



Black Sesame International Holding Limited

黑芝麻智能國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2533



2026

INTERIM REPORT

* For identification purposes only

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. SHAN Jizhang (單記章)

(Chairman of the Board and Chief Executive Officer)

Mr. ZENG Daibing (曾代兵)

Non-executive Directors

Mr. LIU Weihong (劉衛紅)

Dr. YANG Lei (楊磊)

Independent non-executive Directors

Prof. LI Qingyuan (李青原)

Prof. LONG Wenmao (龍文懋)

Prof. XU Ming (徐明)

AUDIT COMMITTEE

Prof. LI Qingyuan (李青原) *(Chairperson)*

Prof. LONG Wenmao (龍文懋)

Prof. XU Ming (徐明)

REMUNERATION COMMITTEE

Prof. LONG Wenmao (龍文懋) *(Chairperson)*

Prof. XU Ming (徐明)

Mr. SHAN Jizhang (單記章)

NOMINATION COMMITTEE

Mr. SHAN Jizhang (單記章) *(Chairperson)*

Prof. LONG Wenmao (龍文懋)

Prof. LI Qingyuan (李青原)

JOINT COMPANY SECRETARIES

Mr. SUN Xiaoxiang (孫曉祥)

Ms. KWOK Siu Ying Sarah (郭兆瑩) *(ACG, HKACG)*

AUTHORIZED REPRESENTATIVES

Mr. SHAN Jizhang (單記章)

Mr. SUN Xiaoxiang (孫曉祥)

AUDITOR

PricewaterhouseCoopers

Certified Public Accountants

Registered Public Interest Entity Auditor

22/F, Prince's Building

Central

Hong Kong

REGISTERED OFFICE

P.O. Box 31119 Grand Pavilion

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KY1-1205 Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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Hubei Province

China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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33 Hysan Avenue

Causeway Bay

Hong Kong

HONG KONG LEGAL ADVISOR

Clifford Chance
27/F, Jardine House
One Connaught Place
Central
Hong Kong

COMPLIANCE ADVISOR

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

HONG KONG BRANCH SHARE REGISTRAR

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

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

Vistra (Cayman) Limited
P.O. Box 31119 Grand Pavilion
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Grand Cayman
KY1-1205
Cayman Islands

PRINCIPAL BANKS

China Merchants Bank
Wuhan Qingshan Branch
Level 1, Yulong Times Centre
No. 1540 Heping Avenue
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018982

STOCK CODE

2533

COMPANY'S WEBSITE

<http://www.blacksesame.com>

KEY HIGHLIGHTS

FINANCIAL SUMMARY

Six months ended June 30,					
	2026 (Unaudited)		2025 (Unaudited)		Period- over-period
	Amount	% of revenue	Amount	% of revenue	change %
(RMB in thousands, except for percentages)					
Revenue	458,467	100.0	252,882	100.0	81.3
Gross profit	226,917	49.5	62,697	24.8	261.9
Loss for the period	(770,290)	(168.0)	(762,364)	(301.5)	1.0
Non-IFRS Measures:					
Adjusted net loss	(643,153)	(140.3)	(548,709)	(217.0)	17.2

As generative artificial intelligence (AI) technologies continue to iterate, the focus of AI industry development is gradually shifting from cloud-based large-model training to a new phase driven by scenario-based deployment. The cloud-edge-device collaborative architecture has become an industry consensus. Relying solely on cloud computing power can no longer meet practical needs such as real-time response, data security and operational costs. From intelligent vehicles and humanoid robots to smart terminals across various industries, the intelligentisation of the physical world is continuously unleashing demand for local inference chips with high computing power, low power consumption and high security. On-device computing power is becoming the core track for the next round of AI industry competition, offering vast and long-term growth potential. The industry currently presents diversified commercialisation paths, with two development models, including closed-loop self-development and open ecosystem, evolving in parallel.

In the first half of 2026, the AI industry accelerated its expansion from cloud-based training to on-device inference and physical world applications, and the demand for computing power from intelligent vehicles, robots and various smart terminals grew rapidly. The Group clearly defined its strategic vision of “becoming the world’s strongest on-device AI inference solution provider”, driving the Group’s business to build a full-scenario computing platform covering driving assistance, embodied AI and general on-device AI. During the Reporting Period, the Group achieved revenue of RMB458.5 million, representing a year-on-year increase of 81.3% compared with the same period in 2025; in the first half of 2026, the Group achieved total chip shipments of over 6 million units. The embodied AI and solutions business recorded revenue of RMB47.2 million, successfully outlining the Group’s second growth curve.

BUSINESS REVIEW

(I) Steady progress in driving assistance business, with continuous advancement in the commercialisation of high-end and cross-domain products

During the Reporting Period, the Group accelerated the industrialisation and implementation of its advanced driving assistance computing-power platform, and the Group’s driving assistance business achieved a year-on-year growth of 66.8%. Following the launch of the Huashan A2000 series at the beginning of the year, the Group is accelerating the designated projects and mass production of the A2000 solution with several mainstream original equipment manufacturers (OEMs) including Dongfeng, Yutong and Chery; at the same time, the Group continues to deepen its business cooperation with strategic leading customers, and the cooperation scope has covered multiple fields such as passenger vehicles, commercial vehicles and unmanned logistics. We have secured designated projects for mass production covering L2+ to L3 driving assistance functions, and the chip’s engineering adaptation capabilities have been validated in high-end autonomous driving scenarios. With the successive rollout of supporting solutions jointly developed with algorithm partners such as DeepRoute.ai and Nullmax, the Huashan A2000 chip will officially enter the mass production phase in the second half of the year.

To support the large-scale mass production and delivery of the A2000, the Group simultaneously established a comprehensive and open advanced driving assistance system. This system is built upon high-computing-power chips, self-developed supporting software SDK, full-chain AI toolchains, and end-to-end/Vision-Language-Action (VLA) reference models, while also being compatible with third-party algorithm ecosystems. The entire technical solution has been benchmarked in advance against the Mandatory National Standard for Safety Requirements for Automated Driving Systems of Intelligent and Connected Vehicles, which will come into effect on July 1, 2027, thereby completing early-stage preparations for the large-scale commercial deployment of L3 autonomous driving.

The cross-domain fusion product line has simultaneously achieved a key breakthrough. The Wudang C1200 series is the first domestic cockpit-driving integrated chip platform to achieve mass production, and it has been deployed in the Dongfeng Tianyuan intelligent cockpit platform. It is expected to see large-scale vehicle installation and delivery in the second half of 2026, thereby strengthening the Group’s presence in the cross-domain fusion sector. Meanwhile, mature products continue to strengthen the core business, with the Huashan A1000 assisted driving solutions maintaining volume growth among customers such as Dongfeng, FAW and BYD, steadily contributing to the Group’s core business revenue.

(II) Embodied AI and solutions business transitions from project validation to scale growth, with significant expansion of partnership ecosystem

During the Reporting Period, leveraging its mature automotive-grade engineering capabilities, the Group seized the industry window period for domestic substitution and scale development, and deeply cultivated diverse robotics tracks including consumer-grade, industrial-grade, specialised and humanoid robotics, continuously strengthening the embodied AI and solutions business as its second growth curve. During the Reporting Period, the Group's revenue from embodied AI and solutions business reached RMB47.2 million. During the Reporting Period, the Group steadily advanced in-depth cooperation with leading robotics industry chain enterprises. At the same time, we strengthened our strategic cooperation with large enterprises such as COSCO SHIPPING Holdings and Midea Group to anchor robot terminal scenarios, and consistently secured volume orders from industry-leading customers.

The technology system continued to improve, and the computing platform capabilities were comprehensively upgraded. The Group's self-developed SesameX multi-dimensional embodied AI computing platform covers multi-level computing power needs from 48 TOPS to nearly 700 TOPS, and has formed standardised computing power modules and replicable solutions, significantly improving delivery efficiency. The Kalos and Aura computing platforms achieved volume shipments in areas such as robotic arms, collaborative robots, and quadruped inspection robots. The brand-new Liora embodied AI module has completed algorithm feasibility validation in collaboration with leading humanoid robot manufacturers and is about to commence sample delivery and testing, which can effectively replace high-cost overseas computing power solutions, thereby laying a solid technical foundation for the subsequent deployment of full-form and full-scenario robotics applications.

(III) Acquisition of Eeasy Tech completed to complement low-power on-device SoC capabilities, with general AI commercial deployment exceeding expectations

During the Reporting Period, the Company completed the acquisition of Eeasy Tech. Eeasy Tech focuses on low-power, cost-effective AI SoCs and full-stack solutions, with core technology accumulation in neural processing unit (NPU), image signal processor (ISP), audio/video codec and analogue IP. Its products have already achieved volume production in scenarios such as intelligent vehicle and on-device smart AI. According to the operating statistics after the completion of the acquisition, Eeasy Tech achieved operating revenue of RMB164.5 million in the first half of 2026, showing significant improvement compared with the same period last year, reflecting that its product structure optimisation, new customer onboarding and scale effects are gradually being realized.

BUSINESS OUTLOOK

Leading global AI companies are accelerating the expansion of AI Agents from cloud-based conversational capabilities to interaction with the physical world, making physical AI the main battleground for the next round of generative AI competition. In real-world scenarios, the demand for low-latency, high-security local computing power for intelligent agents is surging, opening up a trillion-scale on-device inference market. The industry development path presents a diversified and parallel pattern, with ecosystem value further highlighted.

In the first half of 2026, the Group remained committed to its strategic vision of "becoming the world's strongest on-device AI inference solution provider". Going forward, the Group will continue to focus on its core on-device AI inference strategy, driving product scaling, ongoing technological iteration and business model innovation along three major fronts – the core intelligent vehicle business, the new robotics track and the broader on-device AI market – while consistently strengthening its full-stack technological barriers.

(I) Intelligent vehicle business: deepening the mass production penetration of advanced intelligent driving and broadening the commercial boundaries of scenarios

The Group will continue to focus on the large-scale deployment of high-computing-power products. The Group will collaborate with core algorithm partners to accelerate the mass production integration of A2000-based integrated software and hardware solutions into more automakers, striving to secure mass production designated projects for core models from more leading customers, and continuously improve customer coverage and model penetration. At the same time, we are advancing the model designation and mass production of our C1200 cockpit-driving integration product with cost-effective vehicle models of leading automakers. Alongside batch supply and supporting implementation of existing projects in L3-L4 scenarios such as commercial vehicles, unmanned logistics and robotaxi, intelligent driving scenarios continue to scale up.

In addition, the Group will actively explore a new customised chip business model, leveraging the Group's accumulated experience in intelligent driving chips and solutions, continuously engaging with leading domestic automakers, AI companies and robotics companies in customisation cooperation discussions, further diversifying the Group's business models and revenue structure, and providing core support for the Group's business development.

(II) Robotics business: achieving multi-scenario and multi-point breakthroughs, solidifying the second growth curve

The Group will continue to strengthen the contribution of embodied AI and solutions as its second growth curve, deepen customer expansion across sectors such as industrial collaborative robots, commercial services and government-enterprise demonstration projects, and advance multiple key projects to the stage of prototype delivery and deployment evaluation. In the commercial service sector, products are fully adapted to various commercial service robot scenarios, continuously broadening the boundaries of civilian intelligent service deployment. In the industrial application sector, the Group is actively implementing emerging industrial robot scenarios such as intelligent sorting, facilitating the intelligent upgrading of industries. In the special operations sector, the Group has introduced customised solutions for sea-air robotic dogs, with project iteration and acceptance progressing in an orderly manner; meanwhile, leveraging local industrial policies, it is actively positioning itself in high-risk replacement special robot scenarios such as firefighting and industrial mining, continuously unlocking growth space in professional and high-barrier tracks. In the humanoid robot sector, technology adaptation and commercial deployment continue to accelerate, continuously strengthening the core competitiveness in the high-end robotics track and building long-term growth momentum for the business.

(III) General on-device AI business: deepening industrial integration and broadening the consumer-grade incremental market

The Group will continue to deepen business integration and synergistic development with Easy Tech, through unified product planning, sharing of customer resources, reuse of algorithm toolchains, joint R&D efforts, and collaboration in wafer, IP and packaging and testing supply chains, comprehensively accelerating the product introduction pace into new incremental markets such as smart home appliances, action cameras, gimbals, and AI glasses. At the same time, it will actively expand new product lines such as robotic vacuum cleaners and lawn mowing robots, refine the general on-device AI product matrix, and continuously unlock performance potential through synergistic advantages, driving Easy Tech's performance to steadily improve in the second half of the year.

(IV) Core technologies: continuous upgrading and iteration to build a full-stack technological barrier

At the technology R&D level, the Group will focus on the three core directions of product implementation, technological evolution and platform upgrading, consistently strengthening its core technology competitiveness. Building upon its existing product lines, the Group has initiated pre-research and development of the new-generation chips, further refining its computing power deployment for the future era of physical AI and intelligent agents. Underlying core IP will focus on tackling the two core technologies of high-bandwidth interconnect and high-performance data compression, continuously optimising memory utilisation efficiency and data transmission capabilities. At the same time, it will strengthen the differentiated advantage of functional safety hard isolation across the entire chip series, continuously enhance the chips' adaptability to edge large models and physical AI scenarios, and provide solid technical support for the deployment of on-device AI across multiple scenarios.

(V) Innovative business model: expanding customised chip business and building a diversified revenue system

The Group will position the customised chip business as a medium-to-long-term core incremental business model, and on the basis of deepening intelligent vehicle customisation cooperation, will gradually extend to robotics and general AI downstream customers. Leveraging its technological capabilities in on-device lightweight large models, it will build a general-purpose on-device AI inference platform, gradually forming a diversified revenue structure comprising chip sales, software services, collaborative technology customisation development, and AI inference servers, continuously unlocking the Group's long-term growth potential.

Overall, in the second half of 2026, the Group will follow the industry trend of generative AI being deployed into the physical world, remain firmly committed to the golden track of on-device AI inference, and continue to amplify the synergistic advantages of its multi-business operations spanning intelligent vehicle, robotics and general on-device AI. Through its continuously iterating chip product portfolio and open ecosystem strategy, the Group will fully empower intelligent scenarios in the real world and make every effort to consolidate its core competitiveness and industry leadership in the global on-device AI inference solution sector.

