壁仞科技
BIREN TECHNOLOGY

Shanghai Biren Technology Co., Ltd.
上海壁仞科技股份有限公司

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

Stock Code : 6082

2026
INTERIM REPORT

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CORPORATE INFORMATION

CHINESE NAME OF THE COMPANY

上海壁仞科技股份有限公司

ENGLISH NAME OF THE COMPANY

Shanghai Biren Technology Co., Ltd.

BOARD OF DIRECTORS

Executive Directors

Mr. Wen ZHANG
(Chairman of the Board and Chief Executive Officer)
Mr. Zhou HONG
Mr. Linglan ZHANG
Mr. Bing XIAO (肖冰)
Mr. Luting PAN

Non-executive Directors

Mr. Jingguo LIU (劉經國)

Independent Non-executive Directors

Dr. Yuan WANG (王源) *(resigned on March 30, 2026 and effective from June 15, 2026)*
Mr. Siu Wing LAM (林兆榮)
Ms. Jin LIU (劉瑾)
Dr. Zhiyi YU (虞志益) *(appointed on June 15, 2026)*

AUDIT COMMITTEE

Mr. Siu Wing LAM (林兆榮) *(Chairman)*
Dr. Yuan WANG (王源) *(resigned on March 30, 2026 and effective from June 15, 2026)*
Ms. Jin LIU (劉瑾)
Dr. Zhiyi YU (虞志益) *(appointed on June 15, 2026)*

REMUNERATION COMMITTEE

Ms. Jin LIU (劉瑾) *(Chairman)*
Dr. Yuan WANG (王源) *(resigned on March 30, 2026 and effective from June 15, 2026)*
Mr. Wen ZHANG
Dr. Zhiyi YU (虞志益) *(appointed on June 15, 2026)*

NOMINATION COMMITTEE

Dr. Yuan WANG (王源) *(Chairman) (resigned on March 30, 2026 and effective from June 15, 2026)*
Mr. Wen ZHANG *(Chairman) (appointed as Chairman on June 15, 2026)*
Ms. Jin LIU (劉瑾)
Dr. Zhiyi YU (虞志益) *(appointed on June 15, 2026)*

AUTHORIZED REPRESENTATIVES

Mr. Luting PAN
Mr. Chun Ho TSANG

COMPANY SECRETARIES

Ms. Yimin TONG
Mr. Chun Ho TSANG *(ACG, HKACG)*

REGISTERED OFFICE

Room 1302, 13/F, Building 16
No. 2388 Chenhang Road
Minhang District, Shanghai
People's Republic of China

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA

Room 1302, 13/F, Building 16
No. 2388 Chenhang Road
Minhang District, Shanghai
People's Republic of China

CORPORATE INFORMATION

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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33 Hysan Avenue
Causeway Bay, Hong Kong

H SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

COMPLIANCE ADVISER

Maxa Capital Limited
Unit 2602, 26/F
Golden Centre
188 Des Voeux Road Central
Sheung Wan
Hong Kong

LEGAL ADVISORS

Davis Polk & Wardwell
10/F, The Hong Kong Club Building
3A Chater Road
Central
Hong Kong

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and Registered Public Interest Entity Auditor
22/F, Prince's Building
Central
Hong Kong SAR, China

PRINCIPAL BANKS

China Construction Bank Corporation Shanghai Lingang Branch
B-3, No. 555 Xinyuan South Road
Pudong New Area
Shanghai
People's Republic of China

Bank of China Limited Shanghai Branch Pujiang Hi-Tech Park Sub-Branch
No. 2518, Chenhang Road
Minhang District
Shanghai
People's Republic of China

STOCK CODE

6082

WEBSITE

www.birentech.com

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June,		
	2026 RMB'000 (Unaudited)	2025 RMB'000	Change
Revenue	**1,235,544**	58,903	1,997.6%
Gross profit	**527,129**	18,769	2,708.5%
Research and development expenses	**(804,433)**	(571,616)	40.7%
Loss for the period	**(377,232)**	(1,600,526)	(76.4%)
Adjusted loss for the period (non-IFRS measure)	**(337,246)**	(551,645)	(38.9%)
Loss per share (RMB)	**(0.16)**	(0.93)	(82.8%)

Adjusted loss for the period (non-IFRS measure) is defined by adding back (i) changes in the carrying value of redemption liabilities, (ii) share-based compensation expenses, and (iii) listing expenses, to loss for the period.

CHAIRMAN'S REPORT

Dear Shareholders,

On behalf of the board of directors (the "**Board**"), I hereby present the interim results of Shanghai Biren Technology Co., Ltd. ("**Biren Technology**", the "**Company**" or "**our Company**") for the six months ended June 30, 2026 (the "**Reporting Period**"), and share with you our views on the industry, the Company's progress and our outlook for the future.

OUR VIEW OF THE INDUSTRY: FROM SILICON TO SYSTEMS – REDEFINING COMPETITIVE ADVANTAGE IN AI INFRASTRUCTURE

In the first half of 2026, the global artificial intelligence (the "**AI**") landscape evolved at a breathless pace, underscored by three profound paradigm shifts:

- The Rise of Agentic AI and Recursive Self-Improvement: The rise of agentic artificial intelligence ("**Agentic AI**") is shifting computing demand from initial training to production-grade inference and long-horizon workflows. This has catalyzed an exponential surge in token consumption, driving the rapid expansion of the intelligent computing infrastructure market. More fundamentally, the development paradigm itself is transforming: AI systems are now participating in their own research and optimization. This emergence of Recursive Self-Improvement (the "**RSI**") injects a self-reinforcing internal momentum into compute demand, decoupling it from traditional growth linearities.

- The System-Level Shift in Computing Infrastructure: As frontier models scale to tens of trillions of parameters and million-token context windows, the frontier of competition has shifted from individual card performance to system-level capability. SuperPods have emerged as the mainstream architecture for large-scale compute deployment, with optical interconnect becoming the critical frontier to break scalability bottlenecks. At the silicon level, as process node scaling approaches both physical and economic limits, advanced packaging and three-dimensional integrated circuits ("**3D IC**") have become the primary engines to sustain compute density gains, pushing the boundaries of innovation from the single die to systemic integration.

- Domestic Ecosystem Validation: A virtuous, collaborative innovation dynamic among Chinese domestic chips, models, and applications has crossed the chasm. The industry has entered a more mature phase of cluster validation and scalable deployment, unlocking a historic window of opportunity for domestic graphic processing unit ("**GPU**") companies equipped with full-stack, in-house research and development ("**R&D**") capabilities.

CHAIRMAN'S REPORT

BUSINESS REVIEW: ACCELERATED COMMERCIALIZATION, CONTINUOUS PRODUCT UPGRADE AND FULL-STACK INNOVATION

We believe that the true value of our computing architecture is validated only by real-world performance under actual customer workloads. Long-term leadership in this industry demands a relentless pursuit of technological frontiers and steadfast investment in capacity. During the Reporting Period, the Company achieved pivotal execution across all operational pillars:

Commercial Acceleration: Market adoption of our flagship Bili series expanded significantly. Our customer footprint now spans internet companies, large AI model developers, national-level AI computing platforms, telecom operators, and enterprise leaders across key verticals. Critically, we passed supplier qualification and commenced volume deliveries to major internet customers, establishing a powerful trajectory for top-line revenue growth.

Ecosystem Maturity: Supporting over a thousand models out-of-the-box, the BIRENSUPA™ software stack is compatible with mainstream AI frameworks and has completed Day-zero (Day 0) adaptation of dozens of domestic large models.

Next-Generation System Innovation: Maintaining a rapid product iteration cadence, our next-generation series is on track for its planned launch with enhanced performance and efficiency particularly for large-scale AI training and inference applications. At the 2026 World Artificial Intelligence Conference ("**WAIC**"), we debuted our next-generation near-packaged optical ("**NPO**") interconnect, distributed and disaggregated SuperPod solution. By building a comprehensive three-tier SuperPod portfolio-spanning 16-GPU standard servers, 128-GPU rack-scale systems, and 1,024-GPU clusters-we have become an early mover in China to successfully bridge the evolutionary leap from electrical to optical interconnect architecture.

Capital Strength and Supply Chain Resilience: We have locked in ample, strategic capacity across critical segments of the semiconductor supply chain. Subsequent to the Reporting Period, the Company successfully completed a placement of the H shares of the Company (the "**H Shares**"), raising net proceeds of approximately HK$7.04 billion and providing robust capital to bolster our supply chain resilience.

From R&D to mass production, and from single-GPU metrics to system-level effective computing power, the Company has consistently refined every product generation against the gold standard of real-world performance. We secure our supply chain through forward-looking capital investment and defend our leadership moat through pioneering R&D-pushing architectural limits, anchoring production capacity, and translating customer trust into compounding, long-term competitiveness.

CHAIRMAN'S REPORT

STRATEGY AND OUTLOOK: POSITIONING FOR THE AGI ERA

Today, we stand at the tipping point of the AI revolution. The ascendancy of Agentic AI is driving an exponential surge in compute intensity; Physical AI is transferring intelligence from the digital realm into the physical world. Computing power has become a foundational resource as essential as oil and electricity.

In this structural industrial transformation, full-stack hardware-software synthesis dictates the ultimate cost-efficiency of intelligence. SuperPods and optical networks have shattered the ceiling of scalability. Simultaneously, mass-production capability determines whether the Company can forge sticky customer alliances, unlocking a virtuous cycle: application scale drives software entrenchment, and ecosystem prosperity feeds back to the next leap in technological iteration.

Biren Technology stands as one of the few domestic companies possessing a complete quadrant of structural advantages: proprietary R&D and innovation in large-scale computing instruction sets and architecture, early-mover advantages in SuperPod system solution, a full-stack, compatible and self-developed software ecosystem, and strong synergy across the supply chain. "Making good silicon" is merely our baseline; "Building an enduring ecosystem" is our paramount mission. We will relentlessly invest in innovation and accelerate our transformation into an AI-driven enterprise, proactively champion open collaboration with developers and industry partners, and ensure that our compute infrastructure remains the preferred choice for innovators.

Biren Technology was born with a foundational commitment to advancing China's semiconductor capabilities and driving the future of intelligence computing. Anchored by products and dependable delivery, the Company will continuously dedicate its strength to building robust domestic computing infrastructure and empowering the global artificial intelligence industry.

Finally, I would like to extend my deepest gratitude to our shareholders, customers, ecosystem partners, and our employees for their unwavering trust and shared conviction.

Shanghai Biren Technology Co., Ltd.
Wen ZHANG
Chairman of the Board, Executive Director and Chief Executive Officer

Shanghai, the People's Republic of China
August 28, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

In the first half of 2026, the AI industry witnessed frontier foundation models scaling into the tens of trillions of parameters, context windows entering the million-token era, and the accelerated adoption of agentic applications, driving an exponential surge in token consumption. Consequently, competition in compute infrastructure has decisively shifted from single-card benchmarks to system-level solutions represented by SuperPods. Driven by the tailwinds of supportive policies and market demand, domestic AI chip industry has entered a critical window for commercialization at scale. Capitalizing on these macro trends, the Company systematically advanced its operations around a full-stack framework spanning "Silicon, Software, Systems, and Supply Chain." In the first half of 2026, the Company recorded revenue of RMB1,235.5 million, representing a year-on-year increase of 1,997.6%. Gross profit amounted to RMB527.1 million, up 2,708.5% year-on-year. Driven by the revenue growth from cloud training products, gross profit margin during the Reporting Period expanded significantly to 42.7%, which increased by 1,080 basis points (bps) as compared to the same period in the previous year. The Company sustained its commitment to research and development as well as technological iteration and innovation. During the Reporting Period, research and development expenses amounted to RMB804.4 million, up 40.7% year-on-year. Consequent to the robust growth in sales and gross profit, combined with further optimization of operating leverage, loss for the period substantially narrowed to RMB377.2 million, down 76.4% year-on-year. Adjusted loss for the period (non-IFRS measure) stood at RMB337.2 million during the Reporting Period, a 38.9% reduction from the same period in the previous year.

During the Reporting Period, sales of the Bili series of training and inference products continued to expand, with expanding customer footprint across leading internet companies/hyperscalers, foundation model developers, national-level AI computing platforms, AI data centers, telecom operators, and government and enterprise customers across industries such as AI solutions, manufacturing, energy and utilities, fintech and education. The diversification of customer base strengthens the Company's revenue resilience. Crucially, the Company's breakthroughs with leading internet companies-the industry benchmark for stringent technical standards and volume demand-provide production-grade validation of its technology. The management of the Company believes that passing the production-grade validation of leading customers not only contributes direct revenue growth, but also creates powerful reference cases that will accelerate adoption across broader enterprise verticals and unlock substantial revenue scalability.

The Company continued to validate its system-level capabilities through landmark deployments. In the Beijing-Tianjin-Hebei region, the Company co-developed a flagship domestic AI chip computing cluster to power mission-critical workloads in advanced manufacturing, aerospace, and electronics. Additionally, in collaboration with its partners, the Company brought to market the commercial-grade "LightSphere" optical-interconnected, optically switched GPU SuperPod. Already commercially deployed at a scale of thousands of GPUs, this SuperPod solution delivered an over 30% boost in end-to-end training performance for complex Mixture-of-Experts ("**MoE**") models, underscoring the clear competitive moat of the Company's system-level engineering.

The Company's full-stack solutions are gaining rapid mainstream adoption across high-growth fields beyond large language model (LLM) inference, including intelligent driving, embodied AI, and multimodal generative AI (such as text-to-image, text-to-video and music generation, etc.). In training market segment, the Company worked in depth with several large-model developers to complete pre-training and reinforcement learning of multimodal models on thousand-card Bili clusters, enabling the end-to-end migration of business workflows – from training and fine-tuning to inference – onto its GPU clusters for full commercial operations. Achieving precision parity and superior throughput compared to leading global products, this demonstrates that the Company's computing platform is capable of supporting large-model training and production-grade business workflows.

MANAGEMENT DISCUSSION AND ANALYSIS

A robust software ecosystem serves as the definitive moat for the Company's competitive differentiation and is a critical lever in reducing customer migration costs. During the Reporting Period, the Company further enhanced its BIRENSUPA™ software stack and its full-stack technological infrastructure. Notably, our self-developed full-stack multi-agent platform SUPACODE™ delivers software solutions through an agent-based approach, leveraging key technologies including automated model analysis, intelligent operator tuning, communication optimization, and intelligent diagnostics and operations – substantially shortening the adaptation and tuning cycle for new models. Concurrently, the BIRENSUPA™ high-performance operator library offers comprehensive coverage and excellent framework compatibility, enabling instruction-level deep optimization for MoE models and core attention mechanisms. Together with the Company's proprietary compiler and toolchain, the library fully unlocks the computing potential of the hardware. To address the extensive redundant key-value cache (KV Cache) computation inherent in Agentic AI scenarios, the Company built a multi-level hierarchical caching architecture that achieves a cache hit rate of over 95%, substantially improving token efficiency and forming a complete token factory solution.

In terms of model adaptation, the Company has completed "Day-zero" (Day 0) adaptation of dozens of flagship models including DeepSeek-V4, MiniMax M3, Zhipu's GLM-5 series, Qwen3.6, Kimi K2.6, Tencent Hy3, StepFun's Step 3.7 Flash, China Mobile's Jiutian 35B and SenseTime's SenseNova U1, spanning language, multimodal and AIGC categories. The BIRENSUPA™ software stack is deeply compatible with mainstream frameworks including PyTorch, vLLM, SGLang, Diffusers and PaddlePaddle, supporting more than a thousand models out of the box. The Company also actively embraces the open-source community. By fostering seamless collaboration across the domestic computing landscape, the Company continues to strengthen its ecosystem leadership and enhance long-term customer stickiness. The Company has led the development of national standards for multi-vendor heterogeneous training (currently under approval and publication), and is leading the drafting of national standards for multi-vendor heterogeneous inference. Capitalizing on its accumulated expertise in heterogeneous inference technologies, the Company has entered into deep collaborations with mainstream AI Infrastructure providers to adapt and optimize a comprehensive suite of heterogeneous prefill-decoding (PD) disaggregation technical solutions, thereby driving significant improvements in the overall throughput and resource utilization efficiency of large language model (LLM) inference.

