ESTUN AUTOMATION CO., LTD
南京埃斯頓自動化股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2715)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2026

FINANCIAL HIGHLIGHTS

- For the six months ended June 30, 2026, the Group's revenue amounted to RMB2,577.51 million (six months ended June 30, 2025: revenue of RMB2,548.58 million), representing an increase of approximately 1.14%.

- For the six months ended June 30, 2026, the Group's gross profit was RMB800.75 million (six months ended June 30, 2025: gross profit of RMB711.74 million), representing an increase of approximately 12.51%.

- For the six months ended June 30, 2026, the Group's gross profit margin was 31.07% (gross profit margin for the six months ended June 30, 2025: 27.93%), representing an increase of approximately 3.14 percentage points.

- For the six months ended June 30, 2026, the Group's profit attributable to equity shareholders of the Company amounted to RMB161.33 million (six months ended June 30, 2025: net profit attributable to equity shareholders of the Company of RMB3.05 million), representing an increase of approximately 52 times as compared with the same period in 2025.

- For the six months ended June 30, 2026, the Group recorded net cash inflow from operating activities of RMB40.26 million (six months ended June 30, 2025: net cash outflow from operating activities of RMB119.48 million).

- For the six months ended June 30, 2026, the Group's EBITDA and adjusted EBITDA[Note] amounted to RMB362.34 million and RMB381.18 million, respectively (six months ended June 30, 2025: RMB204.39 million and RMB210.27 million, respectively).

Note: EBITDA (non-IFRS measure) is defined as profit or loss before taxation adjusted by adding back (i) finance costs, and (ii) depreciation and amortization, and deducting interest income from bank deposits. Adjusted EBITDA (non-IFRS measure) is defined as EBITDA adjusted by adding back (i) equity-settled share-based payment expenses, (ii) impairment loss on intangible assets and goodwill, and (iii) listing expenses.

The Board hereby announces the unaudited condensed consolidated results of the Group for the six months ended June 30, 2026 together with the comparative figures for the same period in 2025 as follows:

UNAUDITED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended June 30, 2026

	Note	**Six months ended 30 June** **2026** ***RMB'000*** **(unaudited)**	2025 *RMB'000* (unaudited)
Revenue	*4*	**2,577,507**	2,548,577
Cost of sales		**(1,776,761)**	(1,836,834)
Gross profit		**800,746**	**711,743**
Other net income	*5*	**130,183**	44,493
Selling expenses		**(200,074)**	(213,904)
Administrative expenses		**(214,458)**	(214,512)
Research and development expenses		**(219,365)**	(213,713)
Impairment loss on trade receivables and contract assets		**(27,561)**	(202)
Impairment loss on intangible assets		**(5,357)**	–
Profit from operations		**264,114**	**113,905**
Finance costs	*6(a)*	**(67,187)**	(83,838)
Share of profits less losses of associates		**(618)**	(2,678)
Profit before taxation		**196,309**	**27,389**
Income tax	*7*	**(37,333)**	(18,389)
Profit for the period		**158,976**	**9,000**
Attributable to:			
Equity shareholders of the Company		**161,326**	3,050
Non-controlling interests		**(2,350)**	5,950
Profit for the period		**158,976**	**9,000**
Earnings per share			
Basic (RMB)		**0.18**	-*
Diluted (RMB)	*8*	**0.18**	-*

* The amount is less than 0.01.

UNAUDITED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Profit for the period	**158,976**	9,000
Other comprehensive income for the period (after tax and reclassification adjustments)		
Item that will not be reclassified to profit or loss:		
Equity investments at fair value through other comprehensive income (FVOCI) - net movement in fair value reserves (non-recycling)	**–**	(16,166)
Items that are or may be reclassified subsequently to profit or loss:		
Remeasurement of net defined benefit plan obligations of overseas entities	**628**	(10,282)
Exchange differences on translation of financial statements of overseas entities	**(106,411)**	169,268
Other comprehensive income for the period	**(105,783)**	142,820
Total comprehensive income for the period	**53,193**	**151,820**
Attributable to:		
Equity shareholders of the Company	**55,543**	145,870
Non-controlling interests	**(2,350)**	5,950
Total comprehensive income for the period	**53,193**	**151,820**

UNAUDITED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At June 30, 2026

	Note	**As at 30 June 2026** ***RMB'000*** **(unaudited)**	As at 31 December 2025 *RMB'000*
Non-current assets			
Property, plant and equipment	*9*	**1,559,752**	1,594,866
Investment property		**51,931**	52,525
Right-of-use assets		**251,989**	256,298
Intangible assets		**494,026**	498,395
Goodwill	*10*	**975,202**	1,030,155
Interests in associates		**39,698**	41,187
Financial assets measured at FVOCI	*11*	**172,571**	172,571
Financial assets measured at fair value through profit or loss ("FVPL")	*12*	**345,537**	241,984
Trade and other receivables	*14*	**37,677**	37,812
Deferred tax assets		**166,220**	165,479
		4,094,603	4,091,272
Current assets			
Inventories	*13*	**1,278,894**	1,477,632
Contract assets		**207,469**	206,879
Trade and other receivables	*14*	**2,674,005**	2,623,364
Income tax recoverable		**37,886**	40,083
Financial assets measured at FVPL	*12*	**371,494**	82,129
Restricted bank deposits	*15*	**10,313**	19,211
Cash and cash equivalents	*15*	**1,813,535**	876,390
		6,393,596	5,325,688
Current liabilities			
Trade and other payables	*16*	**2,402,065**	2,544,941
Contract liabilities	*17*	**399,654**	586,305
Bank loans and other borrowings	*18*	**2,152,682**	2,044,440
Lease liabilities		**17,261**	17,129
Income tax payable		**11,400**	14,603
		4,983,062	5,207,418
Net current assets		**1,410,534**	118,270
Total assets less current liabilities		**5,505,137**	4,209,542

UNAUDITED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At June 30, 2026

	Note	**As at 30 June 2026** *RMB'000* **(unaudited)**	As at 31 December 2025 *RMB'000*
Non-current liabilities			
Bank loans and other borrowings	*18*	**1,634,572**	1,680,011
Lease liabilities		**71,576**	72,457
Defined benefit plan obligations		**207,086**	219,605
Deferred income		**126,127**	100,573
Provisions		**34,769**	40,170
Deferred tax liabilities		**95,699**	75,577
Other non-current liabilities		**2,142**	2,271
		2,171,971	2,190,664
Net assets		**3,333,166**	2,018,878
Capital and reserves			
Share capital	*19(b)*	**967,798**	871,018
Reserves		**2,309,775**	1,090,315
Total equity attributable to equity shareholders of the Company		**3,277,573**	1,961,333
Non-controlling interests		**55,593**	57,545
Total equity		**3,333,166**	2,018,878

UNAUDITED INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended June 30, 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Operating activities		
Cash generated from/(used in) operations	**61,659**	(104,169)
Income tax paid	**(21,399)**	(15,312)
Net cash generated from/(used in) operating activities	**40,260**	(119,481)
Investing activities		
Payment for purchase of property, plant and equipment, intangible assets and right-of-use assets	**(62,070)**	(138,710)
Payment for development costs	**(30,821)**	(23,801)
Proceeds from disposal of property, plant and equipment	**1,359**	1,130
Net proceeds from disposal of interests in subsidiaries	**31,780**	25,057
Net proceeds from disposal of interests in associates	**730**	10,940
Payment for acquisition of interests in associates	**(1,200)**	–
Payment for purchase of financial assets measured at FVOCI	**–**	(6,500)
Payment for purchase of wealth management products	**(584,447)**	(1,288,980)
Proceeds from redemption of wealth management products	**291,000**	1,311,298
Interest received	**5,157**	6,762
Dividends received from financial assets measured at FVPL	**–**	5,428
Dividends received from associates	**–**	420
Net cash used in investing activities	**(348,512)**	(96,956)

UNAUDITED INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

For the six months ended June 30, 2026

	Note	Six months ended 30 June **2026** ***RMB'000*** **(unaudited)**	 2025 *RMB'000* (unaudited)
Financing activities			
Proceeds from bank loans		**1,230,013**	1,872,458
Repayment of bank loans		**(1,172,500)**	(1,442,534)
Interest paid for bank loans		**(48,899)**	(62,249)
Payment for capital element of lease liabilities		**(12,628)**	(8,542)
Payment for interest element of lease liabilities		**(2,210)**	(2,889)
Contribution from non-controlling shareholders of subsidiaries		**1,000**	450
Proceeds from issuance of ordinary shares through initial public offering, net of issuance costs		**1,271,251**	–
Payment for repurchase of restricted shares units		**(1,027)**	–
Payment for purchase of non-controlling interests in subsidiaries		**(100)**	–
Net cash generated from financing activities		**1,264,900**	356,694
Net increase in cash and cash equivalents		**956,648**	140,257
Cash and cash equivalents at the beginning of the period		**876,390**	1,181,104
Effect of foreign exchange rate changes		**(19,503)**	36,371
Cash and cash equivalents at the end of the period	*15*	**1,813,535**	1,357,732

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

1 GENERAL INFORMATION

ESTUN AUTOMATION CO., LTD (the "Company") was established in Nanjing, Jiangsu Province, the People's Republic of China (the "PRC") on 26 February 2002 as a limited liability company. The Company was converted from a limited liability company Nanjing Estun Digital Technology Co., Ltd. (南京埃斯頓數字技術有限公司) into a joint stock limited liability company ESTUN AUTOMATION CO., LTD (南京埃斯頓自動化股份有限公司) under the PRC Company Law on 5 July 2011. The Company's A shares have been listed on the Shenzhen Stock Exchange under the stock code 002747 since 20 March 2015, and the Company's H shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited under the stock code 2715 since 9 March 2026.