The following table sets forth the comparative figures for the six months ended June 30, 2026 and 2025:

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	458,467	252,882
Cost of sales	(231,550)	(190,185)
Gross profit	226,917	62,697
Selling expenses	(37,698)	(51,510)
General and administrative expenses	(136,194)	(170,106)
Research and development expenses	(859,726)	(618,130)
Net impairment losses on financial assets	(18,320)	(11,445)
Other income	7,204	7,397
Other gains – net	46,619	9,803
Operating loss	(771,198)	(771,294)
Finance income	14,872	27,439
Finance costs	(12,567)	(17,099)
Finance income, net	2,305	10,340
Share of net loss of associates accounted for using the equity method	(1,361)	(1,410)
Loss before income tax	(770,254)	(762,364)
Income tax expense	(36)	–
Loss for the period attributable to the equity holders of the Company	(770,290)	(762,364)
Non-IFRS Measures		
Adjusted net loss	(643,153)	(548,709)

FINANCIAL REVIEW

Revenue

Our revenue increased by 81.3% from RMB252.9 million for the six months ended June 30, 2025 to RMB458.5 million for the six months ended June 30, 2026, primarily attributable to further optimisation of the business structure and the expansion in scale of the driving assistance business and the embodied AI business.

Driving Assistance Products and Solutions

Our revenue from driving assistance products and solutions increased by 66.8% from RMB236.8 million for the six months ended June 30, 2025 to RMB395.1 million for the six months ended June 30, 2026, primarily attributable to the fact that (i) the advanced driving assistance solutions achieved sustained large-scale mass production and delivery in the passenger vehicle market, and the passenger vehicle driving assistance business accelerated the progress of new designated projects and mass production with leading OEMs; (ii) meanwhile, with the implementation of relevant regulations in the commercial vehicle and special-purpose vehicle sectors, the installation rate of L2-L3 level assisted driving in commercial vehicles and special-purpose vehicles recorded significant growth compared with the same period last year.

Intelligent Imaging Solutions

Our revenue from intelligent imaging solutions remained relatively stable, amounting to RMB16.1 million and RMB16.2 million for the six months ended June 30, 2025 and 2026, respectively.

Embodied AI and Solutions

Our revenue from embodied AI and solutions for the six months ended June 30, 2026 was RMB47.2 million, primarily due to our continued deepening of our ecosystem collaboration within the robotics industry chain and our securing of volume orders from industry-leading customers.

Cost of Sales

Our cost of sales increased by 21.7% from RMB190.2 million for the six months ended June 30, 2025 to RMB231.6 million for the six months ended June 30, 2026, primarily due to the increase in the cost of sales for driving assistance products and solutions.

Driving Assistance Products and Solutions

The cost of sales for driving assistance products and solutions increased by 21.7% from RMB187.4 million for the six months ended June 30, 2025 to RMB228.1 million for the six months ended June 30, 2026, primarily representing the increase in the costs relating to hardware components and labor costs.

Intelligent Imaging Solutions

The cost of sales for intelligent imaging solutions decreased by 64.0% from RMB2.8 million for the six months ended June 30, 2025 to RMB1.0 million for the six months ended June 30, 2026, which was primarily due to the increase in the percentage of revenue generated from the licensing of our self-developed software and algorithms, which do not require hardware components.

Embodied AI and Solutions

The cost of sales for embodied AI and solutions for the six months ended June 30, 2026 was RMB2.5 million, primarily due to the labour costs for robotics business algorithms and software, as well as the costs of adapted hardware components.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our overall gross profit increased by 261.9% from RMB62.7 million for the six months ended June 30, 2025 to RMB226.9 million for the six months ended June 30, 2026. Our gross profit margin for driving assistance products and solutions increased from 20.9% for the six months ended June 30, 2025 to 42.3% for the six months ended June 30, 2026, as the optimisation of the sales product mix for driving assistance products and solutions has led to an increase in the proportion of sales of high-margin advanced driving assistance solutions, algorithms and software. Our gross profit margin for intelligent imaging solutions business increased from 82.4% for the six months ended June 30, 2025 to 93.7% for the six months ended June 30, 2026. This was primarily due to a further increase in the percentage of revenue generated from the licensing of self-developed software and algorithms, which do not require hardware components and have higher gross margins. Our gross profit margin for embodied AI solutions for the six months ended June 30, 2026 was 94.8%, primarily because our standardised computing modules and replicable solutions require only minimal adaptation costs for delivery. As a result of the foregoing, our overall gross profit margin increased from 24.8% for the six months ended June 30, 2025 to 49.5% for the six months ended June 30, 2026.

Research and Development Expenses

Our research and development expenses increased by 39.1% from RMB618.1 million for the six months ended June 30, 2025 to RMB859.7 million for the six months ended June 30, 2026, primarily because we have increased our investment in areas such as automotive-grade chips, AI, computing power and large-model algorithms.

Selling Expenses

Our selling expenses decreased by 26.8% from RMB51.5 million for the six months ended June 30, 2025 to RMB37.7 million for the six months ended June 30, 2026, primarily due to a decrease in share-based compensation expenses for sales personnel.

General and Administrative Expenses

Our general and administrative expenses decreased by 19.9% from RMB170.1 million for the six months ended June 30, 2025 to RMB136.2 million for the six months ended June 30, 2026, primarily due to a decrease in the share-based compensation expenses for management personnel.

Net Impairment Losses on Financial Assets

Our net impairment losses on financial assets amounted to RMB11.4 million and RMB18.3 million for the six months ended June 30, 2025 and 2026, respectively.

Other Income

Our other income remained relatively stable at RMB7.4 million and RMB7.2 million for the six months ended June 30, 2025 and 2026, respectively.

Other Gains – Net

We recorded other gains, net of RMB9.8 million for the six months ended June 30, 2025, while we had other gains, net of RMB46.6 million for the six months ended June 30, 2026, primarily attributable to the increase in fair value of financial assets and the foreign exchange gains due to fluctuations in exchange rate.

Finance Income – Net

Our finance income, net decreased by 77.7% from RMB10.3 million for the six months ended June 30, 2025 to RMB2.3 million for the six months ended June 30, 2026, primarily due to a decrease in interest income on bank deposits.

Loss for the Period

As a result of the foregoing, we recorded a net loss of RMB762.4 million for the six months ended June 30, 2025, while we had a net loss of RMB770.3 million for the six months ended June 30, 2026.

Non-IFRS Measure

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted net loss (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, IFRS. We believe this non-IFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impacts of certain items.

We believe adjusted net loss (non-IFRS measure) provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of adjusted net loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and should not be considered in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS.

The following table reconciles our adjusted net loss for the periods presented to the most directly comparable financial measure calculated and presented in accordance with IFRS, which is net loss for the period:

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Reconciliation of net loss to adjusted net loss (non-IFRS measure):		
Loss for the period	(770,290)	(762,364)
Add:		
Share-based compensation expenses	127,137	213,655
Adjusted net loss for the period (non-IFRS measure)	(643,153)	(548,709)

LIQUIDITY AND FINANCIAL RESOURCES

We have historically funded our cash requirements principally from capital contribution from Shareholders. We had cash and cash equivalents and current financial assets at fair value through profit or loss of RMB1,268.2 million as of June 30, 2026, compared to the balance of RMB1,530.7 million as of December 31, 2025.

The following table sets forth a summary of our cash flows for the periods indicated:

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Net cash used in operating activities	(1,021,107)	(538,176)
Net cash used in investing activities	(127,807)	(44,482)
Net cash generated from financing activities	874,342	1,105,390
Net (decrease)/increase in cash and cash equivalents	(274,572)	522,732
Cash and cash equivalents at the beginning of the period	1,446,756	1,448,106
Effects of exchange rate changes on cash and cash equivalents	(33,693)	(4,346)
Cash and cash equivalents at the end of the period	1,138,491	1,966,492

Indebtedness

Our indebtedness mainly includes borrowings and lease liabilities. The following table sets forth a breakdown of our borrowings and lease liabilities as of the dates indicated:

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Borrowings	680,708	739,892
Lease liabilities	51,387	38,682
Total	732,095	778,574

We maintain a prudent approach in our treasury management with interest rate exposure maintained principally on a floating rate basis. We did not use any interest rate swap contracts or other financial instruments to hedge against our interest rate risk. We will continue to monitor interest rate risk exposure and will consider hedging significant interest rate risk exposure should the need arise.

Exposure to Exchange Rate Fluctuation

Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. The Group's businesses are principally conducted in RMB. The majority of non-RMB assets and liabilities are cash and cash equivalents denominated in USD.

We are primarily exposed to changes in RMB/USD exchange rates in our domestic subsidiaries whose functional currency is RMB. We currently do not engage in hedging activities designed or intended to manage foreign exchange rate risk. However, we will continue to monitor changes in currency exchange rates and will take necessary measures to mitigate exchange rate impact.

Employees, Training and Remuneration Policies

As of June 30, 2026, the Group had 1,133 employees. The number of employees employed by the Group varies from time to time depending on needs.

Our success depends on our ability to attract, retain and motivate qualified personnel. The remuneration package for our employees generally includes salary, bonuses and equity incentives. We have a unified salary management system and employee internal transfer management methods to ensure the fairness of salary and promotion, and the salary and promotion decisions stipulated in the system are based on the employee's position and performance. In addition to salary, employees also receive welfare benefits, including medical insurance, retirement benefits, occupational injury insurance and other miscellaneous items. We make contributions to mandatory social security funds for our employees to provide for retirement, medical, work-related injury, maternity and unemployment benefits. We also invest in continuing education and training programs to upskill our key management and technical staff.

The Company has also adopted a Pre-IPO Share Scheme on September 7, 2016 and amended it on December 31, 2021 and adopted a Post-IPO Share Scheme on July 26, 2024 to provide incentives for the eligible participants. For details, please refer to the section headed "Statutory and General Information – D. Share Incentive Schemes" in Appendix IV to the Prospectus.

The Board regularly reviews and determines the remuneration and compensation packages of the Directors and senior management and receives recommendation from the Remuneration Committee, which takes into account salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group.

Use of Proceeds from the Placing of Shares under General Mandate

To further raise funds to support the Group's continuous development and business growth, on February 19, 2025, the Company entered into a placing agreement (the "**Placing Agreement**") with China International Capital Corporation Hong Kong Securities Limited and Huatai Financial Holdings (Hong Kong) Limited in relation to the placing of 53,650,000 new Shares at the placing price of HK\$23.20 per Share to no less than six placees who and whose ultimate beneficial owner(s) (where applicable) are independent third parties (the "**Placing**"). All the conditions set out in the Placing Agreement were fulfilled and the Placing was completed on February 26, 2025, and a total of 53,650,000 new Shares (with an aggregate nominal value of US\$5,365) have been successfully placed to no less than six placees at the placing price of HK\$23.20 pursuant to the terms and conditions of the Placing Agreement. The closing price of the Shares as quoted on the Stock Exchange on February 18, 2025, being the date on which the placing price was fixed, was HK\$26.30 per Share. For details, please refer to the announcements of the Company dated February 19, 2025 and February 26, 2025, respectively (the "**Placing Announcements**").

After deducting the Placing commission and other relevant costs and expenses of the Placing, the net proceeds from the Placing amounted to approximately HK\$1,237.4 million (the “**Net Proceeds from the Placing**”) (representing a net issue price of approximately HK\$23.06 per Share). During the Reporting Period, the Group utilized approximately HK\$384.8 million of the Net Proceeds from the Placing. The unused net proceeds were held by way of deposits in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions). The Group will utilize the net proceeds from the Placing for the intended purposes as stated in the Placing Announcement. Details of the use of the Net Proceeds from the Placing and the expected timeline for fully utilizing the Net Proceeds from the Placing are set out as follows:

Intended use of the Net Proceeds from the Placing	Planned proportion of the net proceeds (%)	Planned use of the net proceeds (Approximately HK\$ million)	Net proceeds unused as of January 1, 2026 (Approximately HK\$ million)	Actual use of net proceeds during the Reporting Period (Approximately HK\$ million)	Unused net proceeds as of June 30, 2026 (Approximately HK\$ million)	Expected timeline for fully utilizing the Net Proceeds from the Placing ⁽¹⁾
(i) Research and Development of Core Technology	30.0	371.2	164.2	135.4	28.8	
• Development of next-generation intelligent automotive SoCs	20.0	247.5	123.5	94.7	28.8	Within 2026
• Development of assisted driving solutions	10.0	123.7	40.7	40.7	-	-
(ii) Research and Development of Advanced Technology	25.0	309.4	125.9	73.6	52.2	
• Development of core IPs	20.0	247.5	105.9	53.6	52.2	Within 2026
• Development of robotics technology	5.0	61.9	20.0	20.0	-	-
(iii) Enhancement of the Group's Commercialisation Capabilities	27.0	334.1	182.3	135.4	46.9	
• Enhancement of product and solution delivery capabilities	17.0	210.4	107.9	107.9	-	-
• Expansion of the sales team	10.0	123.7	74.4	27.5	46.9	Within 2026
(iv) Selective Strategic Investments	8.0	99.0	-	-	-	-
(v) General Working Capital Purposes	10.0	123.7	40.3	40.3	-	-
Total	100.0	1,237.4	512.7	384.8	127.9	

Note:

- (1) The expected timeline for utilizing the remaining Net Proceeds from the Placing is prepared based on the current best estimate made by the Group, which is subject to change according to the current and future development of market conditions.

