Lens Technology Co., Ltd.

藍思科技股份有限公司

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

(Stock Code: 6613)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

- During the Reporting Period, the Group's total revenue was approximately RMB28,866 million, representing a decrease of approximately 12.42% as compared to RMB32,960 million in the same period in 2025;
- During the Reporting Period, the Group's gross profit was approximately RMB4,244 million, representing a decrease of approximately 1.39% as compared to RMB4,304 million in the same period in 2025;
- During the Reporting Period, the Group's net profit attributable to the shareholders of the listed company was approximately RMB577 million, representing a decrease of approximately 49.52% as compared to RMB1,143 million in the same period in 2025; and
- The Company's interim profit distribution proposal for 2026 as recommended by the Board is: a cash dividend of RMB1.00 (tax inclusive) to be distributed per 10 shares. Pursuant to the authorisation granted at the 2025 annual general meeting of the Company, the Company's interim profit distribution proposal for 2026 is not required to obtain further approval at the general meeting of the Company. The Company will implement this profit distribution plan within two months after obtaining the approval from the Board. The cash dividend is expected to be paid to the Shareholders on or before Tuesday, 20 October 2026.

The board (the "**Board**") of directors (the "**Director(s)**") of Lens Technology Co., Ltd. (the "**Company**") hereby announces the unaudited consolidated interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**"), together with unaudited comparative figures for the six months ended 30 June 2025.

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026 (the "**Interim Financial Information**") have been prepared by the Company in accordance with International Accounting Standard 34 Interim Financial Reporting. The Interim Financial Information has not been audited, but has been reviewed by the Company's auditor, Deloitte Touche Tohmatsu, and the audit committee under the Board (the "**Audit Committee**") (which is composed of Ms. Wan Wei, Mr. Liu Yue and Mr. Tang Xiangxi, all being independent non-executive Directors). The Audit Committee has reviewed the accounting principles and practices adopted by the Company and discussed matters in respect of risk management and internal control of the Company. There is no disagreement between the Board and the Audit Committee regarding the accounting treatment adopted by the Company. These interim results are extracted from the Interim Financial Information.

INTERIM FINANCIAL INFORMATION

In this announcement, unless otherwise indicated in the context, the currency is RMB.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	Notes	***RMB'million***	*RMB'million*
		(Unaudited)	(Unaudited)
Revenue	*5*		
Contracts with customers		**28,792**	32,890
Leases		**74**	70
Total revenue		**28,866**	32,960
Cost of sales		**(24,622)**	(28,656)
Gross profit		**4,244**	4,304
Other income	*6*	**327**	310
Impairment losses under expected credit loss ("**ECL**") model, net of reversal		**(19)**	25
Other gains and losses, net	*7*	**(360)**	255
Selling expenses		**(236)**	(282)
Administrative expenses		**(1,637)**	(1,566)
Research and development expenses		**(1,490)**	(1,644)
Other expenses		**(1)**	—
Share of results of investments accounted for using the equity method		**22**	5
Listing expenses		**—**	(5)
Finance costs		**(110)**	(156)
Profit before tax		**740**	1,246
Income tax expense	*8*	**(154)**	(51)
Profit for the period		**586**	1,195

	Note	Six months ended 30 June 2026 RMB'million (Unaudited)	2025 RMB'million (Unaudited)
Other comprehensive (expense) income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(118)**	(40)
Item that will not be reclassified to profit or loss:			
Fair value (loss) gain on investments in equity instruments measured at fair value through other comprehensive (expense) income ("**FVTOCI**"), net of tax		**(55)**	10
Total comprehensive income for the period		**413**	1,165
Profit for the period attributable to:			
— Owners of the Company		**577**	1,143
— Non-controlling interests		**9**	52
		586	1,195
Total comprehensive income for the period attributable to:			
— Owners of the Company		**404**	1,113
— Non-controlling interests		**9**	52
		413	1,165
Earnings per share	*10*		
— Basic (RMB)		**0.11**	0.23
— Diluted (RMB)		**0.11**	0.23

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	30 June 2026 RMB'million (Unaudited)	31 December 2025 RMB'million (Audited)
Non-current assets			
Property, plant and equipment		**44,590**	41,767
Right-of-use assets		**3,965**	3,663
Investment properties		**835**	855
Intangible assets		**1,600**	1,701
Goodwill		**2,970**	2,970
Investments accounted for using the equity method		**360**	338
Equity instruments at FVTOCI		**663**	752
Financial assets at fair value through profit or loss ("**FVTPL**")	*11*	**570**	279
Time deposits		**167**	165
Deferred tax assets		**1,189**	1,209
Prepayments and other receivables	*13*	**1,416**	1,166
		58,325	54,865
Current assets			
Inventories		**7,933**	6,932
Trade and bills receivables	*12*	**9,199**	10,776
Bills receivables at FVTOCI		**179**	134
Prepayments and other receivables	*13*	**1,344**	1,179
Financial assets at FVTPL	*11*	**83**	627
Income tax recoverable		**110**	9
Restricted bank deposits		**11**	26
Bank balances and cash		**7,361**	9,653
Amounts due from related parties		**—***	—*
Time deposits		**—**	—*
Cash held by securities brokers		**—**	136
		26,220	29,472

	Notes	**30 June 2026** *RMB'million* **(Unaudited)**	31 December 2025 *RMB'million* (Audited)
Current liabilities			
Trade and other payables	*14*	**19,205**	18,126
Financial liabilities at FVTPL	*11*	**39**	79
Income tax payable		**86**	140
Borrowings	*15*	**5,080**	5,292
Lease liabilities		**54**	53
Contract liabilities		**36**	32
Amounts due to related parties		**—***	—*
		24,500	23,722
Net current assets		**1,720**	5,750
Total assets less current liabilities		**60,045**	60,615
Non-current liabilities			
Borrowings	*15*	**5,946**	4,367
Lease liabilities		**276**	121
Deferred tax liabilities		**342**	356
Deferred income		**660**	684
		7,224	5,528
Net assets		**52,821**	55,087
Capital and reserves			
Share capital	*16*	**5,278**	5,284
Reserves		**47,495**	49,739
Equity attributable to owners of the Company		**52,773**	55,023
Non-controlling interests		**48**	64
Total equity		**52,821**	55,087

* Rounded to the nearest million, the amount is "—" since the value is less than RMB1 million.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. INFORMATION

Lens Technology Co., Ltd. 藍思科技股份有限公司 (the "**Company**") was incorporated in the People's Republic of China (the "**PRC**") as a joint stock company with limited liability. In March 2015, the Company was listed on the Shenzhen Stock Exchange (stock code: 300433) and its H shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") since 9 July 2025.

During the six months ended 30 June 2026, the Company and its subsidiaries (the "**Group**") is a leading provider of one-stop precision manufacturing solutions across the full artificial intelligence ("**AI**") hardware industry chain, driven by technological innovation and intelligent manufacturing, with its business covering structural components, functional modules and complete machine assembly for products such as AI smart terminals (including smartphones, AI glasses, smart vehicles, and embodied intelligence), AI servers and commercial aerospace sectors.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting issued by the International Accounting Standards Board (the "**IASB**") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange of Hong Kong Limited.

3. APPLICATION OF AMENDMENTS TO IFRS ACCOUNTING STANDARDS

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

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

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values.

Other than additional accounting policies resulting from the application of amendments to IFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

5. REVENUE AND SEGMENT INFORMATION

The following is an analysis of the Group's revenue from major end use products and services:

	Six months ended 30 June	
	2026	2025
	RMB'million	*RMB'million*
	(Unaudited)	(Unaudited)
Smartphones and computers	**22,382**	27,185
Smart vehicles and cockpits	**3,372**	3,165
Intelligent head-mounted displays and smart wearables	**1,777**	1,647
Other smart devices	**534**	363
Scraps and materials	**294**	227
Revenue from sales of products	**28,359**	32,587
Processing fee	**349**	236
Others	**84**	67
Revenue from contracts with customers	**28,792**	32,890
Leases	**74**	70
Total	**28,866**	32,960

Segment information

For the purpose of resource allocation and assessment of performance, the executive directors of the Company, being the chief operating decision makers, focus on the overall results and financial position of the Group. The Group has only one single operating and reportable segment.

6. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'million	*RMB'million*
	(Unaudited)	(Unaudited)
Various grants		
— related to expense items *(note)*	**186**	111
— related to assets	**32**	31
	218	142
Interest income	**84**	124
Compensation income	**9**	14
Others	**16**	30
	327	310

Note: The amount includes various subsidies received from government authorities for the purpose of motivating the business development of the Group. There were no unfulfilled conditions or contingencies relating to these grants.

7. OTHER GAINS AND LOSSES, NET

	Six months ended 30 June	
	2026	2025
	RMB'million	*RMB'million*
	(Unaudited)	(Unaudited)
Net foreign exchange (losses) gains	**(492)**	168
Net gain from changes in fair value of financial assets/liabilities at FVTPL	**127**	74
Gain on disposal of property, plant, and equipment, right-of-use assets and intangible assets	**5**	14
Others	**—**	(1)
	(360)	255

8. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'million	*RMB'million*
	(Unaudited)	(Unaudited)
Current tax:		
— PRC Enterprise Income Tax	**36**	25
— Hong Kong	**28**	39
— Vietnam	**31**	—
	95	64
Under provision in prior years:		
— PRC Enterprise Income Tax	**41**	23
	41	23
Deferred tax	**18**	(36)
	154	51

PRC Enterprise Income Tax

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the Group's PRC subsidiaries is 25%.

The Company and certain of its PRC subsidiaries are accredited as High and New Technology Enterprises and are subject to preferential tax rate of 15% during the respective accredited period.

Pursuant to relevant laws and regulations in the PRC, several subsidiaries are eligible as a Small Low-profit Enterprise (小型微利企業) and are subject to preferential tax treatments. From 1 January 2023 to 31 December 2027, for Small Low-profit Enterprises, the annual taxable income not exceeding RMB3.0 million was reduced to 25% and taxed at a rate of 20%.

Hong Kong

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits in both years.

Vietnam

The Company's subsidiary domiciled in Vietnam is subject to a corporate income tax rate of 20%.

9. DIVIDENDS

The 2025 final dividend of RMB2,368,000,000 in aggregate (RMB4.5 per 10 ordinary shares of final dividend, tax inclusive) has been approved by shareholders at the annual general meeting of the Company held on 8 May 2026. RMB95,000,000 were paid during the six months ended 30 June 2026, and the remaining amount of RMB2,272,000,000 were included in other payables as at 30 June 2026 (six months ended 30 June 2025: the 2024 final dividend of RMB1,983,582,000 in aggregate (RMB4 per 10 ordinary shares of final dividend, tax inclusive) were approved and paid during the six months ended 30 June 2025).

At the meeting held on 21 August 2026, the Board recommended an interim dividend in respect of the six months ended 30 June 2026 of RMB1 per 10 ordinary shares (tax inclusive), in aggregate of RMB526,000,000 (six months ended 30 June 2025: RMB1 per 10 ordinary shares (tax inclusive), in aggregate of RMB526,000,000).

10. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Earnings (RMB'million):		
Profit for the period attributable to owners of the Company	**577**	1,143
Number of shares ('million):		
Weighted average number of ordinary shares for the purpose of basic earnings per share *(note i)*	**5,267**	4,954
Effect of dilutive potential ordinary shares *(note ii)*	**—**	16
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**5,267**	4,970

Notes:

(i) Treasury shares and restricted shares subject to repurchase were excluded in calculating the weighted average number of ordinary shares for the purpose of calculating basic earnings per share.

(ii) For the six months ended 30 June 2026, the Group did not have any dilutive potential ordinary shares outstanding as there is no outstanding restricted share at the beginning of or during the period. Accordingly, diluted earnings per share were equal to basic earnings per share.

11. FINANCIAL ASSETS (LIABILITIES) AT FVTPL

	As at 30 June 2026 ***RMB'million*** **(Unaudited)**	As at 31 December 2025 *RMB'million* (Audited)
Structured deposits	**80**	627
Unlisted equity instruments at FVTPL	**570**	279
Deliverable forwards	**(36)**	(79)
	614	827
Analysed for reporting purposes as:		
Financial assets at FVTPL	**653**	906
Financial liabilities at FVTPL	**(39)**	(79)
	614	827
Analysed for reporting purposes as:		
Current assets	**83**	627
Non-current assets	**570**	279
Current liabilities	**(39)**	(79)
	614	827

12. TRADE AND BILLS RECEIVABLES

	As at 30 June 2026 ***RMB'million*** **(Unaudited)**	As at 31 December 2025 *RMB'million* (Audited)
Trade receivables	**9,379**	10,944
Bills receivables	**8**	1
Less: allowance for ECL	**(188)**	(169)
	9,199	10,776

Ageing of trade receivables is prepared based on the invoice date, which approximated the respective revenue recognition dates, as follows:

	As at 30 June 2026 *RMB'million* **(Unaudited)**	As at 31 December 2025 *RMB'million* (Audited)
Not past due	**8,990**	10,694
Past due:		
0–90 days	**285**	155
91–180 days	**12**	24
181–365 days	**24**	48
Over 365 days	**68**	23
	9,379	10,944

The normal credit term to the customers ranged between 30 days to 150 days.

13. PREPAYMENTS AND OTHER RECEIVABLES

	As at 30 June 2026 *RMB'million* **(Unaudited)**	As at 31 December 2025 *RMB'million* (Audited)
Prepayments for property, plant and equipment	**1,388**	1,136
Value-added tax recoverable	**565**	518
Refundable deposits for project performance	**270**	150
Refundable deposits for land use rights	**200**	200
Prepayments for materials and others	**120**	113
Rental and other deposits	**49**	47
Other receivables	**206**	218
	2,798	2,382
Less: allowance for ECL	**(38)**	(37)
	2,760	2,345
Analysed for reporting purposes as:		
Current assets	**1,344**	1,179
Non-current assets	**1,416**	1,166
	2,760	2,345

14. TRADE AND OTHER PAYABLES

	As at 30 June 2026 *RMB'million* (Unaudited)	As at 31 December 2025 *RMB'million* (Audited)
Trade payables	**8,591**	10,961
Bills payables	**465**	591
	9,056	11,552
Accrued staff cost	**1,204**	1,310
Construction payables	**5,869**	4,567
Other accrued charges	**365**	265
Other tax payables	**167**	226
Deposits received	**125**	112
Dividends payable	**2,303**	5
Others	**116**	89
	19,205	18,126

The following is the ageing analysis of trade payables based on the date of goods and services received at the end of reporting period:

	As at 30 June 2026 *RMB'million* (Unaudited)	As at 31 December 2025 *RMB'million* (Audited)
Within 1 year	**8,539**	10,917
Over 1 year	**52**	44
	8,591	10,961

The credit period on purchases of goods and services of the Group is within 120 days. All the bills payables are with maturity within one year.

15. BORROWINGS

During the six months ended 30 June 2026, the Group obtained new bank loans amounting to RMB3,589,000,000 (six months ended 30 June 2025: Nil), among which RMB160,000,000 were paid directly by bank to suppliers to settle the Group's trade payables (six months ended 30 June 2025: Nil).

Among the newly obtained bank loans, RMB 584,000,000 carries interest at fixed market rates ranging from 0.95% to 3.62% per annum and are repayable in instalments over a period of six months to 3 years, RMB3,005,000,000 carries interest at Loan Prime Rate adjusted by floating up or down a certain percentage, ranging from 2.19% to 2.41% per annum, and are repayable in instalments over a period of 2 years to 5 years, with interest rate reset at regular intervals, ranging from 3 to 12 months.

During the six months ended 30 June 2026, the Group repaid borrowings of RMB2,221,000,000 (six months ended 30 June 2025: RMB2,010,000,000).