The principal activities of the Company and its subsidiaries (together referred to as the "Group") are the manufacturing and sale of industrial robots, intelligent manufacturing systems, core automation components and motion control systems.

2 BASIS OF PREPARATION

This unaudited interim financial information was extracted from the interim financial report of the Group for the six months ended 30 June 2026.

This interim financial information has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("IAS") 34, *Interim financial reporting*, issued by the International Accounting Standards Board ("IASB"). It was authorised for issue on 21 August 2026.

The interim financial information has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

The preparation of an interim financial information in conformity with IAS 34 requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

This interim financial information contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and the accompanying notes do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial information is unaudited but has been reviewed by the Company's Audit Committee.

3 CHANGES IN ACCOUNTING POLICIES

The IASB has issued a number of amendments to IFRS Accounting Standards that are first effective for the current accounting period. None of these developments have had a material effect on these financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are mainly engaged in the manufacturing of core automation components, motion control systems, industrial robots and intelligent manufacturing systems.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	Six months ended 30 June	
	2026	*2025*
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products or service lines		
– Industrial robots and intelligent manufacturing systems	**2,136,885**	2,090,493
– Core automation components and motion control systems	**437,504**	456,419
Revenue from other sources		
– Rental income from operating leases	**3,118**	1,665
	2,577,507	2,548,577

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	Six months ended 30 June	
	2026	*2025*
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Over time	**299,222**	292,961
Point in time	**2,275,167**	2,253,951
	2,574,389	2,546,912

Disaggregation of revenue from contracts with customers by geographic markets is disclosed in Note 4(b).

The Group's customer base is diversified and includes one customer with whom transactions have exceeded 10% of the Group's revenues for the six months ended 30 June 2026 (six months ended 30 June 2025: two). During the six months ended 30 June 2026, revenues from sales of products to the customer, including sales to entities which are known to the Group to be under common control with this customer, amounted to approximately RMB285,700,000.

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The Group has applied the practical expedient in paragraph 121(a) of IFRS 15 to its sales contracts for goods such that information about revenue expected to be recognised in the future is not disclosed in respect of revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sales of goods that had an expected duration of one year or less.

(b) Segment reporting

Operating segments are identified on the basis of internal reports that the Group's most senior executive management reviews regularly in allocating resources to segments and in assessing their performances.

The Group's most senior executive management makes resources allocation decisions based on internal management functions and assess the Group's business performance as one integrated business instead of by separate business lines or geographical regions. Accordingly, the Group has only one operating segment and therefore, no segment information is presented.

(i) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers; and (ii) the Group's property, plant and equipment, investment property, right-of-use assets, intangible assets, goodwill and interests in associates ("specified non-current assets"). The revenue is generated from Chinese Mainland and overseas markets, such as Europe, North America, and Asia, and the geographic location of revenue is based on the geographic location of customers. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, investment property and right-of-use assets, the location of the operation to which they are allocated, in the case of intangible assets and goodwill, and the location of operations, in the case of interests in associates.

	Six months ended 30 June	
	2026	*2025*
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Revenue by geographical region		
Overseas	**936,494**	748,807
Chinese Mainland	**1,641,013**	1,799,770
	2,577,507	2,548,577

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	
Specified non-current assets		
Overseas	**1,626,996**	1,715,336
Chinese Mainland	**1,745,602**	1,758,090
	3,372,598	3,473,426

5 OTHER NET INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Interest income from bank deposits	**4,267**	6,549
Government grants	**7,333**	12,269
Value-added tax super deduction and refund	**27,088**	15,912
Realised and unrealised (losses)/gains on wealth management products	**(3,192)**	8,630
Realised and unrealised gains on other financial assets measured at FVPL	**103,552**	12,878
Net losses on disposal of property, plant and equipment	**(507)**	(1,359)
Net (losses)/gains on disposal of interests in associates	**(437)**	976
Net losses on disposal of subsidiaries	**–**	(3,765)
Net foreign exchange losses	**(11,501)**	(4,604)
Others	**3,580**	(2,993)
	130,183	44,493

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Interest on bank loans and other borrowings	**60,383**	77,489
Interest on lease liabilities	**2,210**	2,889
Interest on defined benefit plans	**4,594**	3,460
	67,187	83,838

(b) Staff costs

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Contributions to defined contribution retirement plans	**41,517**	40,788
Expenses recognised in respect of defined benefit plans	**5,552**	4,549
Equity-settled share-based payment expenses	**12,090**	5,226
Salaries, wages and other benefits	**560,528**	590,363
	619,687	640,926

(c) Other items

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Amortisation cost		
– intangible assets	**32,423**	31,526
– long-term deferred expenses	**3,620**	2,922
	36,043	34,448
Depreciation charge		
– property, plant and equipment	**52,886**	52,294
– right-of-use assets	**13,590**	12,973
– investment property	**593**	–
	67,069	65,267
Impairment loss on financial assets		
– trade receivables and contract assets	**27,561**	202
– other receivables	**(162)**	(221)
	27,399	(19)
Research and development expenses (i)	**219,365**	213,713
Cost of inventories (ii)	**1,776,761**	1,836,834

Notes:

(i) Research and development expenses include staff cost, depreciation and amortisation expenses, respectively, which amounts are included in the respective total amounts disclosed separately above or in Note 6(b) for each of these types of expenses.

(ii) Cost of inventories includes staff costs, depreciation and amortisation expenses, which amounts are also included in the respective total amounts disclosed separately above or in Note 6(b) for each of these types of expenses.

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Current tax:		
Provision for the period	**20,348**	7,270
Under provision in respect of prior year	**46**	–
Deferred tax:		
Origination and reversal of temporary differences	**16,939**	11,119
	37,333	18,389

Notes:

(i) According to the Corporate Income Tax Law of China, the Group's subsidiaries in Chinese Mainland are subject to statutory income tax rate of 25%, except for those which are entitled to a preferential tax rate applicable to advanced and new technology enterprises of 15%.

(ii) Pursuant to the rules and regulations of Germany, Cloos Holding GmbH and Carl Cloos Schweißtechnik GmbH ("Carl Cloos") are subject to the German Income Tax at a rate of 28.25% at an average for the six months ended 30 June 2026 and 2025 (15.00% for corporate income tax, 0.825% for solidarity surcharge and 12.425% for trade income tax), while M.A.i GmbH & Co. KG ("M.A.i") is subject to the German Income Tax at a rate of 27.91% at an average for the six months ended 30 June 2026 and 2025 (15.00% for corporate income tax, 0.825% for solidarity surcharge and 12.08% for trade income tax).

(iii) Taxation of other subsidiaries are charged at the respective prevailing rates in the relevant countries or jurisdictions and are calculated on a stand-alone basis.

8 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB161,326,000 (six months ended 30 June 2025: RMB3,050,000) and the weighted average number of ordinary shares of 915,408,000 shares (six months ended 30 June 2025: 867,018,000 shares) in issue during the interim period, calculated as follows:

Weighted average number of ordinary shares:

	Six months ended 30 June	
	2026	2025
	'000	*'000*
	(unaudited)	(unaudited)
Issued ordinary shares at the beginning of the period	**871,018**	869,531
Effect of treasury shares	**(4,000)**	(2,513)
Effect of shares issued	**48,390**	–
Weighted average number of ordinary shares at the end of the period	**915,408**	867,018

(b) Diluted earnings per share

For the six months ended 30 June 2026, the calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB161,326,000 and the weighted average number of ordinary shares of 916,674,000 shares, calculated as follows:

	Six months ended 30 June	
	2026	2025
	'000	*'000*
	(unaudited)	(unaudited)
Weighted average number of ordinary shares at the end of the period	**915,408**	867,018
Effect of deemed issue of shares under the Company's share reward schemes	**1,116**	–
Effect of deemed issue of shares under the Company's share option scheme	**150**	–
Weighted average number of ordinary shares (diluted) at the end of the period	**916,674**	867,018

9 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired items of property, plant and equipment with a cost of RMB45,337,000 (six months ended 30 June 2025: RMB120,104,000). Items of property, plant and equipment with a net book value of RMB1,866,000 (six months ended 30 June 2025: RMB3,963,000) were disposed during the six months ended 30 June 2026, resulting in net losses on disposal of RMB507,000 (six months ended 30 June 2025: RMB1,359,000). Items of property, plant and equipment with a net book value of nil (six months ended 30 June 2025: RMB29,686,000) were disposed due to the disposal of subsidiaries by the Group during the six months ended 30 June 2026.

The Group was in the process of applying for the ownership certificates for certain buildings with an aggregate carrying value of RMB188,320,000 as at 30 June 2026 (31 December 2025: RMB236,391,000). The directors of the Company are of the opinion that the Group is entitled to legally and validly occupy and use these buildings.

10 GOODWILL

	As at 30 June 2026 ***RMB'000*** **(unaudited)**	As at 31 December 2025 *RMB'000*
Cost	**1,268,788**	1,337,691
Accumulated impairment loss	**(293,586)**	(307,536)
	975,202	1,030,155

The Group did not perform quantitative impairment test for the above goodwill as at 30 June 2026, since the Group's accounting policy is to perform impairment test annually at 31 December, or more frequently if events or changes in circumstances indicate that they might be impaired in accordance with IAS 36*, Impairment of assets*. The Group did not identify any indication that the goodwill would be impaired as at 30 June 2026.