2026 First Subscription of Shares Under General Mandate

To further raise funds to support the Group's continuous development and business growth, on January 8, 2026, the Company entered into subscription agreements (the **"First Subscription Agreements"**) with Shanghai Jixin Enterprise Management Partnership (Limited Partnership) (**"Shanghai Jixin"**), Shanghai Shuangchuang Jinhong Enterprise Management Co., Ltd. (**"Shanghai Shuangchuang"**) and SpreadCom Limited (**"SpreadCom"**), respectively, in relation to the allotment and issuance of an aggregate of 30,131,900 new Shares at the subscription price of HK\$18.88 per Share (the **"First Subscription"**). Subsequently, for commercial reasons, the Company entered into a supplemental agreement to the subscription agreement with Shanghai Shuangchuang (the **"First Subscription Supplemental Agreement"**) to change the subscriber to Innovital Holdings Limited (**"Innovital"**) and entered into a termination agreement with SpreadCom to terminate the subscription by SpreadCom, pursuant to which the number of subscription shares under the First Subscription was adjusted to 28,543,000 new Shares. All the conditions set out in the First Subscription Agreements and the First Subscription Supplemental Agreement were fulfilled and the First Subscription was completed on March 6, 2026, upon which a total of 28,543,000 new Shares (with an aggregate nominal value of US\$2,854.3) have been successfully allotted and issued to Shanghai Jixin and Innovital at the subscription price of HK\$18.88 per Share pursuant to the terms and conditions of the First Subscription Agreements and the First Subscription Supplemental Agreement. The closing price of the Shares as quoted on the Stock Exchange on January 8, 2026, being the date of the First Subscription Agreements, was HK\$21.76 per Share. After deducting the expenses of the First Subscription, the net proceeds from the First Subscription amounted to approximately HK\$538.13 million (representing a net issue price of approximately HK\$18.85 per Share). For details, please refer to the announcements of the Company dated January 8, 2026, January 25, 2026 and March 6, 2026, respectively (the **"First Subscription Announcements"**).

During the Reporting Period, approximately HK\$133.4 million of the net proceeds from the First Subscription was utilized by the Group. Unused net proceeds were held by way of deposits in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions). The Group will utilize the net proceeds from the First Subscription for the intended purposes as stated in the First Subscription Announcements. Details of the use of the net proceeds from the First Subscription and the expected timeline for the full utilisation of the net proceeds from the First Subscription are set out below:

Intended purposes of the net proceeds from the First Subscription	Planned proportion of the net proceeds (%)	Planned use of the net proceeds (Approximately HK\$ million)	Actual use of net proceeds during the Reporting Period (Approximately HK\$ million)	Unused net proceeds as of June 30, 2026 (Approximately HK\$ million)	Expected timeline for fully utilizing the net proceeds from the First Subscription ⁽¹⁾
(i) Strategic mergers and acquisitions and investments	90.0	484.3	79.6	404.7	within 2026
(ii) General working capital purposes	10.0	53.8	53.8	–	–
Total	100.0	538.1	133.4	404.7	

Note:

- (1) The expected timeline for utilizing the remaining net proceeds is prepared based on the current best estimate made by the Group, which is subject to change according to the current and future development of market conditions.

2026 Second Subscription of Shares Under General Mandate

To deepen the strategic cooperation between the parties in relation to capital, business and other resources, promote resource synergies in areas such as AI, robotics and autonomous driving, and accelerate the Group's access to and implementation of overseas capital and business opportunities, on March 9, 2026, the Company entered into a subscription agreement (the **"Second Subscription Agreement"**) with Infini Global Master Fund (the **"Subscriber"**), in relation to the allotment and issuance of an aggregate of 33,544,600 new Shares at the subscription price of HK\$18.88 per Share (the **"Second Subscription"**). All the conditions set out in the Second Subscription Agreement were fulfilled, and the Second Subscription was completed on May 8, 2026, upon which a total of 33,544,600 new Shares (with an aggregate nominal value of US\$3,354.46) have been successfully allotted and issued to the Subscriber at the subscription price of HK\$18.88 per Share pursuant to the terms and conditions of the Second Subscription Agreement. The closing price of the Shares as quoted on the Stock Exchange on March 9, 2026, being the date of the Second Subscription Agreement, was HK\$19.29 per Share. After deducting the expenses of the Second Subscription, the net proceeds from the Second Subscription amounted to approximately HK\$632.4 million (representing a net issue price of approximately HK\$18.85 per Share). For details, please refer to the announcements of the Company dated March 9, 2026, March 18, 2026 and May 8, 2026, respectively (the **"Second Subscription Announcements"**) .

During the Reporting Period, the Group utilized approximately HK\$187.3 million of the net proceeds from the Second Subscription. The unused net proceeds were held by way of deposits in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions). The Group will utilize the net proceeds from the Second Subscription for the intended purposes as stated in the Second Subscription Announcements. Details of the use of the net proceeds from the Second Subscription and the expected timeline for fully utilizing the net proceeds from the Second Subscription are set out as follows:

Intended use of the net proceeds from the Second Subscription	Planned proportion of the net proceeds (%)	Planned use of the net proceeds (Approximately HK\$ million)	Actual use of net proceeds during the Reporting Period (Approximately HK\$ million)	Unused net proceeds as of June 30, 2026 (Approximately HK\$ million)	Expected timeline for fully utilizing the net proceeds from the Second Subscription ⁽¹⁾
(i) Research and development over core technologies	50.0	316.2	105.8	210.4	
• Research and development of next-generation high-performance chips, including high-computing-power chips for autonomous driving and robotics applications, as well as edge AI chips for terminal devices	30.0	189.7	105.8	83.9	2026: 70% utilized 2027: 30% utilized
• Establishment of overseas research and development centers, with a view to enhancing the Group's global R&D collaboration capabilities	20.0	126.5	–	126.5	2026: 70% utilized 2027: 30% utilized
(ii) Product commercialisation and market expansion of the Group	40.0	253.0	61.5	191.5	
• Promotion of the certification, adaptation and mass-production resource deployment for the Group's latest high-performance assisted driving chips and platforms with key customers	20.0	126.5	14.0	112.5	2026: 70% utilized 2027: 30% utilized
• Expansion of the robotics product line and on-device AI product line for accelerating product commercialisation	20.0	126.5	47.5	79.0	2026: 70% utilized 2027: 30% utilized
(iii) General working capital purposes	10.0	63.2	20.0	43.2	2026: 70% utilized 2027: 30% utilized
Total	100.0	632.4	187.3	445.1	

Note:

- (1) The expected timeline for utilizing the remaining net proceeds is prepared based on the current best estimate made by the Group, which is subject to change according to the current and future development of market conditions.

Gearing Ratio

Our gearing ratio, being borrowings divided by total equity and multiplied by 100%, was 63.8% and 43.6% as of December 31, 2025 and June 30, 2026, respectively.

Contingent Liabilities

As of June 30, 2026, we did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of our Group that was likely to have a material and adverse effect on our business, financial condition or results of operations.

Significant Investments Held

As of June 30, 2026, we did not hold any significant investments (including any investments in investee companies that accounted for 5% or more of the Group's total assets as at June 30, 2026).

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Acquisition of 60% equity interest in Eeasy Tech through the Equity Transfer and the Capital Increase

On December 31, 2025, Black Sesame Wuhan (an indirect wholly-owned subsidiary of the Company), the Vendors (the 21 existing shareholders of the Target Company), the Management Shareholders and the Target Company (Eeasy Tech) entered into the Equity Transfer Agreement, pursuant to which the Purchasers (collectively, Black Sesame Wuhan and the SPV) agreed to purchase and the Vendors agreed to sell an aggregate of 32.8435% equity interest in the Target Company (representing 19.5623% of the enlarged total equity interest of the Target Company after the Capital Increase), at a total consideration of RMB457,800,000, and the Purchasers shall pay the corresponding unpaid registered capital of RMB133,088 to the Target Company.

On the same date, SPV (an indirect wholly-owned subsidiary of the Company), the Management Shareholders, the Existing Shareholders, the Employees Partnerships and the Target Company entered into the Capital Increase Agreement, pursuant to which the SPV subscribed for the newly increased registered capital in the Target Company of RMB20,218,838 (representing 40.4377% of the enlarged total equity interest of the Target Company after the Capital Increase) at a consideration of RMB20,218,838.

Due to the scheduling of the relevant procedures, completion of the Equity Transfer and the Capital Increase took place on 24 June 2026 and 26 June 2026, respectively, in accordance with the terms and conditions of the Equity Transfer Agreement and the Capital Increase Agreement. Upon the completion of the Acquisition, the Company indirectly owns 60% equity interest in the Target Company through the SPV, and the Target Company has become a non-wholly owned subsidiary of the Company, and its financial results have been consolidated into the Group's consolidated financial statements.

For further details of the Acquisition, please refer to the Company's announcements dated December 31, 2025, January 27, 2026, June 17, 2026 and July 14, 2026, as well as the circular dated June 2, 2026 (the "Circular"). Terms used herein shall have the same meanings as defined in the Circular.

Save as disclosed above, during the Reporting Period, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

Pledge of Assets

As of June 30, 2026, we did not pledge any of our assets.

Future Plans for Material Investments and Capital Assets

Save as disclosed in this Report and the Prospectus, the Group has no specific future plan for material investments and acquisition of capital assets during the Reporting Period and up to the Latest Practicable Date. The Group will continue to identify new investment opportunities in companies with principal businesses related to the Group's core business with a view to creating synergies with the Group's existing core business and improving the Group's services and products to its customers.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



羅兵咸永道

To the Board of Directors of Black Sesame International Holding Limited

(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 22 to 69, which comprises the interim condensed consolidated statement of financial position of Black Sesame International Holding Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) as at June 30, 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*”.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2.1 in the condensed consolidated interim financial information, which indicates that, for the six months ended June 30, 2026, the Group incurred operating losses of RMB771,198 thousand and the Group's net cash used in operating activities was RMB1,021,107 thousand, attributable primarily to significant research and development expenditures, and as at June 30, 2026, the Group has cash and cash equivalents of RMB1,138,491 thousand, accumulated losses of RMB13,363,171 thousand, current liabilities included borrowings of RMB1,803,489 thousand due for repayment within the next twelve months. As stated in Note 2.1, these events or conditions, along with other matters as set forth in Note 2.1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, August 31, 2026

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS

		Six months ended June 30,	
	Note	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	7	458,467	252,882
Cost of sales	8	(231,550)	(190,185)
Gross profit		226,917	62,697
Selling expenses	8	(37,698)	(51,510)
General and administrative expenses	8	(136,194)	(170,106)
Research and development expenses	8	(859,726)	(618,130)
Net impairment losses on financial assets		(18,320)	(11,445)
Other income	9	7,204	7,397
Other gains – net	10	46,619	9,803
Operating loss		(771,198)	(771,294)
Finance income	11	14,872	27,439
Finance costs	11	(12,567)	(17,099)
Finance income, net		2,305	10,340
Share of net loss of associates accounted for using the equity method	17	(1,361)	(1,410)
Loss before income tax		(770,254)	(762,364)
Income tax expense	12	(36)	–
Loss for the period attributable to the equity holders of the Company		(770,290)	(762,364)
Other comprehensive loss			
<i>Items that will not be reclassified to profit or loss</i>			
Change in foreign currency translation of the financial statements of the Company		(165,487)	(17,110)

Condensed Consolidated Statement of Comprehensive Loss (continued)

		Six months ended June 30,	
	Note	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
<i>Items that may be subsequently reclassified to profit or loss</i>			
Change in foreign currency translation of the financial statements of the subsidiaries of the Company		103,559	6,633
Other comprehensive loss		(61,928)	(10,477)
Total comprehensive loss for the period attributable to the equity holders of the Company		(832,218)	(772,841)
Loss per share for loss attributable to the equity holders of the Company (in RMB)			
Basic	13	(1.18)	(1.30)
Diluted	13	(1.18)	(1.30)

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	14	88,026	75,051
Right-of-use assets	15	47,971	36,449
Intangible assets	16	604,512	30,879
Investments accounted for using the equity method	17	12,551	13,912
Prepayments and other receivables	21	14,692	14,592
Financial assets at fair value through profit or loss ("FVPL")	20	200,824	147,380
Total non-current assets		968,576	318,263
Current assets			
Inventories	18	209,984	51,225
Trade and notes receivables	22	737,266	499,713
Prepayments and other receivables	21	258,557	246,828
Financial assets at FVPL	20	129,706	83,928
Cash and cash equivalents	23	1,138,491	1,446,756
Total current assets		2,474,004	2,328,450
Total assets		3,442,580	2,646,713
LIABILITIES			
Non-current liabilities			
Borrowings	27	9,400	–
Lease liabilities	15	30,484	19,118
Other payables and accruals	29	37,128	29,316
Total non-current liabilities		77,012	48,434

Condensed Consolidated Statement of Financial Position (continued)

		As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
	Note		
Current liabilities			
Trade payables	28	310,413	213,299
Contract liabilities	7	26,764	17,411
Borrowings	27	671,308	739,892
Lease liabilities	15	20,903	19,564
Other payables and accruals	29	774,101	449,162
Total current liabilities		1,803,489	1,439,328
Total liabilities		1,880,501	1,487,762
EQUITY			
Equity attributable to owners of the Company			
Share capital	24	504	453
Other equity	25	(31,590)	(17)
Reserves	26	14,859,915	13,751,396
Accumulated losses		(13,363,171)	(12,592,881)
Non-controlling interests		96,421	–
Total equity		1,562,079	1,158,951
Total equity and liabilities		3,442,580	2,646,713

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Attributable to equity holders of the Company					Non-controlling interests	Total
		Share capital	Other equity	Reserves	Accumulated losses	Sub-total		
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)								
As at January 1, 2026		453	(17)	13,751,396	(12,592,881)	1,158,951	-	1,158,951
Comprehensive loss								
Loss for the period		-	-	-	(770,290)	(770,290)	-	(770,290)
Foreign currency translation	26	-	-	(61,928)	-	(61,928)	-	(61,928)
Total comprehensive loss for the period		-	-	(61,928)	(770,290)	(832,218)	-	(832,218)
Transactions with owners in their capacity as owners								
Share-based compensation expenses	30	-	-	127,137	-	127,137	-	127,137
Issuance of ordinary shares relating to placing, net of other issuance costs	24	43	-	1,030,339	-	1,030,382	-	1,030,382
Issuance of ordinary shares to employee share scheme trusts	24	4	(4)	-	-	-	-	-
Repurchase of ordinary shares	25	-	(31,573)	-	-	(31,573)	-	(31,573)
Acquisition of a subsidiary	34	-	-	-	-	-	96,421	96,421
Vest of Restricted Share Unit ("RSU")	25	-	4	(4)	-	-	-	-
Exercise of share options	24	4	-	12,975	-	12,979	-	12,979
Total transactions with owners in their capacity as owners for the period		51	(31,573)	1,170,447	-	1,138,925	96,421	1,235,346
As at June 30, 2026		504	(31,590)	14,859,915	(13,363,171)	1,465,658	96,421	1,562,079

Condensed Consolidated Statement of Changes in Equity (continued)

