**HUA HONG SEMICONDUCTOR LIMITED**
**華虹半導體有限公司**
*(Incorporated in Hong Kong with limited liability)*
Stock Code (01347)

# News Release

## Reports 2025 Third Quarter Results

*All currency figures in this report are in US Dollars unless indicated otherwise.*
*The consolidated financial statements are prepared in accordance with HKFRS.*

Hong Kong Special Administrative Region of the People's Republic of China – November 6, 2025.

Hua Hong Semiconductor Limited (SEHK: 01347; SSE STAR MARKET: 688347) (the "Company"), a global, leading pure-play foundry, today announced its consolidated operational results for the quarter ending September 30, 2025.

**Third Quarter 2025 Highlights (Unaudited)**

- Revenue reached an all-time high of US$635.2 million, 20.7% over 3Q 2024 and 12.2% above 2Q 2025.
- Gross margin was 13.5%, 1.3 percentage points over 3Q 2024 and 2.6 percentage points above 2Q 2025.
- Net profit attributable to shareholders of the parent company was US$25.7 million, 42.6% lower than 3Q 2024 and 223.5% above 2Q 2025.

**Fourth Quarter 2025 Guidance**

- We expect revenue to be approximately US$650 million to US$660 million.
- We expect gross margin to be in the range of 12% to 14%.

**President’s Message**

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

"Third quarter 2025 sales revenue for Hua Hong Semiconductor reached a record high of US$635.2 million, in line with guidance, while gross margin stood at 13.5%, above guidance.  Driven by the recovery in global semiconductor demand and the Company's lean management practices, our capacity utilization remained high.  Both sales revenue and gross margin showed year-on-year and quarter-on-quarter growth.  The enhancements in our core competencies — including process technology R&D, market development, and operations — along with the results of our cost-reduction and efficiency-improvement initiatives, are gradually becoming evident. Our overall profitability is improving, laying a solid foundation for long-term sustainable development."

Dr. Bai continued, "Hua Hong Semiconductor possesses extensive expertise and exceptional management experience in specialty technology. Facing the rapidly evolving global semiconductor landscape, the Company must continuously advance across multiple core dimensions, such as technology nodes, process capabilities, and capacity expansion.  The acquisition, which is currently progressing smoothly, will further increase our production capacity and diversify our process platform portfolio, while creating synergies with our 12-inch production line in Wuxi, to strengthen our profitability. Furthermore, the Company is actively engaged in strategic capacity planning, focusing on technological breakthroughs and ecosystem development, to continuously enhance our core competitiveness amidst the global industry transformation."

**Webcast/Conference Call Announcement**

**Date:** Thursday, November 6, 2025

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

**Presenters:** Dr. Peng Bai, Chairman and President of the Company

Mr. Daniel Wang, Executive Vice President and Chief Financial Officer

**Webcast:** The call will be webcast live with audio and slides at:

https://www.huahonggrace.com/html/ir_calendar.php or

https://edge.media-server.com/mmc/p/e4idyvb2
(Note: registration is required to access the webcast.)

**Dial-in Details:** Please register in advance of the conference using the link provided below. Upon registering, you will be provided with participant dial-in numbers and personal PIN.

https://register-conf.media-server.com/register/BI0669e89919e0410ebaab072b3eb6b049

***Important Note:*** Before the meeting starts, you will need the personal PIN to join the call. Please check and save the confirmation email after registering. For security reasons, please do not share your personal PIN with anyone else.

**Replay:** A recording will be available for replay at the below website about 2 hours after the event and will be available for 12 months.

https://www.huahonggrace.com/html/ir_calendar.php

**About the Company**

Hua Hong Semiconductor Limited (Stock Code: 688347.SH/ 01347.HK) (the "Company") is a global leading pure-play foundry with specialty technologies which offers a diverse array of wafer foundry and supporting services to its customers, implementing "8-inch + 12-inch" and advanced "Specialty IC + Power Discrete" development strategies. The Company focuses on continuous innovation of specialty technologies, including embedded/standalone non-volatile memory (NVM), power discrete, analog & power management, and logic & RF, supporting applications in emerging areas, such as new energy vehicles, green energy, and the Internet of Things. Of special note is the Company's outstanding quality control system that satisfies the strict requirements of automotive chip manufacturing. The Company is a member of the Hua Hong Group, which is an industrial group in China that owns mainstream "8-inch + 12-inch" advanced IC manufacturing process technologies.