11 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2026 ***RMB'000*** **(unaudited)**	As at 31 December 2025 *RMB'000*
Investment in unlisted equity securities	**172,571**	172,571

12 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2026 ***RMB'000*** **(unaudited)**	As at 31 December 2025 *RMB'000*
Financial assets measured at FVPL		
Non-current assets		
Investments not held for trading:		
– Listed equity securities	**148,159**	–
– Unlisted equity securities	**135,140**	179,586
– Unlisted units in investment funds	**62,238**	62,398
	345,537	241,984
Current assets		
– Wealth management products	**371,494**	82,129

13 INVENTORIES

	As at 30 June 2026 ***RMB'000*** **(unaudited)**	As at 31 December 2025 *RMB'000*
Raw materials	**406,896**	418,130
Work in progress	**316,877**	389,416
Finished goods	**372,134**	398,495
Goods in transit	**549**	5,370
Goods delivered to customers	**56,963**	52,558
	1,153,419	1,263,969
Contract costs	**240,636**	339,744
Write-down of inventories	**(115,161)**	(126,081)
	1,278,894	1,477,632

14 TRADE AND OTHER RECEIVABLES

	As at 30 June 2026 *RMB'000* **(unaudited)**	As at 31 December 2025 *RMB'000*
Current assets		
Trade receivables		
– Third parties	**2,260,633**	1,953,551
– Related parties	**94,364**	83,149
Bills receivable	**26,611**	26,631
Less: loss allowance	**(154,375)**	(131,188)
Net trade and bill receivables measured at amortised cost	**2,227,233**	1,932,143
Bills receivable, measured at FVOCI	**249,125**	453,991
Amounts due from related parties	**1,979**	1,825
Value-added tax recoverable	**43,544**	47,138
Prepayments	**65,304**	45,774
Listing expenses to be capitalised	**–**	23,145
Receivables arising from disposal of interests in subsidiaries and associates	**40,828**	74,278
Other receivables	**45,992**	45,070
	2,674,005	2,623,364
Non-current assets		
Receivables arising from disposal of interests in an associate	**26,880**	24,480
Long-term deferred expenses	**1,980**	3,885
Prepayments for purchase of property, plant and equipment and intangible assets	**8,817**	9,447
	37,677	37,812

All of the current portion of trade and other receivables are expected to be recovered or recognised as expense within one year.

Ageing analysis:

As at the end of the reporting period, the ageing analysis of trade receivables and bills receivable, based on the revenue recognition date, is as follows:

	As at 30 June 2026 ***RMB'000*** **(unaudited)**	As at 31 December 2025 *RMB'000*
Within 1 year	**1,955,277**	2,194,725
More than 1 year but within 2 years	**269,490**	173,214
More than 2 years but within 3 years	**90,573**	113,818
More than 3 years	**66,268**	35,565
Less: loss allowance	**(154,375)**	(131,188)
	2,227,233	2,386,134

15 CASH AND CASH EQUIVALENTS

	As at 30 June 2026 ***RMB'000*** **(unaudited)**	As at 31 December 2025 *RMB'000*
Cash at bank	**1,823,848**	895,601
Less: restricted bank deposits (Note)	**(10,313)**	(19,211)
Cash and cash equivalents in the consolidated statement of financial position and the consolidated cash flow statement	**1,813,535**	876,390

Note: Restricted bank deposits were mainly pledged to secure issuance of letters of credit and letters of guarantee related to our business operations.

16 TRADE AND OTHER PAYABLES

	As at 30 June 2026 ***RMB'000*** **(unaudited)**	As at 31 December 2025 *RMB'000*
Trade payables	**1,637,414**	1,730,341
Bills payable	**368,077**	404,797
Accrued payrolls	**89,222**	86,554
Payables for property, plant and equipment	**90,092**	96,511
Other tax payables	**44,179**	50,145
Other payables and accruals	**173,081**	176,593
	2,402,065	2,544,941

All trade and other payables are expected to be settled within one year or are repayable on demand.

As at the end of the reporting period, the ageing analysis of trade payables and bills payable based on the invoice date, is as follows:

	As at 30 June 2026 *RMB'000* **(unaudited)**	As at 31 December 2025 *RMB'000*
Within 1 year	**1,971,894**	2,061,550
Over 1 year but within 2 years	**20,771**	64,044
Over 2 years but within 3 years	**8,475**	7,320
Over 3 years	**4,351**	2,224
	2,005,491	2,135,138

17 CONTRACT LIABILITIES

	As at 30 June 2026 *RMB'000* **(unaudited)**	As at 31 December 2025 *RMB'000*
Balance at the beginning of the period/year	**586,305**	505,014
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the period/year	**(542,065)**	(497,598)
Increase in contract liabilities as a result of receiving advance payments during the period/year	**355,414**	578,889
Balance at the end of the period/year	**399,654**	586,305

18 BANK LOANS AND OTHER BORROWINGS

(a) The analysis of the carrying amount of bank loans and other borrowings is as follows:

	As at 30 June 2026 *RMB'000* (unaudited)	As at 31 December 2025 *RMB'000*
Current liabilities:		
– Short-term bank loans	**972,881**	946,073
– Current portion of long-term bank loans	**1,179,801**	1,098,367
	2,152,682	2,044,440
Non-current liabilities		
– Non-current portion of long-term bank loans	**1,158,063**	1,215,952
– Redemption liabilities (Note)	**476,509**	464,059
	1,634,572	1,680,011

Note: On 28 December 2023 and 19 April 2024, the Company's subsidiary Estun Intelligent (Jiangsu) entered into share purchase agreements with external investors and the Company, pursuant to which Estun Intelligent (Jiangsu) issued shares with redemption rights, liquidation preference and anti-dilution rights to the external investors for a total cash consideration of RMB380,000,000 and RMB35,000,000 respectively. The issued shares shall be redeemable by the Company if the trigger event stipulated in the agreements does not occur before 30 September 2027, at a price equal to the higher amount of 1) the original consideration plus a simple interest of 6% per annum or 2) the fair value of relevant equity interests in Estun Intelligent (Jiangsu).

In accordance with the Group's accounting policy, the issued shares are initially recognised at fair value and subsequently measured at amortised cost, bearing an interest of 6% per annum.

(b) The analysis of the repayment schedule of bank loans and other borrowings is as follows:

	As at 30 June 2026 *RMB'000* (unaudited)	As at 31 December 2025 *RMB'000*
Within 1 year or on demand	**2,152,682**	2,044,440
After 1 year but within 2 years	**1,215,573**	1,350,165
After 2 years but within 5 years	**418,999**	329,846
	1,634,572	1,680,011
	3,787,254	3,724,451

19 CAPITAL AND DIVIDENDS

(a) Dividends

No dividends were declared during the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

(b) Share capital

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Ordinary shares of RMB1 each, issued and fully paid:		
At the beginning of the period	**871,018**	869,531
Issue of ordinary shares (i)	**96,780**	–
Cancellation of shares (ii)	**–**	(2,513)
At the end of the period	**967,798**	867,018

Notes:

(i) On 9 March 2026, the Company issued 96,780,000 ordinary shares at an offer price of HK$15.36 per share through the initial public offering (the "Offering"). Net proceeds from the Offering amounted to RMB1,248,106,000 equivalent, after deducting all capitalised listing expenses. Out of the net proceeds, RMB96,780,000 and RMB1,151,326,000 were credited to the Company's share capital and share premium account, respectively

(ii) As approved by the resolution of shareholders on 15 January 2025, the Company decided to cancel the remaining 2,513,000 repurchased shares for the purpose of equity-settled share-based transactions. Such cancellation was completed on 6 March 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

I. Principal Business of the Company During the Reporting Period

(I) Principal Business, Principal Products and Their Uses

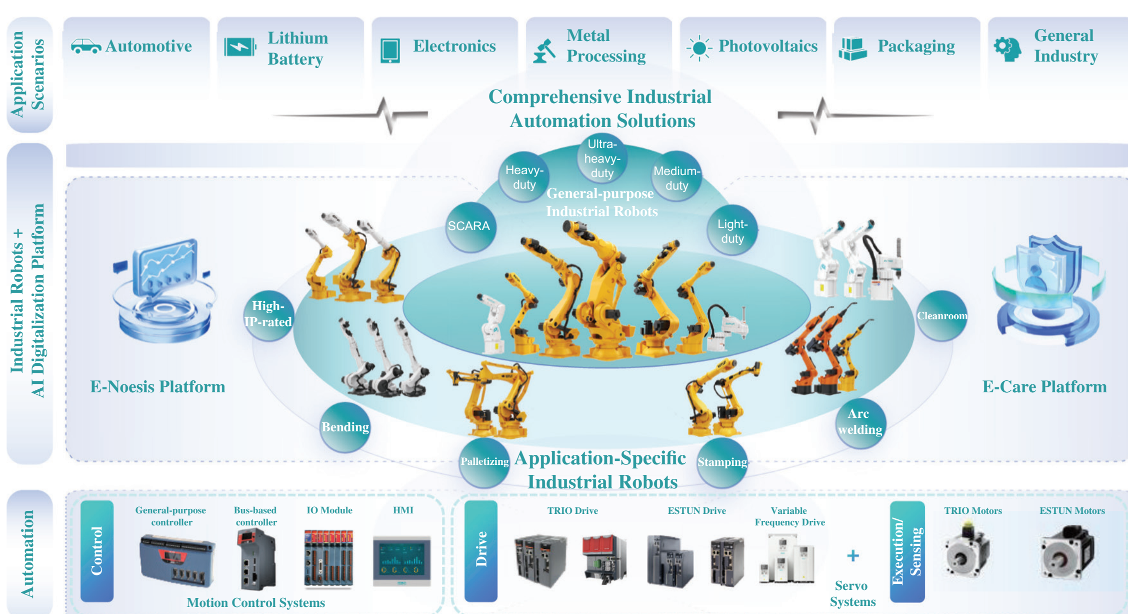
The Company's business covers the entire industry chain, ranging from core automation components and motion control systems, industrial robots, robot workstations and robotics application solutions to intelligent manufacturing systems. The Company has built comprehensive competitive advantages in technology, products, quality, cost and services, and drives the transformation and upgrading of China's manufacturing industry through automation, digitalization and intelligentization.