		Attributable to equity holders of the Company				
		Share capital	Other equity	Reserves	Accumulated losses	Total
	Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)						
As at January 1, 2025		401	(17)	12,261,012	(11,168,181)	1,093,215
Comprehensive income						
Loss for the period		-	-	-	(762,364)	(762,364)
Foreign currency translation	26	-	-	(10,477)	-	(10,477)
Total comprehensive income for the period		-	-	(10,477)	(762,364)	(772,841)
Transactions with owners in their capacity as owners						
Share-based compensation expenses	30	-	-	213,655	-	213,655
Issuance of ordinary shares relating to placing, net of other issuance costs	24	39	-	1,142,100	-	1,142,139
Exercise of share options	24	7	-	24,150	-	24,157
Total transactions with owners in their capacity as owners for the period		46	-	1,379,905	-	1,379,951
As at June 30, 2025		447	(17)	13,630,440	(11,930,545)	1,700,325

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

		Six months ended June 30,	
	Note	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Cash flows from operating activities			
Cash used in operations		(1,035,708)	(565,393)
Interest received from cash at banks	11	14,637	27,217
Payment for income taxes	12	(36)	–
Net cash used in operating activities	31(a)	(1,021,107)	(538,176)
Cash flows from investing activities			
Payments of property, plant and equipment	14	(37,146)	(25,997)
Payments for intangible assets		(22,657)	(19,391)
Loans to a related party	33	(10,000)	(35,000)
Interest received from loans to a related party		1,050	–
Payments for financial assets at FVPL	20	(112,797)	(35,848)
Proceeds from maturity of financial assets at FVPL	20	–	71,754
Dividends received from financial assets at FVPL		369	–
Cash acquired from acquisition of a subsidiary	34	53,374	–
Net cash used in investing activities		(127,807)	(44,482)
Cash flows from financing activities			
Issuance of ordinary shares relating to placing, net of other issuance costs	24	1,030,382	1,142,139
Proceeds from borrowings	31(d)	191,743	110,000
Repayment of borrowings	31(d)	(300,000)	(150,000)
Interests paid for borrowings	31(d)	(19,630)	(11,283)
Principal payments of lease liabilities	31(d)	(8,496)	(7,075)
Interest paid for lease liabilities	31(d)	(1,063)	(1,156)
Payments for listing expenses		–	(1,392)
Repurchase of ordinary shares	25	(31,573)	–
Proceeds from exercise of stock options		12,979	24,157
Net cash generated from financing activities		874,342	1,105,390
Net (decrease)/increase in cash and cash equivalents		(274,572)	522,732
Cash and cash equivalents at beginning of period	23	1,446,756	1,448,106
Exchange losses on cash and cash equivalents		(33,693)	(4,346)
Cash and cash equivalents at end of period	23	1,138,491	1,966,492

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

NOTES TO THE FINANCIAL INFORMATION

For the six months ended June 30, 2026

1 GENERAL INFORMATION

Black Sesame International Holding Limited (the “**Company**”) was incorporated in the Cayman Islands on July 15, 2016 as an exempted company with limited liability under the Companies Act (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is P. O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the “**Group**”), primarily provide driving assistance system on chip (“**SoC**”) and SoC-based solutions and focus on developing automotive-grade driving assistance SoCs.

The Company completed the initial public offering (“**IPO**”) and had its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**the Stock Exchange**”) on August 8, 2024.

The Group has completed acquisition of Zhuhai Eeasy Technology Co., Ltd. (“**Eeasy Tech**”) on June 30, 2026 (Note 34) and Eeasy Tech primarily provides automotive-grade products and technologies and focuses on the development and sales of high-cost-performance and low-power artificial intelligence SoC and solutions.

This condensed consolidated interim financial information is presented in Renminbi (“**RMB**”), rounded to the nearest thousand, unless otherwise stated.

This condensed consolidated interim financial information has not been audited.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 Basis of preparation

This condensed consolidated interim financial information for the six months ended June 30, 2026 has been prepared in accordance with International Accounting Standard 34 “*Interim Financial Reporting*”.

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

For the six months ended June 30, 2026, the Group incurred operating losses of RMB771,198 thousand and the Group’s net cash used in operating activities was RMB1,021,107 thousand, attributable primarily to significant research and development (“**R&D**”) expenditures. As at June 30, 2026, the Group had cash and cash equivalents of RMB1,138,491 thousand, accumulated losses of RMB13,363,171 thousand, current liabilities included borrowings of RMB1,803,489 thousand due for repayment within the next twelve months. These adverse events and conditions may cast significant doubt about the Company’s capability to continue as a going concern for at least twelve months from the end of the reporting period as of June 30, 2026.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

In light of such circumstances, the directors of the Group have carefully considered the future liquidity, the operating performance of the Group, and its potential available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern for at least twelve months from June 30, 2026. The following plans and measures have been implemented to mitigate liquidity pressure and improve the Group's financial position:

- (a) The Group will take active measures to control its operating expenditures, monitor its cash position from time to time and may adjust uncommitted expenditure where necessary, including but not limited to (i) streamlining its operations to maintain a reasonable size of R&D teams and undertaking new major R&D projects in a prudent manner, and (ii) making effort to capture market opportunities for revenue growth;
- (b) Subsequent to June 30, 2026, the Group obtained new bank borrowings with a total amount of RMB357,150 thousand, including a ten year long-term borrowings of RMB300,000 thousand. The Group has been in negotiations with banks for loan financing and has obtained additional uncommitted credit quota. The directors of the Company believe that the Group will be able to secure new bank borrowings when and as needed based on the Group's historical experiences and relationships with the banks;
- (c) The Group has been successful in raising funds through private placements in recent years, and the most recent round of financing occurred in May 2026. The management of the Company is confident in raising funds through private placements in a timely manner and is in ongoing discussions with investors that have expressed subscription interest.

The directors of the Group have prepared the Group's cash flow projection, which covers a period of not less than twelve months from June 30, 2026. In the opinion of the directors of the Group, taking into account the above plans and measures and considering the underlying bases of the cash flow forecast, the Group will have sufficient financial resources available to meet its financial obligations as and when they become due and funds to support the continuous operations in the coming twelve months from June 30, 2026. Accordingly, the directors of the Group consider it is appropriate to prepare the condensed consolidated interim financial information on a going concern basis. Nevertheless, a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern, which would primarily depend upon the success in timely raising sufficient funds from new bank borrowings and private share placements.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for further liabilities that may arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in this condensed consolidated interim financial information.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

2.2 Accounting policies

The accounting policies and methods of computations used in the preparation of the interim condensed consolidated financial information are consistent with those of the annual consolidated financial statements of the Group for the year ended December 31, 2025, except for:

- (a) the adoption of new and amended IFRS effective for the financial period beginning on January 1, 2026;
- (b) the accounting policy of business combination (Note 34) and intangible assets (Note 16) applied in relation to the business combination of Easy Tech.

New and amended standards adopted by the Group

A number of new and revised IFRSs became applicable for the current reporting period. For the purpose of preparing this condensed consolidated interim financial information, the Group has adopted all applicable new and revised IFRSs except for any new standards or interpretation that are not yet effective for the reporting period ended June 30, 2026.

These amendments did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

New standards, amendments to standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for the current reporting period and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

The Group plans to adopt these new standards, amendments to standards and annual improvements when they become effective:

Annual improvements project 'Annual improvements to IFRS Accounting Standards – volumes 11'	January 1, 2027
IFRS 18 'Presentation and Disclosure in Financial Statements'	January 1, 2027
IFRS 19 'Subsidiaries without Public Accountability: Disclosures'	January 1, 2027
Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21	January 1, 2027
Amendments to IAS 28 Fair value option for investments in associates and joint ventures	January 1, 2027
IFRS 20 Regulatory Assets and Regulatory Liabilities	January 1, 2029
IFRS 10 (Amendment) and IAS 28 (Amendment) 'Sale or contribution of Assets between an Investor and its Associate or Joint Venture'	To be determined

The directors are in the process of assessing potential impact of the new standards and amendments. According to the preliminary assessment, these new standards and amendments are not expected to have any significant impact on the Group's consolidated financial statements when they become effective.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

2.2 Accounting policies (continued)

New standards, amendments to standards and interpretations not yet adopted (continued)

IFRS 18 will replace IAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

IFRS 18, and the consequential amendments to other IFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

Impact on consolidated statements of comprehensive loss:

Although the adoption of IFRS 18 will have no impact on the Group's net loss, the Group expects that grouping items of income and expenses in the income statement into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:

Foreign exchange differences

Foreign exchange differences currently aggregated in the line item "Other gains/(losses) – net" in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit, unless doing so would involve undue cost or effort.

Impact on disclosures:

The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for the first annual period of application of IFRS 18, a reconciliation for each line item in the income statement between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with IFRS 18.

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: mainly market 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 financial performance.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the financial statements and should be read in conjunction with the Historical Financial Information.

There were no significant changes in any material risk management policies during the six months ended June 30, 2026.

4 FAIR VALUE ESTIMATION

(a) 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 financial statements. 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.

- (i) Level 1: The fair value of financial instruments traded in active markets 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.
- (ii) Level 2: The fair value of financial instruments that are not traded in an active market are 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 determine fair value of an instrument are observable, the instrument is included in level 2.
- (iii) Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There were no transfers among level 1, 2 and 3 for recurring fair value measurements during the six months ended June 30, 2026.

The carrying amounts of the financial assets and liabilities, which are measured at amortised cost, approximated their fair value as at June 30, 2026 and December 31, 2025.

4 FAIR VALUE ESTIMATION (CONTINUED)

(a) Fair value hierarchy (continued)

The following table presents the Group's financial assets and liabilities that are measured at fair value as at June 30, 2026 and December 31, 2025, respectively.

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
(Unaudited)				
As at June 30, 2026				
Assets				
Financial assets at FVPL	-	-	330,530	330,530

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
(Audited)				
As at December 31, 2025				
Assets				
Financial assets at FVPL	-	-	231,308	231,308

(b) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include quoted market prices or dealer quotes for similar instruments.

There were no changes in valuation techniques for the six months ended June 30, 2026 and 2025.

4 FAIR VALUE ESTIMATION (CONTINUED)

(c) Valuation process

Equity investments measured at FVPL

- For investments in investment funds, the Group determines fair values as at the reporting date based on the periodic fair value reports of the respective funds provided by fund administrators and fund managers. The Group also discusses with the respective fund managers to understand the performance of the underlying investments and fair value measurement basis conducted by the respective fund administrators and fund managers, obtains and reviews latest available financial information (if applicable), in order to assess whether the fair values as stated in the periodic fair value reports at the end of each reporting period are appropriate;
- For the investment in private equity fund, the Group determines fair values as at the reporting date based on the fair value of underlying investments in unlisted companies invested by those private funds. For those underlying investments with recent transactions, management determines their fair value at the end of each reporting period by taking reference to those recent transaction prices; for those underlying investments with no recent transactions, their fair values have been determined with by investment cost.

Debt investments measured at FVPL

- Debt investment measured at FVPL is valued based on calibration to recent transaction prices or investment cost without adjustment.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

In preparing the condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2025 except for:

Business combination

The Group accounts for business combinations by using acquisition method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The determination and allocation of fair values to the identifiable assets acquired and liabilities assumed is based on various assumptions and valuation methodologies requiring considerable management judgment. The most significant variables in these valuations are discount rates, the forecasted cash flows and terminal values, as well as the assumptions and estimates used based on the risk inherent in the related activity's current business model and industry comparisons.

6 SEGMENT INFORMATION

The executive directors of the Company has been identified as the chief operating decision maker ("CODM") of the Group. Prior to the completion of acquisition of Eeasy Tech, the CODM reviewed the operating results of the Group's business as one operating segment to make strategic decisions and resources allocation. Therefore, before the business combination of Eeasy Tech, the Group regarded that there was only one segment which was used to make strategic decisions.

As at June 30, 2026, the Company completed the acquisition of 60% of equity interests in Eeasy Tech, the CODM will review the independent operating results of two segments separately to make resource allocation decisions and assess their respective performance, which are Black Sesame segment and Eeasy Tech segment. There is no segment information provided for the six months ended 2026 as Eeasy Tech was consolidated by the Group as of June 30, 2026.

No geographical segment information is presented as the majority of the revenue of the Group is derived within PRC and the majority of the operating assets of the Group are located in the PRC, which is considered as one geographic location with similar risks and returns.

Revenue from customers contributing over 10% of the total revenue of the Group in the six months ended June 30, 2026 and 2025 is as follows:

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Customer A	26%	–
Customer B	11%	17%
Customer C	*	17%
Customer D	–	26%

* Less than 10%

7 REVENUE

(a) Disaggregation of revenue from contracts with customers

Revenue for the six months ended June 30, 2026 and 2025 are as follows:

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue from customers and recognised at point in time		
Driving Assistance Products and Solutions	395,052	236,785
Intelligent Imaging Solutions	16,233	16,097
Embodied AI and Solutions	47,182	–
	458,467	252,882

(b) Contract liabilities

During the six months ended June 30, 2026 and 2025, the additions to the contract liabilities were primarily due to cash collections in advance of fulfilling performance obligations, while the reductions to the contract liability balance were primarily due to the recognition of revenues upon fulfilment of performance obligations.

The following table shows how much of the revenue recognised during the six months ended June 30, 2026 and 2025 is included in the contract liabilities:

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue recognised that was included in the contract liability balance at the beginning of the period	7,707	440

8 EXPENSES BY NATURE

The detailed analysis of cost of sales, selling expenses, general and administrative expenses, and research and development expenses are as follow:

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Employee benefits expenses	560,842	569,808
Design and development expenses	267,710	173,121
Cost of inventories sold	221,777	178,696
Intellectual property ("IP") license expenses	105,784	59
Depreciation of property, plant and equipment (Note 14)	25,254	26,603
Office and travelling expenses	19,434	18,351
Amortization of intangible assets (Note 16)	16,340	14,530
Outsourcing labor costs	12,649	8,545
Marketing expenses	10,018	9,371
Depreciation of right-of-use assets (Note 15)	9,799	9,882
Legal, consulting and other professional fees	6,878	5,676
Provision for impairment of inventories (Note 18)	1,684	9,348
Short-term lease expenses (Note 15)	1,501	2,794
Others	5,498	3,147
Total cost of sales, selling expenses, general and administrative expenses, and research and development expenses	1,265,168	1,029,931

9 OTHER INCOME

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Government grants (a)	5,854	7,397
Interest income on loan to a related party (Note 33)	1,350	–
	7,204	7,397

- (a) The government grants mainly represent government subsidies for the Group's research and development expenditures. There are no unfulfilled conditions or other contingencies attaching to the grants recognised.