In terms of product iteration, the Company's next-generation product series progressed as planned toward launch and production. Built upon the Company's industry-leading proprietary instruction set, compute cores and key intellectual properties, as well as Chiplet architecture, the new series delivers comprehensive upgrades in architecture, compute density, memory capacity and bandwidth, and high-speed interconnectivity. Notably, the new series natively supports low-precision compute formats (FP8/FP4) and integrates built-in SuperPod interconnect capabilities, achieving a breakthrough in both performance and energy efficiency. The self-developed BLink™ 2.0 interconnect protocol supports memory semantics, unified addressing and in-network computing, enabling scale-up expansion of up to 1,024 GPUs while natively integrating SuperPod interconnect capability – together providing powerful domestic AI computing infrastructure for ultra-large-scale model training and production-grade large-model inference. Leveraging the flexible Chiplet-based architecture, the series will form a comprehensive product portfolio addressing large-scale cluster training, cloud inference and edge inference, consolidating the generational competitiveness of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, the Company remained deeply committed to research and development and technological innovation, with R&D expenses amounting to RMB804.4 million, representing a robust year-on-year increase of 40.7%. Through persistent independent R&D and commercial deployment, the Company has cultivated a systematic matrix of core technologies and established a comprehensive intellectual property portfolio. As of June 30, 2026, the Company had filed a cumulative total of 1,917 patent applications, of which 1,823 were invention patents, and had been granted a cumulative total of 1,006 patents, of which 927 were invention patents – ranking firmly among the leaders of domestic GPU companies.

In terms of system solutions, during the World Artificial Intelligence Conference (WAIC) in July 2026, the Company unveiled its next-generation distributed, disaggregated SuperPod solution based on NPO, supporting scale-up of up to 1,024 GPUs within a single SuperPod domain. Based on next-generation products and the self-developed BLink™ 2.0 interconnect protocol, the Company has built a three-tier product portfolio – 16-GPU standard-server SuperPods (electrical interconnect), 128-GPU high-density rack-scale SuperPods (electrical interconnect), and 1,024-GPU distributed and disaggregated SuperPods (NPO optical interconnect) – allowing customers to select configurations on demand and scale flexibly to achieve optimal total cost of ownership (TCO). This makes the Company among the first in China to bridge the technology evolution from electrical interconnect to NPO, and has formed an end-to-end solution spanning chips, protocols, systems and applications, securing a first-mover advantage in system-level innovation. The management believes that as large models enter the era of tens of trillions of parameters, SuperPod capability will become one of the core decision factors in computing procurement, and the Company's first-mover deployment is expected to become a system-level competitive advantage going forward.

On the supply chain front, the Company has secured ample capacity across critical segments of the industry chain, further strengthening its supply chain resources and end-to-end operational capabilities. As of June 30, 2026, the inventories amounted to RMB1,214.8 million and its prepayments related to inventories and services amounted to RMB1,534.0 million, representing increases of 28.1% and 230.0% as compared with the balances as at the end of 2025, respectively. This proactive inventory management and secured capacity commitments establish a solid foundation to capture robust downstream demand and ensure supply chain resilience. On the funding front, subsequent to the Reporting Period, the Company completed the placing of 153 million new H Shares on July 8, 2026, raising net proceeds of approximately HK$7.04 billion. The management believes that in an industry environment defined by tight supply-demand dynamics, a predictable, dependable, and sustainable delivery capability represents a core competency that profoundly differentiates the Company from its peers.

Looking ahead, the Company will focus on three strategic pillars: **first**, accelerating the production and customer delivery of its next-generation product series; **second**, continuously advancing co-design and co-optimization across chips, software, and systems tailored for emerging inference paradigms such as prefill-decode (PD) disaggregation, attention-feedforward network (AF) disaggregation and large-scale expert parallelism, as well as new training paradigms such as trillion-parameter MoE training and post-training reinforcement-learning, while increasing investment in cutting-edge frontiers including advanced packaging, 3D IC, advanced interconnect systems and optical-interconnect SuperPod systems; and **third**, deepening collaboration with leading customers and ecosystem partners to lower adoption barriers and expand the Company's addressable market and ecosystem. The management is confident in the Company's ability to capture the monumental opportunities and achieve high-quality, sustainable growth.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

For the six months ended June 30, 2026, our revenue increased by 1,997.6% to RMB1,235.5 million as compared to the same period in the previous year.

The table below sets forth a breakdown of our revenue by revenue sources for the six months ended June 30, 2026 and 2025:

	For the six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Sale of products		
– Intelligent computing solutions	**1,168,117**	58,150
– Software	**65,173**	–
– Agent fee	**157**	–
	1,233,447	58,150
Rendering of support or extended warranty service	**113**	46
Rendering of entrusted R&D service	**1,984**	–
	1,235,544	58,196
Revenue from other source		
Rental income from intelligent computing clusters	**–**	707
	1,235,544	58,903

Our principal revenue sources consist of (i) sales of products, including intelligent computing solutions, software and agent fee, (ii) rendering of support or extended warranty service, (iii) rendering of entrusted R&D service, and (iv) rental income from intelligent computing clusters.

MANAGEMENT DISCUSSION AND ANALYSIS

Our revenue increased from RMB58.9 million for the six months ended June 30, 2025 to RMB1,235.5 million for the six months ended June 30, 2026, primarily due to an increase in our revenues from intelligent computing solutions.

Revenue from intelligent computing solutions surged from RMB58.2 million for the six months ended June 30, 2025 to RMB1,168.1 million for the six months ended June 30, 2026, primarily due to strong market demand for our general-purpose computing on graphics processing units ("**GPGPU**") computing solutions and the expansion of high-quality clients, which led to the at-scale shipment of our Bili series flagship general-purpose GPU products and the delivery of large-scale intelligent computing clusters.

Cost of Sales

Our cost of sales increased by 1,665.1% from RMB40.1 million for the six months ended June 30, 2025 to RMB708.4 million for the six months ended June 30, 2026, primarily attributable to an increase in our cost of sales of intelligent computing solutions in line with our business growth such as cost of semiconductors and tooling costs.

Gross Profit and Gross Profit Margin

Our gross profit increased by 2,708.5% from RMB18.8 million for the six months ended June 30, 2025 to RMB527.1 million for the six months ended June 30, 2026. The overall gross profit margin for the six months ended June 30, 2026 was 42.7%, which increased by 1,080 basis points (bps) as compared to the same period in the previous year.

Selling and Marketing Expenses

Our selling and marketing expenses slightly decreased by 1.0% from RMB27.3 million for the six months ended June 30, 2025 to RMB27.0 million for the six months ended June 30, 2026.

General and Administrative Expenses

Our general and administrative expenses increased by 3.9% from RMB123.8 million for the six months ended June 30, 2025 to RMB128.6 million for the six months ended June 30, 2026.

Research and Development Expenses

Our research and development expenses increased by 40.7% from RMB571.6 million for the six months ended June 30, 2025 to RMB804.4 million for the six months ended June 30, 2026, primarily due to increased investment in research and development projects resulting from the ongoing advancement of new product R&D processes, as well as the expansion of the R&D team.

Other Income

Our other income increased by 12.3% from RMB113.3 million for the six months ended June 30, 2025 to RMB127.3 million for the six months ended June 30, 2026, primarily due to an increase in our interest income from bank deposits.

Other (Losses)/Gains – Net

Our other gains amounted to RMB3.1 million for the six months ended June 30, 2025, whereas our other losses amounted to RMB81.1 million for the six months ended June 30, 2026, mainly attributable to an increase in foreign exchange losses resulting from exchange rate fluctuations.

MANAGEMENT DISCUSSION AND ANALYSIS

Finance Income/Costs – Net

Our finance costs – net amounted to RMB1,008.2 million for the six months ended June 30, 2025, whereas our finance income – net amounted to RMB19.9 million for the six months ended June 30, 2026, primarily due to our derecognition of redemption liabilities related to redemption rights granted to investors, and the increased interest income from cash and cash equivalents. The redemption rights granted to investors have been irrevocably terminated upon the listing. The carrying amount of the related redemption liabilities has been derecognized on January 2, 2026, and credited to the equity attributed to the owners of the Company, and no gains or losses related to the redemption liabilities would arise.

Loss for the Period

As a result of the aforementioned changes, our loss for the period decreased by 76.4% from RMB1,600.5 million for the six months ended June 30, 2025 to RMB377.2 million for the six months ended June 30, 2026.

Non-IFRS Measure

We use adjusted loss for the period, which is a non-IFRS measure, in evaluating our operating results and for financial and operational decision-making purposes. We believe that adjusted loss for the period (non-IFRS measure) provides useful information about our results of operations, enhances the overall understanding of our past performance and future prospects.

Adjusted loss for the period (non-IFRS measure) should not be considered in isolation or construed as an alternative to loss for the period. Adjusted loss for the period (non-IFRS measure) presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to our data.

We define our adjusted loss for the period (non-IFRS measure) by adding back (i) changes in the carrying value of redemption liabilities, (ii) share-based compensation expenses, and (iii) listing expenses, to loss for the period. Specifically, (i) changes in the carrying value of redemption liabilities are non-cash in nature, and the redemption rights of the shareholders shall terminate immediately upon the completion of the listing, (ii) share-based compensation expenses relate to the share-based awards that we grant to employees and directors and are non-cash expenses, and (iii) listing expenses relate to the global offering (as defined in the prospectus of the Company dated December 22, 2025, "**Global Offering**").

The following table presents our non-IFRS measures for the periods indicated.

	For the six months ended June 30,	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Loss for the period	**(377,232)**	(1,600,526)
Add:		
Changes in the carrying value of redemption liabilities	**–**	1,010,932
Share-based compensation expenses	**39,986**	27,165
Listing expenses	**–**	10,784
Adjusted loss for the period (non-IFRS measure)	**(337,246)**	(551,645)

MANAGEMENT DISCUSSION AND ANALYSIS

Our adjusted loss for the period (non-IFRS measure) is defined by adding back changes in the carrying value of redemption liabilities, share-based compensation expenses, and listing expenses, and our adjusted loss for the period (non-IFRS measure) was RMB551.6 million for the six months ended June 30, 2025 and RMB337.2 million for the six months ended June 30, 2026, respectively.

Liquidity and Sources of Capital

As of June 30, 2026, our liquidity stood at RMB6,147.2 million, comprising cash and cash equivalents of RMB1,008.7 million, financial assets at fair value through profit or loss (structured deposits) of RMB250.5 million, restricted cash of RMB25.4 million, and bank deposits of RMB4,862.5 million. This compares to liquidity of RMB2,822.7 million as of December 31, 2025.

Indebtedness

Our indebtedness mainly includes borrowings, lease liabilities and redemption liabilities. As of June 30, 2026, we had bank borrowings of approximately RMB300.1 million (December 31, 2025: RMB200.1 million).

The effective interest rate on the borrowings was 2.16% per annum for the six months ended June 30, 2026 (for the year ended December 31, 2025: 2.27%). For details of the interest rate risk, please refer to the section headed "Interest Rate Risk" in this interim report of the Company for the six months ended June 30, 2026 ("**this report**"). Particulars of borrowings of the Company and its subsidiaries ("**Group**") as at the balance sheet date, including the currency, maturity profile and the extent to which borrowings are at fixed and variable interest rates, are set out in Note 30 to the interim condensed consolidated financial information.

As of June 30, 2026, we had lease liabilities of approximately RMB28.1 million (December 31, 2025: RMB36.3 million) primarily representing the present value of outstanding lease payments under our lease agreements, primarily relating to our office buildings and facilities.

As of June 30, 2026, we had no redemption liabilities (December 31, 2025: RMB28,524.9 million). The decrease was primarily due to the fact that the redemption rights granted to investors were irrevocably terminated upon the listing, and the carrying amount of the related redemption liabilities was derecognized on January 2, 2026, and credited to the equity attributed to the owners of the Company. The redemption liabilities primarily arose from redemption rights granted to investors, representing the Group's obligation to repurchase its own equity instruments under certain specified circumstances. Details are set out in Note 27 to the interim condensed consolidated financial information.

Gross Trade Receivables

Our gross trade receivables increased by 109.8% from RMB532.3 million as of December 31, 2025 to RMB1,116.9 million as of June 30, 2026, primarily due to an increase in project deliveries and is in line with the rapid revenue growth during the Reporting Period. As of the date of the Chairman's Report, such collections amounted to RMB260.3 million, representing a collection rate of 23.3% thereof. We will continue to monitor the collection of trade receivables and do not expect any material recovery issues.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

For the six months ended June 30, 2026, the Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures.

MANAGEMENT DISCUSSION AND ANALYSIS

Pledge of Assets

As of June 30, 2026, the Group did not have any pledged or charged assets.

Significant Investments Held

The Group's purpose of holding financial assets was solely for treasury management purposes and not for investment purpose. During the Reporting Period, the Group did not hold any significant investment in equity interest in any other company for investment purpose.

Future Plans for Material Investments and Capital Assets

The Group did not have detailed future plans for material investments or capital assets investments as of June 30, 2026, save as disclosed in this report.

Gearing Ratio

As of June 30, 2026, the Company's gearing ratio (calculated as total liabilities divided by total assets, expressed in percentage terms) was 11.1% (December 31, 2025: 502.9%). Redemption liabilities were the primary driver behind the change in the gearing ratio. All of our redemption liabilities were automatically converted into equity upon the listing, and their carrying amount was credited to equity.

Contingent Liabilities

As of June 30, 2026, the Company had no material contingent liabilities (December 31, 2025: nil).

Capital Commitments

As of June 30, 2026, capital commitments of the Company amounted to RMB87.3 million (December 31, 2025: RMB58.0 million), which mainly related to the acquisition of property, plant and equipment and intangible assets that have been authorized and contracted.

Employees and Remuneration Policy

As of June 30, 2026, the Company had 910 employees (December 31, 2025: 842 employees). The number of employees may vary from time to time in response to business needs.

For the six months ended June 30, 2026, the Group's total employee costs amounted to approximately RMB445.1 million, including wages, salaries, bonuses, pension costs, other social security costs and other employee benefits, as well as share-based compensation payments (for the six months ended June 30, 2025: approximately RMB396.6 million).

The Company is dedicated to establishing and maintaining a fair, reasonable and competitive compensation and performance management system, aiming to attract, motivate and retain top talent, ensuring employees' contributions are matched with rewards. The Company builds a compensation structure of "Base Salary + Variable Compensation". Employee salaries are determined based on their job position, experience, responsibilities, work skills, performance and market positioning, and are paid monthly as per the labor contract. To promote company development and enhance cohesion, attract outstanding talent, and incentivize major contributors to the Company, the Board approved the pre-IPO employee incentive scheme (the "**Pre-IPO Employee Incentive Scheme**") on April 24, 2024. This Pre-IPO Employee Incentive Scheme covers nearly two-thirds of the total full-time employees. For details, please refer to the section headed "Pre-IPO Employee Incentive Scheme" in this report.

