Zhejiang Galaxis Technology Group Co., Ltd.
浙江凱樂士科技集團股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 2729)

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

The board of directors of Zhejiang Galaxis Technology Group Co., Ltd. is pleased to announce the unaudited interim consolidated results of the Group for the six months ended June 30, 2026, together with the comparative figures for the six months ended June 30, 2025.

FINANCIAL HIGHLIGHTS

- Revenue for the six months ended June 30, 2026 increased to RMB504.9 million, as compared to RMB348.0 million for the six months ended June 30, 2025, representing an increase of 45.1%, primarily attributable to the increase in number of projects delivered in the PRC, which were mainly projects for large-scale multi-function comprehensive system and AMR deployment.

- Cost of sales for the six months ended June 30, 2026 increased to RMB416.7 million, as compared to RMB286.1 million for the six months ended June 30, 2025, representing an increase of 45.6%, primarily due to the corresponding increase in project costs in line with the increased project deliveries.

- Gross profit for the six months ended June 30, 2026 increased to RMB88.2 million, as compared to RMB61.8 million for the six months ended June 30, 2025, representing an increase of 42.7%, which was in line with the increase in revenue.

- Gross profit margin remained relatively stable at 17.5% for the six months ended June 30, 2026, as compared with 17.8% for the six months ended June 30, 2025.

- We recorded other net loss of RMB8.0 million for the six months ended June 30, 2026, as opposed to other net gain of RMB1.0 million for the six months ended June 30, 2025.

- Loss for the six months ended June 30, 2026 decreased to RMB73.3 million, as compared to RMB85.9 million for the six months ended June 30, 2025, representing a reduction of loss of 14.7%, primarily attributable to net foreign exchange loss attributable to our HKD-denominated deposit, and increases in our selling and marketing expenses, administrative expenses and research and development expenses, which offset the increase in gross profit.

- Basic and diluted loss per Share for the six months ended June 30, 2026 were RMB0.20 (the six months ended June 30, 2025: RMB0.22). The Board does not recommend the distribution of interim dividend for the six months ended June 30, 2026 (the six months ended June 30, 2025: Nil).

BUSINESS REVIEW AND OUTLOOK

We are an intelligent intralogistics robotics provider offering a diverse range of robots centered on three core product lines: multi-directional shuttle robots (MSRs), autonomous mobile robots (AMRs), and conveying and sorting robots (CSRs). Our robotics portfolio covers the entire spectrum of intralogistics operations, addressing the core functions of storage, sorting and transport.

BUSINESS REVIEW

During the Reporting Period, we have been carrying out our globalization strategy systematically in offshore markets, setting up local teams in North America, Southeast Asia, South America, Europe and other offshore markets.

During the Reporting Period, through our comprehensive robotics portfolio, we had further expanded our partnership network in overseas markets, including a leading intelligent warehousing solution provider, with a total of 22 overseas partners across 31 countries and regions. Deploying locally on a collaborative ecosystem effectively enhanced our strategic overseas business expansion.

On the basis of deepening our moat in our established markets, we made significant breakthroughs in markets such as Australia in the Reporting Period and made substantial progress in our global market development. During the Reporting Period, we tapped into the Australian market with our very-narrow-aisle fork-type robots (VFRs) and secured project orders for our VFR from a health supplement manufacturing company. We deployed the industry-leading "integrated large and small vehicles collaborative intelligent warehousing solution", building a tiered operational framework based on our robot control system: the large vehicles are responsible for intensive storage operations at higher-level storage space, while the small vehicles are responsible for material handling and high-velocity turnover operations at lower-level storage space, thereby enabling the performance of storage and transport tasks concurrently. This solution is highly adapted to the local warehouses with a height of 9 to 12 meters and demonstrated outstanding compatibility and efficiency in the intelligent transformation process of old warehouse facilities.

In terms of major client expansion, during the Reporting Period, we underwent multiple rounds of assessment of a globally renowned Swedish home goods retailer and officially entered its global shuttle system supplier directory, which in addition to being a major breakthrough in our international major client expansion efforts, also marked the recognition of the competitiveness of our intelligent warehousing equipment in the top global supply chain systems.

Riding on our first delivery of an intelligent intralogistics facility to a Japanese corporate client in collaboration with our Japanese business partner in 2025, which served as a benchmark and laid an important foundation for our Company to enter into the Japanese market, during the Reporting Period, we further secured new VFR projects in Japan with a leading global electronics manufacturer and a domestic furniture retailer, which marked our market presence in Japan. We seized the opportunities for Chinese enterprises expanding overseas and won the bid for a factory construction project of a Chinese manufacturer in Brazil in 2025, which was our first project in the South American market and serves as our strategic anchorage. We continued to make progress in our development of South American markets as we secured a new pallet shuttle project with a Brazilian food processing company in the Reporting Period.

In terms of domestic market development, during the Reporting Period, we successfully completed a core exemplary project in the Chinese Mainland. The project, being the client's largest warehousing hub nationwide with industry-leading automation deployed, is 40% more efficient than traditional manual warehouses. The aggregate storage capacity of the warehouse exceeds 800,000 units, with a daily outbound processing capacity of 320,000 order lines, supporting a daily throughput of 60,000 items, and delivering to over 4,500 stores across 12 cities in the Pearl River Delta, while maintaining shipping accuracy and timely delivery rate above 99.9%. The project deployed various intelligent devices to handle most intralogistics scenarios, including 120 MSRs, 98 VFRs and a 15-kilometer-long automated conveyor track, the efficient coordination of which demonstrates our end-to-end service capabilities from planning, design, systematic integration to on-the-ground delivery. Our full-stack solution of "hardware + software + artificial intelligence" helps our customers to achieve full-process automation from inbound, stacking, storage, sorting, verification to outbound. This exemplary project fully illustrates our strengths in technology implementation and systematic delivery in large-scale and complex projects.

We will adhere to our R&D philosophy of "scenario-oriented, technology-based", continuously strengthen our integrated hardware and software technical edges, and pursue a long-term development path of "based in China, best in global".