10 OTHER GAINS – NET

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Net foreign exchange gains (a)	20,803	3,657
Gains on financial assets at FVPL (Note 20)	25,465	1,277
Gains on debt restructuring (b)	–	4,867
Others	351	2
	46,619	9,803

- (a) The net foreign exchange gains of the Group were primarily resulted from the translation of USD monetary debts into RMB functional currency in its PRC subsidiaries.
- (b) In March 2025, the Group entered into several debt restructuring contracts with certain vendors, pursuant to which part of the payables to these vendors were waived, which resulted in a gain of RMB5.0 million.

11 FINANCE INCOME – NET

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Finance income:		
Interest income on cash at bank	14,637	27,217
Others	235	222
	14,872	27,439
Finance costs:		
Interest expenses on bank borrowings	(10,132)	(14,554)
Interest expenses on lease liabilities (Note 15)	(1,063)	(1,156)
Others	(1,372)	(1,389)
	(12,567)	(17,099)
	2,305	10,340

12 INCOME TAX EXPENSE

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the year to June 30, 2026 is 0% (for the year to June 30, 2025: 0%).

13 LOSS PER SHARE

(a) Basic loss per share

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Loss attributable to the equity holders of the Company (RMB'000)	(770,290)	(762,364)
Weighted average number of ordinary shares outstanding (thousand shares)	650,496	588,209
Basic loss per share (expressed in RMB per share)	(1.18)	(1.30)

(b) Diluted loss per share

The calculation of the diluted loss per share is based on the loss attributable to equity holders of the Company, adjusted to reflect the impact from any dilutive potential ordinary shares that would have been outstanding, as appropriate. The weighted average number of ordinary shares used in calculating diluted loss per share is the weighted average number of ordinary shares, as used in the basic loss per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

As the Group incurred losses for the six months ended June 30, 2026, the potential ordinary shares 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 June 30, 2026 is the same as basic loss per share for the period.

14 PROPERTY, PLANT AND EQUIPMENT

	Electronic devices RMB'000	Furniture and fixtures RMB'000	Leasehold improvements RMB'000	Vehicles RMB'000	Total RMB'000
(Unaudited)					
At January 1, 2026					
Cost	224,610	2,994	14,086	3,473	245,163
Accumulated depreciation	(156,139)	(2,005)	(11,084)	(884)	(170,112)
Net book amount	68,471	989	3,002	2,589	75,051
Six months ended June 30, 2026					
Opening net book amount	68,471	989	3,002	2,589	75,051
Additions	34,185	90	1,220	1,651	37,146
Acquisition of a subsidiary (Note 34)	1,156	40	–	15	1,211
Depreciation charge (Note 8)	(23,795)	(227)	(792)	(440)	(25,254)
Currency translation differences	(130)	(2)	4	–	(128)
Closing net book amount	79,887	890	3,434	3,815	88,026
At June 30, 2026					
Cost	259,369	3,096	15,126	4,879	282,470
Accumulated depreciation	(179,482)	(2,206)	(11,692)	(1,064)	(194,444)
Net book amount	79,887	890	3,434	3,815	88,026
(Unaudited)					
At January 1, 2025					
Cost	179,961	2,868	11,872	886	195,587
Accumulated depreciation	(105,616)	(1,578)	(8,023)	(571)	(115,788)
Net book amount	74,345	1,290	3,849	315	79,799
Six months ended June 30, 2025					
Opening net book amount	74,345	1,290	3,849	315	79,799
Additions	25,089	–	–	908	25,997
Disposal	(1)	–	–	–	(1)
Depreciation charge (Note 8)	(24,938)	(233)	(1,337)	(95)	(26,603)
Currency translation differences	30	–	13	–	43
Closing net book amount	74,525	1,057	2,525	1,128	79,235
At June 30, 2025					
Cost	205,078	2,865	12,104	1,794	221,841
Accumulated depreciation	(130,553)	(1,808)	(9,579)	(666)	(142,606)
Net book amount	74,525	1,057	2,525	1,128	79,235

14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Research and development expenses	20,565	21,257
General and administrative expenses	4,654	5,301
Selling expenses	35	45
	25,254	26,603

15 LEASE

(a) Amounts recognised in the condensed consolidated statement of financial position

The condensed consolidated statement of financial position shows the following amounts relating to leases:

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Right-of-use assets		
Leased buildings	47,971	36,449
Lease liabilities		
Current	20,903	19,564
Non-current	30,484	19,118
	51,387	38,682

Additions to leased buildings during the six months ended June 30, 2026 and 2025 were approximately RMB23.3 million and RMB11.8 million, respectively.

15 LEASE (CONTINUED)

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

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

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Depreciation charge of right-of-use assets <i>(Note 8)</i>	9,799	9,882
Interest expense (included in finance cost) <i>(Note 11)</i>	1,063	1,156
Expense relating to short-term leases <i>(Note 8)</i>	1,501	2,794

The total cash outflows for leases during the six months ended June 30, 2026 and 2025 were approximately RMB11.1 million and RMB11.0 million, respectively.

(c) The Group's leasing activities and how these are accounted for

The Group leases various buildings for operation. Rental contracts are typically made for fixed periods ranging from one year to five years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessors. Leased assets may not be used as security for borrowing purposes.

16 INTANGIBLE ASSETS

	Software RMB'000	Customer relationships RMB'000	Technology RMB'000	Goodwill RMB'000	Total RMB'000
(Unaudited)					
At January 1, 2026					
Cost	108,709	–	–	–	108,709
Accumulated amortization	(77,830)	–	–	–	(77,830)
Net book amount	30,879	–	–	–	30,879
Six months ended June 30, 2026					
Opening net book amount	30,879	–	–	–	30,879
Additions	47,649	–	–	–	47,649
Acquisition of a subsidiary (Note 34)	3	157,300	51,500	333,521	542,324
Amortisation charge (Note 8)	(16,340)	–	–	–	(16,340)
Closing net book amount	62,191	157,300	51,500	333,521	604,512
At June 30, 2026					
Cost	156,361	157,300	51,500	333,521	698,682
Accumulated amortization	(94,170)	–	–	–	(94,170)
Net book amount	62,191	157,300	51,500	333,521	604,512
(Unaudited)					
At January 1, 2025					
Cost	97,003	–	–	–	97,003
Accumulated amortization	(57,938)	–	–	–	(57,938)
Net book amount	39,065	–	–	–	39,065
Six months ended June 30, 2025					
Opening net book amount	39,065	–	–	–	39,065
Additions	85	–	–	–	85
Amortisation charge (Note 8)	(14,530)	–	–	–	(14,530)
Closing net book amount	24,620	–	–	–	24,620
At June 30, 2025					
Cost	95,172	–	–	–	95,172
Accumulated amortization	(70,552)	–	–	–	(70,552)
Net book amount	24,620	–	–	–	24,620

16 INTANGIBLE ASSETS (CONTINUED)

Amortisation of the Group's intangible assets has been recognised as follows:

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Research and development expenses	16,184	14,160
General and administrative expenses	156	370
	16,340	14,530

Accounting policies of intangible assets

(a) Customer relationships

Customer relationship acquired in a business combination is recognised at fair value at the acquisition date. The contractual customer relationship has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of 10 years for the customer relationship. The useful life of 10 years for customer relationship is determined with reference to the Directors' best estimate of the annual customer churn rate.

(b) Technology

Technology acquired in a business combination is recognised at fair value at the acquisition date. The technology has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of 8 years for the technology. The useful life of 8 years for technology is determined with reference to the Directors' best estimate of the expected period the Group will derive economic benefits from the technology.

(c) Goodwill

Goodwill arising from the acquisition of subsidiaries represents the excess of the aggregate purchase consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previous equity interests in the acquiree over the fair value of the identifiable net assets acquired. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units ("CGUs") for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

(d) Impairment of goodwill

The goodwill is generated from acquisition of Eeasy Tech on June 30, 2026 (Note 34). The consideration was determined based on the fair value of the acquiree on acquisition date, therefore there is no impairment indicator as of June 30, 2026.

17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Investment in associates		
At the beginning of the period	13,912	14,851
Share of net loss of associate accounted for using the equity method	(1,361)	(1,410)
At the end of the period	12,551	13,441

18 INVENTORIES

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Raw materials	27,596	–
Work in progress	117,721	39,398
Finished goods	113,130	60,920
	258,447	100,318
Less: Provision for impairment of inventories	(48,463)	(49,093)
	209,984	51,225

During the six months ended June 30, 2026, inventories recognised as cost of sales amounted to RMB221.8 million, and provision of impairment of inventories recognised as cost of sales amounted to RMB1.7 million.

During the six months ended June 30, 2025, inventories recognised as cost of sales amounted to RMB178.7 million, and provision of impairment of inventories recognised as cost of sales amounted to RMB9.3 million.

19 FINANCIAL INSTRUMENTS BY CATEGORY

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Financial assets		
Financial assets at FVPL (Note 20)	330,530	231,308
Financial assets at amortised cost:		
– Trade and notes receivables (Note 22)	737,266	499,713
– Other receivables (excluded prepayments, contract fulfillment cost, listing expenses to be capitalised and value-added tax recoverable) (Note 21)	24,509	105,029
– Cash and cash equivalents (Note 23)	1,138,491	1,446,756
	2,230,796	2,282,806
Financial liabilities		
Financial liabilities at amortised cost:		
– Trade payables (Note 28)	310,413	213,299
– Other payables and accruals (excluding government grants, other tax payables, payroll and welfare payables) (Note 29)	592,138	233,062
– Borrowings (Note 27)	680,708	739,892
– Lease liabilities (Note 15)	51,387	38,682
	1,634,646	1,224,935

20 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group classifies the following financial assets at FVPL:

- debt investments that do not qualify for measurement at either amortised cost or at FVOCI;
- equity investments that are held for trading; and
- equity investments for which the entity has not elected to recognise fair value gains or losses through OCI.

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

Financial assets measured at FVPL include the following:

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Current assets		
– Short-term investments measured at FVPL (a)	129,706	83,928
Non-current assets		
– Equity investments measured at FVPL (b)	37,237	20,633
– Debt investments measured at FVPL (c)	163,587	126,747
Total financial assets	330,530	231,308

- (a) As at June 30, 2026, short-term investments measured at FVPL represent equity investments in investment funds in which the Group act as limited partners without significant influence and an entrusted asset management arrangement. The Group has determined the fair value of these financial assets based on valuation process as disclosed in Note 4.
- (b) As at June 30, 2026, long-term equity investments measured at FVPL represent investment in a private equity fund. The Group determines fair values as at the reporting date based on the fair value of underlying investments in unlisted companies invested by those private funds. The Group has determined the fair value of these financial assets based on valuation process as disclosed in Note 4.
- (c) As at June 30, 2026, long-term debt investments measured at FVPL represent investment in preferred shares or ordinary shares with preferential rights. The Group has the right to require and demand the investees to redeem all of the shares held by the Group at predetermined fixed amount upon redemption events which are out of control of issuers. These investments are measured as financial assets at fair value through profit or loss. The Group has determined the fair value of these financial assets based on valuation process as disclosed in Note 4.

During the six months ended June 30, 2026 and 2025, the following net fair value gains were recognised in the condensed consolidated statements of comprehensive loss:

	Six months ended June 30, 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Gains on financial assets at FVPL recognised in other gains – net	25,465	1,277

21 PREPAYMENTS AND OTHER RECEIVABLES

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Non-current:		
Capacity retention fees to packaging and testing services provider	8,657	8,423
Deposits	4,929	4,693
Others	1,106	1,476
	14,692	14,592
Less: loss allowance	–	–
	14,692	14,592
Current:		
Loan receivable due from a related party (a) (Note 33(c))	–	85,722
Value-added tax recoverable	89,724	74,839
Prepayments	155,472	60,677
Deposits	6,081	1,962
Contract fulfillment cost	2,438	19,399
Others	4,842	4,229
	258,557	246,828
Less: loss allowance	–	–
	258,557	246,828

- (a) The Group entered into certain one-year loan agreements with Eeasy Tech, pursuant to which the Group provided loans with an aggregated amount of RMB85 million to Eeasy Tech, with the interest rate of 3% per annum. The loans were collateralized by the founder's 12.5% equity interest in Eeasy Tech in total.

As at June 30, 2026, the loans were eliminated in the Group's consolidated financial statements after the completion of acquisition of Eeasy Tech in June 2026.

As at June 30, 2026 and December 31, 2025, the carrying amounts of other receivables were primarily denominated in RMB and approximated their fair values at each period/year end.

Other receivables that are measured at amortised cost included deposits and amounts due from a related party and others were considered to be of low credit risk, and thus the impairment provision recognised during the six months ended June 30, 2026 and 2025 was limited to 12 months expected losses. The expected credit losses were minimal as these receivables had no history of default, certain amount of receivables were subsequently settled, and there was no unfavorable current conditions and forecast future economic conditions identified as at June 30, 2026 and December 31, 2025.

22 TRADE AND NOTES RECEIVABLES

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Trade and notes receivables	812,601	553,953
Less: provision for impairment	(77,846)	(59,526)
	734,755	494,427
Notes receivables	2,511	5,286
	737,266	499,713

The Group usually grants a credit period of 30 days to 180 days to its customers. As at June 30, 2026 and December 31, 2025, the aging analysis of trade and notes receivables based on recognition date of gross trade and notes receivables are as follows:

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Up to 3 months	469,389	396,578
3 to 6 months	57,278	17,954
6 to 9 months	169,700	45,401
9 to 12 months	7,260	971
over 12 months	111,485	98,335
	815,112	559,239

The majority of the Group's trade and notes receivables were denominated in RMB.

23 CASH AND CASH EQUIVALENTS

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Cash and cash equivalents (Note 19)	1,138,491	1,446,756
Cash and cash equivalents are denominated in:		
– USD	684,797	1,053,532
– RMB	451,144	389,248
– HKD	441	1,329
– SGD	2,109	2,647
	1,138,491	1,446,756

As at June 30, 2026 and December 31, 2025, cash and cash equivalents of the Group are mainly denominated in USD.