MANAGEMENT DISCUSSION AND ANALYSIS

On June 15, 2026, the H share option scheme (the "**H Share Option Scheme**") and H share incentive scheme (the "**H Share Incentive Scheme**", collectively with H Share Option Scheme, the "**H Share Schemes**") were approved and adopted by the shareholders of the Company ("**Shareholders**") at the extraordinary general meeting of the Company. The H Share Option Scheme and H Share Incentive Scheme commenced on June 15, 2026 and will expire on the tenth anniversary of the commencement date. The purposes are to provide eligible persons with the opportunity to acquire equity interests in the Company and to encourage eligible persons to work towards enhancing the value of the Company and its shares ("**Shares**"), fostering the long-term development of the Company and for the benefit of the Company and Shareholders as a whole. They are expected to provide the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to eligible persons. For details, please refer to the section headed "H Share Schemes" in this report.

The Company also conducts regular performance appraisals for all employees, taking the calendar year as an appraisal cycle. In principle, performance reviews are conducted every six months. Employees are comprehensively assessed across multiple dimensions including achievement of goals, work capabilities, and practice of corporate values. Employees have the right to appeal to the human resources department within 5 working days after the release of appraisal results if they have any objections. In addition, we place strong emphasis on providing training to our employees to enhance their professional skills. We offer onboarding training for all new hires and provide targeted training for employees at various positions from different departments. Our employees can also improve their skills through mutual learning among colleagues.

Regarding welfare and benefits, the Company is continuously refining the Employee Handbook, legally safeguarding employees' rights to "Social Insurance and Housing Provident Fund", paid annual leave, maternity leave, sick leave, breastfeeding leave, childcare leave, etc. The Company also provides employees with diverse benefits such as supplementary housing fund contributions, annual health check-ups, consolation payments, and commercial insurance (including transportation accident insurance, supplementary medical insurance, critical illness insurance, etc.).

Foreign Exchange Risk

Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the Group entities' functional currency. Our Company's functional currency is RMB. Our Company's principal subsidiaries were incorporated in the Chinese Mainland and Hong Kong and these subsidiaries considered RMB and USD as their functional currency, respectively.

We are primarily exposed to changes in RMB/USD and RMB/HKD exchange rates. During the Reporting Period, we entered into certain foreign exchange forward contracts to hedge the foreign exchange risk between HKD and RMB, and these arrangements were still in force as at June 30, 2026. These contracts are not qualified for hedge accounting. We manage our foreign exchange risk by performing regular reviews of our Group's net foreign exchange exposures and minimizing these exposures with necessary measures.

Interest Rate Risk

Except for structured deposits, bank deposits, restricted cash and cash and cash equivalents, we have no significant interest-bearing assets. Our income and operating cash flows are substantially independent of changes in market interest rates. Our finance lease receivables carried at fixed rates expose us to fair value interest risk. Our long-term payables, investment intention deposits, redemption liabilities and borrowings carried at fixed rates expose us to fair value interest risk.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group maintains a prudent approach in its treasury management with interest rate exposure maintained principally on a floating rate basis. We will continue to monitor interest rate risks and will consider hedging significant interest rate risks when necessary.

No Material Changes

Save as disclosed in this report, during the Reporting Period, there were no material changes affecting the Company's performance that need to be disclosed under paragraphs 32 and 40(2) of Appendix D2 to the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* ("**Listing Rules**").

WITHHOLDING AND PAYMENT OF ENTERPRISE INCOME TAX FOR NON-RESIDENT ENTERPRISE SHAREHOLDERS

According to the *Enterprise Income Tax Law of the People's Republic of China* and its implementing rules, the Company is required to withhold and pay enterprise income tax at the rate of 10% before distributing dividends to non-resident enterprise shareholders whose names appear on the register of members of H Shares. Any H Shares registered in the name of non-individual H Shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations will be treated as being held by non-resident enterprise shareholders and therefore will be subject to the withholding and payment of the enterprise income tax. Should any H Shareholder wish to change its shareholder status, please consult your agent or trust institution over the relevant procedure. The Company will withhold and pay the enterprise income tax strictly in accordance with the relevant laws or requirements of the relevant governmental departments and strictly based on what has been registered on the Company's register of members of H Shares on the record date.

TAXATION

During the Reporting Period, the income tax provision of the Group in respect of its operations in the People's Republic of China ("**PRC**") was calculated at a tax rate of 25% on the assessable profits for the relevant year presented, based on the existing legislation, interpretations and practices.

Certain subsidiaries in the PRC were qualified as "Small and Low-Profit Enterprise" in 2026. Due to their tax loss position in 2026, these subsidiaries did not actually enjoy the 20% preferential corporate income tax rate in 2026. Beijing Biren Technology Development Co., Ltd., a subsidiary of the Group, is qualified for new/high-tech technology enterprises status and enjoyed a preferential corporate income tax rate of 15% from 2024 to 2026.

The relevant details are set out in Note 11 to the interim condensed consolidated financial information.

TAX RELIEF AND EXEMPTION OF HOLDERS OF LISTED SECURITIES

The Company is not aware of any tax relief and exemption available to the Shareholder by reason of their holding of the Shares.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY

The Board is committed to achieving high corporate governance standards with a view to safeguarding the interests of our Shareholders. The Board believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of shareholders and to enhance corporate value and accountability. Save as disclosed in this report, the Company has adopted the principles and code provisions of *Corporate Governance Code* (the "**CG Code**") set out in Appendix C1 to the *Listing Rules*. The Company aims to achieve high standards of corporate governance, which are crucial to the Company's development and safeguard the interests of the Shareholders.

Since January 2, 2026 (the "**Listing Date**"), the Company has applied the principles of good corporate governance and adopted the code provisions of the CG Code as its own code of corporate governance. The Company regularly reviews its corporate governance practices to ensure that these meet the requirements of the CG Code. The Company has complied with all applicable code provisions set out in the CG Code during the period from the Listing Date to the end of the Reporting Period, save as set out below.

Pursuant to code provision C.2.1 of the CG Code, companies listed on the Stock Exchange of Hong Kong Limited ("**Stock Exchange**") are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. We do not segregate the roles of Chairman of the Board and Chief Executive Officer, and Mr. Wen ZHANG ("**Mr. Zhang**") currently performs both roles. Our Board believes that, in view of his experience, personal profile and his roles in our Company, Mr. Zhang is the director of the Company ("**Director**") best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our Chief Executive Officer. The Board also believes that vesting the roles of both Chairman of the Board and Chief Executive Officer in the same person has the benefit of (i) ensuring consistent leadership within the Group, (ii) enabling more effective and efficient overall strategic planning and execution of strategic initiatives of the Board, and (iii) facilitating the flow of information between the management and the Board for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired, and this arrangement will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of Chairman of the Board and the Chief Executive Officer of the Company at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

BOARD COMPOSITION

The Board composition of the Company during the Reporting Period and as of the date of this report are as follows:

Executive Directors

Mr. Wen ZHANG *(Chairman of the Board and Chief Executive Officer)*
Mr. Zhou HONG
Mr. Linglan ZHANG
Mr. Bing XIAO (肖冰)
Mr. Luting PAN

Non-executive Directors

Mr. Jingguo LIU (劉經國)
Mr. Zhifeng ZHOU (周志峰) *(resigned on January 1, 2026)*
Mr. Lin WANG (王林) *(resigned on January 1, 2026)*
Ms. Shuying CHEN (陳淑英) *(resigned on January 1, 2026)*

Independent Non-executive Directors

Mr. Siu Wing LAM (林兆榮)
Ms. Jin LIU (劉瑾)
Dr. Yuan WANG (王源) *(resigned on March 30, 2026 and effective from June 15, 2026)*
Dr. Zhiyi YU (虞志益) *(appointed on June 15, 2026)*

UPDATE ON DIRECTOR'S INFORMATION

According to Rule 13.51B(1) of the Listing Rules, since the publication of the Company's 2025 annual report up to the date of this report, the changes in Directors' information are set out as follows:

Dr. Zhiyi YU (虞志益) ("**Dr. Yu**") was appointed as an independent non-executive Director in June 2026. Dr. Yu is a professor and the Dean of the School of Microelectronics Science and Technology at Sun Yat-sen University. He served as the hardware engineer at IntellaSys in the United States from 2007 to 2008, the associate researcher at the School of Microelectronics at Fudan University from 2009 to 2015, and he has been working at Sun Yat-sen University since March 2015, including being a visiting professor at Carnegie Mellon University in the United States from 2015 to 2016. He is also a member of the audit committee of the Company ("**Audit Committee**"), a member of the remuneration committee of the Company ("**Remuneration Committee**") and a member of the nomination committee of the Company.

Dr. Yu obtained a Bachelor's degree in Electronics and Information Systems from Fudan University in the PRC in July 2000, and a Master's degree in Circuits and Systems from Fudan University in the PRC in June 2003. He further obtained a Ph.D. degree in Electrical and Computer Engineering from the University of California, Davis in the United States in October 2007. Dr. Yu has extensive R&D experience in the integrated circuits and artificial intelligence chips fields. Dr. Yu has filed 123 invention patents, 62 of which have been granted. He has also published monographs including Microprocessor Design: Architecture, Circuits, and Implementation《微處理器設計：架構、電路及實現》, and undertaken key R&D projects including National Science and Technology Major Projects (國家重大科技專項) and National Natural Science Foundation Key Projects (國家自然科學基金重點項目). Dr. Yu has served as Technical Committee Chairperson at multiple international academic conferences including Institute of Electrical and Electronics Engineers (IEEE) International Conference on Integrated Circuits, Technologies & Applications (ICTA), IEEE International Conference on Solid-State and Integrated Circuit Technology (ICSICT), and Asia Pacific Signal and Information Processing Association (APSIPA). He also acts as an expert advisor at the national level and for Guangdong Province and Macao SAR.

Save as disclosed above, since the publication of the Company's 2025 annual report up to the date of this report, no other changes in Directors' information should be disclosed according to Rule 13.51B(1) of the Listing Rules.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

COMPLIANCE ADVISER

The Group has appointed Maxa Capital Limited as our compliance adviser ("**Compliance Adviser**") pursuant to Rules 3A.19 and 3A.23 of the Listing Rules. The Compliance Adviser will provide us with guidance and advice as to compliance with the Listing Rules and other applicable laws, rules, codes and guidelines. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Adviser will advise the Company in certain circumstances including:

(a) before the publication of any regulatory announcement, circular or financial report;

(b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues, sales or transfers of treasury shares and share repurchases;

(c) where the Company proposes to use the proceeds of the Global Offering in a manner different from that detailed in the prospectus of the Company dated December 22, 2025 ("**Prospectus**") or where the Company's business activities, developments or results deviate from any forecast, estimate or other information in the Prospectus; and

(d) where the Stock Exchange makes an inquiry to the Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Adviser will, on a timely basis, inform the Company of any amendment or supplement to the Listing Rules that are announced by the Stock Exchange. The Compliance Adviser will also inform the Company of any new or amended law, regulation or code in Hong Kong applicable to the Company, and advise it on the continuing requirements under the Listing Rules and applicable laws and regulations.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules (the "**Model Code**") as a code of conduct regarding securities transactions by the directors. Specific enquiry has been made to all the directors and all of them have confirmed that they have complied with the Model Code from the Listing Date to the end of the Reporting Period.

The Company has established written guidelines for the relevant employees of the Company (the "**Relevant Employees**") in respect of their dealings in the securities of the Company (the "**Written Guidelines**") on terms no less exacting than the required standard set out in the Model Code. For this purpose, "Relevant Employees" include any employee of the Company or a director or employee of a subsidiary or holding company of the Company who, because of such office or employment, is likely to possess inside information in relation to the Company or its securities. Since the Listing Date to the end of the Reporting Period, no incident of non-compliance with the Written Guidelines was noted by the Company.

If the Company becomes aware of any restricted period for dealings in the Company's securities, the Company will notify its directors and Relevant Employees in advance.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

The Company was listed on the Stock Exchange on the Listing Date with 284,846,600 new H shares of the Company issued, upon the full exercise of the over-allotment option, 327,573,400 H shares of the Company were issued in aggregate. The net proceeds received from the Global Offering, after deducting the underwriting fees and commissions and expenses payable by the Company in connection with the Global Offering, amounted to approximately HK$6,203.6 million (equivalent to approximately RMB5,631.4 million) and an offering price of HK$19.60 per H Share.

As of June 30, 2026, the Group has utilized approximately HK$1,919.5 million of the net proceeds for the intended purposes set out in the Prospectus, accounting for approximately 30.9% of net proceeds, and the remaining unutilized net proceeds are approximately HK$4,284.1 million, with details below:

Use of proceeds	Approximate % of total net proceeds	Planned allocation of net proceeds (HK$ million)	Utilized net proceeds for the period from Listing Date to June 30, 2026 (HK$ million)	Unutilized net proceeds (as of June 30, 2026) (HK$ million)	Expected timeline for application of unutilized net proceeds[1]
A. Research and development of intelligent computing solutions	**85.0%**	**5,273.1**	**1,452.5**	**3,820.6**	Fully utilized by the end of 2029
(i) Evolution of intelligent computing hardware	**45.0%**	**2,791.6**	**1,295.8**	**1,495.8**	Fully utilized by the end of 2029
– Develop and upgrade the existing GPGPU chips and next-generation GPGPU chips	32.0%	1,985.2	1,248.0	737.2	Fully utilized by the end of 2029
– Develop GPGPU-based hardware powered by the existing and next-generation GPGPU chips	13.0%	806.5	47.9	758.6	Fully utilized by the end of 2029
(ii) Development and upgrade of software platform	**40.0%**	**2,481.4**	**156.7**	**2,324.8**	Fully utilized by the end of 2029
– Expand the array of training and inference models supported by the intelligent hardware and BIRENSUPA software stack	10.0%	620.4	43.1	577.2	Fully utilized by the end of 2029
– Enhance each part of software platform	20.0%	1,240.7	68.9	1,171.8	Fully utilized by the end of 2029
– Build the software development infrastructure	10.0%	620.4	44.6	575.8	Fully utilized by the end of 2029

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

Use of proceeds	Approximate % of total net proceeds	Planned allocation of net proceeds (HK$ million)	Utilized net proceeds for the period from Listing Date to June 30, 2026 (HK$ million)	Unutilized net proceeds (as of June 30, 2026) (HK$ million)	Expected timeline for application of unutilized net proceeds[1]
B. The commercialization of intelligent computing solution	**5.0%**	**310.2**	**12.8**	**297.4**	Fully utilized by the end of 2029
C. Working capital and general corporate purposes[2]	**10.0%**	**620.4**	**454.2**	**166.1**	Fully utilized by the end of 2029
Total	**100.0%**	**6,203.6**	**1,919.5**	**4,284.1**	

Notes:

(1) The expected timeline for the utilization of unutilized proceeds represents the Group's best estimates based on the anticipated market conditions, which may be subject to change in response to current and future market developments.

(2) Working capital and other general corporate purposes, including but not limited to payments to suppliers and the settlement of daily operating expenses.

The Company intends to use the net proceeds in the same manner and proportion as set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus. As at the date of this report, the Company does not anticipate any change to its plan on the use of proceeds. To the extent that net proceeds are not immediately used for the intended use and to the extent permitted by relevant laws and regulations, the Company will place the net proceeds as short-term deposits only at licensed banks or financial institutions.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

USE OF PROCEEDS FROM THE PLACING

The Company completed the placing of 153,000,000 new H Shares under the general mandate on the Stock Exchange on July 8, 2026 ("**Placing**"). The total nominal value of the Placing Shares under the Placing was RMB3,060,000. The gross proceeds from the Placing amounted to HK$7,068.6 million, and net proceeds from the Placing, (after deducting the commission and estimated expenses) amounted to approximately HK$7,037.6 million. The summary of the uses of the net proceeds of the Placing is set out as follows:

Expected use of net proceeds	Approximate percentage of the total net proceeds	Allocation of net proceeds (HK$ million)	Expected timeline for utilization of the net proceeds
R&D enhancement for new cutting-edge technologies	20%	1,407.5	Fully utilized by the end of 2028
Accelerate commercialization and production of next-generation products	60%	4,222.5	Fully utilized by the end of 2027
Strategic investments and acquisitions	10%	703.8	Fully utilized by the end of 2028
Working capital and general corporate purposes	10%	703.8	Fully utilized by the end of 2028
Total	**100%**	**7,037.6**	

The Group will utilize the net proceeds from the Placing for the proposed purposes as set out in the paragraph headed "Reasons for the Placing and Use of Proceeds" in the announcements of the Company dated July 5, 2026 and July 8, 2026. Details of the use of proceeds under the placing will be disclosed in the annual report of the Company for the year ending December 31, 2026.