The Company's business is mainly divided into two core business segments:

(1). core automation components and motion control systems; and

(2). industrial robots and intelligent manufacturing systems.

As a leading Chinese intelligent manufacturing brand with more than 30 years of industry experience, Estun focuses on core automation components and motion control, robotics and intelligent manufacturing systems, and provides complete intelligent solutions for niche industries including new energy, hardware, 3C electronics, automotive, packaging and logistics, building materials and furniture, metal processing, construction machinery and welding, thereby facilitating the automation transformation and development of various industries. During the Reporting Period, the Company continued to firmly adhere to its "All Made By Estun" development strategy covering the entire industry chain, further strengthened its business development model featuring core technologies and independent controllability, while accelerating international development and coordinated development between its domestic and overseas operations. Focusing on its two core business segments, namely core automation components and motion control systems, and industrial robots and intelligent manufacturing systems, the Company continued to enhance its competitiveness, focused on the development of its principal business, significantly enhanced its brand influence and continued to expand its market scale.



1. *Core Automation Components and Motion Control Systems*

The principal businesses and products include complete automation solutions for metal forming machine tools, motion control systems (including HMI, motion controllers, Motion PLC, IO modules, AC servo systems, DC servo drives, linear servo drives and inverters), robot-specific controllers, robot-specific servo systems, and intelligent control unit solutions integrating machine vision and motion control. For process-specific equipment, general-purpose automation equipment and automated production lines, the Company is able to provide complete high-performance motion control solutions. Its product architecture covers every layer of industrial automation, encompassing the information layer, control layer, drive layer and execution layer, thereby establishing a comprehensive technology and product matrix. The products are primarily used in the automation control of intelligent equipment such as metal forming CNC machine tools, robots, photovoltaic equipment, lithium battery equipment, 3C electronics, packaging machinery, printing machinery, textile machinery, woodworking machinery, pharmaceutical machinery and semiconductor manufacturing equipment.

2. *Industrial Robots and Intelligent Manufacturing Systems*

The Company's industrial robot portfolio comprises 96 models with payloads ranging from 3kg to 1,200kg. It covers a full spectrum of general-purpose robots and application-specific robots with advanced process capabilities, meeting comprehensive market demand ranging from lightweight to heavy-duty and from high-speed to high-precision applications, and is widely used in industries such as automotive, photovoltaics, lithium batteries, building materials, electronics, metal processing and food. Based on the core technologies of complete "robot +" solutions and focusing on different scenario-based process applications including bending, arc welding, spot welding, stamping, die casting, polishing, gluing, assembly and flexible sorting, the Company is able to provide more than 20 types of workstations and complete intelligent solutions, among which sheet metal bending, stamping, photovoltaic layout and arc welding are at industry-leading levels.

On the basis of its existing robot automated welding production lines, die-casting automation system solutions and automated production lines for electric drive, electric control and power supply systems, the Company deeply integrates the advantages of a series of products and technologies including Trio motion controllers, AC servo systems, industrial robots and machine vision. It provides the new energy industry with high-speed and high-precision intelligent assembly production lines for power battery modules/PACKs based on the Company's robots and motion control systems, and actively expands intelligent manufacturing solutions for the three-electric systems, thereby establishing industry technology benchmarks and scaled applications for the comprehensive penetration of the Company's core automation components and robot products into the new energy industry.

While developing robotic solutions, the Company has also developed AI digital platforms integrating remote maintenance and intelligent management to promote the digital operation of intelligent factories. The E-Care Platform utilizes IoT and cloud technology to achieve real-time diagnostics, remote troubleshooting and remote updates, significantly enhancing service efficiency. The E-Noesis platform serves as a digital intelligence hub, leveraging big data, digital twins and artificial intelligence to provide digital functions including process quality detection and optimization, fault warning analysis and remote operations and maintenance, making data relating to equipment parameters, process parameters, production capacity and quality transparent and providing users with core competitive advantages in digitalization.

(II) Principal Operating Models

The Company focuses on the R&D, production and sales of high-end intelligent equipment and its core control and functional components. It is currently a highly influential enterprise in China's motion control sector and a leading domestic industrial robot enterprise with highly independent core technologies and core components. Guided by customer value and demand and driven by both domestic and international markets, the Company provides innovative solutions and services to customers worldwide.

1. R&D Model

The Company's product development is based on the IPD model. Based on analysis of the macro environment, the Company's strategic planning, customer needs and technological development trends, the Company advances technology R&D and product development. The Company adopts a tightly coupled product development model, starting with market demand, innovating based on the market and carrying out market-oriented R&D activities to achieve customer demand-driven product development. It implements an end-to-end product line model connecting the entire value chain of marketing, R&D, production, quality and delivery, thereby reinforcing its core customer-centric principle. For key forward-looking technologies and applications, the Company establishes professional teams to conduct comprehensive research and evaluation, incorporates them into development plans and addresses gaps in key technologies.

2. Production and Supply Chain Management Model

The Company continuously strengthens its manufacturing capabilities to ensure independent and controllable domestic production of core components. At the same time, it continues to develop an advanced supply chain management model. Its full-process operating system covering quality, delivery, cost and logistics ensures the competitive advantages of high product quality, low cost and rapid delivery. Through SAP, SRM (Supplier Relationship Management System), MES (Manufacturing Execution System) and other systems, the Company connects order information flows and has established and improved a flat production organization centered on planning, procurement, manufacturing, quality, processes, equipment and logistics. Depending on the characteristics of product delivery, the Company adopts a production model of "make-to-order + make-to-stock" to ensure timely delivery.

3. Sales and Service Model

The Company has established a marketing system combining "strategic customers + industry benchmark customers + regional customers", continuously strengthens the leading role of strategic customers and industry benchmark customers, explores additional application scenarios and increases market share. The downstream application industries of the Company's products are extremely broad, with a large number of users distributed extensively both domestically and overseas. The Company adopts a "direct sales + distribution" sales model. For leading benchmark customers in industries with substantial automation demand and relatively high customization requirements, the Company adopts a direct sales model, while for other industry customers and regional customers, it adopts a distribution model in cooperation with channel partners. Customers include direct users, system integrators and equipment manufacturers. Certain products are distributed through regional authorized distributors. The Company obtains customer orders through market research, information collection, identification of target customers and determination of product solutions, and arranges production and sales accordingly. Key customers for general industrial products generally select suppliers through tendering procedures, during which the business capabilities and historical performance of suppliers are primarily evaluated.

For intelligent manufacturing production lines, the Company's sales department and technical process department are jointly responsible for customer development. Based on customer needs and relying on its own modularized products, the Company provides systematic solutions. Upon customer acceptance of the technical proposal, the sales department completes the commercial quotation based on effective cost control to secure the order. A typical sales and service process includes customer development, pre-sales preparation, customer engagement, formation of sales intent, execution of sales contracts, implementation and delivery, and after-sales services.

II. Analysis of Core Competitiveness

(I) Advantages in Independent Core Automation Components and Complete Motion Control Solutions

The possession of proprietary core technologies and core components gives the Company a unique competitive advantage in providing customers with complete motion control solutions across all scenarios. The Company's CNC systems, electro-hydraulic servo systems and AC servo systems are all core control components of intelligent equipment. Such system solutions, formed through the integrated combination of mechanical, electrical and hydraulic technologies, represent highly technical elements of intelligent equipment. At present, providing customized and personalized motion control solutions to industry customers has become a major development direction for products in the core automation components and motion control systems segment, supporting the manufacturing industry's development toward automation, intelligentization and digitalization.

In the field of motion control, Estun possesses a comprehensive range of motion control products and globally leading motion control technologies. Based on the advantages of the Trio motion control platform in efficient synchronous control and advanced motion control algorithms, it systematically integrates servo systems, inverters, Motion PLC, IO and sensors into one solution, forming highly targeted solutions that are quick to deploy, highly efficient in control, technically specialized and cost-effective. Based on its self-developed robot-specific controller platform, robot-specific servo platform and forward-designed robot body design platform, the Company is able to achieve self-iteration based on market and customer needs in combination with our own capabilities and provide the market with robot application-based products and complete solutions.

(II) Competitive Advantages of the Entire Industry Chain of "Core Components + Fully Assembled Robots + Solutions"

The Company adheres to the "All Made By Estun" strategy and has achieved an independently controlled layout across the entire industry chain, from core components and fully assembled robot bodies to intelligent manufacturing systems. The Company provides customers with full life-cycle industrial automation solutions centered on robots, strengthens its business development model featuring independently controllable core technologies and supply chains, and has built comprehensive competitive advantages in technology, quality, cost, service and branding. While achieving scale effects, the Company has significantly reduced manufacturing and maintenance costs, improved profitability, and enhanced our resilience against risks.

Leveraging our leading advantages in general motion control platforms and robot control platforms, the Company integrates core motion control components with robot products to form platform-based control solutions, namely the "robot-centered equipment automation" model, thereby enabling "high-efficiency, low-cost" equipment automation solutions and truly realizing scenario application advantages that extend from simple general motion control and robot control to industrial control.

The Company's AI digital platforms build full life-cycle industrial robot solutions. The E-Noesis platform uses big data and digital twin technologies to manage the full life cycle of robots and, by integrating digital information such as operational indicators and process parameters, can present the operating status of equipment and production lines in a comprehensive and real-time manner. The E-Care maintenance platform combines IoT connectivity and cloud computing technologies to achieve deep integration of OI and IT, break down data silos and provide end-to-end remote support for equipment. The two platforms work in synergy to transform data into strategic assets, helping improve productivity, cost efficiency and operational excellence.