24 SHARE CAPITAL

Authorized

	Number of shares	Nominal value of shares in USD
Authorized shares as at June 30, 2026 and December 31, 2025 (a)	1,000,000,000	100,000

Issued

	Number of shares	Nominal value of shares in USD	Equivalent nominal value of shares RMB'000
(Unaudited)			
As at January 1, 2026	640,914,832	64,091	453
Issuance relating to placing (b)	62,087,600	6,209	43
Issuance of ordinary shares to Black Sesame Employee Trust (d)	6,000,000	600	4
Exercise of share options (c)	5,572,975	557	4
As at June 30, 2026	714,575,407	71,457	504

24 SHARE CAPITAL (CONTINUED)

Issued (continued)

	Number of shares	Nominal value of shares in USD	Equivalent nominal value of shares RMB'000
(Unaudited)			
As at January 1, 2025	569,169,253	56,917	401
Issuance relating to placing (b)	53,650,000	5,365	39
Exercise of share options (c)	9,627,738	963	7
As at June 30, 2025	632,446,991	63,245	447

- (a) As of June 30, 2026 and December 31, 2025, the total authorized number of ordinary shares is 1,000,000,000 shares with par value of USD0.0001 per share.

As of June 30, 2026, the Company's issued 714,575,407 ordinary shares, among which, 688,081,770 shares were outstanding and 26,493,637 shares were recorded as treasury stock.

As of December 31, 2025, the Company's issued 640,914,832 ordinary shares, among which, 616,727,524 shares were outstanding and 24,187,308 shares were recorded as treasury stock.

- (b) On February 26, 2025, a total of 53,650,000 new shares were issued at HKD23.20 per share. The net proceeds from the placing, after deducting the placing commission and other relevant costs and expenses amounted to approximately HKD1,237.4 million (equivalent to RMB1,142.1 million).

On March 6, 2026, a total of 28,543,000 new shares were issued at the HKD18.88 per share. The net proceeds after deducting the placing commission and other relevant costs and expenses amounted to approximately HKD538.9 million (equivalent to RMB476.5 million).

On May 6, 2026, a total of 33,544,600 new shares were issued at the HKD18.88 per share. The net proceeds after deducting the placing commission and other relevant costs and expenses amounted to approximately HKD633.3 million (equivalent to RMB553.9 million).

- (c) During the six months ended June 30, 2026 and 2025, additional 5,572,975 and 9,627,738 options were exercised and registered (Note 30).
- (d) During the six months ended June 30, 2026, the Company issued 6,000,000 ordinary shares with nil consideration to the Black Sesame Employee Trust for the RSU scheme, which were classified as treasury shares upon issuance. As at June 30, 2026, 5,675,871 of these treasury shares have been issued to employees related to the vesting of RSU.

25 OTHER EQUITY

	Number of treasury shares	Treasury Shares RMB'000
(Unaudited)		
As at January 1, 2026 and December 31, 2025	(24,187,308)	(17)
Repurchase of ordinary shares (a)	(1,982,200)	(31,573)
Issuance of ordinary shares to Black Sesame Employee Trust (Note 24)	(6,000,000)	(4)
Vesting of RSU (Note 24)	5,675,871	4
As at June 30, 2026	(26,493,637)	(31,590)

- (a) During the six months ended June 30, 2026, the Group repurchased a total of 1,982,200 ordinary shares that listed on the Stock Exchange with a total consideration of HKD35.7 million (equivalent to RMB31.6 million).

26 RESERVES

	Currency translation differences RMB'000	Share- based Compensation RMB'000	Conversion of preferred shares upon IPO RMB'000	Net proceeds from IPO RMB'000	Net proceeds from Placement RMB'000	Repurchase and cancellation of ordinary shares RMB'000	Repurchase and cancellation of vested share options RMB'000	Total RMB'000
(Unaudited)								
As at January 1, 2026	(553,015)	1,760,452	10,640,567	866,856	1,142,100	(46,500)	(59,064)	13,751,396
Issuance of ordinary shares relating to placing, net of underwriting commissions and other issuance costs	-	-	-	-	1,030,339	-	-	1,030,339
Share-based compensation	-	127,137	-	-	-	-	-	127,137
Exercise of share options	-	12,975	-	-	-	-	-	12,975
Vesting of RSU	-	(4)	-	-	-	-	-	(4)
Currency translation differences	(61,928)	-	-	-	-	-	-	(61,928)
As at June 30, 2026	(614,943)	1,900,560	10,640,567	866,856	2,172,439	(46,500)	(59,064)	14,859,915
(Unaudited)								
As at January 1, 2025	(506,050)	1,366,779	10,640,567	865,280	-	(46,500)	(59,064)	12,261,012
Issuance of ordinary shares relating to placing, net of underwriting commissions and other issuance costs	-	-	-	-	1,142,100	-	-	1,142,100
Share-based compensation	-	213,655	-	-	-	-	-	213,655
Exercise of share options	-	24,150	-	-	-	-	-	24,150
Currency translation differences	(10,477)	-	-	-	-	-	-	(10,477)
As at June 30, 2025	(516,527)	1,604,584	10,640,567	865,280	1,142,100	(46,500)	(59,064)	13,630,440

27 BORROWINGS

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Borrowings included in non-current liabilities:		
– Bank borrowings, unsecured (a)	9,400	–
Borrowings included in current liabilities:		
– Bank borrowings, secured (b)	–	190,000
– Bank borrowings, unsecured (a)(c)	670,804	540,000
– Interest payables	504	9,892
	671,308	739,892
	680,708	739,892

(a) The borrowings taken by the Group from business combination as of June 30, 2026 included:

- Unsecured three-year loan carried from Eeasy Tech with outstanding amount of RMB10 million, maturing in June 2029. As of June 30, 2026, RMB0.6 million is classified as current portion, with the remaining RMB9.4 million as non-current liabilities; and
- Unsecured one-year loan carried from Eeasy Tech with outstanding amount of RMB48.6 million under certain loan facility agreements and due in 2027.

Eeasy Tech has not complied with the covenants of certain bank loans with total principal amounts of RMB9.75 million. As a result, the relevant banks are entitled to exercise their rights to demand immediate repayment of part or all of the outstanding borrowings.

(b) As of December 31, 2025, the secured bank borrowings represented a bank loan from Shanghai Innovation Bank (originally named Shanghai Pudong Development Silicon Valley Bank “SSVB”). The interest rate of the borrowings was loan prime rate (“LPR”) plus 0.25% per annum.

During the six months ended June 30, 2026, the Group repaid all the remaining amount according to the loan agreements.

27 BORROWINGS (CONTINUED)

- (c) During the six months ended June 30, 2026, the Group drew down and repaid borrowings with an aggregated principal amount of RMB192 million and RMB110 million, respectively, under certain loan facility agreements. As of June 30, 2026, outstanding borrowings under the loan facility agreements amounted to RMB622 million.

During the year ended December 31, 2025, the Group drew down and repaid borrowings with an aggregated principal amount of RMB540 million and RMB180 million, respectively, under certain loan facility agreements. As of December 31, 2025, outstanding borrowings under the loan facility agreements amounted to RMB540 million.

The weighted average interest rates for the six months ended June 30, 2026 and the year ended December 31, 2025 were 2.92% and 3.49%, respectively per annum.

28 TRADE PAYABLES

As at June 30, 2026 and December 31, 2025, the aging analysis of the trade payables based on transaction date are as follows:

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Up to 6 months	231,277	192,000
6 to 12 months	63,763	17,998
over 12 months	15,373	3,301
	310,413	213,299

29 OTHER PAYABLES AND ACCRUALS

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Non-current:		
Government grants (a)	3,811	–
Payables for transaction costs	16,927	22,240
Payables for purchase of software	15,599	4,498
Others	791	2,578
	37,128	29,316
Current:		
Payables for acquisition of a subsidiary (Note 34)	457,800	–
Government grants (a)	117,322	99,762
Payroll and welfare payables	87,014	146,011
Payables for technical services	47,340	81,285
Payables for financing transaction costs	22,366	16,134
Payables for purchase of software	21,030	6,686
Other taxes payable	8,143	8,038
Payables for purchase of IP	4,983	54,095
Payables for purchase of equity interests	–	31,629
Others	8,103	5,522
	774,101	449,162
	811,229	478,478

- (a) Government grants provided to the Group mainly related to the financial assistance received from local governments in the PRC. When attached conditions are expected to be satisfied within one year, the Group recorded the government grants as current liabilities upon cash receipts. For government grants of which the attached conditions are expected to be satisfied over one year, the Group recorded the government grants as non-current liabilities upon cash receipts.

30 SHARE-BASED COMPENSATION

(a) Share option

In September 2016, the Company adopted a Pre-IPO Plan, which permitted the grant of stock options and restricted shares to the employees and directors of the Group. Under the plan, a total of no more than 156,847,868 ordinary shares of the Company were initially reserved for issuance. The stock options under the Pre-IPO Plan have a contractual term of ten years from the grant date.

During the six months ended June 30, 2026 and 2025, the Company granted nil and nil stock options, to the Group's employees under the Pre-IPO Plan.

The following table summarizes the Group's stock option activities:

	Number of share options	Weighted average exercise price USD
(Unaudited)		
Outstanding at January 1, 2026	112,676,853	0.36
Forfeited	(351,586)	0.58
Expired	(11,627)	0.59
Exercised	(5,572,975)	0.34
Outstanding at June 30, 2026	106,740,665	0.36
Vested and exercisable as at June 30, 2026	101,941,747	0.34
(Unaudited)		
Outstanding at January 1, 2025	132,184,924	0.36
Forfeited	(486,284)	0.60
Expired	(49,249)	0.59
Exercised	(9,627,738)	0.35
Outstanding at June 30, 2025	122,021,653	0.36
Vested and exercisable as at June 30, 2025	103,377,844	0.30

The weighted-average remaining contractual life for outstanding share options was 5.3 years as at June 30, 2026 (December 31, 2025: 5.8 years).

The Group has used the discounted cash flow method to determine the underlying equity fair value of the Company and adopted the equity allocation model to determine the fair value of the underlying ordinary shares. Key assumptions, such as projections of future performance, are determined by the Group with best estimate.

30 SHARE-BASED COMPENSATION (CONTINUED)

(a) Share option (continued)

Based on fair values of the underlying ordinary shares, the Group has used Binomial model to determine the fair values of the share options as at the respective grant dates.

(b) Restricted Share Unit

In July 2024, the Company adopted its Post-IPO Plan, which permitted the grant of restricted shares to the employees and directors of the Group. Under the plan, a total of no more than 56,916,925 ordinary shares of the Company were initially reserved for issuance. The stock options under the Post-IPO Plan have a contractual term of ten years from the grant date.

During the six months ended June 30, 2026 and 2025, the Company granted 855,000 and 17,860,643 RSU, to the Group's employees under the Post-IPO Plan.

The following table summarizes the Group's stock option activities:

	Number of RSUs	Weighted average fair value HKD
(Unaudited) Outstanding at January 1, 2026	17,771,687	19.36
Granted	855,000	12.29
Forfeited	(396,540)	17.81
Exercised	(5,675,871)	15.36
Outstanding at June 30, 2026	12,554,276	20.74
Vested and exercisable as at June 30, 2026	–	–
(Unaudited) Outstanding at January 1, 2025	–	–
Granted	17,860,643	19.44
Forfeited	(337,426)	19.44
Outstanding at June 30, 2025	17,523,217	19.44
Vested and exercisable as at June 30, 2025	–	–

The fair value of each RSU at the grant dates is determined by reference to the fair value of the underlying ordinary shares on the date of grant.

30 SHARE-BASED COMPENSATION (CONTINUED)

(c) Expenses arising from share-based payment transactions

The Group has to estimate the expected retention rate at the end of the vesting periods of the share options and RSUs in order to determine the amount of share-based compensation expenses charged to the condensed consolidated statement of comprehensive loss. As at June 30, 2026, the expected retention rate of the Group had been assessed to be no lower than 90% (December 31, 2025: 90%).

The share-based payment expenses have been charged to the condensed consolidated statement of comprehensive loss for the six months ended June 30, 2026 and 2025 as follows:

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Research and development expenses	74,445	101,526
Selling and marketing expenses	8,778	20,739
General and administrative expenses	43,914	91,390
	127,137	213,655

31 CASH FLOW INFORMATION

(a) Net cash used in operating activities

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Loss before income tax	(770,254)	(762,364)
Adjustment for:		
Depreciation of property, plant and equipment (Note 14)	25,254	26,603
Depreciation of right-of-use assets (Note 15)	9,799	9,882
Amortisation of intangible assets (Note 16)	16,340	14,530
Provision for impairment of inventories (Note 18)	1,684	9,348
Loss on disposal of property, plant and equipment (Note 14)	–	1
Termination (gains)/loss on right-of-use assets	(441)	126
Gains on other financial assets at FVPL (Note 20)	(25,465)	(1,277)
Share-based payment expenses (Note 30)	127,137	213,655
Interest income (Note 11)	(235)	(222)
Interest income on loan to third and related parties (Note 33)	(1,350)	–
Interest expenses (Note 11)	12,567	17,099
Foreign exchange (gains)/losses – net (Note 10)	(20,803)	(3,657)
Net impairment losses on financial assets	18,320	11,445
Share of net loss of associates accounted for using the equity method (Note 17)	1,361	1,410
Changes in working capital:		
(Increase)/decrease in inventories	(36,794)	12,365
Increase in trade and notes receivables	(255,873)	(68,383)
(Increase)/decrease in prepayments, deposits and other assets	(70,498)	17,694
(Decrease)/increase in contract liabilities	(2,668)	3,136
Increase in trade payables	90,385	15,659
Decrease in other payables and accruals	(139,537)	(55,226)
Less: income taxes paid	(36)	–
Net cash used in operating activities	(1,021,107)	(538,176)

31 CASH FLOW INFORMATION (CONTINUED)

(b) Non-cash investing and financing activities

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Payables for acquisition of a subsidiary (Note 34)	457,800	–
Acquisition of right-of-use assets (Note 15)	23,310	11,750
Payables for purchase of intangible assets	36,629	6,483

(c) Net debt

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Cash and cash equivalents (Note 23)	1,138,491	1,446,756
Financial assets at fair value through profit or loss (Note 20)	162,312	104,562
Lease liabilities (Note 15)	(51,387)	(38,682)
Borrowings (Note 27)	(680,708)	(739,892)
Net debt	568,708	772,744

31 CASH FLOW INFORMATION (CONTINUED)

(d) Reconciliation of liabilities from financing activities

	Lease liabilities (Note 15) RMB'000	Borrowings (Note 27) RMB'000	Total RMB'000
(Unaudited)			
As at January 1, 2026	38,682	739,892	778,574
Cash flows	(9,559)	(127,887)	(137,446)
New leases	23,310	–	23,310
Acquisition of a subsidiary (Note 34)	1,665	58,571	60,235
Interest expenses	1,063	10,132	11,195
Lease Disposal	(3,568)	–	(3,568)
Foreign exchange	(206)	–	(205)
As at June 30, 2026	51,387	680,708	732,095
(Unaudited)			
As at January 1, 2025	48,187	674,212	722,399
Cash flows	(8,231)	(51,283)	(59,514)
New leases	11,750	–	11,750
Interest expenses	1,156	14,554	15,710
Lease modification	(11,426)	–	(11,426)
Foreign exchange	262	–	262
As at June 30, 2025	41,698	637,483	679,181

32 COMMITMENTS

The Group did not have any material commitments as at June 30, 2026.

