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SAIMO

Beijing Saimo Technology Co., Ltd.

北京賽目科技股份有限公司

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

(Stock Code: 2571)

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

2026 INTERIM RESULTS HIGHLIGHTS

Financial Highlights

	Six months ended 30 June		
	2026	2025	Year-on-year change %
	(RMB'000)	*(RMB'000)*	
Revenue	**73,718**	90,959	(19.0)
Gross profit	**31,688**	57,974	(45.3)
(Loss)/profit before income tax	**(48,989)**	1,388	–
(Loss)/profit attributable to owners of our Company	**(48,049)**	1,316	–
Basic and diluted (losses)/earnings per share (expressed in RMB per share)	**(0.37)/(0.37)**	0.01/0.01	–

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Beijing Saimo Technology Co., Ltd. (the "**Company**") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the "**Group**" or "**we**" or "**us**") for the six months ended 30 June 2026 (the "**Reporting Period**" or the "**first six months of 2026**") together with the comparative figures for the six months ended 30 June 2025 (the "**same period of 2025**" or "**first six months of 2025**"). The results are as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Six months ended June 30,	
		2026	2025
	Note	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	4	**73,718**	90,959
Cost of sales	6	**(42,030)**	(32,985)
Gross profit		**31,688**	57,974
Other income	5	**7,854**	14,580
Other gains, net		**1,318**	544
Selling and marketing expenses	6	**(3,892)**	(4,260)
General and administrative expenses	6	**(15,415)**	(17,714)
Research and development expenses	6	**(62,732)**	(54,461)
Credit loss allowance (recognized)/reversed, net	6	**(2,018)**	3,004
Operating loss		**(43,197)**	(333)
Share of (loss)/profit of investments accounted for using the equity method		**(323)**	34
Finance income		**2,186**	4,316
Finance costs		**(7,655)**	(2,629)
(Loss)/profit before income tax		**(48,989)**	1,388
Income tax expenses	7	**(162)**	(999)
(Loss)/profit for the period		**(49,151)**	389
Attributable to:			
Owners of the Company		**(48,049)**	1,316
Non-controlling interests		**(1,102)**	(927)
		(49,151)	389

		Six months ended June 30,	
		2026	2025
	Note	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
(Losses)/earnings per share for profit attributable to owners of the Company (expressed in RMB per share)	8		
Basic		**(0.37)**	0.01
Diluted		**(0.37)**	0.01
Other comprehensive losses, net of tax:			
Items that may be reclassified to profit or loss			
Currency translation differences		**(5,193)**	(267)
Total comprehensive (losses)/income for the period		**(54,344)**	122
Attributable to:			
Owners of the Company		**(53,242)**	1,049
Non-controlling interests		**(1,102)**	(927)
		(54,344)	122

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

	Note	**As at June 30, 2026** *RMB'000* **(Unaudited)**	As at December 31, 2025 *RMB'000* (Audited)
Assets			
Non-current assets			
Right-of-use assets		**30,370**	39,009
Equipment		**97,055**	114,001
Intangible assets		**42,016**	41,540
Financial assets at fair value through profit or loss	9	**44,912**	147,284
Investments accounted for using the equity method		**118,364**	2,785
Term deposits		**30,742**	30,419
Contract assets		**600**	677
Deferred income tax assets		**2,195**	2,389
Other non-current assets		**1,092**	1,096
Total non-current assets		**367,346**	379,200
Current assets			
Inventory		**10,911**	2,955
Contract assets		**2,895**	1,966
Trade and notes receivables	10	**220,251**	255,763
Prepayments and other receivables		**156,485**	18,968
Financial assets at fair value through profit or loss	9	**100,128**	137,877
Restricted cash		**3,665**	3,665
Cash and cash equivalents		**244,095**	235,461
Total current assets		**738,430**	656,655
Total assets		**1,105,776**	1,035,855

	Note	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Equity			
Equity attributable to owners of the Company			
Share capital		**133,333**	133,333
Shares held for employee incentive scheme		**(38,859)**	(38,859)
Reserves		**572,590**	577,303
Retained earnings		**179,999**	228,048
		847,063	899,825
Non-controlling interests		**6,385**	7,487
Total equity		**853,448**	907,312
Liabilities			
Non-current liabilities			
Lease liabilities		**25,431**	33,703
Deferred income		**17,685**	24,094
Total non-current liabilities		**43,116**	57,797
Current liabilities			
Trade and notes payables	11	**8,135**	27,742
Current income tax payables		**199**	207
Other payables and accruals		**21,162**	23,030
Contract liabilities		**160,865**	808
Lease liabilities		**18,423**	17,275
Deferred income		**428**	1,684
Total current liabilities		**209,212**	70,746
Total liabilities		**252,328**	128,543
Total equity and liabilities		**1,105,776**	1,035,855

NOTES

1 GENERAL INFORMATION

Beijing Saimo Technology Co., Ltd. (the "**Company**") was incorporated in Beijing, the People's Republic of China (the "**PRC**") on January 24, 2014 as a limited liability company. On November 8, 2022, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The Company and its subsidiaries (collectively, the "**Group**") were primarily engaged in the provision of data engineering based on artificial intelligence and numerical calculation, anti-counterfeiting products, compliance consulting and testing verification services in the PRC, which are mainly applied to intelligent connected vehicle ("**ICV**") testing, verification and evaluation solutions.

On January 15, 2025, the Company completed its initial public offering, and its ordinary shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited.

These financial statements are presented in Renminbi ("**RMB**"), unless otherwise stated.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim condensed consolidated financial information for the six months ended June 30, 2026 has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("**IASB**"). This interim condensed consolidated financial information does not include all the notes of the type normally included in annual financial statements. Accordingly, it should be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2025 (the "**2025 Financial Statements**"), which have been prepared in accordance with IFRS Accounting Standards.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below.

2.1 New and amended standards adopted by the Group

The Group has applied the following standards, amendments and interpretation for the first time for its annual reporting period commencing 1 January 2026:

Standards and amendments		**Effective for annual periods beginning on or after**
Amendment to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 9 and IFRS 7	Contracts referencing nature-dependent electricity	January 1, 2026
Annual improvements project	Annual improvements to IFRS Accounting Standards – volumes 11	January 1, 2026

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.2 New and amended standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for June 30, 2026 reporting periods and have not been early adopted by the Group.

Standards and amendments		Effective for annual periods beginning on or after
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendment to IAS 21	Translation to a Hyperinflationary Presentation Currency	January 1, 2027
Amendments to IFRS 10 and IFRS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has already commenced an assessment of the impact of these new and amended standards and has concluded on a preliminary basis that adoption of these new and amended standards is not expected to have significant impacts on the performance and positions of the Group, except IFRS 18, which may mainly impact the presentation of the Group's consolidated statements of comprehensive income and the Group is still in the process of assessing the impact.

3 SEGMENT INFORMATION

The Group's business activities are based on data engineering of artificial intelligence and numerical computing, simulation products, compliance consulting and test verification services, which are mainly applied to functionality, compatibility, safety, reliability and comfortability of ICVs in the PRC. The Group does not distinguish revenue, costs and expenses between segments in its internal reporting, and reports costs and expenses by nature as a whole.