BACKLOG AND BUSINESS OUTLOOK

As at June 30, 2026, we have achieved an aggregate backlog value of robots and systems of approximately RMB2.2 billion, which we expect to fulfill within the next three years, out of which 56 were ongoing overseas projects with an aggregate backlog value of RMB710 million. We remain focused on enriching our robot portfolio, expanding our market presence and deepening customer relationships to drive sustainable growth in both domestic and international markets. During the Reporting Period, our business opportunities from overseas increased substantially by 61.5%.

OUR STRATEGIES

Looking forward, we will adopt the following strategies, which we believe will further strengthen our core competitive strengths and enable us to capture rising business opportunities: (i) maintaining product innovation leadership through continued investment in R&D; (ii) strengthening overseas operations through selective market focus and localized execution; (iii) expanding into new industries and application scenarios while deepening penetration in core verticals; (iv) enhancing industry-chain collaboration to build a scalable intelligent intralogistics ecosystem; (v) continuing revenue growth; and (vi) enhancing our management and operating efficiency.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the six months ended June 30, 2026 – unaudited
(Expressed in RMB)

		Six months ended June 30,	
	Note	**2026**	2025
		RMB'000	*RMB'000*
Revenue	*4*	**504,905**	347,981
Cost of sales		**(416,697)**	(286,148)
Gross profit		**88,208**	61,833
Other income	*5(a)*	**7,427**	7,476
Other net (loss)/gain	*5(b)*	**(7,971)**	991
Selling and marketing expenses		**(30,829)**	(20,054)
Administrative expenses		**(59,258)**	(40,718)
Research and development expenses		**(38,662)**	(30,364)
Impairment loss (recognized)/reversal on trade and other receivables and contract assets		**(3,432)**	665
Loss from operations		**(44,517)**	(20,171)
Net finance income	*6(a)*	**3,386**	1,331
Changes in the carrying amount of the redemption liability	*13*	**(31,997)**	(66,085)
Loss before taxation		**(73,128)**	(84,925)
Income tax	*7*	**(124)**	(981)
Loss for the period		**(73,252)**	(85,906)
Loss attributable to:			
Equity shareholders of the Company		**(81,255)**	(85,883)
Non-controlling interests		**8,003**	(23)
Loss for the period		**(73,252)**	(85,906)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the six months ended June 30, 2026 – unaudited (continued)
(Expressed in RMB)

	Note	Six months ended June 30, 2026 *RMB'000*	2025 *RMB'000*
Loss for the period		**(73,252)**	(85,906)
Other comprehensive income for the period (after tax):			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of overseas subsidiaries		**(24)**	(391)
Total comprehensive income for the period		**(73,276)**	(86,297)
Attributable to:			
Equity shareholders of the Company		**(81,279)**	(86,274)
Non-controlling interests		**8,003**	(23)
Total comprehensive income for the period		**(73,276)**	(86,297)
Loss per share			
Basic and diluted (RMB)	*8*	**(0.20)**	(0.22)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at June 30, 2026 – unaudited
(Expressed in RMB)

	Note	**June 30, 2026** **RMB'000**	December 31, 2025 *RMB'000*
Non-current assets			
Property, plant and equipment	*9*	**100,816**	106,910
Right-of-use assets		**22,382**	20,297
Intangible assets		**8,583**	7,401
Time deposits		**71,114**	50,526
Prepayments	*10(b)*	**337**	78
		203,232	185,212
Current assets			
Inventories	*11*	**607,513**	793,018
Trade and other receivables	*10(a)*	**368,605**	384,877
Contract assets		**127,706**	108,460
Prepayments	*10(b)*	**74,555**	36,551
Financial assets measured at fair value through profit or loss		**25,515**	62,504
Income tax recoverable		**12,919**	13,040
Time deposits		**23,329**	49,424
Restricted cash		**42,039**	72,899
Cash and cash equivalents		**641,324**	89,549
		1,923,505	1,610,322
Current liabilities			
Trade and other payables	*12*	**538,126**	598,025
Contract liabilities		**409,869**	496,063
Bank loans		**36,295**	34,247
Lease liabilities		**3,353**	3,499
Redemption liabilities	*13*	**–**	1,834,670
Income tax payable		**518**	462
Provisions		**14,726**	15,093
		1,002,887	2,982,059
Net current assets/(liabilities)		**920,618**	(1,371,737)
Total assets less current liabilities		**1,123,850**	(1,186,525)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at June 30, 2026 – unaudited (continued)
(Expressed in RMB)

	Note	**June 30, 2026** **RMB'000**	December 31, 2025 *RMB'000*
Non-current liabilities			
Bank loans		**33,766**	36,667
Lease liabilities		**3,654**	1,694
Deferred income		**5,850**	5,850
		43,270	44,211
NET ASSETS/(LIABILITIES)		**1,080,580**	(1,230,736)
CAPITAL AND RESERVES			
Share capital	*14(b)*	**427,884**	391,086
Reserves		**649,361**	(1,617,154)
Total equity/(deficit) attributable to equity shareholders of the Company		**1,077,245**	(1,226,068)
Non-controlling interests		**3,335**	(4,668)
TOTAL EQUITY/(DEFICIT)		**1,080,580**	(1,230,736)

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION
(Expressed in RMB unless otherwise indicated)

1 General Information

Zhejiang Galaxis Technology Group Co., Ltd. (浙江凱樂士科技集團股份有限公司, formerly known as 浙江凱樂士科技有限公司, the "**Company**") was established in the People's Republic of China (the "**PRC**") on October 20, 2016 as a limited liability company under the Companies Laws of the PRC. The Company was converted into a joint stock limited liability company on July 13, 2021. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on March 24, 2026 (the "**Listing**").

The Company and its subsidiaries (together, the "**Group**") are principally engaged in the research and development, production of logistics robots and intelligent logistics equipment and systems.

2 Basis of preparation

The interim financial information of the Company as at and for the six months ended June 30, 2026 comprise the Company and its subsidiaries. The 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 August 28, 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 thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

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 providing sales of robots and systems and after-sales service and others.

(i) Disaggregation of revenue

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

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products or service lines		
Revenue from sales of robots and systems	**492,151**	342,332
Revenue from after-sales service and others	**12,754**	5,649
	504,905	347,981

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*
Disaggregation by timing of revenue recognition		
Point in time	**493,153**	341,524
Over time	**11,752**	6,457
	504,905	347,981

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

(b) Segment reporting

The Group manages its businesses by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment. The Group has one single operating segment and no further analysis of the single segment is presented.