16. SHARE CAPITAL

	Number of shares	**Share capital** *RMB'million*
Ordinary shares of RMB1 each		
Registered, issued and fully paid		
At 1 January 2025 (audited)	4,982,879,271	4,983
Repurchase and cancellation of restricted shares	(107,100)	—*
At 30 June 2025 (unaudited)	4,982,772,171	4,983
At 1 January 2026 (audited)	5,284,327,591	5,284
Cancellation of restricted shares	(5,586,721)	(6)
At 30 June 2026 (unaudited)	5,278,740,870	5,278

During the six months ended 30 June 2026, the Company repurchased 9,704,325 shares and cancelled 5,586,721 shares of treasury shares. At 30 June 2026, the Company had outstanding treasury shares of 17,113,932 (31 December 2025: 12,996,328 shares).

* Rounded to the nearest million; the amount is "—" since the value is less than RMB1 million.

17. EVENT AFTER THE END OF THE REPORTING PERIOD

On 16 July 2026, the Company adopted a new restricted A-share scheme, pursuant to which the Company granted 85,570,000 restricted shares to eligible participants, including but not limited to the Group's directors (excluding independent directors), senior management and other employees.

In July 2026, the Group has completed the acquisition of 89.98% equity interest in Shenzhen Sublime Photonics Co., Ltd ("**Shenzhen Sublime**") at RMB316,000,000. Following the completion of the acquisition, Shenzhen Sublime become a subsidiary of the Group.

Other than as disclosed else where in this consolidated financial statement, the Group has no other significant event after the end of the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

I. THE DEVELOPMENT OF THE INDUSTRY TO WHICH THE COMPANY BELONGS DURING THE REPORTING PERIOD

For the first half of 2026, the core driving force for the global technology industry stemmed from the continuous evolution of artificial intelligence ("**AI**"). Technological iteration accelerated in emerging tracks including AI-enabled smart terminals and AI computing-power hardware, commercial-application roll-out kept gathering pace, and incremental market potential continued to be unlocked. Meanwhile, cost shocks triggered by supply-demand imbalance in memory chips propagated to end-user segments. The consumer electronics industry encountered rare external disruptions in recent years, presenting a structural-divergence landscape featuring booming emerging sectors alongside subdued traditional consumer demand. The Company vigorously developed new-materials, new-processes, new-products and new-equipment for next-generation artificial intelligence spanning from computing power to smart terminals, further advanced vertical integration of the industrial chain, accelerated the shift between old and new growth drivers, and delivered on the Company's diversified strategic layout.

1. Consumer Electronics and Smart Cockpits

In the first half of 2026, the global memory-chip market witnessed an unusual supply-demand gap, sending memory prices soaring, with supply-chain price hikes cascading into higher end-product selling prices. Multiple research institutions pointed to weakening signs across the consumer-electronics market. Entry-level and mainstream consumer-grade products were particularly price-sensitive, and consumers extended their device-replacement cycles. Quarterly monitoring data from market research firm IDC showed global smartphone shipments dropped 4.1% year-on-year in the first quarter and 6.7% year-on-year in the second quarter. TrendForce repeatedly revised down its forecast for global notebook-computer shipments in 2026. Against this backdrop, the consumer-electronics industry faced overall pressure, with players across the industrial chain grappling with contracting end-user demand.

Amid broad market headwinds, the high-end segment demonstrated solid resilience. Foldable smartphones and computers delivered notable advantages in office and other scenarios, sustaining robust market demand. The penetration rate of high-end new-materials such as UTG ultra-thin flexible glass and nano-microcrystalline glass kept rising, emerging as critical differentiators for premium foldable offerings.

During the first half of 2026, overall growth of the global automotive industry moderated, while penetration of new-energy vehicles continued to climb. According to statistics compiled by market research firm SNE Research, 9.906 million electric vehicles were delivered worldwide in the first half of the year, representing a 5.5% year-on-year increase. The industry transitioned from rapid expansion to steady growth. High oil prices further stimulated electric-vehicle demand. In parallel, electrification and intelligent transformation of new-energy vehicles forged ahead, driving greater market demand for automotive glass integrating lightweighting, display, noise reduction and sun-protection functions, with per-vehicle glass value trending upwards.

2. AI Edge Side

The embodied-intelligence industrial ecosystem kept maturing, and commercial-application roll-out quickened. Industrial collaborative robots and humanoid service robots completed scenario validation and small-batch trial production, advancing toward mass-volume manufacturing. In July 2026, at the World Artificial Intelligence Conference ("**2026 WAIC**") in Shanghai, China's Ministry of Industry and Information Technology announced that China's full-year output of complete humanoid-robot units was expected to break the 100,000-unit threshold for the first time in 2026. Market research firm, Markets and Markets, projected the global humanoid-robot market size to reach approximately USD5.41 billion in 2026 and USD50.27 billion by 2035, corresponding to a compound annual growth rate of 28.1%. Core components including lightweight body structures, high-precision joint assemblies and flexible perception parts hold broad scope for domestic substitution, and the industry maintained a high-boom trajectory.

Edge-side smart hardware represented by wearable devices and AI/AR glasses underwent rapid development, with AI glasses standing out as the fastest-growing sub-sector. New products and novel form factors kept emerging. Multiple AI-glass offerings were showcased at the 2026 WAIC. Iterative demands for lighter-weight and more intelligent products continuously expanded market capacity for core components such as high-end optical lenses and precision structural parts.

The global commercial-aerospace industry maintained rapid growth, and iteration of low-orbit-satellite constellation networking accelerated. Expanding commercial-aerospace activities will fuel demand for aerospace-grade special optical materials featuring lightweight properties, high light transmittance, resistance to extreme high-low temperatures and superior stability. Aerospace-grade UTG, characterised by ultra-thin-and-light profiles, tolerance to harsh space environments and outstanding physical-flexing performance, is becoming a key encapsulation material for innovative flexible-satellite solar arrays.

3. AI Computing-Power Side

In the first half of 2026, investment in global AI computing-power infrastructure intensified, and the AI-server sub-sector stayed in high-growth mode. Specialised Q1-2026 monitoring data from IDC reflected robust expansion in the global AI-server market. Liquid-cooling thermal solutions, highly-integrated and high-density computing-power models emerged as mainstream industry directions, effectively spurring market demand for supporting products including high-end precision cabinets, liquid-cooling modules and high-speed interconnection assemblies.

Within precision-structural-parts segment, design-architecture shifts by leading North-American enterprises from "hybrid cooling" to "full liquid cooling" lifted heat-dissipation capacity, driving higher value for cabinets, liquid-cooling modules and modules.

In advanced packaging, TGV glass substrates, benefiting from high flatness, low expansion coefficients and excellent high-frequency electrical properties, effectively address warpage and heat-dissipation pain points for oversized-chip packaging, and are rapidly evolving into key base materials for next-generation advanced packaging. For hard-disk drives, glass platters, leveraging ultra-high storage density and exceptional physical longevity, show growing application potential, and leading manufacturers are accelerating their adoption.

Hollow-core fibre, representing a new-generation core technology for ultra-low-latency and low-loss transmission, saw faster industrialisation. Boasting ultra-low transmission loss, it precisely matches high-speed, low-latency computing-power-transmission requirements of AI data centres, with its commercial-use scenarios steadily broadening.

II. OPERATION OF THE GROUP

(I) Overall Operating Overview for the Reporting Period

During the Reporting Period, the Company consolidated its core consumer-electronics business while prioritising cultivation of emerging strategic tracks including AI-edge-side hardware and AI-computing-power hardware.