The Company operates three 8-inch wafer fabrication facilities in Shanghai Jinqiao and Shanghai Zhangjiang. In addition, the Company has built two global leading 12-inch wafer fabrication facilities devoted to specialty processes in Wuxi National Hi-Tech District, one of which is the world's first 12-inch power semiconductor foundry.

For more information, please visit: www.huahonggrace.com.

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

| | 3Q 2025 (Unaudited) | 3Q 2024 (Unaudited) | 2Q 2025 (Unaudited) | YoY Change | QoQ Change |
|---|---|---|---|---|---|
| Revenue | 635,180 | 526,306 | 566,065 | 20.7 % | 12.2 % |
| **Gross profit** | **85,854** | **64,007** | **61,611** | **34.1 %** | **39.3 %** |
| ***Gross margin*** | ***13.5 %*** | ***12.2 %*** | ***10.9 %*** | ***1.3*** | ***2.6*** |
| Operating expenses | (100,433) | (81,430) | (97,917) | 23.3 % | 2.6 % |
| Other income net | 17,752 | 51,797 | 10,602 | (65.7)% | 67.4 % |
| **Profit / (loss) before tax** | **3,173** | **34,374** | **(25,704)** | **(90.8)%** | **(112.3)%** |
| Income tax expense | (10,363) | (11,461) | (7,097) | (9.6)% | 46.0 % |
| **(Loss) / profit for the period** | **(7,190)** | **22,913** | **(32,801)** | **(131.4)%** | **(78.1)%** |
| ***Net profit margin*** | ***(1.1)%*** | ***4.4 %*** | ***(5.8)%*** | ***(5.5)*** | ***4.7*** |
| Attributable to: | | | | | |
| Owners of the parent | 25,725 | 44,816 | 7,952 | (42.6)% | 223.5 % |
| Non-controlling interests | (32,915) | (21,903) | (40,753) | 50.3 % | (19.2)% |
| | | | | | |
| Earnings per share attributable to owners of the parent | | | | | |
| Basic | 0.015 | 0.026 | 0.005 | (42.3)% | 200.0 % |
| Diluted | 0.015 | 0.026 | 0.005 | (42.3)% | 200.0 % |
| Wafers shipped (in thousands 8” equivalent wafers) | 1,400 | 1,200 | 1,305 | 16.7 % | 7.3 % |
| *Capacity utilization*[1] | *109.5 %* | *105.3 %* | *108.3 %* | *4.2* | *1.2* |
| *ROE*[2] | *1.6 %* | *2.8 %* | *0.4 %* | *(1.2)* | *1.2* |

**Third Quarter 2025**

- *Revenue* reached an all-time high of US$635.2 million, 20.7% over 3Q 2024 and 12.2% over 2Q 2025, primarily driven by increased wafer shipments and improved average selling price.
- *Gross margin* was 13.5%, 1.3 percentage points over 3Q 2024, primarily driven by improved capacity utilization and average selling price, partially offset by increased depreciation costs, and 2.6 percentage points above 2Q 2025, primarily driven by improved average selling price.
- *Operating expenses* were US$100.4 million, 23.3% over 3Q 2024, primarily due to increased engineering wafer costs and depreciation expenses, and 2.6% over 2Q 2025.
- *Other income net* was US$17.8 million, 65.7% lower than 3Q 2024, primarily due to decreased foreign exchange gains and interest income, partially offset by decreased finance costs, and 67.4% over 2Q 2025, primarily driven by foreign exchange gains versus foreign exchange losses in 2Q 2025.
- *Income tax expense* was US$10.4 million, 9.6% lower than 3Q 2024, primarily due to decreased taxable income.
- *Net loss for the period* was US$7.2 million, compared to a profit of US$22.9 million in 3Q 2024 and a loss of US$32.8 million in 2Q 2025.
- *Net profit attributable to shareholders of the parent company* was US$25.7 million, 42.6% lower than 3Q 2024 and 223.5% above 2Q 2025.
- *Basic earnings per share* was US$0.015, 42.3% lower than 3Q 2024, and 200.0% over 2Q 2025.
- *ROE (annualized)* was 1.6%,1.2 percentage points lower than 3Q 2024, and 1.2 percentage points above 2Q 2025.