(i) Geographic information

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the services were provided or the goods delivered.

Revenues from external customers

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Chinese Mainland	**496,660**	320,362
Outside Chinese Mainland	**8,245**	27,619
	504,905	347,981

The non-current assets located outside Chinese Mainland are immaterial.

5 Other income and other net (loss)/gain

(a) Other income

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Government grants	**847**	3,345
Value-added tax credits	**2,196**	2,943
Tax refund	**4,218**	1,188
Others	**166**	–
	7,427	7,476

(b) Other net (loss)/gain

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Net realized and unrealized gains from financial assets measured at fair value through profit or loss	**1,085**	825
Net loss on disposal of property, plant and equipment	**(845)**	(272)
Net foreign exchange (loss)/gain	**(8,584)**	983
Others	**373**	(545)
	(7,971)	991

6 Loss before taxation

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

(a) Net finance income

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Interest on bank loans	**(1,137)**	(1,006)
Interest on lease liabilities	**(126)**	(144)
Finance costs	**(1,263)**	(1,150)
Interest income	**4,649**	2,481
	3,386	1,331

(b) Staff costs

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Salaries, wages and other benefits	**88,105**	75,049
Contributions to defined contribution retirement schemes	**5,464**	3,896
Equity-settled share-based payment expenses	**1,233**	2,805
	94,802	81,750

Employees of the Group's subsidiaries in the PRC are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government.

The Group's subsidiaries in the PRC contribute funds which are calculated on certain percentages of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

All overseas subsidiaries of the Group are subject to the statutory enterprise contribution retirement scheme under the laws of the countries/jurisdictions.

The Group has no further material obligation for payment of other retirement benefits beyond the above contributions.

(c) **Other items**

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Cost of inventories *(note 11)*	**416,697**	286,148
Depreciation charge		
– property, plant and equipment	**5,020**	4,879
– right-of-use assets	**1,987**	1,950
Amortization cost of intangible assets	**1,069**	1,404
Increase in provisions	**6,450**	2,824
Impairment loss recognized/(reversal) on trade and other receivables and contract assets	**3,432**	(665)
Research and development expenses	**38,662**	30,364
Listing expenses	**14,410**	13,556

7 Income tax in the consolidated statements of profit or loss and other comprehensive income

Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Current tax		
Provision for the year	**124**	981

Notes:

(i) Income tax rate applies to the Group

According to the Corporate Income Tax Law of China (the "**Tax Law**"), the Group's subsidiaries in the PRC are subject to statutory income tax rate of 25%, except for those which qualify as High and New Technology Enterprise ("**HNTE**") are entitled to a preferential tax rate of 15% provided it continues to meet HNTE qualification standards on an annual basis.

For the Hong Kong subsidiary, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Taxation for subsidiaries incorporated in other jurisdictions is charged at the appropriate current rates of taxation ruling in the relevant countries.

(ii) An additional 100% of qualified research and development expenses incurred is allowed to be deducted from taxable income under the Tax Law and its relevant regulations after October 1, 2022.

8 Loss per share

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company and the weighted average number of ordinary shares in issue during the interim period, calculated as follows:

(i) Loss attributable to ordinary equity shareholders of the Company

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Loss attributable to all equity shareholders of the Company	**(81,255)**	(85,883)
Allocation of loss attributable to ordinary shares with redemption right *(note 13)*	**24,878**	60,266
Loss attributable to ordinary equity shareholders of the Company	**(56,377)**	(25,617)

(ii) Weighted average number of ordinary shares

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Issued ordinary shares at January 1	**391,086**	391,086
Effect of shares issued in connection with initial public offering	**19,924**	–
Effect of ordinary shares with redemption right *(note 13)*	**(125,843)**	(274,429)
Weighted average number of ordinary shares at June 30	**285,167**	116,657

(b) Diluted loss per share

During the six months ended June 30, 2026 and 2025, share options granted under employee incentive schemes and ordinary shares with redemption right (note 13) were not included in the calculation of diluted loss per share because their inclusion would have been anti-dilutive. The Company does not have other potential ordinary shares and therefore the amounts of diluted loss per share were the same as basic loss per share.

9 Property, plant and equipment

Acquisitions and disposals of owned assets

During the six months ended June 30, 2026, the Group acquired items of property, plant and equipment with a cost of RMB2,068,000 (six months ended June 30, 2025: RMB437,000). Items of property, plant and equipment with a net book value of RMB3,142,000 were disposed of during the six months ended June 30, 2026 (six months ended June 30, 2025: RMB350,000), resulting in a loss on disposal of RMB845,000 (six months ended June 30, 2025: RMB272,000).

10 Trade receivables, other receivables and prepayments

(a) Trade and other receivables

	June 30, 2026 *RMB'000*	December 31, 2025 *RMB'000*
Bills receivables	**13,709**	19,303
Trade receivables		
– Related parties	**2,320**	3,316
– Third parties	**315,105**	330,025
Gross amount of trade and bills receivables	**331,134**	352,644
Less: loss allowance	**(37,812)**	(39,856)
	293,322	312,788
Bank acceptance notes receivable, carried at fair value through other comprehensive income ("**FVOCI**")	**11,006**	1,432
Pledge and guarantee deposits*	**22,338**	25,070
Value-added tax recoverable and receivables	**41,660**	42,283
Other receivables	**4,640**	3,304
Less: loss allowance	**(4,361)**	–
	75,283	72,089
	368,605	384,877

* Pledge and guarantee deposits mainly represented tender deposits and performance deposits which will be released to the Group upon the award and the completion of the relevant projects as the case may be.

Ageing analysis

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

	June 30, 2026 *RMB'000*	December 31, 2025 *RMB'000*
Within one year	**203,398**	236,940
Between one year and two years	**74,301**	57,212
Between two years and three years	**5,004**	1,279
Between three years and four years	**10,619**	17,357
	293,322	312,788

Bank acceptance notes receivable, carried at FVOCI

Due to the requirement of cash management, the Group endorsed or discounted part of the bank acceptance notes receivable to the suppliers or from bank. The business model of bank acceptance notes management is for the purpose of collecting cash flow of contracts and sales. Therefore, as at June 30, 2026, the Group classified bank acceptance notes receivable of RMB11,006,000 (December 31, 2025: RMB1,432,000) as bank acceptance notes receivable carried at fair value and whose changes were included in other comprehensive income.