(III) Building Industry-leading Advantages for Industrial Robots in Segmented Fields

The Company adheres to the "general-purpose + niche segment" market strategy, carries out customized development for specific customers in segmented markets, continuously expands application scenarios, and maintains leading positions in segmented industries such as new energy, metal processing, automotive, electronics and welding. Based on its core automation technologies, the Company drives industrial robots toward full-category, high-precision, heavy-duty and scenario-based development. The Company actively monitors industry trends, uses overseas markets as a strategy for expanding into high-end applications, and gains insight into product and technology needs. The Company also plans ahead in servo and robot functional safety, takes customer demand as the orientation, and was among the first in China to develop products based on functional safety and obtain TÜV Rheinland certification.

The Company focuses on application processes throughout the entire photovoltaic industry chain and, around the intelligent manufacturing needs of silicon wafers, solar cells and photovoltaic modules at various process stages, has developed complete intelligent solutions for the photovoltaic industry and deeply participated in the construction of the world's first photovoltaic lighthouse factory. In the lithium battery industry, the Company has built a globally ultra-high-speed lithium battery production line, pushing the limits of production efficiency. In the automotive industry, the Company provides intelligent manufacturing solutions covering the full process from complete vehicle manufacturing to component processing, and, around the intelligent manufacturing needs of various process stages such as spot welding, arc welding, gluing, riveting and handling, has developed complete intelligent solutions for the automotive industry. Estun's high-precision six-axis robots have been deployed in batches on the production lines of a number of leading automakers, setting multiple industry benchmark projects. In addition, the flexible production line solution jointly developed by the Company and automakers has successfully entered overseas markets, continuously expanding our global footprint. In the metal processing field, the Company can provide complete solutions covering the entire metal processing process, from die casting and decoiling and leveling to stamping, bending, welding and polishing, and has developed robot solutions specifically for intelligent bending, significantly improving bending process efficiency. In the high-end heavy-duty field, Estun successfully launched a 700kg heavy-duty robot, breaking through technical barriers, being included in the Guiding Catalogue for the Promotion and Application of the First Set of Major Technical Equipment of the Ministry of Industry and Information Technology, and filling the domestic gap in heavy-duty robots. During the Reporting Period, the Company independently developed a 1,200kg ultra-heavy-duty robot, significantly enhancing China's influence in core heavy-duty robot technologies. As industrial robots are further applied in more industries, the Company will further unlock the value of data, promote the deep integration of AI and robotics technologies, and continuously expand the boundaries of intelligent manufacturing.

(IV) Technological Leadership and Innovation Advantages Derived from Sustained High R&D Investment

Adhering to the strategic objective of "from following to surpassing," the Company has maintained R&D investment at approximately 10% of sales revenue for many years. Through acquisitions and integration, as well as external recruitment and internal cultivation, we have laid a solid foundation for maintaining our leading advantage in technological innovation. Through continuous technological innovation and deep integration with the industrial ecosystem, the Company is committed to driving enterprises to achieve transformation and upgrading and injecting strong momentum and innovative vitality into global industrial manufacturing.

The Company is committed to building a globally competitive R&D footprint and a multi-tiered R&D system. The Company continues to invest in R&D and vigorously attract outstanding talent from both China and abroad. With Nanjing as its R&D center, The Company integrates global R&D resources from Germany, the United Kingdom, the United States and elsewhere, and has established a high-caliber R&D team composed mainly of international industry experts, Jiangsu provincial innovation and entrepreneurship leaders, and high-level overseas returnee talent. The Company has a sound R&D organizational management system and has formed three major talent tiers: an automation innovation team, a senior engineering technology team and an expert academic team. The Company also conducts R&D cooperation with a number of well-known domestic and international universities. Its strong technical team provides assurance for the Company's ability to conduct independent R&D and continuous technological innovation.

During the Reporting Period, the Company added 39 new software copyrights and obtained authorization for 48 new patents. As of June 30, 2026, the Company held a total of 457 software copyrights and 654 authorized patents, including 271 invention patents. The Company also had 208 patent applications pending authorization. As of the end of the Reporting Period, the Company had 3,152 employees, of whom 915 were engaged in R&D and engineering technology, representing 29.03% of its total workforce. During the Reporting Period, the Company's R&D investment amounted to RMB250.19 million, representing 9.71% of its revenue.

The Company attaches great importance to the commercialization of R&D results and adhere to a customer demand-oriented objective in all respects. The Company adopts a tightly coupled product development model to achieve efficient integration across the entire process from customer demand collection, product planning and design and development to market launch and promotion. The Company possesses CNAS accreditation, qualification as a China Energy Efficiency Filing Laboratory, and cooperative laboratory qualifications recognized by TÜV Germany and UL of the United States, which effectively facilitate the conversion of laboratory innovation and R&D into practical industrial applications.

(V) Accelerating the Building of Sustainable International Competitive Advantages through Global Layout

The Company adheres to an international development strategy and builds its core competitiveness from a global perspective. Through global layouts in products and branding, marketing and services, manufacturing and R&D, the Company continues to enhance our international competitiveness. Through independent development and strategic acquisitions, the Company has gradually built a global product and brand matrix. On the one hand, the Company continues to promote the Estun brand in international markets and enhance overseas customers' recognition of our products and brand. On the other hand, the Company has successively acquired leading enterprises such as Trio, Cloos and M.A.i., rapidly expanding its global product matrix in the field of industrial automation. Based on technical standards and customer needs in different markets, the Company carries out targeted product R&D and manufacturing, has obtained a number of international certifications including CE, UL, cETLus and TÜV CE, and has gradually built a customer base and continuously expanded its global brand influence through overseas sales.

The Company currently has 75 service outlets worldwide, with business coverage across Europe, the Americas, Asia and other developed manufacturing and economic regions. The Company regards the European market as the strategic starting point for its growth into a global leader in industrial robotics, and has established subsidiaries and localized teams in multiple European countries. The Company has built a global production capacity system centered on its domestic footprint and supported by our overseas footprint. Through the "Local for Global" model, the Company fully leverages the efficiency advantages of China's local supply chain to provide global customers with technologically advanced, cost-optimized and widely accessible industrial automation solutions. At the same time, the Company has established and operates manufacturing bases in Europe, close to European customers, to carry out flexible and efficient localized production and improve global delivery efficiency.

The Company has established R&D centers in China, Germany and the United Kingdom, and, by relying on an international coordination mechanism, aligns technology innovation directions precisely by combining global industrial trends with the needs of different regional markets. Its overseas R&D teams provide mature theoretical systems and technical accumulation, while its domestic R&D teams possess the advantages of efficient response and rapid iteration. Through the complementarity of Chinese and overseas R&D resources, the Company has significantly improved R&D efficiency and continuously delivered forward-looking and practical innovative results, providing more competitive solutions to global customers.

(VI) Continuously Improving Product Quality to Ensure Delivery of High-quality Products

The Company adheres to the core philosophy of being customer-centric and focuses on producing high-quality products. By establishing a stringent quality control system and a full-process traceability mechanism, The Company implements strict quality control throughout the production process, prevents issues at the source, standardizes every stage across the full product life cycle, monitors the effective execution of processes, produces products that meet customer needs, enhances the market reputation of our products, and ensures the delivery of high-quality products.

The Company has built world-leading automated production lines and carries out efficient, flexible and lean manufacturing to ensure high-quality production and delivery of products and continuously enhance product competitiveness. Its reliability testing center has obtained CNAS (China National Accreditation Service for Conformity Assessment) accreditation, qualification as a China Energy Efficiency Filing Laboratory, and cooperative laboratory qualifications from TÜV Germany and UL of the United States. By establishing comprehensive simulations of customer application environments, including product function testing, performance testing, application process testing, harsh environment simulation testing, electromagnetic compatibility testing, product reliability validation testing and product accelerated life testing, the Company continuously improves product performance, ensures outstanding quality, narrows the gap with international advanced standards, and provides a long-term support platform.

BUSINESS REVIEW AND PROSPECT

I. Review of Operation during the Reporting Period

During the Reporting Period, the Company recorded revenue of RMB2,577.51 million, remaining broadly stable as compared with the corresponding period in 2025. By business segment, revenue from the industrial robots and intelligent manufacturing systems business amounted to RMB2,136.89 million, representing an increase of 2.22% as compared with the corresponding period in 2025; revenue from the core automation components business amounted to RMB437.50 million, representing a decrease of 4.15% as compared with the corresponding period in 2025. By geographical region, revenue from domestic business amounted to RMB1,641.01 million, representing a decrease of 8.82% as compared with the corresponding period in 2025, while revenue from overseas business amounted to RMB936.49 million, representing an increase of 25.06% as compared with the corresponding period in 2025.

(1) During the Reporting Period, the process of domestic substitution in China's industrial robot market continued to deepen. Demand for intelligent and flexible transformation in downstream manufacturing sectors such as automotive, new energy and electronics continued to be released, the market share of domestic brands increased steadily, and the competitive advantages of leading enterprises became increasingly prominent. According to the latest data released by MIR DATABANK, the Company once again ranked first among all brands in terms of shipment volume in China's industrial robot market in the first half of 2026 and ranked first among domestic brands in terms of shipment volume for eight consecutive years.

(2) During the Reporting Period, revenue from the core automation components business declined slightly as a result of industry fluctuations, market competition, the transfer of a controlling subsidiary and other factors. The Company will actively respond to market changes, continue to optimize its customer mix and explore new market opportunities; strengthen its solution capabilities and accelerate its overseas business expansion; and promote the steady development of its core components business through measures including continuous cost optimization and enhancement of product competitiveness.

(3) During the Reporting Period, the Company adhered to its operating strategy of high-quality development, proactively optimized its customer mix and business mix, orderly reduced the proportion of low-gross-margin businesses and proactively declined certain low-gross-margin orders. Coupled with the impact of factors including the transfer of a controlling subsidiary, revenue from the domestic business decreased as compared with the corresponding period in 2025. While further strengthening its presence in industries where it has established advantages, the Company actively expanded applications in emerging fields, accelerated new customer qualification and the implementation of application scenarios, built diversified and sustainable business growth drivers, continued to lead breakthroughs into high-end application markets, and consolidated and increased its market share in the industry.