*[1]The capacity utilization is calculated based on average monthly equivalent wafers output divided by total estimated monthly capacity.*
*[2]Profit attributable to owners of the parent / weighted average net assets attributable to owners of the parent.*

## Analysis of Revenue

| Revenue by service type | 3Q 2025 US$000 (Unaudited) | 3Q 2025 % (Unaudited) | 3Q 2024 US$000 (Unaudited) | 3Q 2024 % (Unaudited) | YoY Change US$000 | YoY Change % |
|---|---|---|---|---|---|---|
| Wafers | 610,810 | 96.2 % | 497,847 | 94.6 % | 112,963 | 22.7 % |
| Others | 24,370 | 3.8 % | 28,459 | 5.4 % | (4,089) | (14.4)% |
| **Total revenue** | **635,180** | **100.0 %** | **526,306** | **100.0 %** | **108,874** | **20.7 %** |

- 96.2% of total revenue was derived from the sale of semiconductor wafers in 3Q 2025.

## Analysis of Revenue

| Revenue by wafer size | 3Q 2025 US$000 (Unaudited) | 3Q 2025 % (Unaudited) | 3Q 2024 US$000 (Unaudited) | 3Q 2024 % (Unaudited) | YoY Change US$000 | YoY Change % |
|---|---|---|---|---|---|---|
| 8” wafers | 258,805 | 40.7 % | 263,139 | 50.0 % | (4,334) | (1.6)% |
| 12” wafers | 376,375 | 59.3 % | 263,167 | 50.0 % | 113,208 | 43.0 % |
| **Total revenue** | **635,180** | **100.0 %** | **526,306** | **100.0 %** | **108,874** | **20.7 %** |

- *Revenues from 8" wafers and 12" wafers* were US$258.8 million and US$376.4 million, respectively, in 3Q 2025.

**Analysis of Revenue**

| Revenue by geography | 3Q 2025 US$000 (Unaudited) | 3Q 2025 % (Unaudited) | 3Q 2024 US$000 (Unaudited) | 3Q 2024 % (Unaudited) | YoY Change US$000 | YoY Change % |
|---|---|---|---|---|---|---|
| China[3] | 522,621 | 82.3 % | 434,532 | 82.5 % | 88,089 | 20.3 % |
| North America[4] | 63,832 | 10.0 % | 46,709 | 8.9 % | 17,123 | 36.7 % |
| Other Asia[5] | 30,302 | 4.8 % | 28,707 | 5.5 % | 1,595 | 5.6 % |
| Europe | 18,425 | 2.9 % | 16,358 | 3.1 % | 2,067 | 12.6 % |
| **Total revenue** | **635,180** | **100.0 %** | **526,306** | **100.0 %** | **108,874** | **20.7 %** |

- *Revenue from China* was US$522.6 million, contributing 82.3% of total revenue and an increase of 20.3% compared to 3Q 2024, mainly driven by increased demand for flash, other PMIC, and MCU products.
- *Revenue from North America* was US$63.8 million, an increase of 36.7% compared to 3Q 2024, mainly driven by increased demand for other PMIC and MCU products.
- *Revenue from Other Asia* was US$30.3 million, an increase of 5.6% compared to 3Q 2024.
- *Revenue from Europe* was US$18.4 million, an increase of 12.6% compared to 3Q 2024, mainly driven by increased demand for IGBT and smart card ICs.

[3]*Includes Chinese Mainland and Hong Kong.*
[4]*Includes a major customer in US that was acquired by an Europe headquartered company in 2020.*
[5]*Includes Taiwan, China and Japan.*