(b) Prepayments

	June 30, 2026 *RMB'000*	December 31, 2025 *RMB'000*
Non-current		
Prepayments for property, plant and equipment and intangible assets	**337**	78
Current		
Prepayments		
– Prepayments for Listing expenses	**–**	1,633
– Prepayments for inventories	**60,795**	31,563
– Prepayments for expenses	**13,760**	3,355
	74,555	36,551

11 Inventories

	June 30, 2026 *RMB'000*	December 31, 2025 *RMB'000*
Raw materials	**79,134**	54,117
Finished goods and work in progress	**547,913**	761,642
Less: write-down of inventories	**(19,534)**	(22,741)
	607,513	793,018

The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Carrying amount of inventories sold	**419,904**	278,596
(Reversal)/write-down of inventories	**(3,207)**	7,552
	416,697	286,148

12 Trade and other payables

	June 30, 2026	December 31, 2025
	RMB'000	*RMB'000*
Trade payables		
– Third parties	**323,363**	419,245
– Related parties	**2,192**	3,036
Bills payable	**167,414**	121,521
	492,969	543,802
Other payables and accruals		
– Third parties	**8,378**	5,098
Listing expense payable	**8,429**	1,772
Financial liabilities measured at amortised cost	**509,776**	550,672
Accrued payroll and other benefits	**19,063**	25,536
Other taxes and charges payable	**9,287**	21,817
	538,126	598,025

The amounts due to related parties are unsecured and interest-free.

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

	June 30, 2026	December 31, 2025
	RMB'000	*RMB'000*
Within one year	**383,050**	387,112
Between one year and two years	**79,033**	105,941
Between two years and three years	**14,548**	31,687
Over three years	**16,338**	19,062
	492,969	543,802

13 Redemption liabilities

	June 30, 2026	December 31, 2025
	RMB'000	*RMB'000*
Redemption liabilities	**–**	1,834,670

From August 23, 2014 to November 1, 2022, the Company conducted several rounds of financing by issuing shares to investors.

The investors are entitled to the same voting rights and dividend rights as other shareholders of the Company. They were also granted with preferential rights when they entered into the investment agreements with the Company. The key terms of preferential rights are summarised as follows:

Redemption rights

The investors shall have the right to put back to the Company the shares acquired upon the occurrence of specified triggering events, including a qualified initial public offering not being completed by December 31, 2024; or a breach of the investment agreements by the Company or its controlling shareholder.

The redemption price is the sum of 100% of the issue price, a compound interest of 8% per annum, and any declared but unpaid dividends.

Liquidation Preference

In the event of a liquidation, dissolution or winding up of the Company, all assets and funds of the Company legally available for distribution shall be distributed as follows:

(a) firstly, to the series E investors, at the subscription price paid by the series E investors, plus a compound interest of 8% per annum and any declared but unpaid dividends;

(b) secondly, to the series D investors, at the subscription price paid by the series D investors, plus a compound interest of 8% per annum and any declared but unpaid dividends;

(c) thirdly, to the series C investors, at the subscription price paid by the series C investors, plus a compound interest of 8% per annum and any declared but unpaid dividends;

(d) fourthly, to the series B investors, at the subscription price paid by the series B investors, plus a compound interest of 8% per annum and any declared but unpaid dividends;

(e) fifthly, to the series A investors, at the subscription price paid by the series A investors, plus a compound interest of 8% per annum and any declared but unpaid dividends;

(f) any remaining assets and funds shall be distributed rateably among all shareholders (including the investors) on a pro-rata basis.

The Company's obligation to buy back its own shares for cash gives rise to a financial liability.

Pursuant to the shareholders' resolution approved on June 25, 2025, all preferential rights will be terminated on the day immediately prior to the Listing date except that the redemption rights have been terminated on the day prior to the first submission of the Listing application, but shall again become exercisable upon (i) the Company voluntarily withdrawing the Listing application; (ii) the regulatory authorities rejecting or refusing to approve the Listing application; or (iii) the earlier of December 31, 2026 or the expiry of 18 months following the first submission of the Listing application, if the Listing is not completed by that time. The aforesaid amendments did not change the classification of these financial instruments in the consolidated statements of financial position.

Pursuant to the shareholders' agreement, the preferential rights include, among others, (i) right to appoint directors; (ii) pre-emptive right; (iii) right of first refusal and co-sale; (iv) anti-dilution adjustment rights; (v) redemption rights; (vi) liquidation preferences; and (vii) information and inspection rights.

Upon the Listing of the Company, the redemption rights have automatically expired and the carrying amount of the redemption liabilities was transferred to "Capital reserve" within equity.

The movements of the redemption liabilities are set out as below:

	Redemption liabilities *RMB'000*
At January 1, 2025	1,698,768
Changes in the carrying amount	135,902
At December 31, 2025 and January 1, 2026	1,834,670
Changes in the carrying amount	31,997
Expiration of the redemption rights upon the Listing of the Company's shares	(1,866,667)
At June 30, 2026	–

14 Capital, reserves and dividends

(a) Dividends

No dividends were paid or declared by the Company or any of its subsidiaries during the six months ended June 30, 2026 and 2025.

(b) Share capital

	Number of original shares *'000*	Share capital *RMB'000*
Issued and fully paid		
Balance at January 1, 2025, December 31, 2025 and January 1, 2026	391,086	391,086
H share initial public offering *(Note)*	36,798	36,798
Balance at June 30, 2026	427,884	427,884

Note:

On March 24, 2026, the Company issued 36,798,000 H shares with par value of RMB1.00, at a price of HKD16.66 per share by initial public offering. The proceeds equivalent to RMB36,798,000, representing the par value, were credited to the Company's share capital. The remaining proceeds, after deducting the share issuance expenses, equivalent to RMB479,894,000 were credited to the share premium in capital reserve account.