The Group's chief operating decision-maker has been identified as the board of directors, who reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole and hence, the Group has only one reportable segment. The Group does not distinguish between markets or segments for the purpose of internal reports. As all of the Group's non – current assets other than financial instruments and deferred tax assets are all located in Mainland China, no geographical information is presented.

The major customers who contributed more than 10% of total revenue of the Group for the six months ended June 30, 2026 and 2025 are listed below:

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
Number of major customers	**3**	5
Total revenue from major customers (RMB'000)	**57,064**	68,626

Customers	RMB'000	% of the total revenue
Six months ended June 30, 2026 (Unaudited)		
Customer A	**25,724**	**34.9%**
Customer B	**19,390**	**26.3%**
Customer C	**11,950**	**16.2%**
	57,064	**77.4%**
Six months ended June 30, 2025 (Unaudited)		
Customer D	24,761	27.2%
Customer E	11,887	13.1%
Customer F	11,717	12.9%
Customer G	11,110	12.2%
Customer H	9,151	10.1%
	68,626	75.5%

4 REVENUE

Disaggregation of revenue from contracts with customers by products and services is as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
ICV simulation testing software and platforms	**52,662**	49,073
ICV data platforms and other products	**147**	19,331
ICV testing and related services	**4,109**	9,310
Advisory and other services	**16,800**	13,245
	73,718	90,959

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

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
At point in time	**73,566**	90,507
Over time	**152**	452
	73,718	90,959

5 OTHER INCOME

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Government grants (i)	**7,744**	14,521
Value-added tax ("**VAT**") refund (ii)	**25**	–
Others	**85**	59
	7,854	14,580

(i) Government grants

Government grants primarily relate to grants in connection with the Group's contributions to technology development of governments. There are no unfulfilled conditions or contingencies relating to these incomes.

(ii) VAT refund

According to the VAT tax regulations in the PRC, the applicable VAT tax rate for sales of computer software is 13% during the periods presented.

6 EXPENSES BY NATURE

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Change in inventory	**(7,956)**	1,582
Procurement costs	**40,826**	22,793
Salaries, wages and other benefits	**31,350**	32,854
Depreciation of equipment	**27,264**	21,342
Amortization of intangible assets	**10,814**	9,900
Depreciation of right-of-use assets	**8,716**	7,867
Professional service and other external technical services	**7,000**	5,807
Credit loss allowance recognized/(reversed), net	**2,018**	(3,004)
Business travel expenses	**1,193**	1,321
Rental and property expenses	**1,067**	1,427
Business entertainment expenses	**1,001**	833
Office expenses	**926**	2,081
Share-based payments expenses	**604**	604
Insurance expenses	**232**	129
Listing expenses	**–**	580
Recruitment and training expenses	**107**	34
Advertising and marketing expenses	**16**	3
Other taxes and surcharges	**142**	72
Others	**767**	191
	126,087	106,416

7 INCOME TAX EXPENSES

The income tax expenses of the Group for the six months ended June 30, 2026 and 2025 are analysed as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax	**(24)**	–
Deferred income tax	**186**	999
Income tax expenses	**162**	999

Notes:

(a) Enterprise income tax in the PRC ("**EIT**")

The income tax provision of the Group in respect of its operations in the PRC was calculated using a tax rate of 25% on the assessable profits for the year presented, based on the existing legislation, interpretations and practices in respect thereof.

(b) Preferential EIT rate

The Company and its subsidiaries in the PRC are entitled to preferential EIT rates, as follows:

The Company was recognized as the Key Software Enterprise and therefore enjoyed a preferential EIT rate of 0% from January 1, 2019 to December 31, 2023, and can enjoy a preferential EIT rate of 10% from January 1, 2024.

Subsidiaries of the Company, Zhejiang Saimo Technology Co., Ltd., Zhejiang Fly Here Technology Co., Ltd. and Beijing Saimo Automotive Testing Technology Co. Ltd., enjoy tax benefits for small and micro enterprises.

(c) Super deduction for research and development expenses

According to Announcement No. 7 of 2023 by the Ministry of Finance and the State Administration of Taxation, since January 1, 2023, the pre-tax deduction rate for enterprise research and development expenses is 100%. The Group has made its best estimate for the Super Deduction to be claimed for the Group's entities in ascertaining their assessable profits during the years.

8 (LOSSES)/EARNINGS PER SHARE

(a) Basic

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
(Loss)/profit attributable to owners of the Company *(RMB'000)*	**(48,049)**	1,316
Weighted average number of ordinary shares *(thousands)*	**128,557**	129,006
Basic (losses)/earnings per share *(RMB)*	**(0.37)**	0.01

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period. The shares granted to employees under an equity incentive plan are excluded from the calculation of the weighted average number of ordinary shares.

(b) Diluted

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
(Loss)/profit attributable to owners of the Company *(RMB'000)*	**(48,049)**	1,316
Weighted average number of ordinary shares used in the basic earnings per share calculation *(thousands)*	**128,557**	129,006
Effect of dilution:		
– Restricted stock units *(thousands)*	**–**	1,402
Adjusted weighted average number of ordinary shares used in the diluted earnings per share calculation *(thousands)*	**128,557**	130,408
Diluted (losses)/earnings per share *(RMB)*	**(0.37)**	0.01

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has restricted stock units outstanding which are potentially dilutive.

The Group made a loss for the six months ended June 30, 2026. The effect of restricted stock units was anti-dilutive and is excluded from the calculation of the diluted loss per share. The diluted loss per share is calculated in the same way with the basic loss per share.

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss:

	As at June 30, 2026 *RMB'000* **(Unaudited)**	As at December 31, 2025 *RMB'000* (Audited)
Non-current assets		
Long-term investments measured at fair value through profit or loss		
– Unlisted equity securities	**44,912**	29,912
– Listed equity securities	**–**	117,372
	44,912	147,284
Current assets		
Short-term investments measured at fair value through profit or loss		
– Wealth management products	**100,128**	50,076
– Funds	**–**	87,801
	100,128	137,877

(b) Amounts recognised in profit or loss

During the period, the following gains were recognised in profit or loss:

	Six months ended June 30,	
	2026 *RMB'000* **(Unaudited)**	2025 *RMB'000* (Unaudited)
Fair value gains of financial assets at fair value through profit or loss recognised in other gains	**2,157**	561

10 TRADE AND NOTES RECEIVABLES

	As at June 30, 2026 *RMB'000* (Unaudited)	As at December 31, 2025 *RMB'000* (Audited)
Trade receivables		
– Third parties	**231,308**	263,792
– Related parties	**–**	–
Less: loss allowance	**(11,964)**	(10,127)
	219,344	253,665
Notes receivables	**912**	2,100
Less: loss allowance	**(5)**	(2)
	907	2,098
	220,251	255,763

The carrying amounts of the Group's trade and notes receivables are denominated in RMB.