**Analysis of Revenue**

| Revenue by technology platform | 3Q 2025 US$000 (Unaudited) | 3Q 2025 % (Unaudited) | 3Q 2024 US$000 (Unaudited) | 3Q 2024 % (Unaudited) | YoY Change US$000 | YoY Change % |
|---|---|---|---|---|---|---|
| Embedded NVM | 159,658 | 25.1 % | 132,598 | 25.2 % | 27,060 | 20.4 % |
| Standalone NVM | 60,598 | 9.5 % | 29,334 | 5.6 % | 31,264 | 106.6 % |
| Power Discrete | 169,036 | 26.7 % | 163,253 | 31.1 % | 5,783 | 3.5 % |
| Logic & RF | 81,127 | 12.8 % | 77,010 | 14.6 % | 4,117 | 5.3 % |
| Analog & PM | 164,761 | 25.9 % | 124,111 | 23.5 % | 40,650 | 32.8 % |
| **Total revenue** | **635,180** | **100.0 %** | **526,306** | **100.0 %** | **108,874** | **20.7 %** |

- *Revenue from embedded NVM* was US$159.7 million, an increase of 20.4% compared to 3Q 2024, mainly driven by increased demand for MCU products.
- *Revenue from standalone NVM* was US$60.6 million, an increase of 106.6% compared to 3Q 2024, mainly driven by increased demand for flash products.
- *Revenue from power discrete* was US$169.0 million, an increase of 3.5% compared to 3Q 2024, mainly driven by increased demand for super junction products.
- *Revenue from logic & RF* was US$81.1 million, an increase of 5.3% over 3Q 2024, mainly driven by increased demand for logic products.
- *Revenue from analog & power management* was US$164.8 million, an increase of 32.8% over 3Q 2024, mainly driven by increased demand for other PMIC products.

## Analysis of Revenue

| Revenue by process technology node | 3Q 2025 US$000 (Unaudited) | 3Q 2025 % (Unaudited) | 3Q 2024 US$000 (Unaudited) | 3Q 2024 % (Unaudited) | YoY Change US$000 | YoY Change % |
|---|---|---|---|---|---|---|
| ≤65nm | 172,197 | 27.1 % | 116,596 | 22.2 % | 55,601 | 47.7 % |
| 90nm & 95nm | 144,396 | 22.7 % | 98,966 | 18.8 % | 45,430 | 45.9 % |
| 0.11µm & 0.13µm | 73,231 | 11.5 % | 68,274 | 13.0 % | 4,957 | 7.3 % |
| 0.15µm & 0.18µm | 36,492 | 5.7 % | 37,894 | 7.2 % | (1,402) | (3.7)% |
| 0.25µm | 3,163 | 0.5 % | 4,155 | 0.8 % | (992) | (23.9)% |
| ≥0.35µm | 205,701 | 32.5 % | 200,421 | 38.0 % | 5,280 | 2.6 % |
| **Total revenue** | **635,180** | **100.0 %** | **526,306** | **100.0 %** | **108,874** | **20.7 %** |

- *Revenue from 65nm and below technology nodes* was US$172.2 million, an increase of 47.7% over 3Q 2024, mainly driven by increased demand for flash, logic, and analog products.
- *Revenue from the 90nm & 95nm technology nodes* was US$144.4 million, an increase of 45.9% over 3Q 2024, mainly driven by increased demand for other PMIC and MCU products.
- *Revenue from the 0.11µm & 0.13µm technology nodes* was US$73.2 million, an increase of 7.3% compared to 3Q 2024, mainly driven by increased demand for MCU products.
- *Revenue from the 0.15µm & 0.18µm technology nodes* was US$36.5 million, a decrease of 3.7% compared to 3Q 2024.
- *Revenue from the 0.25µm technology node* was US$3.2 million, a decrease of 23.9% compared to 3Q 2024, mainly due to decreased demand for discrete products.
- *Revenue from the 0.35µm and above technology nodes* was US$205.7 million, an increase of 2.6% compared to 3Q 2024, mainly driven by increased demand for super junction products.

