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**iMotion Automotive Technology (Suzhou) Co., Ltd.**

**知行汽車科技(蘇州)股份有限公司**

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

**(Stock Code: 1274)**

## **COMPLETION OF PLACING OF NEW H SHARES UNDER GENERAL MANDATE**

**Overall Coordinators and Placing Agents in respect of the Placing**



## COMPLETION OF THE PLACING

Reference is made to the announcement of iMotion Automotive Technology (Suzhou) Co., Ltd. (the “**Company**”) dated July 13, 2025 in respect of, among others, the Placing (the “**Announcement**”). Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

The Board is pleased to announce that all the conditions set out in the Placing Agreement have been fulfilled and the completion of the Placing took place on July 21, 2025.

An aggregate of 15,495,000 Placing Shares, representing approximately 6.02% of the total number of Shares in issue as enlarged by the allotment and issue of the Placing Shares, have been successfully placed by the Placing Agents to not less than six Placees at the Placing Price of HK\$15.22 per Placing Share pursuant to the terms and conditions of the Placing Agreement. To the best of the Directors’ knowledge, information and belief, (i) the Placees, together with their respective ultimate beneficial owners, are Independent Third Parties; and (ii) none of the Placees has become a substantial shareholder of the Company immediately after the completion of the Placing.

## EFFECT OF THE PLACING ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before and after the completion of the Placing is as follows:

Shareholders	Immediately before the completion of the Placing		Immediately after the completion of the Placing	
	No. of Shares	Approximate	No. of Shares	Approximate
		% <sup>(1)</sup> (Note)		% <sup>(1)</sup> (Note)
Mr. SONG Yang <sup>(2)</sup>	73,282,020	30.29	73,282,020	28.47
Placees <sup>(3)</sup>	–	–	15,495,000	6.02
Other Shareholders	168,665,520	69.71	168,665,520	65.52
<b>Total</b>	<b>241,947,540</b>	<b>100.00</b>	<b>257,442,540</b>	<b>100.00</b>

Notes:

(1) The percentages may not add up to total due to rounding.

(2) Immediately before the completion of the Placing, Mr. SONG Yang, directly and indirectly (through Suzhou Lanchi Management Consulting Partnership (L.P.) (蘇州藍馳管理諮詢企業(有限合夥)) (“**Lanchi Platform**”), Suzhou Zichi Management Consulting Partnership (L.P.) (蘇州紫馳管理諮詢合夥企業(有限合夥)) (“**Zichi Platform**”), Suzhou Hongchi Management Consulting Partnership (L.P.) (蘇州紅馳管理諮詢合夥企業(有限合夥)) (“**Suzhou Hongchi**”) and Suzhou Luchi Management Consulting Partnership (L.P.) (蘇州綠馳管理諮詢合夥企業(有限合夥)) (“**Suzhou Luchi**”), was entitled to exercise the voting rights attaching to approximately 30.29% of the issued share capital of the Company. Accordingly, Mr. SONG Yang, Lanchi Platform, Zichi Platform, Suzhou Hongchi and Suzhou Luchi collectively constituted a group of controlling shareholders (having the meaning ascribed thereto under the Listing Rules) of the Company immediately before the completion of the Placing.

As at the date of this announcement, Mr. SONG Yang, Lanchi Platform, Zichi Platform, Suzhou Hongchi and Suzhou Luchi collectively held 28.47% of the issued share capital of the Company and ceased to be a group of controlling shareholders of the Company.

## USE OF PROCEEDS

The net proceeds from the Placing (after deducting all fees, costs and expenses incurred by the Company in connection with the Placing including the commission and levies) amount to approximately HK\$230.7 million.

The following table set forth the Company's intended use and planned timetable of the use of the net proceeds from the Placing.

<b>Intended use of proceeds from the Placing</b>	<b>Approximate percentage and allocation of the total net proceeds from the Placing</b>	<b>Expected time to utilize the net proceeds from the Placing in full</b>
Enhancing R&D of the advanced intelligent driving and automated driving and cockpit integrated solutions and products	50%, or approximately HK\$115.4 million	December 2025
Capital expenditure in relation to enhancing the R&D and manufacturing facilities	10%, or approximately HK\$23.1 million	September 2025
R&D, mergers and acquisitions of the Company's robotics business	15%, or approximately HK\$34.6 million	February 2026
Working capital and general corporate purposes	25%, or approximately HK\$57.7 million	December 2025

## REASONS FOR AND BENEFITS OF THE PLACING

As of June 30, 2025, the net proceeds from the 2024 Placing have been almost fully utilized, except those allocated for expanding the overseas sales and service network, and over half of the net proceeds from the 2025 First Placing have also been used. The Group established two joint ventures with Delloyd Technology Berhad to expand its market presence and manufacturing capabilities in Southeast Asia in May 2025 and the proceeds from the 2024 Placing and the 2025 First Placing allocated for expanding the overseas sales and service network will partly be used to scale their operations and seize regional growth opportunities.