In the first half of 2026, the Company recorded total operating revenue of RMB28.866 billion, down 12.42% year-on-year; overall gross profit margin stood at 14.70%, representing a 1.64-percentage-point year-on-year increase; net profit attributable to shareholders of the listed company totalled RMB577 million, dropping 49.52% year-on-year. Among them, the Company recorded revenue of RMB14.727 billion in the second quarter, representing a year-on-year decrease of 7.36%. The decline narrowed significantly compared with the first quarter, mainly due to lower revenue from the assembly business. Net profit attributable to shareholders of the listed company amounted to RMB726 million, up 1.77% year-on-year and turned profitable quarter-on-quarter. Overall, the Company's revenue and revenue from each business segment achieved quarter-on-quarter growth in the second quarter, while both gross profit margin and net profit attributable to parent company registered growth on both year-on-year and quarter-on-quarter bases. The Company's overseas businesses are mainly settled in US dollars. During the Reporting Period, the RMB appreciated rapidly and unilaterally against the US dollar. Notwithstanding risk-mitigation measures including foreign-exchange hedging and foreign-exposure management, the Company recorded a foreign-exchange loss of RMB492 million for the Reporting Period.

In the first half of 2026, the Company operated amid a complex external environment marked by adverse unilateral foreign-exchange-rate movements compounded by memory-chip-cycle-driven end-user-demand disruptions, with the broader industry under pressure. Against contracting demand for old-growth-driver businesses, the Company deepened front-loaded collaboration with leading clients on new-materials and new-processes, lifted shipment proportion of high-value-added products and proactively optimised product mix. Sustained investment in smart-manufacturing and automation capabilities delivered tangible improvements in yield rates, operational efficiency and cost control.

Overall, the Company maintained sound overall operations during the Reporting Period. Operating results improved quarter-on-quarter. Against phased revenue-side pressure, profitability improved against industry headwinds. Business structure delivered positive "volume-reduction-with-quality-enhancement" shifts, fully demonstrating the Company's operational resilience to navigate industry cycles.

Meanwhile, in response to the new-wave artificial-intelligence industrial boom, the Company resolutely ramped up strategic investment in new-growth-driver businesses covering AI edge side and AI computing-power side. Research and development ("**R&D**") expenditure totalled RMB1.490 billion for the period. The Company actively explored new fields and tracks, channelling R&D resources into cutting-edge core areas including high-end new-materials, AI computing power and AI edge side to accelerate the transition between old and new growth drivers. Emerging-business initiatives advanced on multiple fronts in phased fashion. Core positioning has been secured in embodied intelligence and AI glasses, with shipment volumes and revenue scales ranking among industry leaders. Production capacity for AI-server structural parts and solid-state-drive assembly is ramping up. Businesses such as TGV glass substrates and HDD glass hard disks have moved swiftly from technical-reserve phase to value-realisation-and-roll-out phase. These new growth drivers will become new growth points for the Company's future performance.

(II) Core-Business Fundamentals Stable, Poised for Growth

Consumer Electronics: During the Reporting Period, the smartphone and computer business generated operating revenue of RMB22.382 billion, representing a year-on-year decrease of 17.67% and accounting for 77.54% of the Company's total revenue. The decline was mainly attributable to terminal demand disruptions amid the memory chip cycle and lower revenue from the assembly business. Despite lower assembly business volume in the second quarter, this segment still delivered overall quarter-on-quarter revenue growth. Faced with industry-wide demand fluctuations, the Company proactively adjusted its product and customer mix, secured new well-known domestic customers, and introduced assembly businesses for high-end products such as action cameras. By boosting shipments of high-value-added premium products, the Company mitigated the revenue decline pressure from certain low-value-added businesses.

Smart Vehicles and Cockpits: Against the backdrop of an overall slowdown in the global automotive industry, the Company's smart cockpit business achieved growth outperforming the industry average. During the Reporting Period, the smart vehicle and cockpit business generated operating revenue of RMB3.372 billion, representing a year-on-year increase of 6.54% and accounting for 11.68% of the Company's total revenue. In the second quarter in particular, revenue growth of this segment accelerated, rising 10.11% year-on-year and 16.29% quarter-on-quarter. Multiple newly-awarded automotive-project orders completed capacity ramping and achieved mass delivery. Cooperation depth and breadth with mainstream domestic-and-overseas vehicle manufacturers expanded continuously. Laminated automotive window glass achieved mass-production shipments.

In summary, amid multiple external challenges in the first half-year, drawing on long-accumulated operational resilience, the Company continuously optimised product and production-capacity structures, consolidated its core consumer-electronics franchise and safeguarded stable core-business performance.

From an-industry-trend perspective, appearance-related innovation and material upgrades for smart terminals constitute persistent core drivers for product iteration and user-device replacement. Glass cover plates are evolving toward more sophisticated architectures, imposing higher requirements for processing techniques and yield-rate control and creating structural opportunities for the Company. The Company has long-served leading global terminal-device clients, focusing on supporting high-end smart terminals including foldable smartphones, AI-enabled smartphones and AI PCs. It keeps optimising new-materials such as UTG ultra-thin flexible glass, 3D glass and titanium-metal composite structural parts alongside new-processes including 3D printing. Through front-loaded technical engagement, it participates deeply in clients' new-product pre-research and iteration, playing a vital role in new-material selection, manufacturability verification and mass-production-process development.

Looking ahead to the second half of the year, upon release of key clients' high-end foldable-device models, the Company's deep-rooted expertise in UTG ultra-thin flexible glass and other areas is expected to accelerate delivery of multiple core components. The Company has proactively built technical and production-capacity reserves for next-generation materials and processes including 3D glass, titanium-metal middle frames and 3D printing, to fully prepare for clients' product-innovation iterations for appearance- and structural-components.

(III) Core-Positioning Secured on AI Edge Side, Scaled-Roll-Out Accelerated

Embodied-Intelligence Segment: The Company leverages vertical R&D strengths spanning new-materials, precision structural-parts and automated-system integration. Its super-factory clusters covering Hunan, Jiangsu, Guangdong and Southeast Asia, together with cross-industry precision-manufacturing expertise and OEM/ODM/OAM service models accumulated from long-term service for leading consumer-electronics and smart-vehicle clients, deliver mature and reliable supply-chain support for high-precision, standardised mass-production of robot hardware.

With the accelerated industrial implementation, the Company's embodied intelligence business continued to register rapid growth, with its shipment volume ranking among the top in the industry. The Company's deployments in core components such as robotic dexterous hands and joint modules as well as complete-unit assembly are gradually entering a harvest phase. Volume deliveries of relevant products have contributed significant incremental revenue to other intelligent terminal businesses. During the Reporting Period, revenue from other intelligent terminal businesses reached RMB534 million, representing a year-on-year increase of 47.11% and accounting for 1.85% of the Company's total revenue. Looking ahead, the Company will further leverage its integrating and leading role as the chain leader in embodied intelligence, collaborate with top-tier core component enterprises, and accelerate the building of a highly-competitive embodied-intelligence industrial ecosystem. Cooperation initiatives with multiple enterprises including Agibot, Sunway Advanced Materials and China Mobile have been successively materialised. Development of several major overseas customers is progressing smoothly, with small-batch shipments already realised to prepare for large-scale shipments.

Smart Head-Mounted Display and Smart Wearable Business: Revenue amounted to RMB1.777 billion during the Reporting Period, representing a year-on-year increase of 7.95% and accounting for 6.16% of the Company's total revenue. The Company has built full-stack supporting capabilities covering optical lenses, precision structural components, functional modules and complete-unit assembly, and serves as a core supplier for leading domestic and overseas end-user customers for AI glasses, robot heads and visual interaction components. During the Reporting Period, the volume of complete-unit assembly for AI glasses expanded rapidly compared with the same period of last year, driving sustained growth in shipment scale of relevant component products. Meanwhile, drawing on the Company's profound hardware manufacturing strengths and technical synergies in camera modules, optical display and acoustic interaction, custom-developed visual components such as robot heads are being accelerated for implementation. Together with AI glasses, they constitute important incremental supplements to the Company's AI edge-side hardware offerings.

Commercial Aerospace: The Company's self-developed aerospace-grade UTG ultra-thin flexible glass has completed multiple rounds of reliability tests. Satellites adopting the Company's aerospace-grade UTG solar wing solution have been launched for in-orbit space verification. Core performance is continuously optimised, and the product has smoothly entered the customer certification cycle.