### Analysis of Revenue

| Revenue by end market distribution | 3Q 2025 US$000 (Unaudited) | 3Q 2025 % (Unaudited) | 3Q 2024 US$000 (Unaudited) | 3Q 2024 % (Unaudited) | YoY Change US$000 | YoY Change % |
|---|---|---|---|---|---|---|
| Consumer electronics | 407,544 | 64.1 % | 330,928 | 62.9 % | 76,616 | 23.2 % |
| Industrial & automotive | 137,858 | 21.7 % | 123,853 | 23.5 % | 14,005 | 11.3 % |
| Communications | 79,843 | 12.6 % | 65,952 | 12.5 % | 13,891 | 21.1 % |
| Computing | 9,935 | 1.6 % | 5,573 | 1.1 % | 4,362 | 78.3 % |
| **Total revenue** | **635,180** | **100.0 %** | **526,306** | **100.0 %** | **108,874** | **20.7 %** |

- *Revenue from consumer electronics,* our largest end market segment, contributed US$407.5 million, reaching 64.1% of total revenue, an increase of 23.2% over 3Q 2024, mainly driven by increased demand for flash, other PMIC, and MCU products.
- *Revenue from industrial & automotive* was US$137.9 million, an increase of 11.3% compared to 3Q 2024, mainly driven by increased demand for MCU and other PMICs.
- *Revenue from communications* was US$79.8 million, an increase of 21.1% compared to 3Q 2024, mainly driven by increased demand for analog and RF products.
- *Revenue from computing* was US$9.9 million, an increase of 78.3% compared to 3Q 2024, mainly driven by increased demand for general MOSFET and MCU products.

### Capacity[6] and Capacity Utilization

| | 3Q 2025 (Unaudited) | 3Q 2024 (Unaudited) | 2Q 2025 (Unaudited) |
|---|---|---|---|
| Total capacity (in thousands 8" equivalent wafers) | 468 | 391 | 447 |
| *Overall capacity utilization* | *109.5%* | *105.3%* | *108.3%* |

- Monthly capacity was 468,000 8-inch equivalent wafers at the end of 3Q 2025. Overall capacity utilization was 109.5% in 3Q 2025, 1.2 percentage points over 2Q 2025.

### Wafer Shipments

| in thousands 8" equivalent wafers | 3Q 2025 (Unaudited) | 3Q 2024 (Unaudited) | 2Q 2025 (Unaudited) | YoY Change | QoQ Change |
|---|---|---|---|---|---|
| Wafer shipments | 1,400 | 1,200 | 1,305 | 16.7 % | 7.3 % |

- *Wafer shipments* were 1,400,000, an increase of 16.7% year over year, and 7.3% quarter over quarter.

[6] *Wafers per month at the end of the period, calculated on a 30-day basis for comparison purposes.*

**Operating Expenses Analysis**

| Amounts in US$ thousands | 3Q 2025 (Unaudited) | 3Q 2024 (Unaudited) | 2Q 2025 (Unaudited) | YoY Change | QoQ Change |
|---|---|---|---|---|---|
| Selling and distribution expenses | 2,332 | 2,241 | 2,630 | 4.1 % | (11.3)% |
| Administrative expenses[7] | 98,101 | 79,189 | 95,287 | 23.9 % | 3.0 % |
| **Operating expenses** | **100,433** | **81,430** | **97,917** | **23.3 %** | **2.6 %** |

- *Operating expenses* were US$100.4 million, 23.3% over 3Q 2024, primarily due to increased engineering wafer costs and depreciation expenses, and 2.6% over 2Q 2025.

**Other Income Net Analysis**

| Amounts in US$ thousands | 3Q 2025 (Unaudited) | 3Q 2024 (Unaudited) | 2Q 2025 (Unaudited) | YoY Change | QoQ Change |
|---|---|---|---|---|---|
| Rental income | 3,625 | 3,612 | 3,460 | 0.4 % | 4.8 % |
| Interest income | 13,762 | 26,710 | 15,294 | (48.5)% | (10.0)% |
| Foreign exchange gains / (losses) | 3,746 | 29,270 | (1,064) | (87.2)% | (452.1)% |
| Share of profit of associates | 1,843 | 1,087 | 591 | 69.5 % | 211.8 % |
| Finance costs | (18,249) | (27,275) | (18,250) | (33.1)% | (0.0)% |
| Government subsidies | 12,741 | 18,535 | 9,866 | (31.3)% | 29.1 % |
| Others | 284 | (142) | 705 | (300.0)% | (59.7)% |
| **Other income net** | **17,752** | **51,797** | **10,602** | **(65.7)%** | **67.4 %** |

- *Other income net* was US$17.8 million, 65.7% lower than 3Q 2024, primarily due to decreased foreign exchange gains and interest income, partially offset by decreased finance costs, and 67.4% over 2Q 2025, primarily driven by foreign exchange gains versus foreign exchange losses in 2Q 2025.