(4) During the Reporting Period, leveraging the establishment of its "A+H" dual capital platform, the Company continued to advance its "Local for Global" globalization strategy, stepped up its expansion into overseas markets with global reach, including Europe, the Americas and Southeast Asia, continued to build core benchmark application scenarios and a core ecosystem partner network, and steadily increased its international market share. In the European market, the Company has been included in the supplier lists of a number of leading automotive parts and general industrial customers, with product penetration increasing steadily and orders growing rapidly. During the Reporting Period, the Company's warehousing and manufacturing base in Poland commenced operations, fully leveraging the efficiency advantages of local supply chains in China and Europe to provide global customers with technologically advanced and cost-optimized industrial automation solutions.

During the Reporting Period, the Company's overall gross profit margin was 31.07%, representing an increase of 3.14 percentage points as compared with the corresponding period in 2025. The Company continued to optimize its customer mix and product mix, focus on high-end application products and high-quality, high-gross-margin orders, and enhance product competitiveness. Through cost-reduction and efficiency-enhancing measures such as supply chain and R&D and design optimization, increasing the use of domestic substitutes for raw materials, and adopting lean manufacturing practices, the Company's overall gross profit margin increased significantly as compared with the corresponding period in 2025. Through its dual-wheel-drive strategy of "products + services," the Company provides a full life-cycle after-sales service system. As robot ownership increases and the replacement cycle arrives, the after-sales service market is becoming a new source of profit growth.

During the Reporting Period, the net profit attributable to equity shareholders of the Company amounted to RMB161.36 million, representing an increase of approximately 52 times as compared with the corresponding period in 2025. During the Reporting Period, the Company's EBITDA and adjusted EBITDA amounted to RMB362.34 million and RMB378.18 million, respectively.

During the Reporting Period, the Company's overall gross profit margin improved significantly. Meanwhile, by strengthening refined management and implementing stringent budget control measures, the Company's expense ratio for the period decreased as compared with the corresponding period in 2025. At the same time, based on the Company's actual operating conditions and on a prudent basis, the Company increased its impairment provisions for assets such as trade receivables and inventories as compared with the corresponding period in 2025. During the Reporting Period, the asset restructuring involving Nanjing Technical Equipment Manufacture Co., Ltd., an investee company of the Company, and Nanjing Chemical Fibre Co., Ltd. was completed. The equity interest held by the Company in Nanjing Technical Equipment Manufacture Co., Ltd. was exchanged for an equity interest in Nanjing Chemical Fibre Co., Ltd., a listed company, resulting in an increase in the fair value of the equity interest and a corresponding increase in the Company's non-operating gains and losses.

During the Reporting Period, the Company's net cash generated from operating activities amounted to RMB40.26 million, while the Group recorded net cash used in operating activities of RMB119.48 million for the corresponding period in 2025. During the Reporting Period, through measures including rigorously advancing the establishment of a stringent customer credit rating system and establishing a collection incentive mechanism, the Company maintained steady growth in sales collections. At the same time, the Company continued to strengthen its internal cash budget management and, through continuous supply chain optimization, stronger demand forecasting and supply chain coordination, improved inventory turnover. As a result, the Company's operating cash flow and cash turnover days improved. Going forward, the Company will continue to strengthen the management of inventories and receivables and payables, continuously improve operational efficiency, accelerate capital turnover and further enhance the quality of its operating cash flow.

During the Reporting Period, the Company's total R&D investment amounted to RMB250.19 million, representing 9.71% of its revenue. The Company has consistently adhered to a system-level forward R&D strategy, taking customer needs and value realization as the direction for technology and product R&D, breaking through barriers in high-end markets, striving to achieve a transformation from a "technology follower" to a "standard setter," and developing more high-end and efficient advanced intelligent manufacturing equipment. At the same time, the Company will further deepen the integration of robotics and AI technologies and innovation in business models, accelerate the deployment of embodied intelligence in industrial scenarios, and take data as the core, the platform as the link, and ecosystem collaboration as the driving force to build an open robotics + AI industrial ecosystem, develop embodied intelligence solutions for multiple scenarios, and fulfill its corporate mission of "making manufacturing smarter."

II. Outlook for Future Development of the Group

In 2026, uncertainties persist in the global geopolitical landscape, while the monetary policies of major economies are trending toward easing. The restructuring of international industrial and supply chains is deepening and China's domestic macroeconomy is expected to stabilize and recover further. As the first year of the 15th Five-Year Plan, with the new industrialization strategy being implemented in depth and policies relating to equipment upgrades, technological transformation and digital transformation in the manufacturing industry continuing to take effect, the industrial automation industry is expected to benefit from a favorable policy environment and market support, ushering in a new stage of accelerated recovery and upgrades in both quality and efficiency. The recovery in downstream manufacturing investment is expected to drive improvement in overall demand, while the industry is expected to exhibit accelerating localization and rising concentration. Frontier technologies such as high-end manufacturing and embodied intelligence are expected to accelerate their commercial implementation. Industry competition is expected to shift from price competition to competition in technological innovation and global service capabilities. Domestic manufacturers are expected to achieve breakthrough substitution in core components and high-end application scenarios, while global production capacity and supply chain systems are expected to become increasingly mature, formally ushering the industry into a new cycle of intelligent upgrading, global competition and value enhancement.

In 2026, with the strategic goal of building a "world-renowned brand for Chinese robots", the Company will continue to leverage its leading position and brand influence in the domestic market to accelerate the process of domestic substitution and expand its market share in China. The Company will regard overseas market expansion and market share capture as key strategic priorities for the year and will advance the development of its products into global brands. It will also accelerate the deep integration of robotics and AI, as well as the deployment of embodied intelligence in industrial scenarios, build a full-stack "AI + robotics" technology chain and an open industrial ecosystem, and create the Company's next growth driver. The Company will take the continuous improvement of product quality as its foundation and establish a full life-cycle quality control system to build core competitiveness based on exceptional quality. It will continue to lead breakthroughs into high-end application markets, accelerate the process of comprehensive domestic substitution, and achieve a transition from market follower to standard setter. Supported by lean management to improve quality and efficiency, the Company will strengthen cost control, capital management and organizational efficiency, reinforce its operational resilience, and comprehensively achieve high-quality development.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by 1.14% from RMB2,548.58 million for the six months ended June 30, 2025 to RMB2,577.51 million for the six months ended June 30, 2026, primarily attributable to the optimization of the Group's product mix, which resulted in an increase in sales revenue from industrial robots and intelligent manufacturing systems.

Cost of Sales

The Group's cost of sales decreased by 3.27% from RMB1,836.83 million for the six months ended June 30, 2025 to RMB1,776.76 million for the six months ended June 30, 2026, primarily due to the decrease in product costs resulting from the Group's implementation of cost reduction and efficiency enhancement measures, including optimization of its supply chain and R&D and design, as well as lean manufacturing.

Gross Profit and Gross Profit Margin

The Group's gross profit increased by 12.51% from RMB711.74 million for the six months ended June 30, 2025 to RMB800.75 million for the six months ended June 30, 2026. The Group's gross profit margin increased from 27.93% for the six months ended June 30, 2025 to 31.07% for the same period in 2026. The increase in gross profit and gross profit margin was primarily attributable to (i) the optimization of the product mix, with the sales volume and revenue contribution of high-payload robots, which have higher gross profit margins, increasing as compared with the corresponding period in 2025; and (ii) the implementation of price control and cost reduction and efficiency enhancement measures, which resulted in an increase in the gross profit margin of lightweight robots as compared with the corresponding period in 2025, thereby increasing the gross profit margin from the sale of industrial robots and intelligent manufacturing systems. In addition, the gross profit margin of core automation components and motion control systems also increased slightly as compared with the corresponding period in 2025.

Selling Expenses

The Group's selling expenses decreased by 6.47% from RMB213.90 million for the six months ended June 30, 2025 to RMB200.07 million for the six months ended June 30, 2026, primarily due to the Group's strengthened budget control over marketing labor costs and marketing activities, resulting in decreases in employee remuneration and advertising and exhibition expenses as compared with the corresponding period in 2025.

Administrative Expenses

The Group's administrative expenses remained relatively stable at RMB214.46 million for the six months ended June 30, 2026, as compared to RMB214.51 million for the six months ended June 30, 2025.

Research and Development Expenses

The Group's research and development expenses increased by 2.65% from RMB213.71 million for the six months ended June 30, 2025 to RMB219.37 million for the six months ended June 30, 2026, primarily due to the Group's increased investment in R&D materials and assets, resulting in increases in materials consumption and depreciation and amortization expenses as compared with the corresponding period in 2025.

Impairment Loss on Intangible Assets

The Group recorded impairment loss on intangible assets amounting to RMB5.36 million for the six months ended June 30, 2026, while no impairment loss on intangible assets was recorded for the corresponding period in 2025. The increase was primarily due to the recognition of impairment loss on intangible assets during the Reporting Period.

Impairment Loss on Trade Receivables and Contract Assets

The Group recorded impairment loss on trade receivables and contract assets amounting to RMB27.56 million for the six months ended June 30, 2026, as compared to RMB0.20 million for the corresponding period in 2025. The significant increase was primarily due to the tightening of liquidity in industries such as the automotive and new energy industries as a result of the macro market environment during the Reporting Period, which led to longer collection cycles for certain customers and an increase in the Group's trade receivables, resulting in an increase in impairment loss on trade receivables as compared with the corresponding period in 2025.

Finance Costs

The Group recorded finance costs of RMB67.19 million for the six months ended June 30, 2026, as compared to RMB83.84 million for the corresponding period in 2025. Such fluctuation was primarily due to the decrease in the scale of the Company's bank loans as compared with the corresponding period in 2025, resulting in lower interest expenses.