(IV) Notable Progress on AI Computing-Power Side, New Growth Curve Unlocked

During the Reporting Period, the Company carried out in-depth deployment across emerging AI-computing-power-side strategic tracks and hit multiple milestones. Relevant businesses will enter harvest-phase sequentially and are poised to deliver substantial incremental business value.

Within advanced packaging, the Company achieved major breakthroughs in TGV through-glass-via technology. It has jointly developed and validated glass interposers with leading chip clients in North America and South Korea, validation work is progressing smoothly. In parallel, construction of a 30,000-square-metre-dedicated plant for TGV glass substrates is underway to satisfy client-side requirements.

In July 2026, the Company's wholly-owned subsidiary formally signed a strategic-cooperation memorandum with Intel. Centred on TGV advanced-packaging, the parties jointly tackle core-process challenges including glass-substrate perforation forming, high-precision laser processing, metallised-via deposition and multi-layer interconnection routing. Intel will provide descriptive architectural information, design-for-manufacturing (DFM) guidelines, benchmarking methodologies and verification methodologies, while the Company is responsible for the development and implementation of mass-production processes. This collaboration combines Intel's advanced packaging expertise with the Company's precision glass processing capabilities, aiming to deliver superior performance for future AI and data-centre workloads.

For AI-server structural-parts, capacity expansion at the Songshan Lake campus has been completed. Liquid-cooling modules, high-end precision cabinets and optical communication high-speed-interconnection supporting assemblies have passed testing by leading computing-power vendors, paving the way for subsequent mass-production ramping. The Company has deployed its presence in the fields of in-cabin hollow-core optical fibres and AI computing power transmission through industrial mergers and acquisitions, and advanced customer certification for precision components supporting hollow-core optical fibres. It has supplemented production capacity and high-quality customer resources for global high-end precision metal structural components and smart-hardware appearance components, and perfected the full-category layout of structural components for smart terminals and computing-power equipment.

In server-storage segment, the Company has overcome technical barriers including ultra-precision surface polishing and initiated customer-certification for HDD glass hard disks and achieved small-batch shipments. Enterprise-grade SSD solid-state drives have achieved mass shipments, forming a dual-engine storage layout encompassing SSD solid-state drives and HDD glass hard disks offerings and further strengthening the Company's core supporting capabilities for AI-server-related businesses.

III. FINANCIAL REVIEW

Analysis of Profit or Loss

Revenue

During the Reporting Period, the Group recorded a total revenue of approximately RMB28,866 million, representing a decrease of approximately 12.42% compared to RMB32,960 million for the same period in 2025, which was mainly attributable to shortages and price hikes for consumer-grade storage products, coupled with downward demand from certain consumer electronics customers, which led to a decline in the smartphones and computers business, while all other major businesses maintained steady growth. Among them, revenue from the smartphones and computers business decreased by RMB4,804 million, representing a year-on-year decrease of 17.67%; revenue from the smart vehicles and cockpits business increased by RMB207 million, representing a year-on-year growth of 6.54%; revenue from the intelligent head-mounted displays and smart wearables business increased by RMB130 million, representing a year-on-year growth of 7.89%; and revenue from other smart devices business increased by RMB171 million, representing a year-on-year growth of 47.11%.

Gross profit and gross profit margin

During the Reporting Period, the gross profit of the Group was approximately RMB4,244 million, representing a decrease of approximately 1.39% compared to RMB4,304 million for the same period in 2025, which was primarily due to lower revenue.

During the Reporting Period, the gross profit margin of the Group was approximately 14.70%, representing an increase of approximately 1.64 percentage points compared to 13.06% for the same period in 2025.

Other income

During the Reporting Period, other income of the Group was approximately RMB327 million, representing an increase of approximately 5.48% compared to RMB310 million for the same period in 2025, which was primarily due to an increase in various grants.

Selling expenses

During the Reporting Period, the selling expenses of the Group were approximately RMB236 million, representing a decrease of approximately 16.31% compared to RMB282 million for the same period in 2025, which was primarily due to reduced revenue, which resulted in cuts across various sales expenses.

Administrative expenses

During the Reporting Period, the administrative expenses of the Group were approximately RMB1,637 million, representing an increase of approximately 4.53% compared to RMB1,566 million for the same period in 2025, which was primarily due to higher staff remuneration.

R&D expenses

During the Reporting Period, the R&D expenses of the Group were approximately RMB1,490 million, representing a decrease of approximately 9.37% compared to RMB1,644 million for the same period in 2025, which was primarily due to lower spending on R&D following the achievement of key milestones in certain projects.

Finance costs

During the Reporting Period, the finance costs of the Group were approximately RMB110 million, representing a decrease of approximately 29.49% compared to RMB156 million for the same period in 2025, which was primarily due to a decline in the average borrowing scale and lower financing costs.

Other gains and losses, net

During the Reporting Period, the Group recorded a net loss of approximately RMB360 million, representing a decrease of approximately 241.18% compared to a net gain of RMB255 million for the same period in 2025, which was primarily due to fluctuations in the USD/RMB exchange rate resulting in an increase in net foreign exchange losses.

Impairment losses under expected credit loss ("ECL") model, net of reversal

During the Reporting Period, the impairment losses under ECL model of the Group were approximately RMB19 million, resulting in a net increase in impairment charges of RMB44 million compared to a reversal of RMB25 million for the same period in 2025, which was primarily due to relatively large amount of collections in the corresponding period last year.

Income tax expense

During the Reporting Period, the income tax expense of the Group was approximately RMB154 million, representing an increase of approximately 201.96% compared to RMB51 million for the same period in 2025, which was primarily due to an increase in current tax expenses, as certain subsidiaries had fully utilized their deductible tax losses and recorded profits during the reporting period, and an increase in deferred tax expenses arising from the utilization of temporary differences in the current period.

Cash Flow Analysis

Net cash from operating activities

During the Reporting Period, the net cash from operating activities of the Group was approximately RMB2,012 million, representing a decrease of approximately 53.48% from RMB4,325 million for the same period in 2025, which was primarily due to reduced revenue and reduced sales collections.

Net cash used in investing activities

During the Reporting Period, the net cash used in investing activities of the Group was approximately RMB4,786 million, representing a decrease of approximately 4.66% from RMB5,020 million for the same period in 2025, which was primarily due to a decrease in the net purchase amount of structured deposits.

Net cash from (used in) financing activities

During the Reporting Period, the net cash inflows from financing activities of the Group were approximately RMB701 million, as compared with net cash outflows of approximately RMB4,207 million in the corresponding period of 2025, primarily attributable to new borrowings raised during the Reporting Period.

Sources of liquidity and working capital

During the Reporting Period, the Group's primary sources of liquidity included cash generated from operating activities and bank borrowings. The Group's cash and cash equivalents mainly comprise of bank balances. We may require additional cash due to evolving business conditions or other future developments.

The Group regularly monitors its cash flows, cash balances, and capital requirements. The Company is committed to maintaining optimal liquidity to meet the Group's working capital needs. The Group's current assets decreased from RMB29,472 million as at 31 December 2025 to RMB26,220 million as at 30 June 2026, primarily due to decreases in bank balances and trade receivables. The Group's current ratio, calculated as current assets divided by current liabilities at the end of each financial period, declined from approximately 1.24 as at 31 December 2025 to approximately 1.07 as at 30 June 2026.

Foreign exchange risk management

The Group's reporting currency is RMB. The functional currency of the majority of the Company's subsidiaries is RMB. Some of the Group's sales, purchases, trade receivables, trade payables and bank balances are recorded or denominated in foreign currencies. Consequently, foreign currency exchange rates have a significant impact on the Group's consolidated financial information.

Foreign currency transactions are translated into the functional currency using the exchange rates at the end of the previous month. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the exchange rates prevailing on that date. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the exchange rates prevailing on the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated. During the Reporting Period, the Company recorded net foreign exchange losses of RMB492 million.

The Group manages its foreign exchange exposure by closely monitoring fluctuations in foreign currency exchange rates. The Group will continue to assess economic conditions and foreign exchange risks, and will implement hedging measures (including but not limited to derivative instruments such as forwards, options, and swap contracts) when necessary to mitigate such risks.