The Group generally allows a credit period within 90 to 180 days to its customers. Aging analysis of trade and notes receivables based on date of completion of contractual obligations is as follows:

	As at June 30, 2026 *RMB'000* (Unaudited)	As at December 31, 2025 *RMB'000* (Audited)
Trade and notes receivables		
Up to 6 months	**39,396**	163,936
6 months to 1 year	**121,664**	45,528
1 to 2 years	**57,431**	29,439
Over 2 years	**13,729**	26,989
	232,220	265,892

Movement on the Group's loss allowance for trade and notes receivables are as follows:

	Six months ended June 30, 2026 *RMB'000* (Unaudited)	2025 *RMB'000* (Unaudited)
At the beginning of the period	**(10,129)**	(9,142)
Credit loss allowance (recognized)/reversed, net	**(1,884)**	2,904
Currency translation differences	**44**	–
At the end of the period	**(11,969)**	(6,238)

11 TRADE AND NOTES PAYABLES

	As at June 30, 2026	As at December 31, 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade payables	**8,135**	27,742

The aging analysis based on date of receipt of goods and services are as follows:

	As at June 30, 2026	As at December 31, 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Up to 3 months	**2,761**	25,074
3 to 6 months	**3,593**	20
Over 6 months	**1,781**	2,648
	8,135	27,742

As at June 30, 2026 and December 31, 2025, the carrying amounts of trade and notes payables were primarily denominated in RMB, which approximated their fair values.

12 DIVIDENDS

No dividends have been paid or declared by the Group or the companies comprising the Group for the six months ended June 30, 2026 (2025: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

We are a high-tech company in the PRC that specializes in data engineering of artificial intelligence and numerical computing, simulation products, compliance consulting and test verification services, and primarily engaged in the design and R&D of ICV simulation testing products and the provision of related testing, validation and evaluation solutions. ICVs refer to a road vehicle equipped with advanced sensors, controllers, and actuators, and is designed with the intelligent and cooperative driving functions. The Group also started to extend the applications of our technologies in other industries. The Group mainly offers (i) ICV simulation testing software and platforms; (ii) ICV data platforms and other products; (iii) ICV testing and related services; and (iv) advisory and other services.

The Group has accumulated rich data, reliable simulation products, an outstanding engineering service team, and a wide range of industrial users. Based on this, we have promptly elevated the overall capabilities of digital AI to the proprietary core technology of physical AI. (i) The new industrial-grade physical AI simulator Sim Pro (in support of scenario databases and cloud (SaaS) deployment) is used for the closed-loop verification of ICV simulation tests; (ii) The proprietary generated scenario databases with cloud-based deployment and the corresponding tools that comply with domestic regulations; (iii) The upgraded expected functional safety (including functional safety) ("**SOTIF**") analysis tool Safety Pro; (iv) The newly launched specialized scheduling tool and all-in-one machine product in response to the strong demands of customers. Leveraging its proprietary software and hardware integration capabilities and services, the Group is able to provide customised solutions catering to specific needs of our customers in a flexible, speedy and cost-effective manner. The Group mainly generates revenue from the provision of comprehensive ICV testing, validation and evaluation solutions to state-owned enterprises ("**SOEs**") and government authorities in the public sector and automotive manufacturers and technology companies in the private sector.

Technological Accumulation and Core Competencies

During the 14th Five-Year Plan, the Group has fully gone through the entire process of the largest application scenario of artificial intelligence, namely the development of ICV. We have provided services for over 1,000 vehicle models and conducted nearly 10,000 algorithm validations. The above-mentioned accumulation has laid a solid foundation for the Group to upgrade to physical AI. Physical AI is a new stage of digital AI and has gained widespread consensus worldwide.

In the era of digital AI, the Group focused on the largest application field of artificial intelligence – ICV. The core work lies in serving customers and establishing a closed-loop test and verification system suitable for ICV algorithms. This is prominently reflected in our solid data engineering capabilities, reliable simulation product capabilities, and efficient on-site service capabilities. We have truly and globally implemented a three pillar assessment system, helping customers efficiently enhance their R&D efficiency and reliably improve their safety levels. Through continuous efforts, while effectively implementing advanced technologies on a large scale, we have effectively enhanced the safe driving level of ICV.

During the course of business advancement, the Group has gradually accumulated and formed three core competitive advantages, namely data engineering capabilities, powerful simulator, and reliable service team. During the Reporting Period, the Group has completed at least three external investments related to computing power, further strengthening the foundational conditions for the industrial deployment of Physical AI and providing favorable support for subsequent business expansion.

MARKET OVERVIEW

With the solid advancement of the 15th Five-Year Plan, artificial intelligence has, particularly in the industrial sector, emerged as an important force leading global technological innovation. Among them, ICV has become a basic need for consumers. The rapid introduction and widespread adoption of technology have led to a significant increase in the demand for ICV safety, providing the Group with tremendous development opportunities. The latest ICV algorithms have already been truly integrated into one-piece models installed in vehicles. This poses higher requirements for the capabilities and computing power of service providers. The Group promptly responded to users' needs, effectively elevating dimensions by leveraging the latest advancements in physical AI technology to serve top-tier enterprises within the service sector. The first phase of implementation is approaching the delivery stage. With the arrival of this wave of large-scale installation of one-piece models in vehicles following it, the Group has made adequate preparations for engineering and delivery. As a leading enterprise, the Group possesses formidable technological advantages and a robust market position, which positions us to methodically expand our operations, seize market opportunities, and achieve sustainable growth.

During the Reporting Period, the Group actively expanded its business operations and ramped up investment in research and development. Meanwhile, we keep abreast of industry trends and regulatory policies, consistently enhancing the quality of our products and services to adapt to the ever-changing market and cater to the personalized needs of our clients. These efforts have laid a solid foundation for our business growth.

OVERALL BUSINESS PERFORMANCE

During the Reporting Period, the Group achieved operating revenue of approximately RMB73.7 million, representing a decrease of 19.0% compared with the same period of 2025. The profit attributable to owners of the Company changed from a profit of RMB1.3 million for the same period of 2025 to a loss of RMB48.0 million.

Business performance by product/service type

ICV simulation testing software and platforms, ICV data platforms and other products

The Group's products mainly include (i) ICV simulation testing software and platforms; and (ii) ICV data platforms and other products, which are primarily used for testing, validating and evaluating the functional completeness and safety of ICV intelligent driving solutions (including algorithms and their related key components of the intelligent driving system of an ICV), supporting effective regulation and decision-making of ICVs and constructing intelligent connected data centres or intelligent transportation platforms, or meeting regulatory requirements regarding over the air ("**OTA**") upgrading of vehicles.

In terms of ICV simulation testing software and platforms, during the Reporting Period, the Group's revenue from the sale of ICV simulation testing software and platforms amounted to approximately RMB52.7 million, representing an increase of 7.3% as compared with the same period of 2025. As for ICV simulation testing platforms, the Group supports the development of customised functions to cater to different needs of our customers. The ICV simulation testing platforms implemented by the Group for our customers were either cloud-based (i.e. SaaS solutions) or non-cloud based.