DEBENTURES IN ISSUE

Neither the Company nor any of its subsidiaries issued any debentures during the Reporting Period.

PRE-IPO EMPLOYEE INCENTIVE SCHEME

In recognition of the contributions of our employees and to incentivize them to further promote our development, the Company approved and adopted the Pre-IPO Employee Incentive Scheme on April 24, 2024. Given the underlying Shares under the Pre-IPO Employee Incentive Scheme had already been issued, there will not be any dilution effect to the issued Shares upon the vesting of the Shares under the Pre-IPO Employee Incentive Scheme.

As of January 1, 2026, the incentives corresponding to the total 191,221,400 Shares (accounted for approximately 7.84%) of the total issued Shares under the Pre-IPO Employee Incentive Scheme have been granted to the eligible participants.

The terms of the Pre-IPO Employee Incentive Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as the Pre-IPO Employee Incentive Scheme does not involve the grant of awards or options by our Company after the listing. Please refer to the Prospectus for further details about the Pre-IPO Employee Incentive Scheme.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

H SHARE SCHEMES

The Share Schemes, namely, the H Share Option Scheme and the H Share Incentive Scheme, were approved and adopted by the Shareholders at the extraordinary general meeting held on June 15, 2026. The H Share Schemes shall be valid and effective for a period of ten years commencing from June 15, 2026, subject to any early termination as may be determined by the Board. The purposes of the H Share Schemes are to provide eligible participants with the opportunity to acquire equity interests in the Company and to incentivize them to enhance the value of the Company and its Shares, fostering the long-term development of the Company and for the benefit of the Company and the Shareholders. The H Share Schemes are expected to provide the Company with flexible means to retain, motivate, reward, compensate and/or provide benefits to Eligible Participants. The following shows the respective key terms of the Share Schemes, namely, the H Share Option Scheme and the H Share Incentive Scheme:

1. H Share Option Scheme

Purposes

The purposes of the H Share Option Scheme are to provide eligible persons with the opportunity to acquire equity interests in the Company and to encourage eligible persons to work towards enhancing the value of the Company and its Shares, fostering the long-term development of the Company and for the benefit of the Company and Shareholders as a whole. The H Share Option Scheme is expected to provide the Company with a flexible means of retaining, incentivizing, rewarding, compensating and/or providing benefits to eligible persons.

Eligible participants and basis of determining the eligibility

The Board considers that the adoption and implementation of the H Share Option Scheme will motivate eligible participants to contribute to the Group's development. The H Share Option Scheme, which allows grant by the Company of share-based incentive in the form of options, will enable the Group to attract, retain and motivate eligible participants to promote the sustainable development of the Group in line with the performance goals of the Group, and as such, it is in the interests of the Group as a whole that more and wider categories of people be eligible for the H Share Option Scheme so as to incentivize them to contribute to the Group's growth and development. Furthermore, the Board considers that the eligible participants will share the same interests and objectives with the Group upon the grant of options, which is in turn beneficial to the long-term development of the Group. In addition, the adoption of the H Share Option Scheme is in line with modern commercial practice that full-time or part-time employees, directors, supervisors and members of the management of the Group and related entities and service providers be given incentives to work towards the goal of enhancing the enterprise value and attaining the long-term objectives of the Company for the benefit of the Group as a whole. Eligible participants of the H Share Option Scheme include any employee participants, related entity participants and service providers.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

Scheme mandate limit and service provider sublimit

The Company shall not make any further grant of options which will result in the aggregate number of H Shares to be issued by the Company in respect of all grants of options and awards made after the adoption date pursuant to the H Share Option Scheme and any other share schemes adopted by the Company (excluding options and/or awards lapsed in accordance with relevant scheme rules) to exceed 10% of the total number of issued Shares (excluding treasury shares, if any) as at the date of the Shareholders' approval of the scheme limit unless Shareholders approve a further refreshment of the scheme limit or Shareholders' approval is obtained in compliance with the Listing Rules. The scheme limit shall be 243,885,850 Shares.

As the scope of eligible participants under the H Share Option Scheme shall be expanded to include service providers, the Board considers that it is appropriate to adopt the service provider sublimit within the scheme limit in accordance with Rule 17.03B(2) of the Listing Rules.

The Company shall not make any further grant of options to service providers which will result in the aggregate number of Shares to be issued by the Company in respect of all grants of options and awards made after the adoption date pursuant to the H Share Option Scheme and other share schemes adopted by the Company (excluding options and/or awards lapsed in accordance with relevant scheme rules) to exceed 1% of the total number of issued Shares (excluding treasury shares, if any) as at the date of the Shareholders' approval of the service provider sublimit unless the Shareholders approve a further refreshment of the service provider sublimit or Shareholders' approval is obtained in compliance with the Listing Rules. The service provider sublimit shall be 24,388,585 Shares.

As of January 1, 2026, the H Share Option Scheme was not adopted and therefore no Shares were available for issue. As of June 30, 2026, since no options had been granted under the H Share Option Scheme, 243,885,850 new Shares were available for issue under the scheme mandate of the H Share Option Scheme. As of the date of this report, since no options had been granted under the H Share Option Scheme since its adoption, 243,885,850 new Shares are available for issue under the scheme mandate of the H Share Option Scheme, representing approximately 9.4% of the issued Shares (excluding treasury shares) as of the date of this report. The number of Shares that may be issued in respect of the options granted under the H Share Option Scheme during the six months ended June 30, 2026 divided by the weighted average number of the Shares in issue for the six months ended June 30, 2026 was nil.

The maximum entitlement of each participant

There is no specific maximum entitlement for each eligible participant under the H Share Option Scheme.

1% individual limit

The total number of Shares issued and to be issued in respect of all options granted under the H Share Option Scheme and all options and awards granted under other share schemes of the Company to each eligible participant during any 12-month period up to and including the relevant grant date (excluding options or awards lapsed in accordance with relevant scheme rules) shall not exceed 1% of the total number of issued Shares (excluding treasury shares, if any) at the relevant time (the "**1% individual limit**").

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

Should any proposed grant to eligible participants result in the total number of Shares issued and to be issued in respect of all options and awards already granted and proposed to be granted to each eligible participant during any 12-month period up to and including the relevant proposed grant date (including both exercised and unexercised options as well as vested and unvested awards, but excluding any options or awards that have lapsed pursuant to the terms of the share schemes of the Company) exceeding the 1% individual limit, then any further grant of options shall be subject to and only take effect upon such grant being separately approved by Shareholders at a general meeting of the Company pursuant to the requirements of the Listing Rules.

In addition, each grant of options to any Director, chief executive (as defined in the Listing Rules), or substantial Shareholder of the Company (or any of their respective associates) shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of options).

0.1% limit

Where any grant of options to an independent non-executive Director, a substantial Shareholder or any of their respective associates result in the total number of Shares issued and to be issued in respect of all options granted under the H Share Option Scheme and all options and awards granted under other share schemes of the Company to such person(s) during any 12-month period up to and including the relevant grant date (excluding options or awards lapsed in accordance with relevant scheme rules) exceeding 0.1% of the total issued Shares (excluding treasury shares, if any) at the relevant time, such further grant of options shall be subject to prior approval by the Shareholders (voting by way of poll) in general meeting. The Company shall send a circular to the Shareholders. The grantee, their associates and all core connected persons of the Company must abstain from voting in favour at such general meeting.

The period within which the option may be exercised by the grantee

Any option(s) granted may only be exercised during the option period, as determined and notified by the Board and/or person(s) authorized by the Board to each grantee at the time of making an offer, and shall not expire later than ten years from the date of the grant of such options. The right for the exercise of options (if unexercised) shall terminate immediately upon the occurrence of such events (whichever occurs earlier): (i) the expiry of the option period (subject to compliance with applicable laws, rules and regulations including the Listing Rules and the relevant guidelines), subject to any alteration pursuant to the provisions of the rules of the H Share Option Scheme; (ii) the expiry or grantee's violation of any of the period requirement in relation to the exercise or the vesting of the options, as set out in the H Share Option Scheme rules and/or determined by the Board or the person(s) authorized by the Board in its discretion from time to time; (iii) failure to satisfy any of the performance targets or conditions as set out by the Board or the person(s) authorized by the Board (if any); (iv) failure to accept the grant offer before the expiration of such period as set out in the grant offer letter or as otherwise determined by the Board or the person(s) authorized by the Board; or (v) by the determination of the Board or the person(s) authorized by the Board, the triggering of any of the clawback events. Options which have lapsed in accordance with the terms of the scheme rules shall not be counted for the purpose of calculating the scheme limit and/or the service provider sublimit.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

The vesting period of options granted

The vesting period in respect of any options shall not be less than 12 months (or such other period as the Listing Rules may prescribe or permit from time to time). Options granted to employee participants may be subject to a shorter vesting period as determined by (i) the Remuneration Committee if such employee participant is a Director or a senior manager of the Company, or (ii) the Board if such employee participant is not a Director or a senior manager of the Company, under any of the following circumstances: (a) the grant of "compensatory" options to new employee participants as replacement for awards or options forfeited upon leaving; (b) the grant of options to employee participants whose employment is terminated by reason of death, disability or any force majeure event; (c) the grant of options subject to performance-based vesting conditions as determined by the Board and/or the person(s) authorized by the Board, in lieu of the standard time-based vesting schedule; (d) the grant of options in multiple tranches within a year for administrative and compliance-related reasons. In such case, the vesting periods may be shorter to reflect the time from which an option would have been granted; (e) the grant of options with hybrid or accelerated vesting schedules, including equal monthly vesting over a 12-month period; and (f) the grant of options where the aggregate of the vesting period and holding period exceeds 12 months.

The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be repaid

No consideration is payable on acceptance of each grant of option(s).

The basis of determining the exercise price of options granted

Grantees to whom options shall be granted are entitled to subscribe for the number of Shares at the subscription price as calculated and determined on the date of the grant of the options. The basis for determining the subscription price (being the exercise price) shall be determined by the Board and/or the person(s) authorized by the Board and notified to the eligible participants, and shall not be less than the highest of the following: (i) the closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange on the date of grant (being a business day); (ii) the average of the closing prices of the Shares as shown in the daily quotation sheets of the Stock Exchange for the five business days preceding the date of grant; and (iii) the nominal value of the Shares.

The remaining life of the scheme and termination

The H Share Option Scheme shall be valid and effective for the scheme period (being a term of ten (10) years commencing on the adoption date), unless sooner terminated. The H Share Option Scheme may be terminated at any time by the Board at its absolute discretion without Shareholders' approval, provided that the Board will only exercise discretion under specific circumstances where the Board determines it appropriate, including but not limited to where the Board is of the view that the H Share Option Scheme can no longer serve its designated purposes or when a new share scheme is proposed to be adopted to replace the H Share Option Scheme. As of the date of this report, the remaining life of the H Share Option Scheme is approximately nine years and nine months.

After the expiry or termination of the H Share Option Scheme, no further options shall be offered or granted, but in all other respects the provisions of the H Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the vesting and exercise of any options granted under the scheme prior thereto or otherwise as may be required in accordance with the provisions of the H Share Option Scheme, and options granted prior to such expiry or termination shall continue to be valid and exercisable in accordance with the H Share Option Scheme and their terms of grant.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

Outstanding options granted under the H Share Option Scheme

As no grants have been made during the Reporting Period under the H Share Option Scheme, the Rule 17.07(3) of the Listing Rules is not applicable. As of June 30, 2026 and the date of this report, no options were granted by the Company, nor any options were exercised, canceled or lapsed under the H Share Option Scheme, and there were no outstanding options under the H Share Option Scheme as at the above dates.

For further details of the H Share Option Scheme, please refer to the announcement of the Company dated May 15, 2026, the circular of the Company dated May 26, 2026 and the poll results announcement of the Company dated June 15, 2026.

2. H Share Incentive Scheme

Purposes

The purposes of the H Share Incentive Scheme are to provide eligible participants with the opportunity to acquire equity interests in the Company and to incentivize them to enhance the value of the Company and its Shares, fostering the long-term development of the Company and for the benefit of the Company and Shareholders as a whole. The H Share Incentive Scheme is expected to provide the Company with flexible means to retain, motivate, reward, compensate and/or provide benefits to eligible participants.

Eligible participants and basis of determining the eligibility

The Board and/or the person(s) authorized by the Board may select any eligible participant to be a grantee of the H Share Incentive Scheme in accordance with the H Share Incentive Scheme Rules. A person shall not be considered as an eligible participant of the H Share Incentive Scheme if, as at the grant date: (i) he/she has been publicly censured or declared inappropriate by any securities regulatory authority in the past 12 months; (ii) he/she has been imposed an administrative punishment by any securities regulatory authority or administrative authority, or prosecuted for criminal liabilities by any judicial authority in the past 12 months due to any violation of laws and regulations; (iii) he/she is prohibited from participating in the H Share Incentive Scheme as stipulated by laws and regulations; (iv) he/she has committed any other act that as determined by the Board, causes significant damage to the interests of the Group; or (v) has any other circumstance as determined by the Board for safeguarding the interests of the Group and ensuring compliance with the applicable laws and regulations relating to the operation of the H Share Incentive Scheme. Eligible participants of the H Share Incentive Scheme include any employee participants, related entity participants and service providers.

Scheme mandate limit and service provider sublimit

The Company shall not make any further grant of awards which will result in the aggregate number of H Shares to be issued by the Company in respect of all grants of options and awards made after the adoption date pursuant to the H Share Incentive Scheme and any other share schemes adopted by the Company (excluding options and/or awards lapsed in accordance with relevant scheme rules) to exceed the scheme limit (being 10% of the total number of issued Shares (excluding treasury shares, if any) as at the date of the Shareholders' approval of the scheme limit), unless Shareholders approve a further refreshment of the scheme limit or Shareholders' approval is obtained in compliance with the Listing Rules. The scheme limit shall be 243,885,850 Shares.

As the scope of eligible participants under the H Share Incentive Scheme shall be expanded to include service providers, the Board considers that it is appropriate to adopt the service provider sublimit within the scheme limit in accordance with Rule 17.03B(2) of the Listing Rules.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

The Company shall not make any further grant of awards to service providers which will result in the aggregate number of Shares to be issued by the Company in respect of all grants of options and awards made after the adoption date pursuant to the H Share Incentive Scheme and other share schemes adopted by the Company (excluding options and/or awards lapsed in accordance with relevant scheme rules) to exceed 1% of the total number of issued Shares as at the date of the Shareholders' approval of the service provider sublimit unless the Shareholders approve a further refreshment of the service provider sublimit or Shareholders' approval is obtained in compliance with the Listing Rules. The service provider sublimit shall be 24,388,585 Shares.

As of January 1, 2026, the H Share Incentive Scheme was not adopted and therefore no Shares were available for issue. As of June 30, 2026, since no awards had been granted under the H Share Incentive Scheme, 243,885,850 new Shares were available for issue under the scheme mandate of the H Share Incentive Scheme. As of the date of this report, since no awards had been granted under the H Share Incentive Scheme since its adoption, 243,885,850 new Shares are available for issue under the scheme mandate of the H Share Incentive Scheme, representing approximately 9.4% of the issued Shares (excluding treasury shares) as of the date of this report. The number of Shares that may be issued in respect of the awards granted under the H Share Incentive Scheme during the six months ended June 30, 2026 divided by the weighted average number of the Shares in issue for the six months ended June 30, 2026 is nil.