Contingent liabilities

As at 30 June 2026, there were no significant contingent liabilities, guarantees or any pending or threatened material litigation or claim against any member of the Group.

Capital expenditure

The Group's capital expenditure was primarily related to purchase of property, plant and equipment used in our production, purchase of intangible assets and payments for leasehold land. During the Reporting Period, the Group's capital expenditure amounted to approximately RMB5,190 million (for the six months ended 30 June 2025: approximately RMB4,302 million).

Capital and other commitments

The Group's capital and other commitments mainly include capital commitments contracted for property, plant, equipment and contracted commitments for future investments but not provided for in the Interim Financial Information. As at 30 June 2026, the Group recorded total capital commitments of approximately RMB4,608 million, as compared to approximately RMB4,507 million as at 31 December 2025.

Non-IFRS measure

To supplement our Interim Financial Information that are presented in accordance with International Financial Reporting Standards ("**IFRS**"), the Group also uses adjusted profit for the period (a non-IFRS measure) and adjusted net margin (a non-IFRS measure), as additional financial measures, which are not required by, or presented in accordance with IFRS. The Directors believe that these non-IFRS measures facilitate comparisons of operating performance from period to period by eliminating potential impact of certain items. The Directors believe that these measures provide useful information to investors and others in understanding and evaluating the Group's Interim Financial Information in the same manner as they help our management. However, the Group's presentation of adjusted profit for the period (a non-IFRS measure) and adjusted net margin (a non-IFRS measure) may not be comparable to similar item measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and they should not be considered in isolation from, or as substitute for analysis of, the Group's Interim Financial Information or financial condition as reported under IFRS. The Group defines adjusted profit for the period (a non-IFRS measure) as profit/(loss) for the period adjusted for share-based compensations (a non-cash item). The Group defines adjusted net margin (a non-IFRS measure) as adjusted profit for the period (a non-IFRS measure) as a percentage of our total revenue.

	January to June 2026	January to June 2025
	RMB'million	
Profit for the period	**586**	1,195
Add:		
Share-based compensation	**—**	30
Adjusted profit for the period (a non-IFRS measure)	**586**	1,225
Adjusted net margin (a non-IFRS measure)	**2.0%**	3.7%

During the Reporting Period, the Group recorded an adjusted profit for the period (a non-IFRS measure) of RMB586 million and an adjusted net margin (a non-IFRS measure) of 2.0%, as compared with an adjusted profit for the period (a non-IFRS measure) of RMB1,225 million and an adjusted net margin (a non-IFRS measure) of 3.7% in January to June 2025, primarily due to the impacts of US dollar exchange rate fluctuations and higher storage costs, etc.

IV. PROSPECT AND OUTLOOK

Save as disclosed in the Company's annual results announcement dated 30 March 2026 and this announcement, as of the date of this announcement, the Company did not have other future plans for material investments and acquisition of capital assets.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On 18 May 2026, the 13th meeting of the 5th session of the Board reviewed and approved the Resolution on the Conditional Acquisition of Approximately 27.81% of the H-Shares of Ju Teng International Holdings Limited and the Proposed Acquisition of Its Controlling Stake via a General Offer. The Company resolved to enter into a share purchase agreement with Southern Asia Management Limited, Mr. Cheng Li-Yu and Ms. Lin Mei-Li (collectively referred to as the "**Sellers**"), for the conditional acquisition of 333,713,032 shares in Ju Teng International Holdings Limited ("**Ju Teng International**", Stock Code: 3336.HK) held by the Sellers. Such shares represent approximately 27.81% of Ju Teng International's total issued shares, at a purchase price of HK$2.20 per share. Subject to the completion of the Share Purchase Agreement, the Purchaser shall, in accordance with Hong Kong's Codes on Takeovers and Mergers and Share Buy-backs, make a conditional voluntary general cash offer to all shareholders of Ju Teng International at that time, such that the aggregate of acceptances under the offer plus shares already held by the offeror as at the closing date will exceed 50% of the voting rights in the target company. The offer price per offer share shall be equal to the acquisition price per share payable by the offeror to the Sellers (or rounded up to the nearest whole number). As the aforesaid offer will be made to all shareholders of the target company as at the relevant time, there is a risk that the public shareholding percentage of the target company upon completion may fail to satisfy the Main Board listing requirements of the Hong Kong Stock Exchange. To mitigate such risk, the Company shall, within six months after partial settlement of the offer, dispose part of the shares (if necessary) to reach the public shareholding percentage of the target company to no less than 25%, so as to preserve the target company's listing status on the Hong Kong Stock Exchange.

Upon completion of this transaction, the Company will hold at least 50% of the voting rights in Ju Teng International and will become its controlling shareholder, whilst Ju Teng International will remain listed on the Hong Kong Stock Exchange. As of the date of this announcement, conditions precedent 1 and 12 set out in the aforesaid announcement in relation to this acquisition have been satisfied, while the remaining conditions precedent are yet to be fulfilled. Relevant parties are working to satisfy such conditions precedent. The Company will disclose updates on the transaction in accordance with applicable laws and regulations in due course.

Save as disclosed above, the Company had no significant investments and/or material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company (the "**Shareholders**") and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**Corporate Governance Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "**Hong Kong Listing Rules**") as its code of corporate governance.

During the Reporting Period, the Company has complied with all applicable code provisions set out in Part 2 of the Corporate Governance Code, save for the deviations as described below. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code.

Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of chairman and the chief executive should be segregated and should not be performed by the same individual. Ms. Chau Kwan Fei, an executive Director, serves concurrently as the chairman of the Board and the general manager of the Company. While this arrangement deviates from code provision C.2.1 of the Corporate Governance Code, the Board believes it beneficial to the business prospects and operational efficiency of the Company that Ms. Chau, in addition to acting as the chairman of the Board, continues to act as the general manager of the Company. Therefore, the Board considers that a deviation from code provision C.2.1 of the Corporate Governance Code is appropriate under the circumstances. Furthermore, the Board comprises three executive Directors and four independent non-executive Directors, reflecting a significant degree of independence. Under the Board's oversight, its structure is well-balanced, with appropriate checks and balances in place to safeguard the interests of the Company and its Shareholders. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of the chairman of the Board and the general manager is necessary.

Pursuant to code provision D.1.2 of the Corporate Governance Code, the management of the Company is required to provide all members of the Board with monthly updates on the Company's business. The management of the Company currently reports to the Board on the Company's performance, position and prospects quarterly. The Board believes that with the executive Directors overseeing the daily operations of the Company and the effective communication among the executive Directors, the management and the non-executive Directors (including the independent non-executive Directors) on the Group's affairs, the current practice is sufficient for the members of the Board to discharge their duties. However, this constitutes a deviation from code provision D.1.2 of the Corporate Governance Code. The Board will continue to review this practice and shall make necessary changes when appropriate and report to the Shareholders accordingly.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company announced on 1 December 2025 that its former independent non-executive Director, Mr. Xie Zhiming ("**Mr. Xie**"), passed away due to illness. From the date of Mr. Xie's passing until 29 January 2026, the Company had three executive Directors and three independent non-executive Directors. While such composition did not fall below the statutory minimum requirement, the size of the Board was below that prescribed under the Company's articles of association. As a result, the Company was unable to comply with Rules 3.10(2), 3.21 and 3.25 of the Hong Kong Listing Rules during the aforesaid period. On 29 January 2026, Mr. Tang Xiangxi was appointed as an independent non-executive Director and succeeded Mr. Xie Zhiming as the chairman of the Audit Committee and the chairman of the remuneration and appraisal committee of the Company. Details of the above are set out in the Company's announcements dated 1 December 2025 and 29 January 2026.