During the Reporting Period, the Group achieved remarkable results in customer expansion and successfully fostered long-term relationships with a number of well-known automobile manufacturers and technology companies. These cooperations have brought us more business opportunities and growth potential. In terms of ICV simulation testing platform, we continued to upgrade our technology and optimize our function so as to ensure that our platform could meet the increasing testing needs of our customers. Especially driven by the world model and artificial intelligence algorithms, our platform is capable of dynamically generating test cases that cover complex scenarios and long-tail distributions, significantly enhancing the test coverage and efficiency. Our SaaS solutions have demonstrated great flexibility and expandability in cloud deployment and have been well received by our customers. Furthermore, the Group has continued to invest in research and development in the area of innovation, promoting technological innovation and product upgrades to provide customers with more advanced and efficient ICV testing, validation and evaluation solutions. These innovations are not only reflected in the improvement of simulation accuracy but also in the integration of the predictive capabilities of world models with the decision-making optimisation capabilities of artificial intelligence, forming a complete closed loop from scenario construction to safety evaluation. These innovations have not only bolstered our market competitiveness, but also injected new momentum into our business growth. In respect of ICV simulation testing standalone software products, the Group's standalone software products were sold to end customers by way of either direct sales or indirect sales. In the first half of 2026, our ICV simulation testing standalone software products received recognition in the market for their high quality and excellent performance.

In terms of ICV data platforms and other products, during the Reporting Period, the Group recognised revenue from the sale of ICV data platforms and other products of approximately RMB0.1 million, representing a decrease of 99.2% as compared with the same period of 2025. As for ICV data platforms, the Group had been involved in the building of ICV data platforms in various cities in the PRC.

The decrease in revenue from the ICV data platform and other products was primarily attributable to (i) the Group's strategic focus shifting towards ICV simulation testing software and platforms, resulting in relatively reduced resource allocation to the data platform business; (ii) no direct sales revenue being recorded from other products (including hardware components such as servers, CPUs and RAM, as well as OTA platforms) during the reporting period; and (iii) delays in the delivery schedule of certain customer projects, coupled with intensified industry competition, which exerted pressure on the revenue and gross profit margins of certain existing data platform products.

Although we did not achieve direct revenue from the sales of other products in the first half of 2026, this does not mean that our efforts and investments in this area were inadequate. We have been actively exploring and developing hardware products that are compatible with the ICV simulation testing platforms and ICV data platforms and other products and products related to OTA regulation. We have also introduced an AI-driven data processing procedure and scene representation technology supported by the world model, enabling the platform to not only efficiently manage massive road test data, but also automatically extract high-value scenarios from it for simulation testing and algorithm iteration, in an effort to provide our customers with a more complete one stop solution. Through in-depth collaboration with multiple hardware suppliers, we have continuously optimized product performance and improved product quality, laying a solid foundation for future market expansion. We believe that with the growing market demand for ICV technology, our other product sales businesses will also experience new growth opportunities.

ICV testing and related services, and advisory and other services

The Group's services include the provision of (i) ICV testing and related services; and (ii) advisory and other services, which help customers test, validate and evaluate the safety and driving capabilities of ICVs, help customers operate and maintain ICV-related platforms. We also offer advice and technical assistance in respect of ICV-related policies, laws and regulations as well as industry standards, assist government authorities in organising conferences and seminars in the ICV and related industries and help government authorities and technology companies in the testing, operation management and other activities of drones.

In terms of ICV testing and related services, the Group is capable of providing customers with comprehensive ICV testing and related services, including (i) simulation tests and related services (which generally require the use of the Group's core technologies, including Sim Pro); (ii) closed-course site tests and related services; and (iii) platform operation and maintenance services.

During the Reporting Period, the Group's revenue from ICV testing and related services amounted to approximately RMB4.1 million.

In terms of advisory and other services, the Group offers advisory and other services to the PRC government authorities or SOEs in the public sector and automotive manufacturers in the private sector. In respect of the Group's advisory services, the Group assists automotive manufacturers in understanding and complying with the ICV-related domestic and international laws, regulations and/or standards, in particular those relating to software upgrade, OTA technology, simulation testing, SOTIF, FuSa, cyber security and data security matters concerning ICVs, by (i) reviewing materials (including R&D and production policies, safety manuals, user manuals, etc.) of our customers and/or their ICV products; and (ii) issuing advisory report which includes policy updates as well as the Group's advice in relation to improving the technologies and/or products of the relevant customers. For the Group's other services, the Group assists government authorities or their SOEs in organising conferences and seminars in the ICV and related industries. During the Reporting Period, the Group's revenue from advisory and other services amounted to approximately RMB16.8 million representing an increase of 26.8% as compared with the same period of 2025.

On the whole, the Group achieved significant results in the first half of 2026 in terms of advisory and other services. Our consultancy services have successfully assisted a number of automobile manufacturers in improving the safety and compliance of their products through insight and expertise in ICV-related laws, regulations and standards. Our team not only carefully reviewed the customers' materials, but also provided specific advice and improvement solutions based on the latest policy developments. Further, we have achieved excellent performance in assisting government departments in organizing ICV and related industry conferences and seminars. These activities have not only facilitated exchanges and co-operation within the industry, but also enhanced the Group's popularity and influence in the industry.

PROSPECTS AND FUTURE PLAN

Going forward, the Group will maintain its strong commitment to and focus on independent innovation to follow the national development strategies, and increase its investment to R&D and technological innovation, to continuously enhance the core competitiveness of its products and services, capture greater market share in the PRC and further develop and expand its business in overseas markets and other areas. In order to achieve this objective, the Group will pursue the following strategies:

The Group plans to continue to optimise and upgrade its existing solutions and strengthen its technological advantages

The Group has built a relatively comprehensive product matrix and launched core technology tools for commercialization, including Sim Pro, Safety Pro and other solutions, and the Group believes that its future success will continue to be closely related to its ability to develop or improve such tools and related technologies. As such, the Group plans to increase its investment in the continuous optimisation and upgrade of its existing solutions:

- Sim Pro: We will further incorporate the world model to achieve highly accurate characterization of the physical properties of the sensors, as well as an AI-driven data closed-loop iterative mechanism to upgrade and optimise models for an array of real-world physical sensors such as cameras, LiDAR and millimetre-wave radar, upgrade and optimise the vehicle-cloud-vehicle data closed-loop based on cloud simulation, and upgrade and optimise the module within Sim Pro, so as to enhance the performance of the XiL testing.

- Safety Pro: We will incorporate artificial intelligence algorithm technology to upgrade and optimise the new function of intelligent analysis, and upgrade and optimise the function of automatic generation of FuSa and SOTIF scenario databases.

- Traffic Pro: We will incorporate the concept of the human world model to optimise the high-precision real-time data processing engine, develop more optimisation algorithms for intelligent signal light based on deep learning and big data analysis, and enhance the compatibility of Traffic Pro with different software and systems.

- SceCo Pro: Developing the function of integrating data from multiple sources, such as data collected from sensors on the vehicles and map data, developing the function of cloud deployment, developing the function of automatic generation of customised scenarios. Leveraging the integration and representation capabilities of the world model for multi-source data, as well as the automatic combination and generalisation of scene elements by artificial intelligence, it significantly improved the efficiency and coverage of customised scenario generation.