The maximum entitlement of each participant

There is no specific maximum entitlement for each eligible participant under the H Share Incentive Scheme.

1% individual limit

The total number of Shares issued and to be issued in respect of all awards granted under the H Share Incentive Scheme and all options and awards granted under other share schemes of the Company to each eligible participant during any 12-month period up to and including the relevant grant date (excluding options and awards lapsed in accordance with relevant scheme rules) shall not exceed 1% of the total number of issued Shares (excluding treasury shares, if any) at the relevant time.

Should any proposed grant to eligible participants result in the total number of Shares issued and to be issued in respect of all options and awards already granted and proposed to be granted to each eligible participant during any 12-month period up to and including the relevant proposed grant date (including both exercised and unexercised options as well as vested and unvested awards, but excluding any options or awards that have lapsed pursuant to the terms of the share schemes of the Company) exceeding the 1% individual limit, then any further grant of awards shall be subject to and only take effect upon such grant being separately approved by Shareholders at a general meeting of the Company pursuant to the requirements of the Listing Rules.

In addition, each grant of awards to any Director, chief executive (as defined in the Listing Rules), or substantial Shareholder (or any of their respective associates) of the Company shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of awards).

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

0.1% limit

Where any grant of awards to a Director (other than an independent non-executive Director) or chief executive (as defined in the Listing Rules), or any of their associates would result in the Shares issued and to be issued in respect of all awards granted under the H Share Incentive Scheme and all awards granted under other share schemes of the Company to such person(s) during any 12-month period up to and including the relevant grant date (excluding awards lapsed in accordance with relevant scheme rules), exceeding 0.1% (or such other higher percentage as may be prescribed by the Stock Exchange from time to time) of the total issued Shares (excluding treasury shares, if any) at the relevant time, such further grant of awards shall be subject to the prior approval of Shareholders at a shareholders' meeting and the requirements as set out in the Listing Rules.

Where any grant of any awards to an independent non-executive Director or a substantial Shareholder, or any of their respective associates, would result in the Shares issued and to be issued by the Company in respect of all options and awards granted to such person during any 12-month period up to and including the relevant grant date (excluding options or awards lapsed in accordance with relevant scheme rules), exceeding 0.1% (or such other higher percentage as may be prescribed by the Stock Exchange from time to time) of the total issued Shares (excluding treasury shares, if any) at the relevant time, such further grant of awards shall be subject to the prior approval of Shareholders at a shareholders' meeting and the requirements as set out in the Listing Rules.

The vesting period of awards granted

Subject to all applicable laws, rules or regulations, the Board and/or the person(s) authorized by the Board may determine the vesting criteria and conditions and the vesting periods for the award Shares to be granted to each grantee pursuant to the H Share Incentive Scheme. Save for any other resolution of the Board, the vesting period in respect of any award Shares granted shall be no less than 12 months from (and including) the grant date. Award Shares granted to employee participants may be subject to a shorter vesting period as determined by: (i) the Remuneration Committee if such grantee is a Director or a senior manager of the Company, or (ii) the Board if such grantee of the H Share Incentive Scheme is not a Director or a senior manager of the Company, under any of the following circumstances: (a) grants of awards to a new employee participant to replace the award Shares or options forfeited when leaving his or her previous employer; (b) grants to an employee participant whose employment is terminated due to death or disability or occurrence of out of control events; (c) grants of awards with performance-based vesting conditions, in lieu of time-based vesting criteria; (d) grants of awards that are made in batches during a year for administrative and compliance reasons. In such case, the vesting periods may be shorter to reflect the time from which an award would have been granted; (e) grants of awards with a mixed or accelerated vesting schedule such as where the awards may vest evenly over a period of 12 months; and (f) grants of awards with a total vesting and holding period of more than 12 months.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

The amount payable on application or acceptance of the awards and the period within which payments or calls must or may be made or loans for such purposes must be repaid

No consideration is payable on acceptance of each grant of award Share(s).

Purchase price

The Board may, at its full discretion and in line with the purpose of the H Share Incentive Scheme, determine the purchase price payable for the award Shares (for the avoidance of doubt, such purchase price payable may be the nominal value of the H Shares). Such determination shall be based on and take into account (including but not limited to) (i) regular practices of comparable companies; (ii) other terms and conditions in relation to any grants or vesting of any award; and (iii) the efficacy of the Company's share schemes in attracting talents and incentivizing the eligible participants to contribute to the long-term development of the Group.

The remaining life of the scheme and termination

Subject to any early termination as may be determined by the Board according to the H Share Incentive Scheme Rules, the H Share Incentive Scheme shall be valid and effective for the scheme period (being a term of ten (10) years commencing on the adoption date), after which no additional award Shares shall be granted. If there are award Shares that are granted but unvested by the end of the H Share Incentive Scheme term, the H Share Incentive Scheme will be extended until such award Shares have vested. As of the date of this report, the remaining life of the H Share Incentive Scheme is approximately nine years and nine months.

Outstanding awards granted under the H Share Incentive Scheme

As no grants have been made during the Reporting Period under the H Share Incentive Scheme, the Rule 17.07(3) of the Listing Rules is not applicable. As of June 30, 2026 and the date of this report, no awards were granted by the Company, nor any awards were exercised, canceled or lapsed under the H Share Incentive Scheme, and there were no outstanding awards under the H Share Incentive Scheme as at the above dates.

For further details of the H Share Incentive Scheme, please refer to the announcement of the Company dated May 15, 2026, the circular of the Company dated May 26, 2026 and the poll results announcement of the Company dated June 15, 2026.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at June 30, 2026, the interests and short positions of the Directors and chief executive of the Company in any shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows.

Name of Directors/chief executive	Class of Shares	Capacity/Nature of interest	Number of securities held	Approximate percentage in Unlisted Shares/ H Shares[2]	Approximate percentage of the total share capital[2]
Mr. Zhang[1]	Unlisted Shares	Beneficial owner	183,174,800(L)	14.80%	7.51%
	Unlisted Shares	Interest in controlled corporations	191,221,400(L)	15.45%	7.84%

Notes:

(1) Pursuant to the acting in concert agreement entered into by Mr. Zhang and Shanghai Biliren Enterprise Management Consulting Partnership (Limited Partnership) (上海壁立仞企業管理諮詢合夥企業(有限合夥)) ("**Shanghai Biliren**") on June 26, 2025, Shanghai Biliren and Mr. Zhang confirmed and acknowledged they have been acting in concert to control the decision-making and operational management of the Company in its shareholders' meetings. In the event they are unable to reach consensus on matters of the Company, Shanghai Biliren shall act in accordance with the instructions of Mr. Zhang. Further, Mr. Zhang is in a position to control Shanghai Biliren as a result of the voting proxy agreement entered into with, among others, Shanghai Zhuoren Management Consulting Co., Ltd. ("**Shanghai Zhuoren**") (as the general partner of Shanghai Biliren) and the general partners of all limited partners of Shanghai Biliren. As such, under the SFO, Mr. Zhang is deemed to be interested in the Shares held by Shanghai Biliren.

(2) As at June 30, 2026, the total number of issued shares of the Company was 2,438,858,500 shares, consisting of 1,238,013,076 unlisted Shares and 1,200,845,424 H Shares. The letter (L) refers to long position in the Shares.

Save as disclosed above, as at June 30, 2026, none of the Directors and chief executive of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at June 30, 2026, so far as was known to the Directors, the following persons/entities had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder	Nature of Interest	Number of Shares[3]	Approximate Percentage of Shareholding in Unlisted Shares/ H Shares[5]	Approximate Percentage of Shareholding in Our Total Share Capital[5]
Mr. Zhang[1]	Beneficial owner	183,174,800 Unlisted Shares (L)	14.80%	7.51%
	Interest in controlled corporations	191,221,400 Unlisted Shares (L)	15.45%	7.84%
Shanghai Biliren[1]	Beneficial owner	191,221,400 Unlisted Shares (L)	15.45%	7.84%
Mr. Xiaoyao Liang	Beneficial owner	65,234,050 Unlisted Shares (L)	5.27%	2.67%
Zhuhai Da Heng Qin Innovative Development Co., Ltd.[2]	Beneficial owner	80,717,950 Unlisted Shares (L)	6.52%	3.31%
Zhuhai Yuexinchen Investment Co., Ltd.[2]	Interest in controlled corporations	80,717,950 Unlisted Shares (L)	6.52%	3.31%
China Cinda Asset Management Co., Ltd.[2]	Interest in controlled corporations	80,717,950 Unlisted Shares (L)	6.52%	3.31%
YANG Huiyan 楊惠妍[3]	Interest in controlled corporations	66,597,200 Unlisted Shares (L)	5.38%	2.73%
Chen Chong[4]	Interest of spouse	66,597,200 Unlisted Shares (L)	5.38%	2.73%

Notes:

(1) Mr. Zhang is in a position to control Shanghai Biliren as a result of the voting proxy agreement entered into, among others, Shanghai Zhuoren (as the general partner of Shanghai Biliren) and the general partners of all limited partners of Shanghai Biliren. The acting in concert agreement and the voting proxy agreement are arrangements to consolidate and entrench control over the Company's decision-making at shareholders' meetings by acting in concert and proxying voting rights. As such, under the SFO, Mr. Zhang is deemed to be interested in the Shares held by Shanghai Biliren.

(2) Zhuhai Da Heng Qin Innovative Development Co., Ltd. (珠海大橫琴創新發展有限公司) is held as to 51% by China Cinda Asset Management Co., Ltd. (中國信達資產管理股份有限公司) through Zhuhai Yuexinchen Investment Co., Ltd. (珠海市粵信宸投資有限責任公司). As such, under the SFO, each of China Cinda Asset Management Co., Ltd. and Zhuhai Yuexinchen Investment Co., Ltd. is deemed to be interested in the Shares held by Zhuhai Da Heng Qin Innovative Development Co., Ltd..

(3) Yang Huiyan is deemed to be interested in 33,298,600 unlisted Shares held by Huibi No. 2 and 33,298,600 unlisted Shares held by Shenzhen Country Garden Innovation Investment Co., Ltd. ("**Country Garden Venture Capital**") (which is also the largest limited partner of Huibi No. 2 holding more than one-third partnership interest). Such deemed interest in an aggregate of 66,597,200 unlisted Shares is held through the controlled corporations of Yang Huiyan, namely, Concrete Win Limited, Country Garden Holdings, Country Garden Financial Holdings Co., Ltd.* (碧桂園金融控股有限公司), Chong Ji Co. Ltd* (崇績有限公司), Power Shine Enterprises Limited* (眾朗企業有限公司), Country Garden Fuxin Investment Consulting (Shenzhen) Co., Ltd.* (碧桂園富鑫投資諮詢(深圳)有限公司) and Zhongshan Weikang Enterprise Management Consulting Co., Ltd.* (中山市瑋康企業管理諮詢有限公司).

(4) As the spouse of Yang Huiyan, Chen Chong is deemed to be interested in such 66,597,200 unlisted Shares.

(5) As at June 30, 2026, the total number of issued shares of the Company was 2,438,858,500 shares, consisting of 1,238,013,076 unlisted Shares and 1,200,845,424 H Shares. The letter (L) refers to long position in the Shares.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

Save as disclosed above, as at June 30, 2026, the Directors were not aware of any other person/entity (other than the Directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

LOCK-UP PERIODS

The table below sets out the list of persons who are, together with their respective close associates, subject to lock-up requirements pursuant to Rule 18C.14 of the Listing Rules (furthermore, pursuant to the *Company Law of the People's Republic of China*, the Shares held by the following persons shall not be transferred within one year from the Listing Date of the Company (i.e., before January 2, 2027)):

Name of Shareholder	Capacity	Number of Shares	Percentage of Shareholding in the Total Issued Capital of the Company[1]	Lock-up Period
Mr. Zhang	Chairman of the Board, Executive Director, and Chief Executive Officer	183,174,800	7.51%	The period commencing on the date by reference to which disclosure of its shareholding is made in the Prospectus and ending on the date which is 12 months from the Listing Date, i.e. January 2, 2027
Shanghai Biliren[2]	Close associate of Mr. Zhang	191,221,400	7.84%	
QM120 Limited	Pathfinder Sophisticated Independent Investor ("**Pathfinder SII**")	91,773,400	3.76%	Please refer to Note 5 below
Country Garden Venture Capital	Pathfinder SII (comprising shares held by Country Garden Venture Capital and Huibi No. 2)	66,597,200[3]	2.73%	
Sky9 Capital ("**Sky9 Capital**")	Pathfinder SII	55,270,450[4]	2.27%	
Zhuhai Gree Venture Capital Investment Co., Ltd.	Pathfinder SII	45,904,650	1.88%	
Shenzhen Songhe Growth Equity Investment Partnership (Limited Partnership)	Pathfinder SII	39,967,350	1.64%	

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

Notes:

1. The calculations of the percentage of shareholding are based on the number of total Shares in issue as at June 30, 2026, comprising 2,438,858,500 Shares.

2. Shanghai Biliren is our employee incentive platform. We had granted Share Options to selected participants under the Pre-IPO Employee Incentive Scheme for indirect limited partnership interests in 31 limited partners of Shanghai Biliren. As of the date of this report, four of our Directors (including Mr. Zhou HONG, our Chief Technology Officer, and Mr. Linglan ZHANG, our Chief Operating Officer, who are also key management and core members of our R&D team) were limited partners of four of the limited partners of Shanghai Biliren, including (i) Limited Partnership 1 (a limited partner of Shanghai Biliren holding 46.54% of its partnership interests), whereby Mr. Zhou HONG, Mr. Linglan ZHANG and Mr. Luting PAN held 35.32%, 22.91% and 1.28% of the partnership interests of Limited Partnership 1; (ii) Limited Partnership 2 (a limited partner of Shanghai Biliren holding approximately 9.08% of its partnership interests), whereby Mr. Bing XIAO held 2.53% of the partnership interests of Limited Partnership 2; (iii) Limited Partnership 3 (a limited partner of Shanghai Biliren holding 1.95% of its partnership interests), whereby Mr. Bing XIAO held 66.89% of the partnership interests of Limited Partnership 3; and (iv) Limited Partnership 31 (a limited partner of Shanghai Biliren holding 2.83% of its partnership interests), whereby Mr. Luting PAN held 17.23% of the partnership interests of Limited Partnership 31. Such partnership interests held by our four executive Directors in the limited partners of Shanghai Biliren will be subject to lock-up period ending on the expiry of 12 months from the Listing Date. Save as disclosed above, there is no other senior management or key management and core members of our R&D team who hold any interest in our Company.

3. Includes 33,298,600 Shares held by Huibi No. 2 and 33,298,600 Shares held by Country Garden Venture Capital.

4. Includes 29,194,700 Shares held by Sky9 Alpha Limited, 20,400,500 Shares held by Sky9 Capital MVP Fund II, L.P. and 5,675,250 Shares held by Shanghai Yunjiu No. 1 Venture Capital Investment Partnership (Limited Partnership) (上海雲玖一號創業投資合夥企業(有限合夥)).

5. In accordance with Rule 18C.14(2) of the Listing Rules, the required lock-up period commences on the date by reference to which disclosure of its shareholding is made in the Prospectus and ends on the date which is six months from the Listing Date, i.e. July 2, 2026. In addition to the lock-up requirement under Rule 18C.14(2) of the Listing Rules, all existing Shareholders shall not dispose of any of the Shares held by them within the 12 months following the Listing Date, i.e. January 2, 2027, as required under the applicable PRC laws.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Since the Listing Date to the end of the Reporting Period, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

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

Since the Listing Date to the end of the Reporting Period, there was no purchase, sale or redemption of any listed securities (including sale of treasury shares (as defined under the Listing Rules)) of the Company by the Company or any of its subsidiaries.