Save as disclosed above, since 9 July 2025 (the "**Listing Date**"), the Company has complied with Rules 3.10(1), 3.10(2) and 3.10A of the Hong Kong Listing Rules relating to the appointment of a sufficient number of independent non-executive Directors, including the requirement that at least one independent non-executive Director must possess appropriate professional qualifications or accounting or related financial management expertise. The Company has appointed four independent non-executive Directors, representing at least one-third of the Board, and one of whom possesses accounting or related financial management expertise. The biographies of the independent non-executive Directors are set out in the Company's 2025 H Shares Annual Report.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its code of conduct for securities transactions by the Directors and relevant employees (being employees who may possess inside information of the Company). Having made specific enquiries to all Directors, each Director has confirmed that he/she has complied with the required standards as set out in the Model Code during the Reporting Period. During the Reporting Period, the Company is not aware of any cases where relevant employees have failed to comply with the aforesaid code of conduct.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in Note 17 to the condensed consolidated financial statements set out in this announcement, there have been no significant events affecting the Group from the end of the Reporting Period to the date of this announcement.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The H shares of the Company (the "**H Shares**") were successfully listed on the Main Board of the Hong Kong Stock Exchange on the Listing Date. The Company issued 262,256,800 H Shares at the offer price of HK$18.18 per share. Subsequently, the over-allotment option described in the Prospectus has been fully exercised on 3 August 2025 in respect of an aggregate of 39,338,400 H Shares. After deducting the underwriting commissions, listing expenses and other charges, the net proceeds received by the Company from the global offering amounted to approximately HK$5,404.52 million (equivalent to approximately RMB4,924.27 million) ("**Net Proceeds**"), which were used in strict accordance with the purposes set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus, namely:

Proposed uses of Net Proceeds	**Percentage of Net Proceeds**	**Actual amount of Net Proceeds** *(HK$ million)*	**Unutilized amount as at 1 January 2026** *(HK$ million)*	**Utilized amount during the six months ended 30 June 2026** *(HK$ million)*	**Amount utilised as at 30 June 2026** *(HK$ million)*	**Amount unutilised as at 30 June 2026** *(HK$ million)*	**Expected timetable for utilising the unused Net Proceeds**
To expand our product and service portfolio and explore additional end uses for our products	48%	2,594.17	2,562.23	59.21	91.15	2,503.02	By 31 December 2027
— To support the technical development and capacity enhancement for structural parts for the next-generation foldable screens and related smart devices accessories	30%	1,621.36	1,621.36	1.10	1.10	1,620.26	By 31 December 2027
— To develop exterior structural parts and related products with distinct functions on smart vehicles, covering vehicle bodies, in-vehicle systems and domain control areas	8%	432.36	431.47	10.15	11.04	421.32	By 31 December 2026
— For production capacity support and the research and development of intelligent robots	5%	270.23	239.18	47.04	78.09	192.14	By 31 December 2027
— To expand our production capacity, primarily by purchasing equipment, for augmented, virtual and mixed reality glasses, as well as various intelligent wearable devices, encompassing both production of structural parts and complete device assembly	5%	270.23	270.23	0.92	0.92	269.31	By 31 December 2027

Proposed uses of Net Proceeds	Percentage of Net Proceeds	Actual amount of Net Proceeds *(HK$ million)*	Unutilized amount as at 1 January 2026 *(HK$ million)*	Utilized amount during the six months ended 30 June 2026 *(HK$ million)*	Amount utilised as at 30 June 2026 *(HK$ million)*	Amount unutilised as at 30 June 2026 *(HK$ million)*	Expected timetable for utilising the unused Net Proceeds
To expand our overseas presence, increase our production capacity overseas and enhance our overseas delivery capabilities to better serve our customers	28%	1,513.27	1,415.59	391.42	489.10	1,024.17	By 31 December 2026
To advance our vertical integration in smart manufacturing, including enhancing our capabilities along our vertically integrated industry value chain and promoting the development of "smart manufacturing factories"	14%	756.63	756.63	11.04	11.04	745.59	By 31 December 2026
— To set up complete device assembly lines for consumer electronics, smart wearables and smart retail devices	6%	324.27	324.27	—	—	324.27	By 31 December 2026
— To promote the development of "smart manufacturing factories"	8%	432.36	432.36	11.04	11.04	421.32	By 31 December 2026
For working capital and other general corporate purposes	10%	540.45	—	—	540.45	—	N/A
Total	100%	5,404.52	4,734.45	461.67	1,131.74	4,272.78	

Notes:

1. Due to rounding differences, the sum of individual percentage components may not tally with the total.

2. The expected timetable for the use of Net Proceeds from the Global Offering is based on the Company's best estimate of future market conditions and is subject to change in light of our actual business operations.

2026 INTERIM DIVIDEND

(I) Distributable Profits

For the first half of 2026, the Company recorded a net profit attributable to shareholders of the listed company of RMB576,812,673.00, while the parent company realised a net profit of RMB438,136,902.40. Pursuant to the relevant provisions of the Articles of Association of Lens Technology Co., Ltd., based on the net profit realised by the parent company for the current period plus the opening undistributed profit of RMB16,235,898,651.13, plus retained earnings transferred from other comprehensive income of RMB8,158,783.90, and deducting the 2025 cash dividend (i.e., profit already distributed in the first half of the year) of RMB2,367,732,122.10, the actual distributable profit available to the Shareholders as of 30 June 2026 amounted to RMB14,314,462,215.33.

(II) Profit Distribution Plan

The Company proposes to distribute interim profits for 2026 based on the total share capital registered on the record date of the profit distribution, less the treasury shares held in the designated repurchase account. A cash dividend (the "**2026 Interim Dividend**") of RMB1.00 (tax inclusive) for every 10 shares will be paid to all Shareholders (including holders of the A shares of the Company (the "**A Shareholders**") and holders of the H Shares (the "**H Shareholders**")). No bonus shares will be issued, and no share capital will be increased by conversion of capital reserve. Based on the share base as at 21 August 2026, the total number of shares entitled to distribution is expected to be 5,261,626,938 shares, representing a total cash dividend of RMB526,162,693.80, which accounts for 91.22% of the Company's unaudited net profit for the first half of 2026. As the source of the Class I restricted shares under the initial grant of the Company's 2026 A-share Restricted Stock Incentive Scheme is the Company's A-share ordinary treasury shares repurchased from the secondary market, and the transfer-of-ownership registration in respect of such grant has not yet been completed, there remains uncertainty over the share base for profit distribution. Accordingly, the total distribution amount shall be subject to the final implementation results of this profit distribution. If, during the period from the disclosure to the implementation of this profit distribution plan, changes occur in the Company's total share capital or the share base for this distribution arising from the registration of granted restricted shares or other events, the total distribution amount will be adjusted accordingly on the principle that the distribution ratio remains unchanged.

The 2026 interim cash dividend will be declared and denominated in RMB. Payment will be made in RMB to the A Shareholders and in HKD to the H Shareholders. The actual HKD amount payable will be calculated based on the average benchmark exchange rate for RMB to HKD (i.e. RMB0.86507 to HK$1.00) published by the People's Bank of China over the five working days immediately preceding the date of the Board meeting (i.e. 21 August 2026). Therefore, the interim dividend for every 10 H Shares is HK$1.15598 (tax inclusive).

Reference is made to the Company's announcement dated 8 May 2026, in relation to, among other matters, the resolution passed at the 2025 annual general meeting of the Company authorising the Board to determine the 2026 interim profit distribution plan. Pursuant to the authorisation granted by the 2025 annual general meeting of the Company, such profit distribution proposal is not subject to consideration and approval at the general meeting of the Company. The Company will implement this profit distribution plan within two months after obtaining the approval from the Board. The cash dividend is expected to be paid to Shareholders on or before Tuesday, 20 October 2026.