The Group plans to increase its investment in the innovation and enhancement of new products and solidify its leading market position in the industrial artificial intelligence field

In order to maintain its competitiveness in the industry, the Group will continue to develop and commercialise new products and continuously diversify its product portfolio in respect of ICV testing, validation and evaluation. In the near term, the Group intends to focus its efforts on the following tools which are developed based on one or more modules within its Sim Pro tool chain, which include SGO Pro, DB Pro, Cloud Pro. With its continued R&D investment, the Group believes it is able to stay at the forefront of simulation technology development and product innovations to better serve the demands of customers in the rapidly evolving ICV industry.

The Group plans to grow its customer base and expand its market coverage globally

The Group plans to further expand its geographic coverage and deepen its customer relationships to accommodate the market growth and capture greater business opportunities in the ICV testing, validation and evaluation solutions industry and strengthen its market position. Specifically, the Group plans to expand its business into more cities in China where many market players in the automotive and ICV industries are located or where laws, regulations and policies supportive of the industry development are in place. The Group would also consider setting up representative office and R&D center in Hong Kong so as to lay the groundwork for expanding its presence in overseas markets, and exploring opportunities with overseas partners to introduce the Group's solutions into more international markets. In executing the above expansion plans, the Group intends to enhance its sales and marketing efforts through (i) expanding and improving the capabilities of its domestic sales and marketing team; and (ii) participating in and organising more industry events such as conferences, seminars and trade fairs in mainland China and Hong Kong. With its established industry reputation and technological capabilities, the Group believes it is capable of acquiring new customers and undertake more ICV testing, validation and evaluation-related projects in the coming years.

The Group plans to grow its talent pool to support its business development plans

The Group believes that technical talents are essential for it to pursue technology innovations and carry out its product development plans. The Group will continue to invest in and expand its R&D team by attracting technical staff with extensive expertise and experience in areas such as artificial intelligence, world model construction, generation of large-scale simulation scenarios, software development, algorithms, vehicle testing, industry research and product design, so as to execute its R&D strategies. Apart from R&D talents, the Group will also focus on recruiting more professionals with (i) sales and marketing expertise and experiences to support its domestic expansion plans; and (ii) management expertise and experiences, especially in relation to project management and execution, to enhance the operational and managerial capabilities of its management team. The Group will also optimise its talent training system constantly to facilitate the technical and occupational development of its employees and offer them a platform to achieve future success.

The Group plans to expand the application of simulation technologies and explore business opportunities in other industries

With its proprietary core technologies as well as technical know-how and expertise accumulated over the years, the Group plans to explore new commercialisation opportunities and application scenarios of its simulation technologies in the following areas:

- Physical AI: Leveraging the profound foundation (such as methodologies, technical systems, data assets, laboratory facilities and customer resources) accumulated over a long period in the field of autonomous driving test and verification, the Group generalises these capabilities upwards to the native technology architecture of embodied intelligence. In respect of products, the Group integrates high-density heterogeneous computing power, ultra-fast distributed storage, and a full-stack self-developed software ecosystem, and deeply internalises these capabilities into the core areas such as 4D reconstruction of time-space, physical intelligence deduction, and closed loop of digital twin simulation.

- Virtual ECU and chip simulation: The Group has developed electronic digital twin technology and virtual ECU-related products by introducing strategic investment to a subsidiary controlled by it, Zhejiang Saimo Technology Co., Ltd., thereby building full-chain automotive electronics simulation capabilities. Leveraging the electronic digital twin core engine independently developed by the Group, eTwins MFMT System, we provide new solutions for the research and development, testing, and verification of automotive electronics through high-precision modeling, real-time simulation, and data-driven optimisation capabilities. This business extends the simulation capabilities of the Group from the vehicle level to the chip level, opening up this billion-dollar incremental market for semiconductor simulation.

- Drone-related solutions: Currently, the low-altitude economy is in a period of intensive policy implementation. Zhejiang Fly Here Technology Co., Ltd. (浙江這裏飛科技有限公司) (a company controlled by the Group) is a technology company specialising in low-altitude drone operation services and intelligent airspace management. Leveraging technologies such as artificial intelligence, 5G communication, the Internet of Things, and big data, the Company has independently developed low-altitude operation service platforms, integrated low-altitude application service platforms, and comprehensive low-altitude economic industry service platforms for urban scenarios. These platforms provide local governments, drone enterprises, and users with technical support and operational service solutions for low-altitude operations, including drone testing and evaluation, aeronautical information, intelligent airspace management, operational support, planning and construction of takeoff and landing infrastructure for drones, research on standards and regulations, and low-altitude development consulting. Benefits of recent policies have also provided broad development opportunities for the low-altitude economic business of the Company.

FINANCIAL REVIEW

Revenue

The Group offers ICV testing, validation and evaluation products and services to customers. During the Reporting Period, revenue of the Group was derived from (i) the sale of its products; and (ii) the provision of its services. The revenue of the Group decreased by RMB17.2 million (or approximately 19.0%) from RMB91.0 million for the first six months of 2025 to RMB73.7 million for the first six months of 2026, which was mainly due to a decrease in revenue generated from ICV data platforms and ICV testing and related services. The following table sets forth a breakdown of our revenue attributable to our products and services for the periods indicated:

Revenue contributed from	**Six months ended 30 June**			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
	(Unaudited)		(Unaudited)	
Products				
– ICV simulation testing software and platforms	**52,662**	**71.4**	49,073	54.0
– ICV data platforms and other products	**147**	**0.2**	19,331	21.3
Subtotal	**52,809**	**71.6**	68,404	75.3
Services				
– ICV testing and related services	**4,109**	**5.6**	9,310	10.2
– Advisory and other services	**16,800**	**22.8**	13,245	14.5
Subtotal	**20,909**	**28.4**	22,555	24.7
Total revenue	**73,718**	**100**	90,959	100

Cost of sales

Cost of sales of the Group increased by RMB9.0 million (or approximately 27.4%) from RMB33.0 million for the first six months of 2025 to RMB42.0 million for the first six months of 2026, which was mainly due to the increased procurement.

Gross profit and gross profit margin

Gross profit of the Group decreased by RMB26.3 million (or approximately 45.3%) from RMB58.0 million for the first six months of 2025 to RMB31.7 million for the first six months of 2026, which was mainly due to a decrease in gross profit resulting from the decline in revenue. The overall gross profit margin of the Group decreased from 63.7% for the first six months of 2025 to 43.0% for the first six months of 2026, which was mainly due to the increased hardware costs and higher customization requirements for the ICV simulation testing software and platforms.

Other income

Other income of the Group decreased by RMB6.7 million (or approximately 46.1%) from RMB14.6 million for the first six months of 2025 to RMB7.9 million for the first six months of 2026, which was mainly due to a decrease in government grants, partially offset by an increase in VAT refunds.

Other gains, net

Other gains, net of the Group increased from a gain of RMB0.5 million for the first six months of 2025 to a gain of RMB1.3 million for the first six months of 2026, which was mainly due to the fair value changes of the financial assets measured at fair value through profit or loss.

Selling and marketing expenses

Selling and marketing expenses of the Group decreased by RMB0.4 million (or approximately 8.6%) from RMB4.3 million for the first six months of 2025 to RMB3.9 million for the first six months of 2026, which was mainly due to the optimisation of sales resource allocation and corresponding decrease in related service fees and labor costs.