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

### Cash Flow Analysis

| Amounts in US$ thousands | 3Q 2025 (Unaudited) | 3Q 2024 (Unaudited) | 2Q 2025 (Unaudited) | YoY Change | QoQ Change |
|---|---|---|---|---|---|
| Net cash flows generated from / (used in) operating activities | 184,150 | (26,838) | 169,630 | (786.2)% | 8.6 % |
| Net cash flows used in investing activities | (253,296) | (715,920) | (385,556) | (64.6)% | (34.3)% |
| Net cash flows generated from / (used in) financing activities | 104,163 | (5,007) | (25,185) | (2,180.3)% | (513.6)% |
| Effect of exchange rate changes | 22,816 | 90,648 | 8,076 | (74.8)% | 182.5 % |
| **Net change in cash** | **57,833** | **(657,117)** | **(233,035)** | **(108.8)%** | **(124.8)%** |

- *Net cash flows generated from operating activities* was US$184.2 million, compared to net cash flows used in operating activities of US$26.8 million, primarily due to increased receipts from customers.
- *Net cash flows used in investing activities* was US$253.3 million, including US$261.9 million investment in fixed assets and US$14.0 million investment in an equity instrument, partially offset by US$15.6 million interest income and US$7.0 million receipts of government grants of equipment.
- *Net cash flows generated from financing activities* was US$104.2 million, including US$99.9 million proceeds from bank borrowings and US$14.4 million proceeds from share option exercises, partially offset by US$5.0 million interest payments, US$3.2 million of bank principal repayments and US$1.9 million lease payments.

### Capital Structure

| Amounts in US$ thousands | 30-Sep-2025 (Unaudited) | 30-Jun-2025 (Unaudited) |
|---|---|---|
| Total assets | 12,511,666 | 12,237,080 |
| Total liabilities | 3,502,618 | 3,363,437 |
| Total equity | 9,009,048 | 8,873,643 |
| *Debt ratio[8]* | *28.0%* | *27.5%* |

### Capital Expenditures

| Amounts in US$ thousands | 3Q 2025 (Unaudited) | 2Q 2025 (Unaudited) |
|---|---|---|
| Hua Hong 8” | 19,305 | 17,612 |
| Hua Hong Wuxi | 11,898 | 13,676 |
| Hua Hong Manufacturing | 230,691 | 376,440 |
| **Total** | **261,894** | **407,728** |

- *Capital expenditures* were US$261.9 million in 3Q 2025, including US$230.7 million for Hua Hong Manufacturing, US$19.3 million for Hua Hong 8”, and US$11.9 million for Hua Hong Wuxi.

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

## Liquidity

| Amounts in US$ thousands | 30-Sep-2025 (Unaudited) | 30-Jun-2025 (Unaudited) |
|---|---|---|
| Completed properties held for sale | 223,302 | 221,661 |
| Inventories | 526,840 | 513,434 |
| Trade and notes receivables | 257,067 | 264,329 |
| Prepayments, other receivables and other assets | 494,222 | 452,513 |
| Due from related parties | 22,150 | 14,360 |
| Restricted and time deposits | 31,993 | 31,756 |
| Cash and cash equivalents | 3,904,733 | 3,846,900 |
| **Total current assets** | **5,460,307** | **5,344,953** |
| Trade payables | 275,064 | 263,352 |
| Other payables and accruals | 704,754 | 716,648 |
| Interest-bearing bank borrowings | 340,686 | 341,313 |
| Lease liabilities | 3,598 | 5,839 |
| Government grants | 66,498 | 59,040 |
| Due to related parties | 7,832 | 8,560 |
| Income tax payable | 14,341 | 16,046 |
| **Total current liabilities** | **1,412,773** | **1,410,798** |
| **Net working capital** | **4,047,534** | **3,934,155** |
| *Quick ratio* | *3.3x* | *3.3x* |
| *Current ratio* | *3.9x* | *3.8x* |
| Trade and notes receivables turnover days | 37 | 44 |
| Inventories turnover days | 85 | 88 |