33 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family member of the Group are also considered as related parties.

The following significant transactions were carried out between the Group and its related parties during the periods presented. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

(a) Name and relationship of related parties

Name of related parties	Relationship with the Group
Mairun Intelligent Technology (Shanghai) Co., Ltd.	Associate
Guoqi Pujin Intelligent Technology (Anqing) Co., Ltd.	Associate
Lingtong Technology (Shanghai) Co., Ltd.	Associate
Zhuhai Eeasy Technology Co., Ltd. (" Eeasy Tech ") *	Entity with a common director

* As of June 30, 2026, the Company completed the acquisition of Eeasy Tech. Eeasy Tech was consolidated by the Group as a subsidiary after the completion of the acquisition of Eeasy Tech.

(b) Transactions with related parties

(i) Purchase of goods and services (Trade nature)

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Driving Assistance Products and Solutions		
Eeasy Tech	8,517	355
Lingtong	282	838
	8,799	1,193

33 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties (continued)

(ii) Research and development expenses from a related party (Non-trade nature)

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Design and development expenses – Lingtong	988	–

(iii) Loan to a related party (Non-trade nature)

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Eeasy Tech	10,000	35,000

(iv) Loan interest to a related party (Non-trade nature)

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Eeasy Tech	1,350	–

33 RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Year end balances with related parties

(i) Trade payables

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Lingtong	–	317

(ii) Amounts due to a related party (Non-trade nature)

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Lingtong	239	–

(iii) Amounts due from a related party (Non-trade nature)

	As at June 30, 2026 RMB'000 (Unaudited)	As at December 31, 2025 RMB'000 (Audited)
Prepayment for technical services provided by Lingtong	283	481

33 RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Key management personnel compensation

	Six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Wages, salaries and bonuses	3,202	3,437
Share-based compensation expenses	28,804	95,866
Pension obligations, housing funds, medical insurances and other social insurances	318	401
	32,324	99,704

34 BUSINESS COMBINATION

Acquisition of Eeasy Tech

On December 31, 2025, an indirectly wholly-owned subsidiary of the Company, existing third party investors of Eeasy Tech, and Eeasy Tech entered into an Equity Transfer Agreement, pursuant to which the Company agreed to purchase, and the third party investors agreed to sell, an aggregate of 32.8435% equity interest in Eeasy Tech at a total consideration of RMB457,933,088. The Company and Eeasy Tech also entered into the Capital Increase Agreement on December 31, 2025, pursuant to which the Company subscribed for the newly increased registered capital in Eeasy Tech of RMB20,218,838. On June 30, 2026 (the acquisition date), the above acquisition was consummated. Thereafter, the Company holds 60% of the total enlarged equity interest of Eeasy Tech. The total consideration of RMB478,151,926 was fully paid in July 2026.

The Company also entered into agreements with Eeasy Tech which granted the Company a conditional right to acquire an additional 20% equity interest in Eeasy Tech from its founding shareholders for a nominal consideration, in the event that Eeasy Tech fails to meet predetermined performance targets during the years from 2026 to 2028 (the "**Performance Commitment Period**"). This right was accounted for as contingent consideration in the business combination, measured at fair value through profit or loss. As the probability of underperformance was considered remote at the acquisition date, the fair value of this contingent consideration was determined to be immaterial.

In addition, pursuant to these agreements, the Company agreed to transfer, subject to the fulfilment of business performance targets of Eeasy Tech, no more than 3% equity interest in Eeasy Tech for each financial year during the Performance Commitment Period, and an aggregate of no more than 9% equity interest over the entire Performance Commitment Period, to the founding shareholders of Eeasy Tech as performance rewards. Furthermore, based on the level of business performance achieved by Eeasy Tech, the Company has agreed to grant share awards to the founding shareholders of Eeasy Tech in accordance with the Post-IPO Share Plan of the Company. These arrangements are in substance post-combination compensation to retain and incentivize the founding shareholders of Eeasy Tech and are accounted for as share-based compensation after the business combination.

34 BUSINESS COMBINATION (CONTINUED)

Acquisition of Eeasy Tech (continued)

Details of the purchase consideration, the net assets acquired and goodwill as at the acquisition date are as follows:

	As at June 30, 2026 RMB'000 (Unaudited)
Purchase consideration	
Amount payable as at June 30, 2026	478,152
Identifiable assets and liabilities:	
Property, plant and equipment	1,211
Right-of-use assets	1,606
Intangible assets	3
Intangible assets – Customer relationship	157,300
Intangible assets – Technology	51,500
Prepayments and other receivables	47,170
Inventories	123,649
Trade and notes receivables	3,380
Cash and cash equivalents	53,374
Trade payables	(10,109)
Other payables and accruals	(11,201)
Contract liabilities	(12,021)
Borrowings	(58,571)
Lease liabilities	(1,665)
Other non-current liabilities	(3,811)
Employee benefit obligations	(4,741)
Amounts due to related parties	(96,022)
Net identifiable assets acquired	241,052
Less: non-controlling interests	(96,421)
Add: goodwill (i)	333,521
Net assets acquired	478,152

34 BUSINESS COMBINATION (CONTINUED)

Acquisition of Eeasy Tech (continued)

- (i) Goodwill is attributable to expected operating synergies and an increase in the Group's business scale and market share as a result of the acquisition. It will not be deductible for tax purposes. The Group elected to recognise the non-controlling interests in Eeasy Tech at their proportionate share of the acquired net identifiable assets.

If the acquisition had occurred on 1 January 2026, consolidated pro-forma revenue and loss for the six months ended June 30, 2026 would have been RMB613,973,000 and RMB764,818,000 respectively.

The valuation method of customer relationship is multi-period excess return method and the valuation method of technology is royalty savings method.

Accounting policies of Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- the fair values of the assets transferred; and
- the liabilities incurred to the former owners of the acquired business

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- the consideration transferred, and
- the amount of any non-controlling interest in the acquired entity,

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or as a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

35 CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at June 30, 2026.

36 DIVIDEND

No dividend has been paid or declared by the Company or subsidiaries of the Company during the six months ended June 30, 2026 and 2025 and up to date of this report.

37 SUBSEQUENT EVENTS

There were no significant events that might adversely affect the Group after June 30, 2026 and up to the date of this report.

OTHER INFORMATION

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

As of June 30, 2026, so far as the Directors are aware, the interests or short positions of the Directors and chief executive of the Company in any of the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, have been recorded in the register to be kept by the Company or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name	Nature of interest ⁽¹⁾	Number of Shares held	Approximate percentage of shareholding in the total issued share capital of the Company ⁽²⁾
Mr. Shan	Beneficial interest ⁽³⁾	45,000,000	6.30%
	Beneficial interest ⁽⁴⁾	44,100,000	6.17%
	Others ⁽⁵⁾⁽⁶⁾	38,887,308	5.44%
	Deemed interest ⁽⁵⁾⁽⁷⁾	8,300,160	1.16%
Mr. Liu Weihong	Beneficial interest ⁽⁸⁾	9,891,667	1.38%
	Interest in controlled corporations ⁽⁹⁾	14,700,000	2.06%
Mr. Zeng Daibing	Beneficial interest ⁽¹⁰⁾	5,094,465	0.71%

Notes:

- (1) All interests stated are long positions.
- (2) The calculation is based on the number of shares in issue as of June 30, 2026. As of June 30, 2026, the number of shares in issue was 714,575,407 shares.
- (3) The interests comprise underlying Shares in respect of the options granted to Mr. Shan pursuant to the Pre-IPO Share Plan.
- (4) Mr. Shan directly holds 44,100,000 Shares in the Company.
- (5) Pursuant to the respective voting trust agreements entered into by and among Mr. Shan, Mr. Liu and Ms. Pan (the “**Voting Trust Agreements**”), Mr. Shan is entitled to exercise voting rights attached to all Shares held by Ruby Wealth, New Key Trade and Ms. Pan. The Voting Trust Agreements continue to be effective following completion of the Global Offering. Mr. Shan is Ms. Pan’s spouse and is hence also deemed to be interested in the 8,300,160 Shares of the Company held by Ms. Pan. Accordingly, pursuant to the Voting Trust Agreements, Mr. Shan is deemed to be interested in the aggregate of 23,000,160 Shares held by Ruby Wealth, New Key Trade and Ms. Pan (including the 8,300,160 Shares held by Ms. Pan, in which Mr. Shan is deemed to be interested as Ms. Pan’s spouse).
- (6) Excellent Ocean Trust is a trust with an independent professional trustee to manage the options granted to 12 grantees under the Pre-IPO Share Plan, and, accordingly, holds 24,187,308 Shares in the Company. Mr. Shan is entitled to exercise the voting rights attached to all Shares held by Excellent Ocean Trust at his sole discretion.
- (7) Ms. Pan directly holds 8,300,160 Shares in the Company. Mr. Shan is the spouse of Ms. Pan. Under the SFO, Mr. Shan is deemed to be interested in Ms. Pan’s interest in the Shares.
- (8) The interests comprise underlying Shares in respect of the options granted to Mr. Liu pursuant to the Pre-IPO Share Plan.
- (9) Ruby Wealth and New Key Trade are controlled by Mr. Liu. Mr. Liu is therefore deemed to be interested in the 14,700,000 Shares held through Ruby Wealth and New Key Trade.
- (10) The interests comprise (i) 4,980,000 underlying Shares in respect of the options granted to Mr. Zeng Daibing pursuant to the Pre-IPO Share Plan; (ii) 90,000 underlying Shares in respect of the awards granted to Mr. Zeng Daibing pursuant to the Post-IPO Share Plan; and (iii) 24,465 Shares, which are directly held by Mr. Zeng Daibing.

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

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

So far as the Directors are aware, as of June 30, 2026, other than the Directors and chief executive of the Company, the following persons had or were taken or deemed to have interests and/or short positions (as applicable) in the shares or underlying shares of the Company that fall to be disclosed to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, and as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name	Nature of interest ⁽¹⁾	Number of Shares held	Approximate percentage of shareholding in the total issued share capital of the Company ⁽²⁾
Ms. Pan	Beneficial interest ⁽³⁾	8,300,160	1.16%
	Deemed interest ⁽⁴⁾	127,987,308	17.91%
Shanghai Jixin Enterprise Management Partnership (Limited Partnership)	Beneficial interest	42,499,968	5.95%
Jiaxing Xincan Equity Investment Partnership (Limited Partnership)	Beneficial interest	3,490,277	0.49%
Mr. Dai Siyuan	Beneficial interest	42,339,900	5.93%

Notes:

- (1) All interests stated are long positions.
- (2) The calculation is based on the number of shares in issue as of June 30, 2026. As of June 30, 2026, the number of shares in issue was 714,575,407 shares.
- (3) Ms. Pan directly holds 8,300,160 Shares in the Company.
- (4) Ms. Pan is the spouse of Mr. Shan. Under the SFO, Ms. Pan is deemed to be interested in all of Mr. Shan's interests in the Shares, i.e., an aggregate of 127,987,308 Shares.

Save as disclosed above, as of June 30, 2026, so far as the Directors are aware, no other person (other than the Directors and chief executive of the Company) or corporation had any interests or short positions in the Shares or underlying Shares of the Company which fall to be disclosed to the Company pursuant to 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

Based on information that is publicly available to the Company or otherwise within the knowledge of the Directors, the following Shares are subject to lock-up requirements as of the Latest Practicable Date:

Name	Capacity	Aggregate number of Shares held	Approximate percentage of shareholding in the total issued share capital of the Company ⁽¹⁾	Lock-up period
Key person				
Mr. Shan	Founder, chairman of the Board, executive Director and chief executive officer	44,100,000	6.16%	The period commencing on the date by reference to which disclosure of his shareholding is made in the Prospectus and ending on the date which is 12 months from the Listing Date, i.e. August 7, 2025. Following two voluntary extensions by Mr. Shan of his lock-up undertaking, each by 12 months, the lock-up period has been extended from its original expiry on August 7, 2025 to August 7, 2027.

Note:

- (1) The calculations of the percentage of shareholding are based on the number of total Shares in issue (excluding treasury shares) as of the Latest Practicable Date, comprising 715,750,406 Shares.

SHARE INCENTIVE SCHEMES

The Company has adopted two share incentive schemes, namely the Pre-IPO Share Plan and the Post-IPO Share Plan.

1. Pre-IPO Share Plan

The following is a summary of the principal terms of the Pre-IPO Share Plan of the Company as approved by the Board on September 7, 2016 and amended on December 31, 2021 and from time to time. For further details of the Pre-IPO Share Plan, please refer to the section headed “Statutory and General Information – D. Share Incentive Schemes – 1. Pre-IPO Share Plan” in Appendix IV to the Prospectus.

(a) Purpose

The purpose of the Pre-IPO Share Plan is to offer persons selected by the Company an opportunity to acquire a proprietary interest in the success of the Company, or to increase such interest, by acquiring Shares.