General and administrative expenses

General and administrative expenses of the Group decreased by RMB2.3 million (or approximately 13.0%) from RMB17.7 million for the first six months of 2025 to RMB15.4 million for the first six months of 2026, which was mainly due to a decrease in bonus and activity expenses related to listing.

R&D expenses

R&D expenses of the Group increased by RMB8.2 million (or approximately 15.2%) from RMB54.5 million for the first six months of 2025 to RMB62.7 million for the first six months of 2026, which was mainly due to an increase in depreciation and amortisation expenses for equipment and intangible assets related to the R&D activities.

Provision and reversal of impairment losses on financial and contract assets

Impairment losses on financial and contract assets of the Group changed by RMB5.0 million (or approximately 167.2%) from a reversal of RMB3.0 million for the first six months of 2025 to a provision of RMB2.0 million for the first six months of 2026, which was attributable to the extended aging profile of certain outstanding balances. These receivables are currently under active collection in the normal course of business.

Share of (loss)/profit of investments accounted for using the equity method

Share of (loss)/profit of investments accounted for using the equity method of the Group decreased by RMB0.4 million (or approximately 1,050.0%) from a profit of RMB34,000 for the first six months of 2025 to a loss of RMB323,000 for the first six months of 2026, which was mainly due to a decrease in the operating results of the joint venture company, Beijing Dysprosium Data Technology Co., Ltd. ("**Beijing Dysprosium**") for the first six months of 2026 compared to the first six months of 2025.

Finance (costs)/income, net

Finance (costs)/income, net of the Group shifted from finance income of RMB1.7 million in the first half of 2025 to finance expense of RMB5.5 million in the first half of 2026, representing a change of RMB 7.2 million (approximately 424.2%). This was primarily attributable to the increase in foreign exchange losses during the reporting period as a result of fluctuations in the USD and HKD exchange rates.

Income tax expenses

Income tax expense of the Group for the first six months of 2026 was RMB0.2 million, decreasing from the income tax expense of RMB1.0 million for the same period of 2025, which was mainly due to the decrease of the deferred income tax expenses.

(Loss)/profit for the period

(Loss)/profit for the period of the Group changed from a profit of RMB0.4 million for the first six months of 2025 to a loss of RMB49.2 million for the first six months of 2026. The decline in the Group's operating performance was primarily attributable to increased equipment investing leading to higher depreciation and amortization expenses as well as intensified industry competition and changes in technology solutions adopted by customers, which exerted pressure on the revenue and gross profit margins of certain existing products of the Group.

Non-IFRS measure

To supplement our interim consolidated financial statements, which are presented in accordance with IFRSs, our Group also uses adjusted profit/(loss) (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with IFRSs. The Group believes that this non-IFRS measure facilitates comparisons of our operating performance between different financial years and different entities by eliminating the potential impact of certain items. The Group also believes that this non-IFRS measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of adjusted profit/(loss) (non-IFRS measure) may not be comparable to similarly titled measures presented by other entities. The use of this non-IFRS measure has limitations as an analytical tool, and it should not be considered in isolation from, or as a substitute for an analysis of, results of operations or financial condition of the Group as reported under IFRSs. The Group defines adjusted profit/(loss) (non-IFRS measure) as profit for the period which is adjusted by eliminating (i) share-based payment expenses; and (ii) listing expenses.

The following table reconciles our adjusted profit/(loss) for the period indicated (non-IFRS measure) presented in accordance with IFRSs, which is profit for the periods indicated:

	Six months ended 30 June	
	2026	2025
	(RMB'000)	*(RMB'000)*
	(Unaudited)	(Unaudited)
(Loss)/profit for the period	**(49,151)**	389
Add:		
– Share-based payment expenses *(Note 1)*	**604**	604
– Listing expenses *(Note 2)*	**–**	580
Adjusted (loss)/profit for the period (non-IFRS measure)	**(48,547)**	1,573

Notes:

(1) Share-based payment expenses are adjusted for as they are non-cash in nature and do not result in cash outflow.

(2) Listing expenses are adjusted for as they were incurred for the purpose of the Listing.

Equipment, right-of-use assets and intangible assets

The equipment of the Group decreased from RMB114.0 million as at 31 December 2025 to RMB97.1 million as at 30 June 2026, mainly as a result of depreciation and disposal of fixed assets during the Reporting Period. The right-of-use assets of the Group decreased from RMB39.0 million as at 31 December 2025 to RMB30.4 million as at 30 June 2026, mainly as a result of depreciation of right-of-use assets. The intangible assets of the Group increased from RMB41.5 million as at 31 December 2025 to RMB42.0 million as at 30 June 2026, which was mainly due to new addition of intangible assets. The intangible assets primarily represent simulation, modelling and algorithm software programmes of the Group for its government-commissioned projects and R&D purpose, internally generated intangible assets and other business and financial software for its business operations.

Financial assets at fair value through profit or loss

The financial assets at fair value through profit or loss of the Group decreased from RMB285.2 million as at 31 December 2025 to RMB145.0 million as at 30 June 2026, which was mainly due to fund redemptions and a change in the accounting treatment of the equity interest held in Ruifeng Power Group Company Limited.

Trade and notes receivables

Trade and notes receivables of the Group decreased from RMB255.8 million as at 31 December 2025 to RMB220.3 million as at 30 June 2026, which was primarily driven by both new receivables from revenue recognition and the collection of existing receivables. Trade and notes receivables turnover days for the first six months of 2026 amounted to 584.4 days (the first six months of 2025: 352.6 days).

Prepayments and other receivables

Prepayments and other receivables of the Group amounted to RMB156.5 million as at 30 June 2026, representing an increase of RMB137.5 million as compared to RMB19.0 million as at 31 December 2025, which was mainly due to the increase in advance payments to suppliers during the Reporting Period.

Current assets

Current assets of the Group increased from RMB656.7 million as at 31 December 2025 to RMB738.4 million as at 30 June 2026, which was mainly due to the increase in cash and cash equivalents, as well as prepayments and other receivables.

Liquidity and capital resource

The Group used to finance operations primarily through a combination of (i) capital contribution; and (ii) operating cash flows. The cash and cash equivalents of the Group increased from RMB235.5 million as at 31 December 2025 to RMB244.1 million as at 30 June 2026, which was mainly attributable to operating activities. As of 30 June 2026, the cash and cash equivalents of the Group were denominated in RMB, Hong Kong dollars and US dollars.

The Group adopts a prudent financial management approach towards its treasury policies. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Net cash generated from operating activities

Net cash generated from operating activities of the Group decreased by RMB40.0 million (or approximately 73.7%) from RMB54.2 million for the first six months of 2025 to RMB14.2 million for the first six months of 2026. This decline was primarily driven by the decrease in revenue, compounded by the increased hardware costs and higher customization requirements for the ICV simulation testing software and platforms. Consequently, the operating cash flow before working capital changes of approximately RMB3.8 million and working capital changes adjustments of RMB8.9 million.