Since the 2025 First Placing, the Group has made meaningful progress in the R&D and commercialization of advanced intelligent driving and cockpit integration technologies, achieving several important milestones. These include: in April 2025, the launch of the first mainstream domestic vehicle model equipped with the Company's iDC 500 integrated driving-parking domain controller, representing one of the few high-level intelligent driving solutions to achieve mass production on a medium computing power platform; in May 2025, the Company was selected by a leading independent brand to supply ADAS solutions based on Horizon Robotics' Journey® 6M chip, demonstrating strong customer recognition of the Group's full-stack development capabilities; and in June 2025, the Company was selected to supply intelligent front cameras (iFC) for nine commercial vehicle models using the Journey® 3 chip, with mass production expected to begin in 2026.

These achievements reflect the success of the Group's prior technology roadmap and investment strategy. However, as the industry evolves rapidly, new technical challenges and capability gaps have emerged, particularly in the context of long-tail scenarios, model interpretability, and human-machine collaboration, which the current generation of E2E (End-to-End) models cannot fully address. The Group's existing BEV Transformer-based E2E model, deployed on the iDC500 platform, significantly enhances autonomous driving performance by functioning as a Vision-to-Action (VA) system. Nevertheless, its limitations, such as susceptibility to rare or unseen scenarios, restricted explainability, and weak natural interaction, highlight the need for a technical paradigm shift.

In response, the Group has identified Vision Language Models (VLMs) and Vision Language Action (VLA) large models as the next critical direction for R&D. VLMs unify visual perception and natural language reasoning in a shared embedding space, allowing for better generalization when encountering unfamiliar objects, environments, or driving rules. VLA models go a step further by integrating sensor data, high-level language commands, and low-level control actions into a unified control policy, laying the foundation for safer, more general-purpose, and human-aligned autonomous systems. Although the Group continuously monitors the development of cutting-edge technologies, the decision to invest heavily in the VLM and VLA technology was only made after 2025 First Placing and accordingly, the earlier funding was not allocated toward the development of VLM/VLA capabilities, which now represent a strategic priority. To support this new direction, significant additional investment is required in both algorithm-level R&D and product development: on the algorithm side, the Group is accelerating investment in VLM/VLA technologies, focusing on acquiring top-tier AI talent, expanding computing infrastructure, and building critical datasets (e.g., world models); and on the product side, the Group has, since 2024, strategically pivoted towards domestic chip platforms. Mass production has commenced for several products based on Horizon Robotics' Journey<sup>®</sup> 3 series, and in 2025 the Group has intensified development of medium-computing-power and high-computing-power platforms based on the Journey<sup>®</sup> 6 series, which are essential to support the deployment of VLM/VLA models.

The proceeds from the 2025 First Placing allocated to capital expenditure for enhancing R&D and manufacturing facilities were primarily utilized for the intelligent upgrading of the production plants and the establishment of advanced laboratory infrastructure, which commenced in February 2025 and is expected to be completed by the end of September 2025. In contrast, the proceeds from this Placing earmarked for similar purposes are intended to be invested in the construction of a dedicated production line for products based on the Journey<sup>®</sup> 6P chip which commenced in May 2025 and is expected to be completed by the end of September 2025, as well as the addition of a new surface-mount technology (SMT) production line to accommodate the expected increase in production capacity in the second half of this year which is scheduled to commence from late July 2025 and complete by the end of September 2025.

The Group is also actively expanding into the robotics sector, leveraging shared core technologies with autonomous driving to improve efficiency and reduce cross-disciplinary R&D costs. In March 2025, the Group established iMotion Robotics (Suzhou) Co., Ltd. (艾摩星機器人(蘇州)有限公司) as a wholly-owned subsidiary dedicated to the robotics business and, in May 2025, the Group agreed to acquire a controlling stake in Suzhou Artiarm Robotics Co., Ltd. (蘇州小工匠機器人有限公司), a high-tech enterprise specializing in robotic arms and intelligent joints. The development of the robotics business is capital-intensive and requires continuous investment to support productization, talent acquisition, and ecosystem construction.

Furthermore, the current investor interest and favorable market conditions allow the Company to secure financing on competitive terms and improve capital efficiency, thereby reducing potential risks from future capital markets, volatility, and regulatory uncertainties, which is beneficial for the Group's sustainable development.

Given these strategic initiatives, the Company seeks to raise funds to support its ongoing innovation, market expansion, and technological advancements, ensuring a sustained competitive edge in this rapidly evolving industry.

By order of the Board  
**iMotion Automotive Technology (Suzhou) Co., Ltd.**  
**SONG Yang**  
*Chairman of the Board and Executive Director*

Hong Kong, July 21, 2025

*As of the date of this announcement, the Board comprises Mr. SONG Yang as chairman of the Board and executive Director; Mr. LU Yukun, Mr. LI Shuangjiang, Ms. JIANG Jingfang and Ms. LIU Fang as executive Directors; and Dr. ZHANG Weigong, Mr. LIU Yong and Ms. XUE, Rui Shirley as independent non-executive Directors.*