MANAGEMENT DISCUSSION & ANALYSIS

Financial Analysis

Revenue

During the Reporting Period, we generated revenue from (i) sales of our robots and systems, including (a) single-function robot deployment, which were projects centered on the delivery and deployment of our expanding product portfolio of proprietary robots, typically for further system integration; and (b) multi-function comprehensive systems, which were projects which we designed and deployed solutions using multiple robots and components, both proprietary and non-proprietary, typically as integrated turnkey systems; and (ii) after-sales service and others, including the provision of a range of post-warranty service packages to our customers that complement our sales of robots and systems. Scale of our projects exhibits considerable variation commensurate with the diverse operational demands of our customers.

For the Reporting Period, total revenue reached RMB504.9 million, representing an increase of 45.1% as compared to RMB348.0 million for the Corresponding Period.

Sales of Robots and Systems

Our revenue generated from sales of robots and systems increased by 43.8% from RMB342.3 million for the Corresponding Period to RMB492.2 million for the Reporting Period, primarily attributable to the increase in number of AMR deployment projects delivered in the PRC, and the increase in scale of our large-scale multi-function comprehensive system projects as compared to the Corresponding Period.

After-sales Service and Others

Our revenue generated from provision of after-sales and other services increased by 128.6% from RMB5.6 million for the Corresponding Period to RMB12.8 million for the Reporting Period, primarily attributable to a stronger demand for after-sales services which commensurate with the accumulated number of projects delivered.

Cost of Sales

During the Reporting Period, our cost of sales consisted of (i) material costs, representing the costs of components and equipment required for system integration and raw materials procured for the production of our intelligent intralogistics robots and systems; (ii) implementation costs, representing costs incurred to deploy and implement our robots and systems for our customers; (iii) manufacturing costs, primarily consisting of production overhead costs, and depreciation of manufacturing equipment and facilities; (iv) direct labor costs, primarily representing salaries and benefits for production staff; and (v) others, primarily including inventory provisions and taxes and surcharges.

Our cost of sales increased by 45.6% from RMB286.1 million for the Corresponding Period to RMB416.7 million for the Reporting Period, primarily reflecting the corresponding increase in project costs in line with the increased project deliveries.

Gross Profit and Gross Profit Margin

Our gross profit increased by 42.7% from RMB61.8 million for the Corresponding Period to RMB88.2 million for the Reporting Period, and the gross profit margin remained relatively stable at 17.5% for the Reporting Period, as compared to 17.8% for the Corresponding Period. The decrease in gross profit margin was primarily attributable to the increase in the share of revenue recognized from multi-function comprehensive systems, which generally incurred higher procurement costs for third-party equipment and components associated with system integration, as well as increased implementation costs associated with more complex system design and execution.

Other Income

During the Reporting Period, our other income/loss primarily consisted of (i) government grants, mainly representing subsidies received from local governmental authorities to encourage our R&D activities; and (ii) value-added tax credits and tax refund, which mainly comprised the software-related tax refunds under the immediate levy and refund policy.

Our other income remained stable at RMB7.4 million for the Reporting Period, as compared to RMB7.5 million for the Corresponding Period. The decrease in government grants was offset by an increase in value-added tax credits and tax refunds.

Other Net (Loss)/Gain

During the Reporting Period, our other net loss primarily consisted of (i) net realized and unrealized gains from financial assets measured at fair value through profit or loss ("**FVTPL**"); (ii) net loss on disposal of property, plant and equipment; (iii) net foreign exchange loss; and (iv) others, mainly representing incidental expenses and liabilities incurred during project execution.

We recorded other net gain of RMB1.0 million and other net loss of RMB8.0 million for the Corresponding Period and the Reporting Period, respectively. Such change was primarily attributable to net foreign exchange loss attributable to our HKD-denominated deposit during the Reporting Period.

Selling and Marketing Expenses

During the Reporting Period, our selling and marketing expenses consisted of (i) employee benefit expenses, primarily representing the salary and benefits for our sales and marketing personnel; (ii) business development and traveling expenses; (iii) warranty-related service expenses; (iv) advertising and promotion expenses; and (v) others, primarily related to rental expenses and depreciation and amortization of our property, plant and equipment and intangible assets used by our sales and marketing activities.

Our selling and marketing expenses increased by 53.2% from RMB20.1 million for the Corresponding Period to RMB30.8 million for the Reporting Period, primarily attributable to an increase in employee benefit expenses, business development and traveling expenses and warranty-related service expenses.

Administrative Expenses

During the Reporting Period, our administrative expenses consisted of (i) employee benefit expenses, primarily representing the salary and benefits for our administrative personnel; (ii) depreciation and amortization of our property, plant and equipment and intangible assets used by administrative personnel; (iii) rental expenses, primarily related to office premises, property management fees and utilities incurred by administrative personnel; (iv) professional service fees, primarily representing intermediary fees and consulting service fees in relation to our business operations; (v) conference and traveling expenses; (vi) office expenses, primarily related to procurement of office supplies and other consumable materials; (vii) Listing expenses; and (viii) others, primarily representing other expenses associated with daily business operations and management activities.

Our administrative expenses increased by 45.7% from RMB40.7 million for the Corresponding Period to RMB59.3 million for the Reporting Period, primarily attributable to the increase in post-Listing professional services fee.

R&D Expenses

R&D is core to our corporate culture. During the Reporting Period, our R&D expenses consisted of (i) employee benefit expenses, primarily representing the salary and benefits for our R&D personnel; (ii) traveling expenses relating to our R&D activities; (iii) depreciation and amortization of our property, plant and equipment and intangible assets used in R&D activities; (iv) R&D materials and consumables; (v) commissioned development and design expenses in relation to outsourced R&D activities to improve efficiency; and (vi) others, primarily representing other expenses associated with our daily R&D activities.

Our R&D expenses increased by 27.3% from RMB30.4 million for the Corresponding Period to RMB38.7 million for the Reporting Period, primarily attributable to the increased staff costs to support ongoing product and technology development.

Net Finance Income

During the Reporting Period, our finance income primarily consisted of interest income, and our finance costs primarily consisted of (i) interest on bank loans; and (ii) interest on lease liabilities.

Our net finance income increased by 161.5% from RMB1.3 million for the Corresponding Period to RMB3.4 million for the Reporting Period, primarily attributable to the increased interest income from bank deposits.

Income Tax

Our income tax expenses decreased from RMB1.0 million for the Corresponding Period to RMB0.1 million for the Reporting Period, in line with our assessable taxable income for the Reporting Period.