Net cash generated from/(used in) investing activities

The Group's net cash generated from investing activities of RMB9.2 million for the first six months of 2026 compared to the net cash used in investing activities of RMB320.3 million for the first six months of 2025, which was mainly attributable to the redemption of short-term investments measured at fair value through profit or loss.

Net cash (used in)/generated from financing activities

Net cash (used in)/generated from financing activities of the Group changed from a cash inflow of RMB357.3 million for the first six months of 2025 to a cash outflow of RMB8.1 million for the same period of 2026, which was primarily due to the absence of listing proceeds this year, compared with last year.

Borrowings

As of 30 June 2026, we did not have any external borrowings or loans (31 December 2025: nil).

Lease liabilities

The lease liabilities of the Group amounted to RMB43.9 million as at 30 June 2026, representing a decrease of RMB7.1 million as compared to RMB51.0 million as at 31 December 2025, which was mainly due to the payment of rent for the National Intelligent Vehicles and Intelligent Transport (Jing Ji) Demonstration Zone Shunyi Base ("**Shunyi Testing Site**") in accordance with the contract in the first half of year 2026.

Trade and notes payables

Trade and notes payables of the Group decreased from RMB27.7 million as at 31 December 2025 to RMB8.1 million as at 30 June 2026, which was mainly due to the payment to suppliers during the Reporting Period. The trade and notes payables turnover days for the Reporting Period was 77.3 days (the first six months of 2025: 32.8 days).

Gearing ratio

As of 30 June 2026, the Group's gearing ratio which was calculated as the percentage of bank borrowings to total equity was nil (31 December 2025: nil). There was no change in the gearing ratio for the Reporting Period.

Pledge of assets

As at 30 June 2026, the Group did not have any pledged assets.

Foreign exchange risk

The Group's business is primarily conducted in RMB, and most of its assets are denominated in RMB. The Group's foreign exchange risk primarily arises from fluctuations in the US dollar/RMB and Hong Kong dollar/RMB exchange rates. As of now, the Group has not established any foreign currency hedging policies. However, the Board will monitor such risks and, if necessary, consider hedging against any significant foreign currency risks that may arise.

Contingent liabilities

As at 30 June 2026, the Group did not have any significant contingent liabilities (As of 31 December 2025: nil).

Capital commitments

The Group's capital commitments not yet paid as at 30 June 2026 increased by RMB34.9 million mainly due to investments in joint ventures and other strategic investments, compared to the last year end.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Company has been successfully listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") following the completion of global offering of ordinary shares of the Company, including, a public offering in Hong Kong of 3,333,400 H shares and an international offering of 30,000,000 H shares, at a price of HK$12.99 per share (collectively the "**Global Offering**") on 15 January 2025 (the "**Listing Date**").

The Company issued 33,333,400 H Shares, with a nominal value of RMB1 per share, in the Global Offering at an offering price of HK$12.99 per H share. After deducting the underwriting commissions and other expenses in connection with the Global Offering, net proceeds from the Global Offering were approximately RMB328.8 million(note) (approximately equivalent to HK$356.2 million). The table below sets out the utilization of proceeds from the Global Offering by the Company as of 30 June 2026:

Purpose	Amount of net proceeds allocated *(RMB million)*	Percentage of total amounts of net proceeds *%*	Net proceeds unutilized as at 31 December 2025 *(RMB million)*	Net proceeds utilized during the Reporting Period *(RMB million)*	Net proceeds unutilized as at 30 June 2026 *(RMB million)*	Expected timelines for use of proceeds
Ongoing R&D investment						By December 2027
– R&D of our existing solutions, including Sim Pro, Safety Pro, SceCo Pro, and Traffic Pro	57.5	17.5%	32.7	13.6	19.1	
– R&D of new tools SGO Pro, DB Pro and Cloud Pro, as well as the lease of cloud services and development of own cloud infrastructure of the Group	101.3	30.8%	101.3	–	101.3	

Purpose	Amount of net proceeds allocated *(RMB million)*	Percentage of total amounts of net proceeds *%*	Net proceeds unutilized as at 31 December 2025 *(RMB million)*	Net proceeds utilized during the Reporting Period *(RMB million)*	Net proceeds unutilized as at 30 June 2026 *(RMB million)*	Expected timelines for use of proceeds
– R&D activities for penetrating into new industries, namely drones, digital city twin and intelligent agriculture-related industries	45.7	13.9%	45.7	10.8	34.9	
Geographic expansion and marketing of products and services of the Group	91.4	27.8%	91.4	–	91.4	By December 2027
General corporate purposes and to supplement our working capital	32.9	10.0%	6.3	3.8	2.5	By December 2027
Total	**328.8**	**100%**	**277.4**	**28.2**	**249.2**	

Note: Based on the actual settlement of listing expenses with suppliers, the actual listing expenses have been adjusted from the projected amount, and the net proceeds have also changed from the projected amount.

For the period from 22 January 2025 to 9 May 2025, the Company utilised a portion of the unutilised net proceeds amounting to approximately RMB193.0 million to subscribe for certain notes and fund products (the "**Products**"). As at the date of this announcement, all such net proceeds unutilised to subscribe for the Products have been redeemed. For details, please refer to the announcements of the Company dated 24 December 2025 and 6 January 2026.

As at the date of this announcement, save as disclosed above, the net proceeds from the Global Offering were used in the manner consistent with that mentioned in the section head "Future Plans and Use of Proceeds" in the Prospectus, and there was no change for the intended use of net proceeds as disclosed in the Prospectus.

Please refer to the section headed "Future plans and use of proceeds – Use of proceeds" in the Prospectus for further information.

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

The investment objective of the Group is to enhance the corporate value to the shareholders of the Company ("**Shareholders**"). The strategy of the Group is to identify and invest in both listed and unlisted investments with potential of growth within their industries. In identifying potential investment, the Group will consider its business segment, operation, current value and the potential of going public. Currently, the Group has no specific industry focus on potential investment.

As at 30 June 2026, the Group held the following significant investment:

Investment in Ruifeng Power Group Company Limited (瑞豐動力集團有限公司) ("Ruifeng Power")

According to the publicly available information, Ruifeng Power is an exempted company limited by shares incorporated in the Cayman Islands and the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (stock code: 2025). Ruifeng Power and its subsidiaries (the "**Ruifeng Power Group**") are principally engaged in the design, development, production and sales of cylinder blocks, as well as cylinder heads and certain cylinder block components and others, to automobile manufacturers and engine manufacturers in the PRC. During the year, the Group purchased 4,160,000 and 6,760,000 shares of Ruifeng Power ("**Ruifeng Power Shares**") at HK$7.18 and HK$10.30 per share on September 19, 2025 and October 16, 2025, respectively, the total consideration of which is approximately HK$99.5 million. As at 30 June 2026, the Company holds approximately 10,920,000 shares of Ruifeng Power, representing approximately 1.365% of the issued share capital of Ruifeng Power. For a detailed understanding of the performance and future prospects of the investment in Ruifeng Power Shares, please refer to the published annual/interim reports of Ruifeng Power as disclosed on the website of the Stock Exchange. For other details of the purchase of Ruifeng Power Shares, please refer to the announcement of the Company dated 16 October 2025 and the interim report of the Company for the first six months of 2026 to be published in due course.

