HK$32.30 per Share. The actual price of each repurchase shall not be 5% or more above the average closing price of the H Shares on the Hong Kong Stock Exchange over the five trading days preceding the date of the repurchase. In the event that the market price continues to be higher than the maximum price, resulting in an expected failure to achieve the minimum total funds for repurchase of HK$300 million, the Board may adjust the maximum price as appropriate, subject to compliance with applicable requirements and completion of the necessary approval and disclosure procedures.

The Company may, in light of market conditions at the time of the repurchase, the purpose of the repurchase and the capital management needs, cancel the repurchased H Shares to reduce the registered capital and/or hold them as treasury shares, and deal with such treasury shares in accordance with applicable requirements (including for employee share ownership schemes or equity incentives).

FUNDING SOURCE OF THE REPURCHASE

The Company intends to finance the repurchase price from its internal resources and/or self-raised funds, and will only apply the funds legally available for the purpose in accordance with the Articles of Association and applicable laws and regulations of the PRC. The Company will not repurchase H Shares on the Hong Kong Stock Exchange for consideration other than cash or otherwise than in accordance with the trading and settlement rules as may be prescribed by the Hong Kong Stock Exchange from time to time.

FINANCIAL IMPLICATIONS

The Directors are of the view that the full exercise of the H Share Repurchase Mandate at any time during the proposed repurchase period would not have a material adverse effect on the working capital or the gearing ratio of the Company, as compared with the position disclosed in the latest published audited financial statements of the Company. However, the Directors will not exercise the H Share Repurchase Mandate to such extent that it would materially and adversely affect the working capital requirements or the gearing position of the Company.

H SHARE PRICES

The highest and lowest prices at which the H Shares of the Company were traded on the Hong Kong Stock Exchange during each month from the listing of the Company's H Shares on the Hong Kong Stock Exchange on July 10, 2026 and up to the date of this circular were as follows:

Month	**Highest price** *(HK$)*	**Lowest price** *(HK$)*
July 2026 (from the listing)	36.80	27.96
August 2026	37.00	27.70
September 2026	29.90	26.00
October 2026	26.56	16.95
November 2026 (up to the date of this circular)	26.88	19.31

RECORD OF REPURCHASE OF H SHARES

No repurchase of Shares has been made by the Company, whether on the SSE, the Hong Kong Stock Exchange or otherwise, during the six months preceding the date of this circular.

THE TAKEOVERS CODE AND PUBLIC FLOAT

If, as a result of a repurchase of Shares by the Company, a Shareholder or a group of Shareholders acting in concert increases their proportionate interest in the voting rights of the Company, such increase may be deemed as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, the relevant Shareholder(s) may become obliged to make a mandatory general offer in accordance with Rules 26 and 32.1 of the Takeovers Code.

As at the date of this circular, Hefei Construction Investment and the parties acting in concert with it together held 797,211,391 A Shares of the Company, representing approximately 36.69% of the total number of Shares in issue carrying voting rights of the Company. Assuming that the H Share Repurchase Mandate is exercised in full (with a maximum of 22,705,390 H Shares that may be repurchased under the H Share Repurchase Mandate) and the shareholdings of the aforesaid persons remain unchanged, their aggregate voting rights percentage would increase to approximately 37.08%. To the knowledge of the Directors, the exercise of the H Share Repurchase Mandate in full will not result in the aforesaid persons becoming obliged to make a mandatory general offer under Rule 26 of the Takeovers Code. In any event, the Directors have no present intention to exercise the H Share Repurchase Mandate to such extent that it would give rise to an obligation under the Takeovers Code. The Directors are not aware of any other consequences under the Takeovers Code and any similar applicable laws which would arise from any repurchase under the H Share Repurchase Mandate.

The Directors will ensure that the Company continues to comply with the minimum public float requirement under the Hong Kong Listing Rules when exercising the H Share Repurchase Mandate.

INTERESTS OF DIRECTORS AND CORE CONNECTED PERSONS

None of the Directors nor, to the knowledge of the Directors having made all reasonable enquiries, any of their respective close associates has any present intention to sell any H Shares to the Company in the event that the H Share Repurchase Mandate is approved by the Shareholders.

The Company has not received any notification from any core connected person of their present intention to sell any H Shares to the Company in the event that the H Share Repurchase Mandate is approved by the Shareholders, nor has any core connected person undertaken to the Company that they will not sell any H Shares held by them.

GENERAL

The Directors will exercise the power of the Company to repurchase H Shares under the H Share Repurchase Mandate in accordance with the Hong Kong Listing Rules, the Articles of Association and the relevant laws, regulations and rules of the PRC. The Directors confirm that neither this explanatory statement nor the proposed repurchase of H Shares has any unusual features.