Loss for the Period

As a result of the above factors, our loss for the period decreased by RMB12.6 million from RMB85.9 million in the Corresponding Period to RMB73.3 million in the Reporting Period.

Non-IFRS Measures

We define adjusted net loss (non-IFRS measure) as loss for the period adjusted by adding back equity-settled share-based payment expenses, changes in the carrying amount of the redemption liability and Listing expenses.

To supplement our consolidated financial statements, we also use adjusted net loss (non-IFRS measure) as additional financial measure, which is not required by, or presented in accordance with the IFRS. We believe this non-IFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impacts of certain items. We believe this measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of adjusted net loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure as an analytical tool has limitations, and it should not be considered in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under the IFRS. The following table reconciles our adjusted net loss (non-IFRS measure) for the periods presented in accordance with the IFRS, which is net loss for the period:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Loss for the period	**(73,252)**	(85,906)
Add:		
Equity-settled share-based payment expenses(1)	**1,233**	2,805
Changes in the carrying amount of the redemption liability(2)	**31,997**	66,085
Listing expenses	**14,410**	13,556
Adjusted net loss (non-IFRS measure)	**(25,612)**	(3,460)

Notes:

(1) Equity-settled share-based payment expenses are non-cash in nature.

(2) Changes in the carrying amount of the redemption liability represents the changes in the carrying amount of the redeemable special rights that we granted to certain Shareholders. Such changes are non-cash in nature. Upon completion of the Global Offering, the financial liabilities were re-designated from liabilities to equity as a result of the termination of such redeemable special rights of the investors.

Description of Selected Items of Consolidated Statement of Financial Position

Inventories

Our inventories decreased from RMB793.0 million as at December 31, 2025 to RMB607.5 million as at June 30, 2026, primarily due to the increased project completion and revenue recognition during the Reporting Period, which led to a reduction in work-in-progress and finished goods as inventories.

Trade and Other Receivables

Our trade and other receivables decreased from RMB384.9 million as at December 31, 2025 to RMB368.6 million as at June 30, 2026, primarily due to the settlement by our customers for completed projects.

We continuously strengthen our cash flow management, placing strong emphasis on maintaining healthy cash flow and minimizing credit risk. During the Reporting Period, we had not encountered any significant difficulties in collecting overdue trade receivables from customers.

Contract Assets

Our contract assets increased from RMB108.5 million as at December 31, 2025 to RMB127.7 million as at June 30, 2026, primarily because more major projects completed and entered into warranty periods during the Reporting Period.

Prepayments

Our prepayments increased from RMB36.6 million as at December 31, 2025 to RMB74.6 million as at June 30, 2026 due to an increase in prepayment for inventories.

Financial Assets Measured at FVTPL

Our financial assets measured at FVTPL decreased from RMB62.5 million as at December 31, 2025 to RMB25.5 million as at June 30, 2026, primarily due to the redemption of wealth management products for working capital.

Restricted Cash

As at June 30, 2026, our bank deposits of RMB42.0 million were restricted for the principal purposes of issuance of bank acceptance bills and guarantee letters.

Cash and Cash Equivalents

Our cash and cash equivalents increased from RMB89.5 million as at December 31, 2025 to RMB641.3 million as at June 30, 2026, primarily due to the receipt of net proceeds from the Global Offering.

Trade and Other Payables

Our trade and other payables decreased from RMB598.0 million as at December 31, 2025 to RMB538.1 million as at June 30, 2026, primarily due to the increased settlement of trade payables in connection with project fulfillment.

Contract Liabilities

Our contract liabilities decreased from RMB496.1 million as at December 31, 2025 to RMB409.9 million as at June 30, 2026, primarily due to the project acceptance of certain major projects and the corresponding revenue recognition.

Non-Current Assets

Property, Plant and Equipment

During the Reporting Period, our property, plant and equipment primarily consisted of (i) plant and buildings; (ii) furniture; (iii) machinery and equipment; (iv) electronic equipment; (v) motor vehicles; and (vi) construction in progress. The changes in the carrying amount of our property, plant and equipment over time primarily reflect our management's strategic decisions regarding our production facilities, including both capacity expansion and facility optimization initiatives. As at June 30, 2026, our property, plant and equipment amounted to RMB100.8 million.

Right-of-use Assets

During the Reporting Period, our right-of-use assets primarily consisted of (i) land use rights; and (ii) plant and buildings. Our right-of-use assets increased from RMB20.3 million as at December 31, 2025 to RMB22.4 million as at June 30, 2026, primarily due to the entering into of new leases for office space in Shanghai.

Time Deposits

Our time deposits (non-current) increased from RMB50.5 million as at December 31, 2025 to RMB71.1 million as at June 30, 2026, primarily due to the maturity of short-term time deposits and investment in long-term time deposit.

Pledge of Assets

As at June 30, 2026, bank loans of approximately RMB42.1 million were secured by property, plant and equipment and land use rights of the Group with carrying amount of approximately RMB82.8 million. As at June 30, 2026, certain of the Group's time deposits with an aggregate value of RMB30.4 million were pledged to the banks to secure the issuance of bank acceptance bills and guarantee letters.

Contingent Liabilities

As at June 30, 2026, the Company did not have any material contingent liabilities.

Liquidity and Capital Resources

We primarily financed our operations by cash generated from operating activities, bank loans and other borrowings. As at June 30, 2026, we had cash and cash equivalents of approximately RMB641.3 million. Going forward, we intend to finance our operations by cash generated from operating activities, bank loans and other borrowings and proceeds from the Global Offering in the manner set forth in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

We monitor our cash flows and cash balance on a regular basis and strive to maintain an optimum liquidity that can meet our working capital needs while supporting a viable business scale and future plans.

As at June 30, 2026, the sum of long-term bank loans amounted to RMB33.8 million, and the sum of short-term bank loans (repayable within one year or on demand) amounted to RMB36.3 million, and the interest rates of such bank loans ranged from 2.50% to 3.60% per annum. As at June 30, 2026, we had unutilized banking facilities of approximately RMB45.3 million. The bank loans and other borrowings are denominated in RMB. Our Group has complied with the financial covenants of the borrowings during the six months ended June 30, 2026. Our Group has maintained sufficient liquidity to satisfy its day-to-day management and capital expenditure requirements and is able to control its internal operating cash flows.