As of June 30, 2026, the Company did not hold, purchase or redeem any treasury shares.

INTERIM DIVIDEND

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

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

MATERIAL LEGAL PROCEEDINGS

The Group was not involved in any material litigation or arbitration during the Reporting Period which could have a material and adverse effect on our financial condition or results of operations. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the Reporting Period and up to the date of this report which could have a material and adverse effect on our financial condition or results of operations.

RELATED PARTY TRANSACTIONS

Details of the related party transactions carried out in the normal course of business are set out in Note 32 to the interim condensed consolidated financial information. Save as the related party transactions involving payment of remuneration to certain Directors, which constitute connected transactions fully exempt from the requirements under Chapter 14A of the Listing Rules, since the Listing Date and up to June 30, 2026, none of these related party transactions constitutes a connected transaction or continuing connected transaction as defined under the Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules.

CHANGE IN CONSTITUTIONAL DOCUMENTS

Reference is made to the announcement of the Company dated February 2, 2026. On February 2, 2026, following the full exercise of the over-allotment option, the registered share capital and the total number of shares of the Company have been changed. To reflect the relevant changes in the registered share capital and share capital structure of the Company, the Board resolved and Company has amended its articles of association (the "**Articles of Association**") accordingly pursuant to the mandate granted at the general meeting held on June 25, 2025.

Reference is further made to the announcement of the Company dated March 30, 2026, the circular of the Company dated April 22, 2026 and the poll result announcement of the Company dated June 15, 2026. On June 15, 2026, the special resolutions in relation to, among other things, the proposed amendments to the Articles of Association have been duly passed by the Shareholders at the annual general meeting in order to further optimize the corporate governance structure and promote standardized operations of the Company.

Reference is further made to the announcements of the Company dated July 5, 2026 and July 8, 2026. On July 8, 2026, pursuant to the resolution on the proposed grant of general mandate to issue shares of the Company passed at the annual general meeting of the Company held on June 15, 2026, the Board was authorised to make any amendments to the Articles of Association of the Company as it deemed appropriate. Pursuant to such and subsequent to the completion of the Placing, the Company has made certain amendments to the Articles of Association.

Save as to the above, there has not been any change to the Articles of Association during the six months ended June 30, 2026 and up to the date of this report.

CORPORATE GOVERNANCE AND OTHER INFORMATION DISCLOSED

EVENTS AFTER THE REPORTING PERIOD

On July 8, 2026, a total of 153,000,000 placing shares have been successfully placed by the placing agents to not less than six placees at the placing price of HK$46.20 per placing share pursuant to the terms and conditions of the placing agreement, representing approximately 12.74% of the then H Shares in issue and approximately 6.27% of the total number of the then Shares in issue immediately before the closing, and approximately 11.30% of the then H Shares and approximately 5.90% of the total number of the then Shares in issue as enlarged by the allotment and issuance of the placing shares. The gross proceeds from the placing amounted to HK$7,068.6 million, and net proceeds from the placing (after deducting the commission and estimated expenses) amounted to approximately HK$7,037.6 million. For details, please refer to Note 34 to the interim condensed consolidated financial information, the announcements of the Company dated July 5, 2026 and July 8, 2026.

Save as disclosed above, no material event affecting the Group has occurred since the end of the Reporting Period (i.e. after June 30, 2026) and up to the date of this report.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors, namely Mr. Siu Wing LAM (chairman), Ms. Jin LIU and Dr. Zhiyi YU. Mr. Siu Wing LAM holds the appropriate qualification as required under Rules 3.10(2) and 3.21 of the Listing Rules. The Audit Committee has reviewed the accounting standards and practices that the Company adopted, and discussed matters related to risk management, internal control and financial reporting. The Audit Committee has no disagreement with the accounting treatment adopted by the Company. The Audit Committee has reviewed the unaudited interim financial information for the six months ended June 30, 2026 with the management of the Company. The Audit Committee considers the interim results to be in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

By order of the Board
Shanghai Biren Technology Co., Ltd.

Mr. Wen ZHANG
Chairman of the Board, Executive Director and Chief Executive Officer
Shanghai, the PRC, August 28, 2026

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Board of Directors of Shanghai Biren Technology Co., Ltd.
(incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 39 to 76, which comprises the interim condensed consolidated balance sheet of Shanghai Biren Technology Co., Ltd. (the "**Company**") and its subsidiaries (together, the "**Group**") as at 30 June 2026 and the interim condensed consolidated statement of comprehensive loss, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting". The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 28 August 2026

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS

	Note	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000
Revenue	6	**1,235,544**	58,903
Cost of sales	7	**(708,415)**	(40,134)
Gross profit		**527,129**	18,769
Selling and marketing expenses	7	**(27,033)**	(27,309)
General and administrative expenses	7	**(128,627)**	(123,836)
Research and development expenses	7	**(804,433)**	(571,616)
Net impairment (losses)/reversal on financial assets		**(8,381)**	463
Other income	8	**127,331**	113,348
Other expenses	7	**(1,218)**	(5,239)
Other (losses)/gains – net	9	**(81,069)**	3,116
Operating loss		**(396,301)**	(592,304)
Finance income		**21,959**	13,685
Finance cost		**(2,015)**	(1,021,907)
Finance cost – net	10	**19,944**	(1,008,222)
Share of net profit of investments accounted for using the equity method	17	**121**	–
Loss before income tax		**(376,236)**	(1,600,526)
Income tax expenses	11	**(996)**	–
Loss for the period		**(377,232)**	(1,600,526)
Other comprehensive loss			
Item that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		**(3,720)**	(152)
Total comprehensive loss for the period		**(380,952)**	(1,600,678)
Loss per share attributable to the owners of the Company			
Basic and diluted loss per share (RMB)	12	**(0.16)**	(0.93)

The above interim condensed consolidated statement of comprehensive loss should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

	Note	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Assets			
Non-current assets			
Property, plant and equipment	14	471,619	497,987
Right-of-use assets	15	29,575	38,665
Investment properties		60,302	61,492
Intangible assets	16	158,276	176,455
Investments accounted for using the equity method	17	25,122	15,001
Financial assets at fair value through profit or loss	23	96,999	45,437
Finance lease receivables	22	71,897	74,947
Prepayment for long-term assets	21	136,214	52,123
Restricted cash	25	60,876	72,944
Total non-current assets		1,110,880	1,035,051
Current assets			
Inventories	19	1,214,809	948,597
Trade, other receivables and prepayments	20	2,714,800	1,111,424
Financial assets at fair value through profit or loss	23	313,593	1,312,668
Restricted cash	25	25,376	18,799
Bank deposits	24	4,862,530	453,579
Cash and cash equivalents	25	1,008,735	1,037,701
Total current assets		10,139,843	4,882,768
Total assets		11,250,723	5,917,819
Equity			
Equity attributable to owners of the Company			
Share capital	26	48,777	42,226
Treasury stock	27	–	(9,302,502)
Reserves		33,338,565	8,427,305
Accumulated deficits		(23,387,999)	(23,010,767)
Total equity/(deficits)		9,999,343	(23,843,738)

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

	Note	**As at 30 June 2026 RMB'000 (Unaudited)**	As at 31 December 2025 RMB'000
Liabilities			
Non-current liabilities			
Lease liabilities	15	**7,163**	12,925
Deferred tax liabilities	18	**59**	–
Deferred income		**138,519**	177,308
Warranty provision		**23,076**	11,766
Redemption liabilities	27	**–**	28,524,902
Contract liabilities		**5,845**	4,455
Total non-current liabilities		**174,662**	28,731,356
Current liabilities			
Trade and other payables	29	**691,231**	733,133
Current tax liabilities		**937**	–
Borrowings	30	**300,094**	200,139
Lease liabilities	15	**20,958**	23,393
Contract liabilities		**62,878**	72,916
Warranty provision		**620**	620
Total current liabilities		**1,076,718**	1,030,201
Total liabilities		**1,251,380**	29,761,557
Total equity and liabilities		**11,250,723**	5,917,819
Net current assets		**9,063,125**	3,852,567

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

The interim condensed consolidated financial information on pages 39 to 76 was approved and authorised for issue by the Board of Directors of the Company on 28 August 2026 and was signed on its behalf by:

Bing XIAO
DIRECTOR

Luting PAN
DIRECTOR

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Equity/(deficits) attributable to owners of the Company				
		Share capital	Treasury stock	Reserves	Accumulated deficits	Total
	Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2026		**42,226**	**(9,302,502)**	**8,427,305**	**(23,010,767)**	**(23,843,738)**
Comprehensive loss						
Loss for the period		**–**	**–**	**–**	**(377,232)**	**(377,232)**
Exchange differences on translation of foreign operations		**–**	**–**	**(3,720)**	**–**	**(3,720)**
Total comprehensive loss		**–**	**–**	**(3,720)**	**(377,232)**	**(380,952)**
Transactions with owners in their capacity as owners						
Issuance of ordinary shares relating to the Hong Kong public offering and international offering, netting of underwriting commissions and other incremental issuance costs	26	**6,551**	**–**	**5,652,594**	**–**	**5,659,145**
Derecognition of redemption liabilities	27	**–**	**9,302,502**	**19,222,400**	**–**	**28,524,902**
Share-based compensation expenses	28	**–**	**–**	**39,986**	**–**	**39,986**
Total transactions with owners		**6,551**	**9,302,502**	**24,914,980**	**–**	**34,224,033**
As at 30 June 2026 (unaudited)		48,777	–	33,338,565	(23,387,999)	9,999,343
As at 1 January 2025		32,916	(4,991,162)	4,051,780	(6,517,739)	(7,424,205)
Comprehensive loss						
Loss for the period		–	–	–	(1,600,526)	(1,600,526)
Exchange differences on translation of foreign operations		–	–	(152)	–	(152)
Total comprehensive loss		–	–	(152)	(1,600,526)	(1,600,678)
Transactions with owners in their capacity as owners						
Capital contributions by investors	26	5,444	–	2,391,288	–	2,396,732
Recognition of redemption liabilities	27	–	(2,396,732)	–	–	(2,396,732)
Share-based compensation expenses	28	–	–	27,165	–	27,165
		5,444	(2,396,732)	2,418,453	–	27,165
As at 30 June 2025		38,360	(7,387,894)	6,470,081	(8,118,265)	(8,997,718)

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000
Cash flows used in operating activities			
Cash used in operations		**(2,014,595)**	(1,073,324)
Cash flows used in investing activities			
Purchase of property, plant and equipment and intangible assets		**(304,826)**	(108,576)
Net intention deposits (paid)/received from employees for purchase of public rental house		**(1,210)**	1,296
Government grants related to assets received		**5,694**	23,430
Payment for investments accounted for using the equity method	17	**(10,000)**	(15,000)
Redemption of bank deposits		**328,135**	557,575
Placement of bank deposits		**(4,797,142)**	(234,631)
Purchase of short-term investments measured at fair value through profit or loss	23(b)	**(860,000)**	(1,615,000)
Proceeds from disposal of short-term investments measured at fair value through profit or loss	23(b)	**1,930,479**	1,228,519
Payment for long-term equity investments measured at fair value through profit or loss	23(a)	**(35,000)**	–
Decrease/(increase) in restricted cash	25	**5,491**	(65,248)
Interest received from bank deposits		**9,759**	6,608
Interest received from cash and cash equivalents	10	**21,188**	12,864
Net cash used in investing activities		**(3,707,432)**	(208,163)
Cash flows generated from financing activities			
Lease payments		**(11,130)**	(9,113)
Repayment for long-term payables		**–**	(312)
Capital contributions by investors		**–**	1,799,059
Proceeds from issuance of ordinary shares upon global offering	26	**5,790,083**	–
Proceeds from borrowings		**300,000**	200,000
Repayment of borrowings		**(200,000)**	–
Repayment of interest expenses from borrowings		**(1,381)**	(1,754)
Payments for listing expenses		**(117,134)**	(2,114)
Repayment of investment intention deposits		**–**	(517,778)
Net cash generated from financing activities		**5,760,438**	1,467,988
Net increase in cash and cash equivalents		**38,411**	186,501
Cash and cash equivalents at beginning of the period		**1,037,701**	1,100,694
Effect of foreign exchange rates changes		**(67,377)**	(2,097)
Cash and cash equivalents at end of the period		**1,008,735**	1,285,098

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

Shanghai Biren Technology Co., Ltd. (the "**Company**") was incorporated in the People's Republic of China (the "**PRC**") on 9 September 2019. The address of the Company's registered office is Room 1302, 13/F, Building 16, No. 2388 Chenhang Road, Minhang District, Shanghai, PRC.

On 12 July 2023, the Company convened a general meeting and passed related resolutions approving the conversion of the Company from a limited liability company into a joint stock limited company and changed the name of the Company to Shanghai Biren Technology Co., Ltd. ("上海壁仞科技股份有限公司", the former Chinese name is "上海壁仞智能科技有限公司").

The principal activities of the Company and its subsidiaries (the "**Group**") are the sale of general-purpose computing on graphics processing units ("**GPGPU**") chips, GPGPU-based intelligent computing solutions to enable artificial intelligence ("**AI**") and related services as well as research and development activities in relation to GPGPU mainly in the PRC and other geographical areas during the six months ended 30 June 2026.

Mr. Wen ZHANG ("**Mr. Zhang**") is the founder of the Group.

On 2 January 2026, the Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**HKEx**") and made an offering of 284,846,600 ordinary shares (excluding any ordinary shares issued pursuant to the exercise of the over-allotment option) at a price of Hong Kong Dollar ("**HK$**") 19.6 per share. Additionally, the Company issued and allotted 42,726,800 ordinary shares on 2 February 2026 pursuant to the full exercise of the over-allotment option as disclosed in the announcement of the Company dated 28 January 2026. The gross proceeds received by the Company were approximately HK$6,420,439,000 (the "**Listing Proceeds**"). All redemption rights granted to investors in financing of Series Pre A, Series Pre A+, Series Pre A++, Series A, Series Pre B, Series Pre B+, Series B, Series B+, Strategic Round and Pre-IPO Round were converted into equity upon the completion of initial public offering ("**IPO**") on 2 January 2026.

The interim condensed consolidated financial information comprises the interim condensed consolidated balance sheet as at 30 June 2026, the interim condensed consolidated statement of comprehensive loss, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six months then ended, and selected explanatory notes (the "**Interim Financial Information**"). This interim condensed consolidated financial information is presented in Renminbi ("**RMB**"), unless otherwise stated.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

2 BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with International Accounting Standard ("**IAS**") 34 Interim Financial Reporting issued by the International Accounting Standards Board (the "**IASB**").

The interim condensed consolidated financial information does not include all of the notes normally included in annual consolidated financial statements. Accordingly, this report should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2025 and any public announcements made by the Company during the interim reporting period.

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.

(a) New and amended standards adopted by the Group

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

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

The adoption of the above new amendment did not have any significant financial impact on the Interim Financial Information.

(b) New and amended standards and interpretations not yet adopted

The Group has not early adopted any new accounting and financial reporting standards, amendments and interpretation which have been issued but are not yet effective for the financial year ending 31 December 2026.

3 ESTIMATES

The preparation of the Interim Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the Interim Financial Information, the critical judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are materially the same as those applied to the 2025 Financial Statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

4 FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's interim condensed consolidated financial performance. Risk management is carried out by the senior management of the Group.

The Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's financial information as set out in the 2025 Financial Statements.

There have been no significant changes in the risk management policies during the six months ended 30 June 2026.