Profit for the Period

As a result of the foregoing, the Group's results improved from a profit of RMB9.00 million for the six months ended June 30, 2025 to a profit of RMB158.98 million for the six months ended June 30, 2026.

Non-IFRS Financial Measures

To supplement its consolidated statement of profit or loss presented in accordance with IFRS, the Group also uses EBITDA (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRS. EBITDA (non-IFRS measure) is defined as profit or loss before taxation adjusted by adding back (i) finance costs, and (ii) depreciation and amortization, and deducting interest income from bank deposits. Adjusted EBITDA (non-IFRS measure) is defined as EBITDA adjusted by adding back (i) equity-settled share-based payment expenses, (ii) impairment loss on intangible assets, and (iii) listing expenses.

The Group believes that these non-IFRS measures facilitate comparisons of operating performance from period to period by eliminating potential impacts of certain non-operating items. It believes that these non-IFRS measures provide useful information to investors and others in understanding and evaluating its results of operations in the same manner as they help its management. However, the presentation of EBITDA (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measures has limitations as an analytical tool, and should not be considered in isolation from, or as a substitute for analysis of, the Group's results of operations or financial condition as reported under IFRS.

The following table sets forth a reconciliation of the Group's EBITDA (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) to profit for the period in respect of the periods indicated:

	Six months ended June 30,	
	2026	2025
Profit before taxation	**196,309**	27,389
Adjusted for:		
Add:		
– finance costs	**67,187**	83,838
– depreciation and amortization[(1)]	**103,112**	99,715
Less:		
– interest income from bank deposits[(2)]	**(4,267)**	(6,549)
EBITDA (non-IFRS measure)	**362,341**	204,393
Adjusted for:		
Add:		
– equity-settled share-based payment expenses[(3)]	**12,090**	5,226
– impairment loss on intangible assets	**5,357**	–
– listing expenses	**1,390**	648
Adjusted EBITDA (non-IFRS measure)	**381,178**	210,267

Notes:

(1) Representing depreciation of property, plant and equipment, right-of-use assets and investment property and amortization of intangible assets and long-term deferred expenses.

(2) Representing interest income from bank deposits recorded as other net income.

(3) Representing equity-settled share-based payment expenses relating to the share option scheme and share reward schemes.

Operating Activities

During the Reporting Period, the Group's net cash generated from operating activities was RMB40.26 million, while the Group recorded net cash used in operating activities of RMB119.48 million for the corresponding period in 2025. The net cash inflow as compared with the net cash outflow in corresponding period in 2025 was primarily due to (i) an increase in cash received from the sale of goods and rendering of services as compared with the corresponding period in 2025; and (ii) the optimization of the Group's team structure, which resulted in a decrease in cash paid to and on behalf of employees as compared with the corresponding period in 2025.

Investing Activities

During the Reporting Period, the Group's net cash used in investing activities amounted to RMB348.51 million, primarily comprising RMB584.45 million paid for purchases of wealth management products, partially offset by RMB291.00 million of proceeds from redemption of wealth management products. The Group recorded net cash used in investing activities of RMB96.96 million for the corresponding period in 2025. The net cash outflow increased as compared with the corresponding period in 2025, primarily due to the increase in net cash paid for purchases of wealth management products.

Financing Activities

During the Reporting Period, the Group's net cash generated from financing activities amounted to RMB1,264.90 million, primarily comprising (i) net proceeds of RMB1,271.25 million from the issuance of ordinary shares through the initial public offering; and (ii) proceeds from bank loans of RMB1,230.01 million, partially offset by repayment of bank loans of RMB1,172.50 million. The Group recorded net cash generated from financing activities of RMB356.69 million for the corresponding period in 2025. The net cash inflow increased as compared with the corresponding period in 2025, primarily due to the proceeds raised from the public offering of shares during the Reporting Period.

Cash and Cash Equivalents

Cash and cash equivalents as of June 30, 2026 consisted of bank deposits and cash, mainly denominated in Renminbi, U.S. dollars and Euros.

Debt-to-Capital Ratio

During the Reporting Period, the debt position was monitored using the debt-to-capital ratio, which is calculated as net debt divided by total equity. Net debt includes all bank loans and other borrowings less cash and cash equivalents. The Group's debt-to-capital ratio as of June 30, 2026 was 59.21% (December 31, 2025: 141.07%).

Net Current Assets

As of June 30, 2026, the Group's net current assets were approximately RMB1,410.53 million, representing an increase of approximately RMB1,292.26 million from approximately RMB118.27 million as of December 31, 2025. The increase in net current assets was primarily due to the proceeds raised from the public offering of shares by the Group during the Reporting Period, resulting in increases in the balances of cash and cash equivalents and wealth management products as of the end of the Reporting Period.

Bank Loans

As of June 30, 2026, the Group's bank loans were approximately RMB3,310.75 million, representing an increase of approximately 1.54% from approximately RMB3,260.39 million as of December 31, 2025.

Capital Commitments and Contingent Liabilities

As of June 30, 2026, the Group had outstanding capital commitments for fixed assets of approximately RMB95.31 million (as of December 31, 2025: approximately RMB145.22 million). As of June 30, 2026, the Group did not have any contingent liabilities.

Significant Investments

As of June 30, 2026, the Group had not held any significant investment, including any investment in an investee company where the fair value of such investment was equal to or greater than 5% of the Group's total assets as of June 30, 2026.

Material Acquisitions and Disposals

During the Reporting Period, the Group did not conduct any material acquisitions or disposals of subsidiaries, associates or joint ventures.

Pledge of Assets

As of June 30, 2026, certain of the Group's assets with a net book value of approximately RMB345.70 million (December 31, 2025: RMB445.38 million) were pledged to secure the Group's bank loans.

Future Plans for Material Investments or Capital Assets

Save as disclosed in the section headed "USE OF PROCEEDS FROM THE GLOBAL OFFERING" in this announcement, as of June 30, 2026, the Group did not have any other detailed future plans for material investments or capital assets.

Gearing Ratio

As of June 30, 2026, the Group's gearing ratio, being total debt divided by total assets as of the end of the period and multiplied by 100%, was 68.22%, as compared to 78.56% as of December 31, 2025.

Funding and Treasury Policies

The Group's finance department is responsible for the funding and treasury policies with regard to the overall business operation of the Group. The Company expects to fund its working capital and other capital requirements from a combination of various sources, including but not limited to internal financing and external financing at reasonable market rates. The Group continues to seek improvements in the return on equity and assets while maintaining prudent funding and treasury policies.

Effects of Exchange Rate Fluctuations

During the Reporting Period, the vast majority of our revenue and expenses were denominated in Renminbi, while the net proceeds from the Global Offering were denominated in Hong Kong dollars. In respect of the net proceeds from the Global Offering, fluctuations in the exchange rate between Renminbi and Hong Kong dollars will affect the relative purchasing power of Renminbi. We manage our foreign exchange risk by regularly reviewing the Group's net foreign exchange exposure and minimizing such exposure, to the extent possible, through natural hedging arrangements.

INTERIM DIVIDEND

The Board did not recommend the distribution of any interim dividend for the six months ended June 30, 2026.

EMPLOYEES AND REMUNERATION POLICIES

As of June 30, 2026, the Group had a total of 3,152 full-time employees across its global operations, of whom 2,064 employees were located in China, representing 65.48% of the Group's total number of employees as of the same date, while the remaining 1,088 employees were located overseas, primarily in Germany, Poland, the United Kingdom and the United States. The following table sets forth a breakdown of the Group's employees by function as of the same date:

Functions	Number of Employees	% of Total Employees
Production and procurement	1,069	33.91%
Research and development	915	29.03%
Sales and marketing	695	22.05%
General administration and management	355	11.26%
Finance	86	2.73%
Others	32	1.02%
Total	**3,152**	**100.0%**

For the six months ended June 30, 2026, the Group's total employee remuneration expenses, including equity incentive expenses, amounted to RMB619.69 million (for the six months ended June 30, 2025: RMB640.93 million). Remuneration is determined with reference to performance, skills, qualifications and experience of the staff concerned and in accordance with the prevailing industry practice. Our employee remuneration primarily consists of salaries, bonuses and social insurance contributions. We participate in various employee social insurance plans organized by the competent local municipal and provincial governments, including housing, pension, medical, work-related injury, maternity, and unemployment benefit plans.

The remuneration of the Directors is reviewed by the Remuneration and Appraisal Committee and approved by the Board. The relevant Directors' experience, duties and responsibilities, time commitment, the Company's performance and the prevailing market conditions are taken into consideration in determining the emolument of the Directors.

The Group believes it has maintained good relationships with its employees. The Company has established a labor union. As of the date of this announcement, the Group did not experience any strikes or any labor disputes with its employees which have had or are likely to have a material effect on its business.

The Group has designed an annual appraisal system to evaluate employee performance. Such system forms the basis for determining whether employees should receive salary increases, bonuses or promotions. The salaries and bonuses received by its employees are in line with market standards. The Company has complied with relevant national and local labor and social welfare laws and regulations in the PRC. The Group arranges for its employees to attend internal and external training courses, seminars and professional technical courses in order to enhance their professional knowledge and skills, deepen their understanding of market developments, and improve their management and business capabilities.

The Company has adopted the 2022 A-share Employee Share Ownership Plan, the 2025 Share Option Scheme and the 2025 Restricted Share Scheme to incentivize its Directors and eligible employees.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Shares of the Company were listed on the Main Board of the Stock Exchange on March 9, 2026. The Company issued 96,780,000 H Shares at an offer price of HK$15.36 under its global offering (the "**Global Offering**"). The nominal value of the H Shares is RMB1.00 per H Share. The net proceeds from the Global Offering received by the Company (after deducting underwriting commissions and related costs and expenses) amounted to approximately HK$1,407.35 million (the "**Net Proceeds**").