(III) Closure of Register of Members of H Shares for the 2026 Interim Dividend Distribution

For determining the entitlement to the 2026 Interim Dividend, the register of members of the H Shares will be closed from Tuesday, 15 September 2026 to Friday, 18 September 2026, both days inclusive, during which period no transfer of H Shares will be registered. The record date (the "**Record Date**") for determining the entitlement of the H Shareholders to the 2026 Interim Dividend will be Friday, 18 September 2026. In order to qualify for entitlement to the 2026 Interim Dividend, the H Shareholders whose transfers of H Shares have not been registered shall lodge the transfer instruments together with the relevant share certificates 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, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 14 September 2026. The Company will withhold and pay relevant income tax strictly in accordance with the relevant laws or requirements of the relevant government departments and strictly based on the register of members of H Shares on the Record Date. The Company assumes no liability whatsoever in respect of and will not entertain any claims arising from any delay in, or inaccurate determination of, the status of the Shareholders or any disputes over the mechanism of withholding payment of relevant income tax.

(IV) Tax on Dividend

Withholding and Payment of Corporate Income Tax for Non-Resident Enterprise Shareholders

According to the Corporate Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and the relevant implementing rules which came into effect on 1 January 2008, the Company is required to withhold and pay corporate income tax at the rate of 10% before distributing dividends to non-resident enterprise Shareholders whose names appear on the register of H Shareholders on the Record Date. Any H Shares registered in the name of non-individual H Shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations will be treated as being held by non-resident enterprise Shareholders and therefore the dividends will be subject to the withholding and payment of corporate income tax. Should any H Shareholders wish to change its Shareholder status, please consult your agent or trust institution over the relevant procedure. The Company will withhold and pay the corporate income tax strictly in accordance with the relevant laws or requirements of the relevant governmental departments and strictly based on what has been registered on the Company's register of H Shareholders on the Record Date.

Withholding and Payment of Individual Income Tax for Individual Foreign Shareholders

According to the regulation promulgated by the State Administration of Taxation of the People's Republic of China (Guo Shui Han No. [2011]348) (中華人民共和國稅務總局國稅函[2011]348號), the Company is required to withhold and pay the individual income tax for its individual H Shareholders (the "**Individual H Shareholder(s)**") and the Individual H Shareholders are entitled to the relevant tax preferential treatments according to the tax agreements between those countries where the Individual H Shareholders are residents and the PRC and the provisions in respect of tax arrangements between Chinese Mainland and Hong Kong (Macau). The Company would withhold and pay the individual income tax at the tax rate of 10% on behalf of the Individual H Shareholders who are Hong Kong residents, Macau residents or residents of those countries having agreements with the PRC for individual income tax rate in respect of dividends of 10%. For Individual H Shareholders who are residents of those countries having agreements with the PRC for individual income tax rates lower than 10% in respect of a dividend, the Company would make applications on their behalf to seek entitlement of the relevant agreed preferential treatments under Measures for the Administration of Non-Resident Taxpayers' Enjoyment of the Treatment under Tax Agreements (Announcement No. 35 of the State Taxation Administration (2019)) (《非居民納稅人享受稅收協議待遇管理辦法》(國家稅務總局公告2019年第35號)) if such Shareholders claim refund of the amount in excess of the individual income tax payable under the tax agreements, provided that the relevant Shareholders shall submit the relevant documents and data in accordance with the requirements of the relevant tax agreements in a timely manner and provide supplemental information on their entitlements of treatments under the relevant agreements. The Company would assist with the refund of the amount paid in excess of the tax payable under the tax agreements subject to approval of the competent tax authority. For Individual H Shareholders who are residents of those countries having agreements with the PRC for individual income tax rates in respect of a dividend higher than 10% but lower than 20%, the Company would withhold the individual income tax at the agreed effective tax rate. For Individual H Shareholders who are residents of those countries without any taxation agreements with the PRC or having agreements with the PRC for individual income tax in respect of a dividend of 20% and other circumstances, the Company would withhold and pay the individual income tax at the tax rate of 20%.

The Company will determine the country of domicile of an Individual H Shareholder based on the registered address as recorded in the register of members of the Company and will accordingly withhold and pay the individual income tax. The Company shall not entertain any claims or be held liable for any disputes arising from the late determination or inaccuracy of the status of the Shareholders in relation to the withholding and payment of tax.

Profit Distribution to Investors of Northbound Trading

For investors through Hong Kong Stock Exchange (including enterprises and individuals) investing in the A shares of the Company (the "**A Shares**") listed on the Shenzhen Stock Exchange (the "**Northbound Trading**"), their dividends will be distributed in RMB by the Company through the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for the withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of tax residency is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the tax authorities, the amount paid in excess of the tax payable under the applicable tax treaty rate will be refunded to those enterprises and individuals by the tax authorities. The record date and the date of distribution of cash dividends for the investors of Northbound Trading will be the same as those for the A Shareholders.

Profit Distribution to Investors of Southbound Trading

For investors of the Shanghai Stock Exchange (including enterprises and individuals) and the Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares which are listed on the Hong Kong Stock Exchange ("**Southbound Trading**"), the Company has entered into the Agreement on Distribution of Cash Dividends of H Shares for Southbound Trading (港股通H股股票現金紅利派發協議) with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited and the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited respectively, pursuant to which, the Shanghai Branch of China Securities Depository and Clearing Corporation Limited and the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominees of the holders of H Shares for Southbound Trading, will receive all cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depositary and clearing system. The cash dividends for the investors of H Shares of Southbound Trading will be paid in RMB. Pursuant to the relevant requirements under the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》) and Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui No. [2016]127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2016]127號)》), for dividends received by domestic individual investors from investing in H Shares through Southbound Trading, the Company shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in H Shares through Southbound Trading, the tax payable shall be the same as that for individual investors. The Company will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves. The record date and the date of distribution of dividends and other arrangements for the investors of Southbound Trading will be the same as those for the H Shareholders.

All investors are requested to read this announcement carefully. Shareholders should seek advice from their tax advisors regarding the PRC, Hong Kong and other tax implications for their holding and disposal of the H Shares.

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

(I) Repurchase of Shares through Centralised Competitive Bidding

During the Reporting Period, pursuant to the share repurchase plan approved by the Board on 7 April 2025, the Company continued to repurchase a portion of RMB ordinary shares (A shares) issued by the Company through centralised competitive bidding. As at 7 April 2026, the Company had cumulatively repurchased 17,113,932 A Shares via the designated securities account for share repurchases by way of centralised competitive bidding, representing 0.34% of the Company's total A Share share capital for the time being. The highest transaction price was RMB34.10 per share and the lowest transaction price was RMB22.50 per share. The total transaction amount was RMB500,041,915.95 (including transaction fees). This share repurchase plan has been fully completed.

(II) Cancellation of Restricted Shares Repurchased

The Company completed the cancellation of 5,586,721 repurchased A Shares on 11 February 2026, representing 0.11% of the Company's total A Share share capital prior to such cancellation. Following completion of this cancellation, the Company's total A Share capital changed from 4,982,732,391 shares to 4,977,145,670 shares.

The repurchased shares cancelled comprised the remaining 5,586,721 repurchased shares under the Company's 2021 share repurchase plan. Such shares were originally intended for implementation of employee share schemes or equity incentive schemes. Their intended use has been altered to reduction of the Company's registered capital, and the shares have been cancelled. The relevant resolution was reviewed and approved by the Company at its 2026 First Extraordinary General Meeting held on 29 January 2026.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including treasury shares) during the Reporting Period.

PUBLICATION OF THE 2026 INTERIM RESULTS AND H SHARE INTERIM REPORT

This 2026 interim results announcement is available on the HKExnews website at www.hkexnews.hk and on the website of the Company at www.hnlens.com. The H share interim report of the Company for the six months ended 30 June 2026 will be available on the aforesaid websites in due course for perusal and will be despatched in due course to Shareholders who have indicated that they wish to receive a printed copy.

By order of the Board
Lens Technology Co., Ltd.
Chau Kwan Fei
Chairman of the Board

Hong Kong, 21 August 2026

As of the date of this announcement, the Board comprises: (i) Ms. Chau Kwan Fei, Mr. Cheng Chun Lung and Mr. Rao Qiaobing as executive Directors; and (ii) Ms. Wan Wei, Mr. Liu Yue, Mr. Tian Hong and Mr. Tang Xiangxi as independent non-executive Directors.