(b) Fair value estimation

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the interim condensed consolidated financial information. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

- **Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

- **Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

- **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and financial liabilities at fair value through profit or loss (FVPL).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

The following tables present the Group's assets and liabilities that are measured at fair value as at 30 June 2026 and 31 December 2025.

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
At 30 June 2026 (unaudited)				
Financial Assets:				
Long-term investments measured at fair value through profit or loss:				
– Unlisted equity investments	–	–	96,999	96,999
Short-term investments measured at fair value through profit or loss:				
– Structured deposits	–	–	250,514	250,514
Forward foreign exchange contract not designated as hedging instruments	–	63,079	–	63,079
	–	63,079	347,513	410,592

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
At 31 December 2025				
Financial Assets:				
Long-term investments measured at fair value through profit or loss:				
– Unlisted equity investments	–	–	45,437	45,437
Short-term investments measured at fair value through profit or loss:				
– Structured deposits	–	–	1,312,668	1,312,668
	–	–	1,358,105	1,358,105

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Fair value estimation (Continued)

(ii) Valuation techniques used to determine fair values

The valuation of the level 2 instruments mainly included forward foreign exchange contract not designated as hedging instruments. As these instruments are not traded in an active market, their fair values have been determined by using discounted cash flows. The estimated future cash flows are based on forward exchange rates at the reporting date and contracted forward rate, discounted at a rate that reflects the credit risk of the counterparty.

The valuation of the level 3 instruments mainly included financial assets at fair value through profit or loss in unlisted equity investments and financial assets at fair value through profit or loss in structured deposits. As these instruments are not traded in an active market, their fair values have been determined by using various applicable valuation techniques, including discounted cash flows and market approach etc. one or more of the significant inputs is not based on observable market data.

The finance department of the Group applied the latest round financing, i.e. the prior transaction price or the third-party pricing information to determine the fair values of newly acquired unlisted equity investments at fair value through profit or loss or involves an independent valuer to perform the valuations of recurring unlisted equity investment at fair value through profit or loss. This independent valuer reports directly to the management. Discussions of valuation processes and results are held between the management and the independent valuer on a periodical basis, in line with the Group's reporting period.

(iii) Fair value measurements using significant unobservable inputs (level 3)

There are no transfers of financial assets or liabilities between levels 2 and 3 during the period.

The following table presents the changes in level 3 instruments of financial assets measured at fair value through profit or loss for the six months ended 30 June 2026.

	Financial assets at FVPL – Structured deposits RMB'000	Financial assets at FVPL – Unlisted equity investments RMB'000
Opening balance at 1 January 2026	1,312,668	45,437
Additions	860,000	35,000
Disposal	(1,930,479)	–
Gains recognised in other gains – net (a) (Note 9)	8,325	16,562
Closing balance at 30 June 2026 (unaudited)	250,514	96,999

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Fair value estimation (Continued)

(iii) Fair value measurements using significant unobservable inputs (level 3) (Continued)

(a) Unrealised gains recognised for the period ended 30 June 2026 are RMB17,076,000 (30 June 2025: unrealised gains of RMB2,976,000).

The following table summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements.

At 30 June 2026

Description	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Long-term investments measured at fair value through profit or loss: – Unlisted equity investments	Expected volatility	52.37%	The relationship of expected volatility to fair value is indeterminable. Generally, the higher the expected volatility, the higher the fair value
	Risk-free rate	1.34%	The relationship of risk-free rate to fair value is indeterminable. Generally, the higher the risk-free rate, the higher the fair value
Short-term investments measured at fair value through profit or loss: – Structured deposits	Expected rate of return	1.60%-1.90%	The higher the expected rate of return, the higher the fair value

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

5 SEGMENT INFORMATION

(a) Description of segments and principal activities

The Group's business activities are sales of GPGPU and other ready-to-use applications and provision of application development and other services mainly in the PRC.

The Group's chief operating decision-maker ("**CODM**") has been identified as the executive Directors, who reviews 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 substantially all of the Group's non-current assets are located in the PRC and substantially all of the Group's revenue is derived from the PRC, no geographical information is presented.

During the six months ended 30 June 2026, three customers individually contributed over 10% of the Group's total revenue, with aggregate revenue derived from these customers amounting to RMB919,839,000.

Whether any of the above customers will individually account for over 10% of the Group's total revenue for the year ending 31 December 2026 is subject to the Group's operating performance in the second half of 2026.

6 REVENUE

	Six months ended 30 June	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Sale of products		
– Intelligent computing solutions	**1,168,117**	58,150
– Software	**65,173**	–
– Agent fee	**157**	–
	1,233,447	58,150
Rendering of support or extended warranty service	**113**	46
Rendering of entrusted R&D service	**1,984**	–
	1,235,544	58,196
Revenue from other source		
Rental income from intelligent computing clusters	**–**	707
	1,235,544	58,903

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

7 EXPENSES BY NATURE

The expenses charged to cost of sales, selling and marketing expenses, general and administrative expenses, research and development expenses and other expenses are analysed below:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Employee benefit expenses	**445,102**	396,640
Inventories and consumables used	**705,923**	46,734
Design and development expenses	**129,942**	146,618
Depreciation and amortisation	**122,939**	64,524
Office and travel expenses	**46,526**	35,548
Professional service fees	**23,450**	14,844
Short-term lease and computing service fee	**30,348**	21,347
Intellectual property license expenses	**83,942**	1,712
Marketing and promotion expenses	**2,326**	1,503
Listing expenses	**–**	10,784
Auditor's remuneration for audit service	**793**	428
General provision for inventories	**9,500**	944
Miscellaneous	**68,935**	26,508
	1,669,726	768,134

8 OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Government grants		
– Financial subsidies (i)	**65,253**	100,312
– Additional deduction of input Value-Added Tax ("**VAT**")	**6,113**	–
– Individual income tax refund	**1,367**	1,350
Interest income on bank deposits	**52,659**	7,366
Rental income (ii)	**1,821**	1,896
Others	**118**	2,424
	127,331	113,348

(i) Government grants received during the six months ended 30 June 2026 and 2025 primarily comprised the financial subsidies received from various local government authorities in the Chinese Mainland. Certain government grants were related to assets and amortised during the useful life of the related assets. There are no unfulfilled conditions or contingencies relating to these incomes.

(ii) Rental income arising from leasing of investment properties.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

9 OTHER (LOSSES)/GAINS – NET

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Fair value gains on long-term equity investment measured at fair value through profit or loss (Note 23)	**16,562**	(3,384)
Fair value gains on short-term investments measured at fair value through profit or loss (Note 23)	**8,325**	2,479
Fair value gains on forward foreign exchange contract not designated as hedging instruments	**63,079**	–
Fair value gains on convertible debentures	**–**	364
Gains on disposal of property, plant and equipment	**–**	120
Donations	**(2,032)**	–
Net foreign exchange (losses)/gains	**(164,882)**	3,695
Others	**(2,121)**	(158)
	(81,069)	3,116

10 FINANCE COST – NET

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Finance income		
Interest income on cash and cash equivalents	**21,188**	12,864
Interest income from finance lease receivables	**771**	821
	21,959	13,685
Finance costs		
Interest expenses from borrowings	**(1,336)**	(1,880)
Interest and finance charges paid/payable for lease liabilities and long-term payables	**(679)**	(1,207)
Changes in the carrying value of redemption liabilities	**–**	(1,010,932)
Interest expenses from investment intention deposits	**–**	(7,888)
	(2,015)	(1,021,907)
Finance cost – net	**19,944**	(1,008,222)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

11 INCOME TAX EXPENSES

(a) Income tax

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Current income tax	937	–
Deferred income tax (Note 18)	59	–
Income tax expenses	996	–

(i) Corporate income tax in the Chinese Mainland ("CIT")

The income tax provision of the Group in respect of its operations in the Chinese Mainland was calculated at tax rate of 25% on the assessable profits for the respective periods presented, based on the existing legislation, interpretations and practices in respect thereof.

(ii) Singapore income tax

The entity incorporated in Singapore is subject to Singapore income tax at a rate of 17% for taxable income earned in Singapore.

No provision for Singapore income tax was made as the Group had no estimated assessable profit that was subject to Singapore income tax during the six months ended 30 June 2026.

(iii) Hong Kong SAR profits tax

The entity incorporated in Hong Kong SAR is subject to Hong Kong profits tax at a rate of 8.25% on assessable profits up to HKD2 million and 16.5% on any part of assessable profits over HKD2 million for the periods presented.

No provision for Hong Kong SAR income tax was made as the Group had no estimated assessable profit that was subject to Hong Kong SAR income tax during the six months ended 30 June 2026.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

11 INCOME TAX EXPENSES (CONTINUED)

(a) Income tax (Continued)

(iv) Preferential income tax rate

Certain subsidiaries in the Chinese Mainland were qualified as "Small and Low-Profit Enterprise" in 2026. Due to tax loss status in 2026, these subsidiaries did not actually enjoy 20% preferential CIT rate. Beijing Biren Technology Development Co., Ltd., a subsidiary of the Group is qualified for new/high-tech technology enterprises status and enjoyed preferential income tax rate of 15% from 2024 to 2026.

(v) Super Deduction for research and development expenses

In March 2023, the State Taxation Administration of the People's Republic of China announced that enterprises engaging in research and development activities ("**Super Deduction**") would entitle to claim 200% pre-tax deduction of their research and development expenses from 1 January 2023.

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 six months ended 30 June 2026.

(vi) Expenses not deductible for tax purposes

Expenses not deductible for tax purposes mainly represented interest expenses on changes in the carrying value of redemption liabilities, business entertainment expenses exceeding for certain limits and share-based compensation expenses incurred in the Group's subsidiaries which are not deductible according to the relevant laws and regulations promulgated by the State Tax Bureau of the PRC.

(vii) Tax losses for which no deferred income tax assets were recognised

Deferred income tax assets are recognised for deductible temporary differences and tax losses to the extent that the realization of the related tax benefits through future taxable profits is probable.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

12 LOSS PER SHARE

(a) Basic loss per share

The basic loss per share during the period is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares, taking into the effect of the Company's share subdivision.

The redemption liabilities were treated as treasury stock before the termination of preferred rights as described in Note 27 and such treasury stock was included in the calculation of weighted average number of ordinary shares outstanding.

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Loss attributable to owners of the Company (RMB'000)	**(377,232)**	(1,600,526)
Weighted average number of ordinary shares in issue (000)	**2,427,921**	1,716,845
Basic and diluted loss per share for loss attributable to owners of the Company (expressed in RMB per share)	**(0.16)**	(0.93)

(b) Diluted loss per share

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. As the Group incurred losses for the six months ended 30 June 2026 and 2025, these potential ordinary shares, i.e. shares with preferred rights, were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the six months ended 30 June 2026 and 2025 are the same as basic loss per share of the respective periods.

13 DIVIDENDS

No dividend had been declared or paid by the Company during the period.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

14 PROPERTY, PLANT AND EQUIPMENT

	Office buildings RMB'000	Public rental houses RMB'000	Leasehold improvement RMB'000	Office, electronic equipment and tooling RMB'000	Transportation equipment and vehicles RMB'000	Total RMB'000
As at 31 December 2025						
Cost	177,562	33,432	156,496	468,196	3,637	839,323
Accumulated depreciation	(18,403)	(1,545)	(132,432)	(187,222)	(1,734)	(341,336)
Net book amount	159,159	31,887	24,064	280,974	1,903	497,987
Six months ended 30 June 2026						
Opening net book amount	**159,159**	**31,887**	**24,064**	**280,974**	**1,903**	**497,987**
Additions	**–**	**2,798**	**11,026**	**31,523**	**–**	**45,347**
Depreciation charge	**(2,963)**	**(279)**	**(8,472)**	**(59,410)**	**(412)**	**(71,536)**
Currency translation differences	**–**	**–**	**(127)**	**(36)**	**(16)**	**(179)**
Closing net book amount	**156,196**	**34,406**	**26,491**	**253,051**	**1,475**	**471,619**
As at 30 June 2026 (unaudited)						
Cost	**177,562**	**36,230**	**167,194**	**499,634**	**3,614**	**884,234**
Accumulated depreciation	**(21,366)**	**(1,824)**	**(140,703)**	**(246,583)**	**(2,139)**	**(412,615)**
Net book amount	**156,196**	**34,406**	**26,491**	**253,051**	**1,475**	**471,619**

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

15 LEASES

Right-of-use assets includes leased office buildings and electronic equipment.

(a) Amounts recognised in the interim condensed consolidated balance sheet

The interim condensed consolidated balance sheet show the following amounts relating to leases:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Right-of-use assets		
Leased office buildings	29,575	38,665
Lease liabilities		
Current	20,958	23,393
Non-current	7,163	12,925
	28,121	36,318

(b) Amounts recognised in the interim condensed consolidated statement of comprehensive loss

The interim condensed consolidated statement of comprehensive loss show the following amounts relating to leases:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000
Depreciation charge of right-of-use assets		
Leased office buildings	11,344	10,769
Interest expense (included in finance cost – net)	679	866
Expense relating to short-term leases or leases of low-value assets	4,741	21,347

The total cash outflow for leases including short-term leases and leases of low-value assets for the six months ended 30 June 2026 was RMB15,871,000 (30 June 2025: RMB30,460,000).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

16 INTANGIBLE ASSETS

	Intellectual Property ("IP") license RMB'000	Electronics Design Automation ("EDA") tools RMB'000	Purchased computer software RMB'000	Total RMB'000
As at 31 December 2025				
Cost	124,390	131,723	120,873	376,986
Accumulated amortisation	(36,282)	(113,957)	(9,991)	(160,230)
Accumulated impairment	(40,301)	–	–	(40,301)
Net book amount	47,807	17,766	110,882	176,455
Six months ended 30 June 2026				
Opening net book amount	**47,807**	**17,766**	**110,882**	**176,455**
Additions	**–**	**36,415**	**32,082**	**68,497**
Disposals	**(47,807)**	**–**	**–**	**(47,807)**
Amortisation charge	**–**	**(19,468)**	**(19,401)**	**(38,869)**
Closing net book amount	**–**	**34,713**	**123,563**	**158,276**
As at 30 June 2026 (unaudited)				
Cost	**–**	**90,610**	**152,955**	**243,565**
Accumulated amortisation	**–**	**(55,897)**	**(29,392)**	**(85,289)**
Net book amount	**–**	**34,713**	**123,563**	**158,276**

(a) As of 30 June 2026, no impairment indicators of intangible assets have been identified.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The amounts of investments accounted for using the equity method recognised in the interim condensed consolidated balance sheet are as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Associate	**25,122**	15,001

The movements for investments in associates during the period are as follows:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000
At beginning of the period	**15,001**	–
Additions	**10,000**	15,000
Share of net profits	**121**	–
At end of the period	**25,122**	15,000

The associate is a private company and there is no quoted market price available for its shares.