- *Inventories* increased from US$513.4 million on 30 June 2025 to US$526.8 million on 30 September 2025, mainly due to increased work- in-progress and finished goods of our new fab.
- *Prepayments, other receivables and other assets* increased from US$452.5 million on 30 June 2025 to US$494.2 million on 30 September 2025, mainly due to increased value-added tax credit.
- *Trade payables* increased from US$263.4 million on 30 June 2025 to US$275.1 million on September 2025, due to increased purchase.
- *Other payables and accruals* decreased from US$716.6 million on 30 June 2025 to US$704.8 million on 30 September 2025, mainly due to payments for capital expenditures.
- On 30 September 2025, *net working capital* was US$4,047.5 million and the *current ratio* was 3.9.
- *Trade and notes receivables turnover days* were 37.
- *Inventories turnover days* were 85.

*Please visit Company's website at [www.huahonggrace.com](www.huahonggrace.com)*
*for further details regarding recent announcements.*

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

| | For the Three Months Ended | | |
|---|---|---|---|
| | 30-Sep-2025 (Unaudited) | 30-Sep-2024 (Unaudited) | 30-Jun-2025 (Unaudited) |
| Revenue | 635,180 | 526,306 | 566,065 |
| Cost of sales | (549,326) | (462,299) | (504,454) |
| **Gross profit** | **85,854** | **64,007** | **61,611** |
| Other income and gains | 34,361 | 78,092 | 29,353 |
| Selling and distribution expenses | (2,332) | (2,241) | (2,630) |
| Administrative expenses | (98,101) | (79,189) | (95,287) |
| Other expenses | (203) | (107) | (1,092) |
| Finance costs | (18,249) | (27,275) | (18,250) |
| Share of profit of associates | 1,843 | 1,087 | 591 |
| **Profit / (loss) before tax** | **3,173** | **34,374** | **(25,704)** |
| Income tax expense | (10,363) | (11,461) | (7,097) |
| **(Loss) / profit for the period** | **(7,190)** | **22,913** | **(32,801)** |
| Attributable to: | | | |
| Owners of the parent | 25,725 | 44,816 | 7,952 |
| Non-controlling interests | (32,915) | (21,903) | (40,753) |
| Earnings per share attributable to owners of parent | | | |
| Basic | 0.015 | 0.026 | 0.005 |
| Diluted | 0.015 | 0.026 | 0.005 |
| **Shares used in calculating basic earnings per share attributable to owners of parent** | **1,731,461,953** | **1,717,612,830** | **1,726,241,791** |
| **Shares used in calculating diluted earnings per share attributable to owners of parent** | **1,733,014,365** | **1,721,402,553** | **1,731,895,843** |