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

NEXCHIP SEMICONDUCTOR CORPORATION
合肥晶合集成電路股份有限公司

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

(Stock Code: 2249)

NOTICE OF THE 2026 SECOND EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2026 second extraordinary general meeting (the "**EGM**") of Nexchip Semiconductor Corporation (合肥晶合集成電路股份有限公司) (the "**Company**") will be held at the conference room of Nexchip Semiconductor Corporation, No. 88 Xifeihe Road, Hefei Comprehensive Bonded Zone, Xinzhan District, Hefei City, Anhui Province, the PRC on Wednesday, November 25, 2026 at 2:00 p.m., for the purpose of considering and, if thought fit, passing the following resolutions. Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the circular of the Company dated November 5, 2026.

SPECIAL RESOLUTION

1. To consider and approve the resolution in relation to the grant of a general mandate to the Board to repurchase H Shares of the Company

ORDINARY RESOLUTION

2. To consider and approve the resolution in relation to the selection and appointment of accounting firms for the year 2026

By order of the Board
Nexchip Semiconductor Corporation
合肥晶合集成電路股份有限公司
Mr. Tsai Kuo-Chih
Executive Director and Chairperson of the Board

Hong Kong, November 5, 2026

As at the date of this notice, the members of the Board are: (i) Mr. Tsai Kuo-Chih and Mr. Zhu Caiwei as executive Directors; (ii) Mr. Lu Qinhang, Mr. Qiu Wensheng, Mr. Guo Zhaozhi and Ms. Yang Guoqing as non-executive Directors; and (iii) Prof. Sheng Mingquan, Prof. Lin Zhiting and Mr. Chen Ting as independent non-executive Directors.

Notes:

(1) In order to determine the H Shareholders who are entitled to attend the EGM, the H Share register of members of the Company will be closed during the period from Friday, November 20, 2026 to Wednesday, November 25, 2026 (both dates inclusive). For H Shareholders who wish to attend the EGM, all transfer documents accompanied by the relevant share certificates shall be lodged with the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, November 19, 2026. H Shareholders whose names appear on the H Share register of members on Wednesday, November 25, 2026 are entitled to attend and vote at the EGM.

(2) All votes of resolutions at the EGM will be taken by poll pursuant to the Hong Kong Listing Rules and the results of the poll will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.nexchip.com.cn) in accordance with the Hong Kong Listing Rules.

(3) Any Shareholder entitled to attend and vote at the EGM has the right to appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a Shareholder of the Company. If more than one proxy is appointed, the number and class of Shares in respect of which each such proxy is so appointed must be specified in the relevant form of proxy.

(4) A Shareholder shall appoint his/her proxy(ies) in writing. The form of proxy shall be signed by the Shareholder or his/her attorney who has been duly authorized in writing. If the Shareholder is a corporation, the form of proxy shall be affixed with the corporation's seal or signed by its director, or its attorney duly appointed in writing. If the form of proxy is signed by the attorney of the Shareholder, the power of attorney or other authorization document(s) authorizing such attorney to sign shall be notarized. For H Shareholders, the aforementioned documents must be lodged with the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 24 hours before the time appointed for holding the EGM (i.e. 2:00 p.m. on Tuesday, November 24, 2026) in order to be valid. Completion and delivery of the form of proxy shall not preclude a Shareholder of the Company from attending and voting in person at the EGM and, in such event, the instrument for appointing a proxy shall be deemed to be revoked.

(5) Shareholders shall present their identification documents when attending the EGM.

(6) If a proxy attends the EGM on behalf of a Shareholder, he/she shall produce his/her identification document and the power of attorney or other documents signed by the appointer or his/her legal representative with a specific date of issuance. If a representative of a corporate Shareholder attends the EGM, such representative shall produce his/her identification document and the notarized copy of the resolution passed by the board of directors or other authority or other notarized copies of any authorization documents issued by such corporate Shareholder.

(7) The EGM is expected to last for half a day. Shareholders attending the EGM (in person or by proxy) shall bear their own travelling, accommodation and other expenses.

(8) In the event of any inconsistency between the Chinese and English versions of this notice, the Chinese version prevails.

(9) Contact information of the Company:

Address:	Nexchip Semiconductor Corporation, No. 88 Xifeihe Road, Hefei Comprehensive Bonded Zone, Xinzhan District, Hefei City, Anhui Province
Postal Code:	230012
Telephone:	0551-62637000, ext. 612688
Contact Person:	Securities Affairs Department of the Company
Email:	stock@nexchip.com.cn