We have established our own finance department with a team of independent financial staff responsible for discharging treasury, accounting, reporting, group credit and internal control functions independently. We have adopted a treasury and investment policy which sets out overall principles as well as detailed approval processes of our investment activities. Such activities include, among other things, wealth management products, short or long-term loans, investments in subsidiaries, and other equity investments.

The H Shares have been listed on the Stock Exchange since the Listing Date. There has been no change in the capital structure of our Company since the Listing Date and up to the date of this announcement. The capital of our Company comprises ordinary Shares.

Capital Commitments and Capital Expenditure

As at June 30, 2026, we had no material capital commitment.

During the Reporting Period, the Group's capital expenditure amounted to RMB5.4 million, which primarily consisted of purchase of property, plant and equipment and intangible assets. We funded our capital expenditure requirements during the Reporting Period mainly from cash generated from operating activities, bank loans and other borrowings. We had an outstanding commitment contracted for acquisition of property, plant and equipment and intangible assets of approximately RMB1.2 million as at June 30, 2026.

We intend to fund our future capital expenditure and long-term investments with our existing cash balance, bank and other borrowings and the proceeds from the Global Offering (in the manner set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus). We may reallocate the funds to be utilized on capital expenditures and long-term investments based on our ongoing business needs.

Future Plans for Material Investments and Capital Assets

As at June 30, 2026, the Group has no specific plan for material investments and acquisition of capital assets. Please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus for the plan for application of proceeds raised from the Global Offering of the Company.

Selected Financial Ratios

The following table sets forth certain key financial ratios as at the dates indicated.

	As at	
	June 30, 2026	December 31, 2025
Current ratio[(1)]	**1.9**	0.5
Quick ratio[(2)]	**1.3**	0.3
Gearing ratio[(3)]	**(0.5)**	0

Notes:

(1) Current ratio represents current assets divided by current liabilities as at the same date.

(2) Quick ratio equals current assets, excluding inventories, divided by current liabilities as at the same date.

(3) Gearing ratio represents total bank loans and other borrowings and lease liabilities, less cash and cash equivalents, divided by total equity as at the relevant period end.

Quantitative and Qualitative Disclosure about Market Risk

The major risks that we face include that: (i) we operate in a highly competitive and fast-evolving industry. Failing to maintain competitiveness could materially harm our business; (ii) developments in alternative technologies may adversely affect the competitiveness of our products and systems, and our failure to anticipate or respond effectively to technological evolution could harm our business; (iii) the growth of our business depends on our ability to successfully integrate and improve technologies; (iv) the commercialization of our intelligent intralogistics robots and systems may not meet expectations, as the standards of and applications for robotic and artificial intelligence technologies are constantly evolving, which may lead to unsatisfactory market development and negatively affect our business operation; and (v) we cannot guarantee the successful implementation of our expansion into new industries and the development of new robots and systems. Any such failure could materially and adversely affect our business, future prospects and growth momentum.

Exposure to Fluctuations in Foreign Exchange Rates

The Group mainly operates in the PRC with most of its transactions settled in RMB. The assets, liabilities and transactions arising from the operations are mainly denominated in RMB, while the net proceeds from the Global Offering are denominated in HK$. Fluctuations in the exchange rate between RMB and HK$ will affect the relative purchasing power in RMB in terms of the proceeds from the Global Offering.

Although the Group may be exposed to foreign currency exchange risks, the Board believes that the future currency fluctuations will not have a material impact on the Group's operations. The Group has formulated certain policies to monitor and manage its exposures to foreign currency exchange risks and the Group entered into foreign currency exchange forward contracts for the purpose of managing its exposure to the above mentioned foreign exchange risks during the Reporting Period.

Employees and Remuneration Policies

As at June 30, 2026, we had a total of 965 employees, substantially all of whom were based in China. The following table sets forth the number of our employees by function as at June 30, 2026.

Function	**Number of Employees**	**% of Total**
Implementation	274	28.39%
R&D	286	29.64%
Production and Supply Chain Management	244	25.28%
General and Administration	87	9.02%
Sales and Marketing	74	7.67%
Total	**965**	**100.00%**

The remuneration of our employees consists of basic salary and bonuses. Bonuses are generally discretionary and based in part on the overall performance of our business and in part on employee performance.

Our Company has also adopted certain share incentive and share option schemes to improve our incentive mechanism, attract and retain talents and motivate employees to ensure the achievement of our development goals. For further details, please refer to the subsection headed "Pre-IPO Share Option Schemes" in our annual report for the year ended December 31, 2025 published on April 27, 2026.

Recruitment Policies

We generally recruit our employees from the open market through placing recruitment advertisements. We endeavour to attract and retain appropriate and suitable personnel to serve our Group. We assess the available human resources on a continuous basis and will determine whether additional personnel are required to cope with the business development of our Group.

Training

We offer new employee orientation training, regular on-the-job training and access to online learning platforms to enhance the skills and knowledge of our employees.

Our employees have set up a labor union in China according to the relevant PRC labor law. We believe that we maintain a good working relationship with our employees, and we did not experience any material labor disputes or work stoppages or any difficulty in recruiting staff for our operations during the Reporting Period and up to the date of this announcement. No collective bargaining agreement has been put in place.

Material Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

During the Reporting Period, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures. We ceased to consolidate a Russian entity during the Reporting Period following the disposal of our interests in the said entity, which did not have any material adverse effect on the operations and financial position of the Group.

Significant Investment and Material Event During the Reporting Period

During the six months ended June 30, 2026, we did not have any significant investments (including any investment in an investee company with a value of 5% or more of our Group's total assets as at June 30, 2026).

Purchase, Sale or Redemption of the Listed Securities of the Company

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sales of treasury shares (as defined in the Listing Rules)) during the period from the Listing Date to June 30, 2026. As at June 30, 2026, the Company did not hold any treasury shares (as defined in the Listing Rules).

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The net proceeds from the Global Offering (after deducting the underwriting fees and commissions and estimated expenses payable by us in connection with the Global Offering) amounted to approximately HK$555.7 million. There is no change to the intended use of net proceeds and the expected implementation timetable as previously disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

From the Listing Date to June 30, 2026, we had not utilized any net proceeds from the Global Offering. The following table sets out breakdown of the use of net proceeds from the Global Offering.