There are no contingent liabilities relating to the Group's interests in associates.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

18 DEFERRED INCOME TAX

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Deferred income tax assets:		
– to be recovered within 12 months	20,240	5,490
– to be recovered after more than 12 months	7,521	4,301
Offset by deferred income tax liabilities	(27,761)	(9,791)
Net deferred income tax assets	–	–
Deferred income tax liabilities:		
– to be recovered within 12 months	(20,299)	(5,490)
– to be recovered after more than 12 months	(7,521)	(4,301)
Offset by deferred income tax assets	27,761	9,791
Net deferred income tax liabilities	(59)	–

The gross movements on the deferred income tax assets is as follows:

Deferred income tax assets	Tax losses carried forward RMB'000	Impairment provision on assets RMB'000	Lease liabilities RMB'000	Total RMB'000
As at 1 January 2026	27	1,725	8,039	9,791
Credit/(charged) to the interim condensed consolidated statement of comprehensive loss	5	20,307	(2,342)	17,970
As at 30 June 2026 (unaudited)	32	22,032	5,697	27,761

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

18 DEFERRED INCOME TAX (CONTINUED)

The gross movements on the deferred income tax liabilities is as follows:

Deferred income tax liabilities	Fair value changes on financial assets carried at FVPL RMB'000	Right-of-use assets RMB'000	Total RMB'000
As at 1 January 2026	**(1,776)**	**(8,015)**	**(9,791)**
(Charged)/credit to the interim condensed consolidated statement of comprehensive loss	**(19,621)**	**1,592**	**(18,029)**
As at 30 June 2026 (unaudited)	**(21,397)**	**(6,423)**	**(27,820)**

(a) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

19 INVENTORIES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Raw materials	**491,744**	385,565
Work in progress	**349,646**	430,694
Finished goods	**396,969**	146,388
	1,238,359	962,647
Less: provision for impairment of inventories	**(23,550)**	(14,050)
	1,214,809	948,597

During the six months ended 30 June 2026, inventories recognised as cost of sales amounted to RMB683,256,000 (30 June 2025: RMB36,748,000), and provision for impairment of inventories charged to cost of sales was RMB9,500,000 (30 June 2025: RMB944,000).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

20 TRADE, OTHER RECEIVABLES AND PREPAYMENTS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Financial assets:		
Gross trade receivables (i)	1,116,882	532,300
Less: Provision for impairment	(15,703)	(6,946)
Net trade receivables	1,101,179	525,354
Other receivables:		
– Refundable rental and bidding deposits	8,968	8,684
– Receivables from server OEMs for toll manufacturing service	36,647	65,642
– Others	1,724	1,680
Gross other receivables	47,339	76,006
Less: Provision for impairment	(705)	(1,080)
Net other receivables	46,634	74,926
Subtotal of financial assets	1,147,813	600,280
Non-financial assets:		
Prepayments (ii)	1,534,043	464,823
Prepaid listing expenses	–	27,824
Input VAT to be deducted	32,944	18,497
Subtotal of non-financial assets	1,566,987	511,144
Total trade, other receivables and prepayments	2,714,800	1,111,424

As at 30 June 2026 and 31 December 2025, the fair value of trade and other receivables of the Group, except for the prepayments, prepaid listing expenses and input VAT to be deducted which are not financial assets, approximated to their carrying amounts.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

20 TRADE, OTHER RECEIVABLES AND PREPAYMENTS (CONTINUED)

(i) Trade receivables

The credit terms given to trade customers are determined on an individual basis with normal credit period ranged from 30-180 days. The aging analysis of the trade receivables based on date of revenue recognition is as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Up to 3 months	**982,360**	521,231
3 to 6 months	**34,201**	–
6 months to 1 year	**97,378**	8,432
1 to 2 years	**2,943**	2,637
	1,116,882	532,300

Due to the short-term nature of the current receivables, their carrying amounts are considered to be approximately the same as their fair values.

The Group does not hold any collateral as security over these debtors.

(ii) Prepayments

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Prepayment for inventories and services	**1,534,043**	464,823

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

21 PREPAYMENT FOR LONG-TERM ASSETS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Prepayment for property, plant and equipment ("**PP&E**")	100,939	20,731
Prepayment for intangible assets	35,275	31,392
	136,214	52,123

22 FINANCE LEASE RECEIVABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Finance lease receivables due from employees	71,907	74,958
Less: due within one year	–	–
Less: Provision for impairment	(10)	(11)
Non-current finance lease receivables	71,897	74,947

During the six months ended 30 June 2026, the Group purchased public rental houses in Shanghai Caohejing Pujiang High-tech Park ("上海漕河涇開發區浦江高科技園"), and the Group provided rent-to-purchase arrangement on certain public rental houses to certain employees since July 2022 with a lease term of 10 years. All the employees under this arrangement have the right to purchase the public rental houses upon the lease term due if all the specified conditions can be fulfilled. As at 30 June 2026, the Group recognised the finance lease receivables from renting out the public rental house to employees of RMB71,907,000 (31 December 2025: RMB74,958,000). All leases are denominated in RMB.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

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

The Group classified the following financial assets at fair value through profit or loss (FVPL):

– Short-term investments that do not qualify for measurement at either amortised cost or fair value through other comprehensive income; and

– Long-term equity investments that do not qualify for recognising fair value gains and losses through other comprehensive income.

Financial assets mandatorily measured at FVPL include the following:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Non-current assets		
Long-term equity investments (a)		
– Unlisted equity investments	**96,999**	45,437
Current assets		
Short-term investments (b)		
– Structured deposits	**250,514**	1,312,668
Forward foreign exchange contract not designated as hedging instruments	**63,079**	–
	313,593	1,312,668

(a) Long-term equity investments

The movement of the long-term equity investments during the period please refer to Note 4.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

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

(b) Short-term investments

Short-term investments represented the structured deposits issued by reputable banks in the Chinese Mainland. The structured deposits were principal protected with maturity of less than 1 year.

The movement of the structured deposits during the period please refer to Note 4.

(c) Amounts recognised in the interim condensed consolidated statement of comprehensive loss

During the period, the following fair value gains were recognised in the interim condensed consolidated statement of comprehensive loss:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Fair value gains on investments in:		
Long-term equity investments	**16,562**	(3,384)
Short-term investments	**8,325**	2,479
Forward foreign exchange contract not designated as hedging instruments	**63,079**	–
	87,966	(905)

(d) Risk exposure and fair value measurements

Information about the Group's exposure to financial risk and information about the methods and assumptions used in determining fair value are set out in Note 4.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

24 BANK DEPOSITS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Current assets		
– Bank deposits with original maturities of over three months (i)	**3,858,279**	358,965
– Certificate of deposit (ii)	**1,004,251**	94,614
	4,862,530	453,579

(i) Bank deposits with original maturities of over three months were neither past due nor impaired. The interest rates ranged from 2.71% to 3.75% (2025: 3.46% to 3.75%) during the six months ended 30 June 2026. The directors of the Company considered that the carrying amount of the bank deposits with original maturities of over three months approximated to their fair value as at 30 June 2026 and 31 December 2025.

(ii) Certificate of deposit was neither past due nor impaired. The directors of the Company considered that the carrying amount of the certificate of deposit approximated to their fair value as at 30 June 2026 and 31 December 2025 as the discounting impact is not material. As at 30 June 2026, the maturity dates of the certificate of deposit ranged from 30 July 2026 to 6 March 2027 (31 December 2025: ranged from 12 January 2026 to 4 June 2026), accordingly these certificates of deposit are recorded as current assets. The interest rates of the certificate of deposit ranged from 1.10% to 1.40% (31 December 2025: 1.10% to 3.15%).

Bank deposits are denominated in:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
– HKD	**2,872,150**	–
– RMB	**1,004,251**	94,614
– USD	**986,129**	358,965
	4,862,530	453,579

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

25 CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

(a) Cash and cash equivalents

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Cash at banks	**5,957,517**	1,583,023
Less: bank deposits with original maturities of over three months (Note 24)	**(3,858,279)**	(358,965)
Certificate of deposit (Note 24)	**(1,004,251)**	(94,614)
Restricted cash (b)	**(86,252)**	(91,743)
Cash and cash equivalents	**1,008,735**	1,037,701

Cash and cash equivalents are denominated in:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
– USD	**93,052**	778,902
– RMB	**877,137**	258,113
– SGD	**289**	319
– HKD	**38,257**	367
	1,008,735	1,037,701

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

25 CASH AND CASH EQUIVALENTS AND RESTRICTED CASH (CONTINUED)

(b) Restricted cash

Restricted cash is denominated in:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Current assets		
– RMB (i)	**24,692**	18,081
– USD (i)	**684**	718
	25,376	18,799
Non-current assets		
– RMB (ii)	**60,876**	72,944

(i) Restricted cash primarily represented the cash pledged to banks for issuance of letters of guarantee and secure credit card, etc.

(ii) As at 30 June 2026, a bank deposit of RMB60,876,000 was pledged to the bank for issuance of letters of guarantee. The pledged bank deposit has a term over one year and cannot be withdrawn in advance.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

26 SHARE CAPITAL

A summary of movements in the Company's issued and fully paid share capital is as follows:

	Number of shares '000	Share capital RMB'000
At 31 December 2025	2,111,285	42,226
Issue of shares from global offering (i)	327,573	6,551
At 30 June 2026	**2,438,858**	**48,777**

(i) On 2 January 2026, the Company successfully listed on the Main Board of HKEx and made an offering of 284,846,600 shares at an offer price of HK$19.6 per share with a total cash consideration of HK$5,582,993,360 (equivalent to RMB5,042,671,000). On 2 February 2026, the over-allotment option has been fully exercised with an additional 42,726,800 ordinary shares issued with a total cash consideration of HK$837,445,280 (equivalent to RMB747,412,000). Underwriting commissions and other issuance costs through equity amounted to RMB130,938,000. RMB6,551,000 was recorded as share capital and RMB5,652,594,000 was recorded as "Other reserves-share premium", respectively.

27 REDEMPTION LIABILITIES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Redemption liabilities	–	28,524,902

The movement of the redemption liabilities for the six months ended 30 June 2026 is as follows:

	Redemption liabilities RMB'000
At 31 December 2025	28,524,902
Termination of the redemption rights upon the listing of the Company's shares	(28,524,902)
At 30 June 2026 (unaudited)	–

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

27 REDEMPTION LIABILITIES (CONTINUED)

Redemption liabilities are denominated in:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
– USD	**–**	8,087,697
– RMB	**–**	20,437,205
	–	28,524,902

Since its incorporation in 2019, the Company has completed several rounds of financing including Series Pre A, Series Pre A+, Series Pre A++, Series A, Series Pre B, Series Pre B+, Series B, Series B+, Strategic Round and Pre-IPO Round Investors (the "**Investors**"). Upon the Company's successful listing on the HKEx Main Board on 2 January 2026, all redemption liabilities associated to prior financing rounds were automatically derecognised and credited into equity, with the corresponding treasury stock reversed back to equity concurrently.

28 SHARE-BASED COMPENSATION PLANS

(a) Pre-IPO RSU Plan

In recognition of the contributions from management and employees and to incentivize them for the further development of the Group, the Company adopted a share option plan as approved by the board of directors on 12 January 2020 (the "**Pre-IPO Option Plan**"). The Pre-IPO Option Plan implemented equity incentives for management and employees of the Group through the grant of share options, aiming to attract and retain skilled and experienced personnel, and to provide additional incentives to management and employees of the Group. Mr. ZHANG, the controlling shareholder of the Group, transferred his own equity interest in the Company to Shanghai Bilіren Enterprise Management Consulting Partnership (Limited Partnership) ("上海壁立仞企業管理諮詢合夥企業(有限合夥)", "**Shanghai Biliren**") as the underlying shares under the Pre-IPO Option Plan. The total share number of Shanghai Biliren after several equity interest transfer transactions was 4,163,775.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

28 SHARE-BASED COMPENSATION PLANS (CONTINUED)

(a) Pre-IPO RSU Plan (Continued)

On 24 April 2024, as approved by the board of directors, the Company adopted a Pre-IPO restricted share units plan (the "**Pre-IPO RSU Plan**") with the substantially same terms and conditions of the Pre-IPO Option Plan on 12 January 2020 as a replacement of the original plan. Under this plan, the Group's management or employees are required to acquire the respective equity interests in Shanghai Biliren at their exercise price before the date of submission of the listing application for all the share options (including the vested options and the unvested options). If the management or employees fail to fulfill the remaining service period with the Group as agreed in the Pre-IPO RSU Plan, the general partner of Shanghai Biliren has the right to acquire the equity interest held by this personnel at the price of total amount for exercise the share options. Before the share subdivision conducted by the Company on 25 June 2025, one RSU shall represent one portion of partnership interest in Shanghai Biliren, which in turn represent 1 share of the Company held by Shanghai Biliren, after share subdivision, one RSU shall represent one portion of partnership interest in Shanghai Biliren, which in turn represent 50 shares of the Company held by Shanghai Biliren. The principles of modification accounting are applied for this replacement and the Group accounts for any incremental fair value in addition to the grant-date fair value of the Pre-IPO RSU Plan as the cumulative amount of compensation cost, if any.

For the six months ended 30 June 2026, no further RSUs were newly granted to the Group's certain management and employees under the Pre-IPO RSU Plan (30 June 2025: 60,765).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

28 SHARE-BASED COMPENSATION PLANS (CONTINUED)

(b) Share-based compensation expenses recorded during the period

During the six months ended 30 June 2026 and 2025, the amounts of share-based compensation expenses charged to research and development expenses, general and administrative expenses and selling and marketing expenses are as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Research and development expenses	**31,879**	13,953
General and administrative expenses	**6,918**	8,375
Selling and marketing expenses	**1,189**	4,837
	39,986	27,165

29 TRADE AND OTHER PAYABLES

	As at 30 June 2026	As at 31 December 2025
	RMB'000	RMB'000
	(Unaudited)	
Trade payable (ii)	**329,289**	135,233
Other payables (iii)	**225,127**	373,571
Payables for listing expenses	**9,721**	47,334
Accrued taxes other than income tax	**19,807**	20,643
Advance from customers for lease	**265**	239
Staff salaries and welfare payables	**106,487**	156,092
VAT payables related to contract liabilities	**535**	21
	691,231	733,133

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

29 TRADE AND OTHER PAYABLES (CONTINUED)

(i) The carrying amounts of trade and other payables are considered to be approximated to their fair values, due to their short-term nature.

(ii) Aging analysis of the trade payables based on purchase date at the end of the period/year is as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Up to 1 year	**327,376**	134,792
1 to 2 years	**1,472**	–
2 to 3 years	**441**	441
	329,289	135,233

(iii) The details of other payables due to third parties at the end of the period/year are as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Payables for purchase of long-term assets (a)	**104,868**	261,999
Payables for research and development expense	**41,405**	25,953
Intention deposits for purchase of public rental houses	**37,201**	38,411
Others	**41,653**	47,208
	225,127	373,571

(a) Payable for purchase of long-term assets mainly consist of payables for the acquisition of intangible assets and PP&E.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 BORROWINGS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Current:		
Bank borrowings – unsecured	300,000	200,000
Interest payables	94	139
	300,094	200,139

The bank borrowings were denominated in RMB with fixed interest rate. The weighted average effective interest rate of bank borrowings for the six months ended 30 June 2026 was 2.16% (31 December 2025: 2.27%).

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates or maturity date whichever is earlier were as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
6 months or less	–	200,139
Between 6 and 12 months	300,094	–
	300,094	200,139

31 CAPITAL COMMITMENTS

Significant capital expenditure commitments are set out below:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Property, plant and equipment	54,583	40,363
Intangible assets	32,667	17,627
	87,250	57,990

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

32 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

(a) Transactions with related parties:

(i) Key management compensations

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Wages, salaries and bonuses	**4,878**	6,266
Pension costs – defined contribution plans	**90**	111
Other social security costs, housing benefits and other employee benefits	**219**	133
Share-based compensation expenses	**2,932**	1,897
	8,119	8,407

33 CONTINGENCIES

As at 30 June 2026, there was no significant contingency item for the Group.

34 SUBSEQUENT EVENTS

On 8 July 2026, a total of 153,000,000 Placing Shares have been successfully placed by the placing agents to not less than six Placees at the placing price of HK$46.20 per Placing Share pursuant to the terms and conditions of the Placing Agreement, representing approximately 12.74% of the H Shares in issue and approximately 6.27% of the total number of Shares in issue immediately before the closing, and approximately 11.30% of the H Shares and approximately 5.90% of the total number of Shares in issue as enlarged by the allotment and issuance of the Placing Shares.

The gross proceeds from the Placing amounted to HK$7,068.6 million, and net proceeds from the Placing (after deducting the commission and estimated expenses) amounted to approximately HK$7,037.6 million.