Deemed Disposal of Equity Interest in Zhejiang Saimo

On 6 January 2026, the Company, Zhejiang Saimo Technology Co., Ltd.* (浙江賽目科技有限公司) ("**Zhejiang Saimo**") and Shanghai Shuxin Juhui Enterprise Management Consulting Partnership Enterprise (Limited Partnership), Shanghai Xinjuhui Technology Partnership Enterprise (Limited Partnership), and Jing Wei entered into an Investment Agreement and a Shareholders Agreement. Pursuant to the Investment Agreement, *inter alia,* the Investors (as defined in the announcement of the Company dated 6 January 2026) have agreed to contribute to Zhejiang Saimo by way of intellectual property and cash, subscribing for the increase in the registered capital of Zhejiang Saimo in the amount of RMB9,607,843 in exchange for an aggregate of 49% equity interest in Zhejiang Saimo. Upon completion of the capital increase, the registered capital of Zhejiang Saimo will increase from RMB10,000,000 to RMB19,607,843, and the Company and the Investors will directly hold approximately 51% and 49% equity interest in Zhejiang Saimo, respectively. Please refer to the announcements of the Company dated 6 January 2026 and 26 January 2026 for more details.

Establishment of a joint venture

In April 2026, the Company signed the articles of association of joint venture and joint venture operating contracts (collectively, the "**Contracts**") with Robert Bosch International Investment Co., Ltd. ("**RBINT**") and Bosch (China) Investment Co., Ltd. ("**RBCN**", together with RBINT, "**Bosch**"), both of which are controlled by Robert Bosch GmbH in Germany. Pursuant to the Contracts, the Company and Bosch agree to jointly invest in the establishment of a joint venture company in the People's Republic of China, namely Saishi Space Engine (Beijing) Intelligent Technology Co., Ltd ("**Saishi Space**"). The Company holds 62.5% equity interest in Saishi Space.

For the first six months of 2026, save as disclosed in this announcement, the Company had no significant investments.

For the first six months of 2026, save as disclosed in this announcement, the Company had no material acquisitions and disposals of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at the date of this announcement, save as disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus and in this announcement, the Group has no other future plans for any other material investments and capital assets.

EMPLOYEE AND REMUNERATION POLICY

As of 30 June 2026, the Group had a total of 165 employees (30 June 2025: 162). For the first six months of 2026, the Group's staff cost amounted to approximately RMB32.0 million (same period of 2025: approximately RMB33.5 million).

The Group's employee remuneration policy is determined by taking into account factors such as the remuneration in the local market, the overall remuneration level in the industry, operating efficiency, position and employees' performance. We provide both internal and external training sessions to our employees to improve their work performances. Our internal training includes induction training and on-the-job training which can be conducted either physically or remotely. It covers various aspects of our employees' development, which include, among other things, data security awareness, general skills, professional skills and management capabilities. We also encourage and, to some extent, sponsor our employees to attend external training programmes from time to time to further improve their technical knowledge and professional skills. In addition to basic salaries, our employees are entitled to annual performance-based compensation based on our employees' job performance. We had the Employee Incentive Scheme and the 2025 H Share Award Trust Scheme (adopted on 17 June 2025) to motivate our key management and skilled personnel. We participate in housing fund and employee social security plans organised by applicable local PRC government authorities, including housing provident fund, pension, medical, work-related injury, maternity and unemployment benefit plans, under which we have made contributions at specified percentages of the salaries of our employees in the PRC where applicable.

The Group offers our executive Directors, Supervisors and senior management members, who are also employees of our Company, emolument in the form of remuneration, pension, performance-based compensation and other welfares. Our independent non-executive Directors receive emolument based on their responsibilities (including being members or chairperson of Board committees).

As of 30 June 2026, the Group did not experience any major difficulties in recruitment, nor experience any substantial loss in manpower or any material labor dispute.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, there was not any material and important events affecting the Group that had occurred after 30 June 2026 and up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to the establishment of stringent corporate governance practices and procedures, and continuously striving to maintain a high standard of corporate governance, so as to enhance the Company's accountability and transparency continuously.

Since the Listing Date, the Company has adopted and applied the code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as its own corporate governance code. To the best knowledge, belief and information of the Directors, the Company had complied with all applicable code provisions under the CG Code and other applicable legal and regulatory requirements during the Reporting Period, and there has been no deviation from the code provisions of the CG Code during the Reporting Period.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "**Model Code**") set forth in Appendix C3 to the Listing Rules as a code of conduct for all securities transactions by the Directors, Supervisors (the "**Supervisors**") and relevant employees of the Company. The Company confirmed that all Directors and Supervisors always abided by the required standards as set out in the Model Code during the Reporting Period after making specific enquiries to all the Directors and Supervisors. During the above-mentioned period, the Company was not aware of any case of non-compliance with the Model Code by the relevant employees.

In case the Company is aware of any restricted period for dealings in the Company's securities, the Company will notify its Directors, Supervisors and relevant employees in advance.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company (including sale of treasury shares) during the Reporting Period.

As of 30 June 2026, there were no treasury shares (as defined under the Listing Rules) held by the Company.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") comprised three independent non-executive Directors, namely, Ms. Guo Lili (Chairlady), Mr. Ma Weiguo and Mr. Wong Ho Kwan. Ms. Guo Lili and Mr. Wong Ho Kwan possess the appropriate professional qualifications as required under Rule 3.10(2) of the Listing Rules. None of the members of the Audit Committee is a former partner of the Company's existing external auditors.

The main duties of the Audit Committee are to provide independent opinions on the effectiveness of the Group's financial reporting process, risk management, and internal control systems to assist the Board, oversee the audit procedures, develop and review policies, make recommendations to the Board regarding the appointment and removal of external auditors, and perform other duties and responsibilities assigned by the Board.

REVIEW OF UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

The Audit Committee has reviewed the unaudited consolidated interim results of the Group for the six months ended 30 June 2026. The Audit Committee has also reviewed together with the management the accounting principles and policies adopted by the Company and discussed matters in relation to, among others, risk management, internal control and financial reporting of the Group. The Audit Committee considers that the unaudited consolidated interim results of the Group for the six months ended 30 June 2026 are in compliance with the applicable accounting standards, laws and regulations.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.saimo.cloud.

The Company's interim report for the six months ended 30 June 2026 containing all the information required by the Listing Rules will be dispatched to the Shareholders (who have requested corporate communications in printed copy) and published on the website of the Company at www.saimo.cloud and the website of the Stock Exchange at www.hkexnews.hk respectively in due course.

By order of the Board
Beijing Saimo Technology Co., Ltd.
Mr. Hu Dalin
Chairman of the Board and Executive Director

Hong Kong, 25 August 2026

As at the date of this announcement, the Board comprises (i) the executive Directors are Mr. Hu Dalin, Mr. He Feng and Ms. Ma Lei; (ii) the non-executive Directors are Mr. Jia Qi, Dr. Yao Xiang and Ms. Gong Xiao; and (iii) the independent non-executive Directors are Ms. Guo Lili, Mr. Ma Weiguo and Mr. Wong Ho Kwan.