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

| | As of | | |
|---|---|---|---|
| | 30-Sep-2025 (Unaudited) | 30-Jun-2025 (Unaudited) | 30-Sep-2024 (Unaudited) |
| **ASSETS** | | | |
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | 6,162,217 | 6,101,971 | 5,198,989 |
| Investment property | 220,223 | 218,468 | 168,433 |
| Right-of-use assets | 65,141 | 66,002 | 81,372 |
| Intangible assets | 33,982 | 27,313 | 38,897 |
| Investment in associates | 147,349 | 144,421 | 144,534 |
| Equity instruments designated at fair value through other comprehensive income | 381,305 | 290,515 | 290,857 |
| Long term prepayment | 41,142 | 42,672 | 83,396 |
| Deferred tax assets | - | 765 | 795 |
| **Total non-current assets** | **7,051,359** | **6,892,127** | **6,007,273** |
| **CURRENT ASSETS** | | | |
| Completed properties held for sale | 223,302 | 221,661 | 225,711 |
| Inventories | 526,840 | 513,434 | 487,480 |
| Trade and notes receivables | 257,067 | 264,329 | 268,186 |
| Prepayments, other receivables and other assets | 494,222 | 452,513 | 269,191 |
| Due from related parties | 22,150 | 14,360 | 25,426 |
| Restricted and time deposits | 31,993 | 31,756 | 32,443 |
| Cash and cash equivalents | 3,904,733 | 3,846,900 | 5,766,749 |
| **Total current assets** | **5,460,307** | **5,344,953** | **7,075,186** |
| **CURRENT LIABILITIES** | | | |
| Trade payables | 275,064 | 263,352 | 273,352 |
| Other payables and accruals | 704,754 | 716,648 | 1,237,992 |
| Interest-bearing bank borrowings | 340,686 | 341,313 | 262,296 |
| Lease liabilities | 3,598 | 5,839 | 4,451 |
| Government grants | 66,498 | 59,040 | 40,072 |
| Due to related parties | 7,832 | 8,560 | 10,167 |
| Income tax payable | 14,341 | 16,046 | 26,494 |
| **Total current liabilities** | **1,412,773** | **1,410,798** | **1,854,824** |
| **NET CURRENT ASSETS** | **4,047,534** | **3,934,155** | **5,220,362** |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | **11,098,893** | **10,826,282** | **11,227,635** |
| **Non-current liabilities** | | | |
| Interest-bearing bank borrowings | 2,056,802 | 1,933,971 | 1,983,494 |
| Lease liabilities | 15,329 | 15,035 | 19,334 |
| Deferred tax liabilities | 17,714 | 3,633 | 9,388 |
| **Total non-current liabilities** | **2,089,845** | **1,952,639** | **2,012,216** |
| **Net assets** | **9,009,048** | **8,873,643** | **9,215,419** |
| **Equity and liabilities capital and reserves** | | | |
| Share capital | 4,982,556 | 4,960,855 | 4,936,472 |
| Reserves | 1,466,529 | 1,339,047 | 1,478,303 |
| **Equity attributable to the owners of the company** | **6,449,085** | **6,299,902** | **6,414,775** |
| Non-controlling interests | 2,559,963 | 2,573,741 | 2,800,644 |
| **Total equity** | **9,009,048** | **8,873,643** | **9,215,419** |

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

| | For the Three Months Ended | | |
|---|---|---|---|
| | 30-Sep-2025 (Unaudited) | 30-Sep-2024 (Unaudited) | 30-Jun-2025 (Unaudited) |
| **Cash flows from operating activities:** | | | |
| Profit / (loss) before tax | 3,173 | 34,374 | (25,704) |
| Depreciation and amortization | 187,269 | 143,557 | 179,658 |
| Share of profit of associates | (1,843) | (1,087) | (591) |
| Changes in working capital and others | (4,449) | (203,682) | 16,267 |
| **Net cash flows generated from / (used in) operating activities** | **184,150** | **(26,838)** | **169,630** |
| **Cash flows from investing activities:** | | | |
| Payments for property, plant and equipment and intangible assets | (261,894) | (734,069) | (407,728) |
| Investment in an equity instrument | (14,030) | - | - |
| Investment in an associate | - | - | (2,794) |
| Other cash flow generated from investing activities | 22,628 | 18,149 | 24,966 |
| **Net cash flows used in investing activities** | **(253,296)** | **(715,920)** | **(385,556)** |
| **Cash flows from financing activities:** | | | |
| New bank loans | 99,923 | 2,287 | 138,096 |
| Proceeds from issue of shares | 14,376 | 1,471 | 2,218 |
| Repayment of bank borrowings | (3,284) | (4,476) | (125,677) |
| Interest paid | (4,971) | (3,283) | (38,623) |
| Payment of lease liabilities | (1,881) | (1,004) | (1,199) |
| Dividends paid to shareholders | - | (2) | - |
| **Net cash flows generated from / (used in) financing activities** | **104,163** | **(5,007)** | **(25,185)** |
| Net increase / (decrease) in cash and cash equivalents | 35,017 | (747,765) | (241,111) |
| Cash and cash equivalents, beginning of period | 3,846,900 | 6,423,866 | 4,079,935 |
| Effects of exchange rate changes | 22,816 | 90,648 | 8,076 |
| **Cash and cash equivalents, ending of period** | **3,904,733** | **5,766,749** | **3,846,900** |

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

**Executive Directors**

Peng Bai (Chairman and President)

**Non-Executive Directors**
Jun Ye
Guodong Sun
Bo Chen
Chengyan Xiong

**Independent Non-Executive Directors**
Stephen Tso Tung Chang
Kwai Huen Wong, JP
Songlin Feng

By order of the Board
**Hua Hong Semiconductor Limited**
Peng Bai
Chairman and Executive Director

Hong Kong SAR, PRC
November 6, 2025