Use of net proceeds	% of net proceeds	Estimated net proceeds allocated as disclosed in the Prospectus (HK$ million)	Allocated net proceeds from the Global Offering (approximate HK$ million)	Net proceeds utilized up to June 30, 2026 (approximate HK$ million)	Expected timeline of full utilization of net proceeds	Remaining amount as at June 30, 2026 (approximate HK$ million)
Advancing our core robotics product lines (such as enhancing our existing products and developing new products)	24.5%	151.3	136.2	Nil	By 2031	136.2
R&D of our fundamental technologies (such as digital twin technology, large model technology and robotics technology incorporating AI techniques) and software capabilities development	20.5%	126.6	113.7	Nil	By 2031	113.7
Production capacity expansion and manufacturing capabilities enhancement (such as scaling up our manufacturing capacity and upgrading our production system)	25.0%	154.4	138.9	Nil	By 2029	138.9
Execution of our global market expansion strategy	20.0%	123.5	111.1	Nil	By 2030	111.1
Working capital and other general corporate purposes to support our daily operations and overall business growth	10.0%	61.8	55.6	Nil	By 2031	55.6
	100.0%	617.5	555.7	–	–	555.7

COMPLIANCE WITH THE CG CODE

We are committed to achieving high standards of corporate governance with the aim of safeguarding the interests of our Shareholders. We have adopted the CG Code as our own code of corporate governance.

The roles of Chairman and Chief Executive Officer are currently performed by Dr. GU Chunguang ("**Dr. GU**"). In view of Dr. GU's substantial contribution to our Group since our establishment and his extensive experience, we consider that having Dr. GU acting as both our Chairman and Chief Executive Officer will provide strong and consistent leadership to our Group and facilitate the efficient execution of our business strategies. We consider it appropriate and beneficial to our business development and prospects that Dr. GU continues to act as both our Chairman and Chief Executive Officer, and therefore currently do not propose to separate the functions of Chairman and Chief Executive Officer. While this would constitute a deviation from code provision C.2.1 of the CG Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of our Company, given that: (i) there are sufficient checks and balances in the Board, as a decision to be made by our Board requires approval by at least a majority of our Directors, and our Board comprises three independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (ii) Dr. GU and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that he/she acts for the benefit and in the best interests of our Company and the Shareholders as a whole and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether the separation of the roles of Chairman and Chief Executive Officer is necessary.

Throughout the period from the Listing Date to June 30, 2026, save as disclosed above, we have complied with all relevant principles and applicable code provisions under Part 2 of the CG Code.

The Board will review the corporate governance policies and compliance with the CG Code and other applicable legal and regulatory requirements at least annually in order to maintain a high standard of corporate governance of our Company and make appropriate changes if necessary.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

We adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as our code of conduct regarding Directors' dealings in the Company's securities.

Having made specific enquiries to all of the Directors, all Directors confirmed that they have fully complied with all relevant requirements set out in the Model Code from the Listing Date to June 30, 2026.

AUDIT COMMITTEE

Our Company has established the Audit Committee with written terms of reference in accordance with the Listing Rules. The Audit Committee comprises two independent non-executive Directors, namely, Mr. LAU Hak Lap (chairperson of the Audit Committee) and Mr. MO Rong, and one non-executive Director, namely, Mr. SHEN Qi. The Audit Committee has reviewed the unaudited consolidated financial information of the Group for the Reporting Period contained in this announcement and concluded that such financial information and this announcement had been prepared in accordance with applicable accounting standards and relevant requirements and had made adequate disclosure. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control measures with senior management members of the Company.

EVENTS AFTER THE REPORTING PERIOD

The Company is not aware of any significant event that might affect the Group since June 30, 2026 and up to the date of this announcement.

INTERIM DIVIDEND

The Board did not recommend the distribution of any interim dividend for the Reporting Period.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement has been published on the website of the Stock Exchange at www.hkexnews.hk and the website of our Company at www.galaxis-tech.com.

The interim report of the Company for the Reporting Period will be published on the aforesaid websites of the Stock Exchange and our Company and will be dispatched to the Shareholders upon request in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

"Audit Committee"	the audit committee of the Board
"Board"	board of directors of the Company
"Chairman"	chairman of the Board
"Chief Executive Officer"	chief executive officer of the Company
"China" or "PRC"	the People's Republic of China, unless otherwise stated, excludes Hong Kong, the Macau Special Administrative Region and Taiwan of China herein
"Company" or "our Company"	Zhejiang Galaxis Technology Group Co., Ltd. (浙江凱樂士科技集團股份有限公司), a limited liability company established in the PRC on October 20, 2016, and converted into a joint stock company with limited liability on July 13, 2021, whose H Shares are listed on the Stock Exchange (stock code: 2729)
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"Corresponding Period"	the six months ended June 30, 2025
"Director(s)"	director(s) of the Company
"Global Offering"	an offering of 36,798,000 H Shares, comprising a final Hong Kong public offering of 3,679,800 H Shares and a final international public offering of 33,118,200 H Shares in March 2026
"Group", "our Group", "we", "us" or "our"	our Company and our subsidiaries
"H Share(s)" or "Share(s)"	the ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HK$"	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
"IFRS"	IFRS Accounting Standards issued by the International Accounting Standards Board

"Listing"	listing of the H Shares on the Main Board of the Stock Exchange
"Listing Date"	March 24, 2026, the date on which the H Shares were listed on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
"Prospectus"	the prospectus of the Company dated March 16, 2026
"Reporting Period"	the six months ended June 30, 2026
"RMB"	Renminbi, the lawful currency of the PRC
"R&D"	research and development
"Shareholder(s)"	holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

By order of the Board
Zhejiang Galaxis Technology Group Co., Ltd.
Dr. GU Chunguang
Chairperson of the Board, Executive Director and Chief Executive Officer

Hong Kong, August 28, 2026

As at the date of this announcement, the Board comprises (i) Dr. GU Chunguang, Dr. YANG Yan, Mr. SHEN Lu and Dr. BAI Hongxing as executive Directors; (ii) Mr. SHEN Qi and Mr. LI Qiuyu as non-executive Directors; and (iii) Dr. HU Jianqiang, Mr. MO Rong and Mr. LAU Hak Lap as independent non-executive Directors.