As of June 30, 2026, there has been no change in the intended use of the Net Proceeds as previously disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus. The details of use of the Net Proceeds are as follows:

Usage	Percentage of total	Planned allocation of Net Proceeds	As of June 30, 2026 Utilized Amount	Unutilized amount	Expected timeline for full utilization of the Net Proceeds [(1)]
		HK$ million (Approximate)	*HK$ million*	*HK$ million* (Approximate)	
Expansion of the Group's global production capacity	25.0%	351.8	19.9	332.0	Before December 31, 2028
Selectively pursue strategic alliances, investment and acquisition opportunities along the upstream and downstream of the global industry chain	25.0%	351.8	–	351.8	Before December 31, 2027
Investment in R&D projects to advance next-generation industrial robotics technologies	20.0%	281.5	75.1	206.3	Before December 31, 2027
Enhancement of the Group's global service capabilities and development of digital management systems across the organization	10.0%	140.7	13.1	127.7	Before December 31, 2028
Partial repayment of existing loans	10.0%	140.7	140.7	–	N/A
Working capital and general corporate purposes	10.0%	140.7	140.7	–	N/A
Total	**100%**	**1,407.4**	**389.5**	**1,017.8**	**N/A**

Notes:

(1) The expected timetable for the full utilization of the remaining Net Proceeds as set out in the table above is based on the best estimate of the Group with respect to future market conditions, which may be subject to change depending on the development of current and future market conditions.

(2) Due to rounding, the total figures may not be equal to the sum of the individual amounts.

The remaining balance of the Net Proceeds from the Global Offering will continue to be used in accordance with the purposes and proportions disclosed in the Prospectus. As disclosed in the Prospectus, to the extent permitted by applicable laws and regulations, if the net proceeds are not immediately applied to their intended purposes, the Company will only place the net proceeds as short-term deposits with licensed banks or financial institutions. As of June 30, 2026, the Company has deposited the unutilized Net Proceeds in short-term interest-bearing accounts with licensed banks and/or other authorized financial institutions.

CORPORATE GOVERNANCE

The Board is committed to achieving high standards of corporate governance. The Board believes that high standards of corporate governance are essential to the Company, as they provide a framework for safeguarding shareholders' interests, enhancing corporate value and strengthening accountability.

Compliance with the Corporate Governance Code

The Company has adopted all the applicable code provisions set out in Part 2 of the CG Code contained in Appendix C1 to the Listing Rules as its own code. Since the Listing Date and up to the date of this announcement, the Company has complied with all applicable code provisions set out in Part 2 of the CG Code. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

Compliance with the Model Code

The Company has adopted the Model Code as its own code of conduct regarding dealings in the securities of the Company by the Directors, senior management members, and employees who, because of their office or employment, are likely to possess inside information in relation to the Group or the Company's securities.

Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code since the Listing Date and up to the date of this announcement. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management members or relevant employees of the Group since the Listing Date and up to the date of this announcement.

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company (including any sale of treasury shares (as defined in the Listing Rules)). As of the date of this announcement, the Company did not hold any treasury shares.

MATERIAL LITIGATION

As of the date of this announcement, no member of the Group was engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference in compliance with the requirements under the Listing Rules. As of the date of this announcement, the Audit Committee consists of three independent non-executive Directors, being Dr. Han Xiaofang (chairlady of the Audit Committee who holds the appropriate accounting or related financial management expertise as required under the Listing Rules), Mr. Lin Jinjun and Mr. Xu Guojin. The main duties of the Audit Committee are to propose to the Board the appointment and replacement of external audit firms, supervise the implementation of the Group's internal audit system, liaise between the internal audit department and external auditors, and review the Group's financial information and related disclosures.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee has reviewed the unaudited condensed consolidated interim results of the Group for the six months ended June 30, 2026 and the accounting principles and practices adopted by the Group and has discussed with the management on issues in relation to internal control, risk management and financial reporting. The Audit Committee has confirmed that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. The unaudited condensed consolidated interim results of the Group for the six months ended June 30, 2026 have not been reviewed by the external auditors of the Company.

EVENT AFTER THE REPORTING PERIOD

(1). Mr. Zhu Zhangxing (朱樟興) was appointed as an executive Director and a member of the ESG Committee of the Board with effect from July 9, 2026. Dr. Tang Wencheng (湯文成) retired from his position of independent non-executive Director, the chairperson of the Nomination Committee, a member of the Audit Committee, a member of the Strategic Committee and a member of the ESG Committee with effect from July 9, 2026. To fill the vacancy of Dr. Tang Wencheng, Mr. Xu Guojin (許郭晉) was appointed as an independent non-executive Director, the chairperson of the Nomination Committee, a member of the Audit Committee and a member of the ESG Committee and Mr. Lin Jinjun was appointed as a member of the Strategic Committee, all with effect from July 9, 2026. Please refer to the announcement and circular dated June 22, 2026, and the poll result announcement dated July 9, 2026 for further details.

(2). On August 4, 2026, Estun Robot and Dingtong Electromechanical (both being wholly-owned subsidiaries of the Company), entered into an equity purchase agreement with Nanjing Estun Codroid Technology Co., Ltd. (南京埃斯頓酷卓科技有限公司) ("**Estun Codroid**") and its shareholders in relation to the acquisition of Estun Codroid. Upon completion, Estun Codroid will become an indirect wholly-owned subsidiary of the Company and the financial results of Estun Codroid will be consolidated into the financial statements of the Group. The transaction was approved by the Board on August 4, 2026 and is subject to the further approval by the shareholders of the Company at the extraordinary general meeting of the Company to be held on August 31, 2026 (the "**EGM**"). Please refer to the announcement dated August 4, 2026 and the circular dated August 11, 2026 for further details.

(3). On August 11, 2026, the Board approved the proposed (i) repurchase and cancellation of an aggregate of 322,300 Restricted Shares, being all or part of the Restricted Shares granted to 21 Restricted Share incentive participants but not yet released from lock-up under the 2025 Restricted Share Scheme; and (ii) cancellation of an aggregate of 384,900 Share Options, being all or part of the Share Options granted to 17 Share Option incentive participants but not yet exercised under the 2025 Share Option Scheme (collectively, the "**Repurchase and Cancellation**"). As of the date of this announcement, the Repurchase and Cancellation is subject to the approval by the shareholders of the Company at the EGM. Please refer to the announcement and circular dated August 11, 2026 for further details.

Save as disclosed above, the Group had no other material subsequent events after the Reporting Period and up to the date of this announcement.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND THE INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.estun.com. The interim report for the six months ended June 30, 2026 containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company in due course.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

"Audit Committee"	the audit committee of the Board
"Auditor"	KPMG, the external auditor of the Company
"Board" or "Board of Directors"	the board of Directors of the Company
"CG Code"	the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules
"Company"	ESTUN AUTOMATION CO., LTD (南京埃斯頓自動化股份有限公司) (formerly known as Nanjing Estun Digital Technology Co., Ltd. (南京埃斯頓數字技術有限公司)), a limited liability company incorporated in the PRC on February 26, 2002 and was converted into a joint stock company with limited liability on July 5, 2011, the A Shares of which are listed on the Shenzhen Stock Exchange (stock code: 002747.SZ)
"China" or the "PRC"	the People's Republic of China, but for the purpose of this announcement and for geographical reference only, references herein to "China" and the "PRC" do not apply to Hong Kong and the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Dingtong Electromechanical"	Nanjing Dingtong Electromechanical Automation Co., Ltd. (南京鼎通機電自動化有限公司), a wholly-owned subsidiary of the Company
"Director(s)"	the director(s) of the Company
"Estun Robot"	Nanjing Estun Robot Engineering Co., Ltd. (南京埃斯頓機器人工程有限公司), a wholly-owned subsidiary of the Company
"ESG Committee"	the environmental, social and governance committee of the Board
"Group", "we", "our" or "us"	the Company and its subsidiaries
"H Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region of the PRC
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange on March 9, 2026

"Listing Date"	the date, namely March 9, 2026, on which the Shares were listed on the Stock Exchange and from which dealings in the Shares are permitted to commence on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
"Model Code"	the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Nomination Committee"	the nomination committee of the Board
"Prospectus"	the prospectus of the Company published on February 27, 2026
"Reporting Period"	the six-month period from January 1, 2026 to June 30, 2026
"Restricted Shares"	the restricted shares under the 2025 Restricted Share Scheme of the Company
"Share(s)"	ordinary shares in the share capital of the Company with par value of RMB1.00 each, comprising A Shares and H Shares
"Share Options"	the share options under the 2025 Share Option Scheme of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Strategic Committee"	the strategic committee of the Board

"treasury share(s)"	has the meaning ascribed to it under the Listing Rules
"2022 A-share Employee Share Ownership Plan"	the A-share Employee Share Ownership Plan adopted by the Company in 2022
"2025 Share Option Scheme"	the A Share option scheme adopted by the Company pursuant to resolutions passed by our Shareholders on June 20, 2025
"2025 Restricted Share Scheme"	the A Share restricted share scheme adopted by the Company pursuant to resolutions passed by our Shareholders on June 20, 2025
%	Per cent

By order of the Board
ESTUN AUTOMATION CO., LTD
Mr. WU Bo
Chairman of the Board and executive Director

Nanjing, the PRC, August 21, 2026

As of the date of this announcement, the Board comprises: (i) Mr. Wu Bo, Mr. Wu Kan, Mr. Zhu Chunhua, Mr. Zhou Ailin and Mr. Zhu Zhangxing as executive Directors; (ii) Ms. Chen Yinlan as non-executive Director; and (iii) Dr. Han Xiaofang, Mr. Lin Jinjun and Mr. Xu Guojin as independent non-executive Directors.