(b) Administration

The Pre-IPO Share Plan may be administered by one or more committees of the Board (the “**Committee**”). Each Committee shall consist, as required by applicable law, of one or more members of the Board who have been appointed by the Board. Each Committee shall have such authority and be responsible for such functions as the Board has assigned to it. If no Committee has been appointed, the entire Board shall administer the Pre-IPO Share Plan.

Subject to the provisions of the Pre-IPO Share Plan, the Board shall have full authority and discretion to take any actions it deems necessary or advisable for the administration of the Pre-IPO Share Plan.

All decisions, interpretations and other actions of the Board shall be final and binding on all persons to whom the Board has offered the right to purchase Shares under the Pre-IPO Share Plan (“**Purchasers**”, each a “**Purchaser**”), all persons who hold an option that qualifies as an incentive stock option (“**ISO**”) as described in Section 422(b) of the U.S. Internal Revenue Code of 1986, as amended (“**Code**”) or an option that does not qualify as an incentive stock option as described in Code Section 422(b) or 423(b) (“**Non-statutory Option**”, together with ISO, “**Pre-IPO Option**”) granted under the Pre-IPO Share Plan and entitling the holder to purchase Shares (“**Optionees**”, each an “**Optionee**”) and all persons deriving their rights from a Purchaser or Optionee.

(c) Eligibility

Only (i) individuals who are common-law employees of the Group ("**Employees**", each an "**Employee**"), (ii) members of the Board who are not an Employee ("**Outside Directors**") and (iii) a person, excluding Employees and Outside Directors, who performs bona fide services for the Group as a consultant or advisor ("**Consultants**") shall be eligible for the grant of Non-statutory Options, bookkeeping entries representing the equivalent of Shares ("**Restricted Share Units**") or the direct award or sale of Shares. Only Employees shall be eligible for the grant of ISOs.

(d) Shares Subject to the Pre-IPO Share Plan

Not more than 156,847,868 Shares may be issued under the Pre-IPO Share Plan, representing approximately 22.01% and 21.91% of the issued share capital of the Company (excluding the treasury shares) as of June 30, 2026 and the Latest Practicable Date, respectively, subject to any adjustment of Shares pursuant to the Pre-IPO Share Plan.

(e) Term of the Pre-IPO Share Plan

The Pre-IPO Share Plan shall become effective on the date of its adoption by the Board, subject to approval of the Company's shareholders. The Pre-IPO Share Plan shall terminate automatically 10 years after the later of (i) the date when the Board adopted the Pre-IPO Share Plan or (ii) the date when the Board approved the most recent increase in the number of Shares reserved under the Pre-IPO Share Plan that was also approved by the Company's shareholders. The Pre-IPO Share Plan may be terminated on any earlier date pursuant to the right of the Board.

(f) Details of the Shares, Options and Restricted Share Units awarded or granted under the Pre-IPO Share Plan

As of June 30, 2026, no Shares were awarded or agreed to be awarded by the Company pursuant to the Pre-IPO Share Plan.

As of June 30, 2026, Pre-IPO Options (excluding any Pre-IPO Options which have been forfeited, expired or cancelled pursuant to the Pre-IPO Share Plan) to subscribe for an aggregate of 156,847,868 Shares (i.e., all Shares reserved for the Pre-IPO Share Plan) had been granted to the Directors, senior management and employees of our Group. Within such Pre-IPO Options granted, (i) 24,187,308 Shares were issued to Excellent Ocean Trust which was set up by an independent professional trustee to manage the Pre-IPO Options granted to 12 grantees under the Pre-IPO Share Plan, (ii) 5,572,975 Shares were issued to the employees of the Group who exercised their Pre-IPO Options granted pursuant to the Pre-IPO Share Plan of the Company, and (iii) 83,016,328 Shares may be further issued for outstanding Pre-IPO Options held by the grantees under the Pre-IPO Share Plan, representing approximately 11.65% and 11.60% of the total issued share capital (excluding treasury shares) of the Company as of June 30, 2026 and the Latest Practicable Date, respectively.

Details of the movements of the share options granted but not yet exercised under the Pre-IPO Share Plan during the Reporting Period are set out below:

Category/name of grantee	Date of grant	Exercise period	Exercise price (US\$)	Vesting period ⁽¹⁾	Number of Shares underlying the outstanding Options as at January 1, 2026	During the Reporting Period			Number of Shares underlying the outstanding Options as at June 30, 2026
						Exercised ⁽²⁾	Cancelled	Lapsed	
Directors									
Mr. Shan	March 22, 2018	10 years from the date of grant	0.09	A	5,000,000	-	-	-	5,000,000
	July 20, 2021		0.19	D	25,000,000	-	-	-	25,000,000
	June 11, 2023		0.59	D	15,000,000	-	-	-	15,000,000
Mr. Liu Weihong	March 22, 2018	10 years from the date of grant	0.09	A	2,291,667	-	-	-	2,291,667
	July 20, 2021		0.19	D	4,800,000	-	-	-	4,800,000
	September 26, 2022		0.56	D	1,000,000	-	-	-	1,000,000
Mr. Zeng Daibing	June 11, 2023	10 years from the date of grant	0.59	D	1,800,000	-	-	-	1,800,000
	September 29, 2018		0.09	A	1,300,000	-	-	-	1,300,000
	September 25, 2019		0.18	A	240,000	-	-	-	240,000
	September 28, 2020		0.19	A	500,000	-	-	-	500,000
	July 20, 2021		0.19	D	2,960,000	1,480,000	-	-	1,480,000
	September 26, 2022		0.56	D	750,000	-	-	-	750,000
	June 11, 2023		0.59	D	710,000	-	-	-	710,000
Senior management									
Mr. Yang Yuxin ⁽³⁾	March 18, 2020	10 years from the date of grant	0.18	A	3,500,000	-	-	-	3,500,000
	July 20, 2021		0.19	D	1,000,000	-	-	-	1,000,000
	September 26, 2022		0.56	D	1,000,000	-	-	-	1,000,000
	June 11, 2023		0.59	D	450,000	-	-	-	450,000
Core R&D team members									
4 grantees	December 15, 2017 to June 11, 2023	10 years from the date of grant	0.035 to 0.59	A, D, F	6,740,216	850,740	-	-	5,889,476
Connected person									
Mr. Pan Hui	September 28, 2020	10 years from the date of grant	0.19	A	110,000	-	-	-	110,000
	July 20, 2021		0.19	D	200,000	-	-	-	200,000
	September 26, 2022		0.56	D	250,000	-	-	-	250,000
	June 11, 2023		0.59	D	250,000	-	-	-	250,000
Other grantees									
Employees	December 15, 2017 to July 14, 2024	10 years from the date of grant	0.035 to 0.70	A, B, C, D, E, F	38,276,314	3,242,235	351,586	-	34,682,493
Total					113,128,197	5,572,975	351,586	-	107,203,636

Notes:

- (1) Please refer to different categories of vesting schedules below:

Category	Vesting Schedule
A	25% of the total granted share options shall vest one year from the vesting commencement date and the remaining 75% shall vest each month thereafter over the next three years in equal portion
B	1/3 of the total granted share options shall vest one year from the vesting commencement date and the remaining 2/3 shall vest each month thereafter over the next two years in equal portion
C	50% of the total granted share options shall vest one year from the vesting commencement date and the remaining 50% shall vest each month thereafter over the next year in equal portion
D	50% of the total granted share options shall vest two years from the vesting commencement date and the remaining 50% shall vest each year thereafter over the next two years in equal portion
E	100% of the total granted share options shall vest one year from the vesting commencement date
F	100% of the total granted share options shall vest on the vesting commencement date

- (2) The weighted average closing price of the Shares immediately before the exercise date of the share options was HK\$19.29.

- (3) Mr. Yang Yuxin ceased to serve as the chief marketing officer of the Company with effect from September 2026.

2. Post-IPO Share Plan

The following is a summary of the key terms of the Post-IPO Share Plan as conditionally adopted and approved by the Shareholders on July 26, 2024. For further details of the Post-IPO Share Plan, please refer to the section headed "Statutory and General Information – D. Share Incentive Schemes – 2. Post-IPO Share Plan" in Appendix IV to the Prospectus.

(a) Purpose

The purposes of the Post-IPO Share Plan are to recognise, motivate and provide incentives to those who make contributions to the Group, to attract and retain the best available personnel, to provide additional incentive to employees or directors of the Group, and to promote the success of the business of the Group. The Post-IPO Share Plan will give the participants an opportunity to have a personal stake in the Company and will help achieve the following objectives: (i) motivate the participants to optimise their performance and efficiency; and (ii) attract and retain the participants whose contributions are important to the long-term growth and profitability of the Group.

(b) Types of awards

The Post-IPO Share Plan provides for an award of (i) an option to subscribe for Shares (the "**Post-IPO Option**"), or (ii) an award to subscribe for Shares (the "**Post-IPO Awards**") pursuant to the terms of the Post-IPO Share Plan.

(c) Administration

Subject to compliance with the requirements of the Listing Rules and the provisions of the Post-IPO Share Plan, the Board shall have the power, among other matters, to (i) interpret and construe the provisions of the Post-IPO Share Plan; (ii) determine the Participants who will be offered Post-IPO Options and/or Post-IPO Awards under the Post-IPO Share Plan, and with respect to each participant, the amount of Post-IPO Options to be granted and the exercise price (in the case of Post-IPO Options), and the amount of Post-IPO Awards to be granted and the purchase price (in the case of Post-IPO Awards); (iii) make such appropriate and equitable adjustments to the terms of Post-IPO Options and Post-IPO Awards granted under the Post-IPO Share Plan as it may deem necessary; and (iv) make such other decisions or determinations or regulations as it shall deem appropriate for the administration of the Post-IPO Share Plan.

The Board has the power to delegate purely administrative matters in connection with the Post-IPO Share Plan to authorised agent(s) as deemed appropriate at the sole discretion of the Board.

(d) Effectiveness and Duration

The Post-IPO Share Plan shall be valid and effective for a period of ten years commencing on the Listing Date. Accordingly, the remaining life of the Post-IPO Share Plan is approximately 7.9 years as of the Latest Practicable Date.

(e) Participants

Persons eligible to participate in the Post-IPO Share Plan include a director or employee (whether full time or part time) of any member of the Group (including any person who is granted Post-IPO Option(s) or Post-IPO Award(s) as an inducement to enter into an employment contract with any member of the Group).

(f) Maximum Number of Shares

The maximum aggregate number of Shares which may be issued pursuant to the Post-IPO Share Plan (including Post-IPO Option and Post-IPO Awards) was 56,916,925 Shares, representing approximately 7.99% and 7.95% of the total number of the Shares in issue (excluding treasury shares) as of June 30, 2026 and the Latest Practicable Date, respectively.

In addition, the maximum number of Shares issuable upon exercise of Post-IPO Options or vesting of any Post-IPO Awards granted under the Post-IPO Share Plan and any grants made under any other share schemes of the Company shall not exceed 10% of the total number of Shares in issue as of the Listing Date (excluding, for this purpose, Shares issuable upon exercise of options or vesting of awards which have been granted but lapsed in accordance with the terms of the Post-IPO Share Plan or any other share schemes of the Company).

(g) Maximum entitlement of each participant

Where any grant of Post-IPO Options or Post-IPO Awards to a participant would result in the total number of Shares issued and to be issued in respect of all Post-IPO Options or Post-IPO Awards granted (excluding any Post-IPO Options and Post-IPO Awards lapsed in accordance with the terms of the Post-IPO Share Plan or any other share schemes of the Company) under the Post-IPO Share Plan and any other share schemes of the Company in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of Shares in issue, such grant must be separately approved by the Shareholders in general meeting in accordance with the requirements of the Listing Rules with such participant and his/her close associate (or associates), if the participant is a connected person (as defined under the Listing Rules), or such persons as may be required under the Listing Rules from time to time, abstaining from voting. The number and terms of options to be granted to such participant must be fixed before the approval of the Shareholders. In such event, the Company must send a circular to the Shareholders containing all information required under the Listing Rules.

(h) Grant of Post-IPO Options and Post-IPO Awards

In the case of Post-IPO Options, no amount shall be payable by the grantee for the acceptance of the offer of Post-IPO Options at the time of such acceptance.

In the case of Post-IPO Awards, unless otherwise determined by the Board, no amount shall be payable by the grantee for the acceptance of the offer of Post-IPO Awards at the time of such acceptance. The purchase price (if any) in respect of any particular Post-IPO Award shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant Post-IPO Award and taking into consideration factors such as prevailing closing price of the Shares, the purpose of the Post-IPO Share Plan, the characteristics and profile of the relevant participant(s).

(i) Exercise period and exercise price of Post-IPO Option

The period during which a Post-IPO Option may be exercised shall be determined by the Board at its sole discretion or the Remuneration Committee, and in any event, such period shall expire at the close of business on the business day immediately preceding the tenth anniversary of the date of grant of the Post-IPO Options.

The exercise price of a Post-IPO Option shall be a price solely determined by the Board at its absolute discretion and shall be at least the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date on which an Option is offered to a participant (the "**Offer Date**"), which must be a business day; and (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the Offer Date.

(j) Vesting of Post-IPO Options and Post-IPO Awards

Vesting period for Post-IPO Options

The vesting period for a Post-IPO Option shall not be less than 12 months, save that a shorter vesting period may be granted to the participant in any of the following circumstances at the sole discretion of the Board: (i) grants of “make-whole” Post-IPO Options to new joiners to replace the share awards they forfeited when leaving the previous employer; (ii) grants to a participant whose employment is terminated due to death or disability or occurrence of any out of control event; (iii) grants that are made in batches during a year for administrative and compliance reasons, which include Post-IPO Options that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Post-IPO Option would have been granted; (iv) grants with a mixed or accelerated vesting schedule such as where the Post-IPO Option may vest evenly over a period of 12 months; or (v) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

Vesting period for Post-IPO Awards

The vesting period for a Post-IPO Award shall not be less than 12 months, save that a shorter vesting period may be granted to the participant in any of the following circumstances at the sole discretion of the Board: (i) grants of “make-whole” Post-IPO Awards to new joiners to replace the share awards they forfeited when leaving the previous employer; (ii) grants to a participant whose employment is terminated due to death or disability or occurrence of any out of control event; (iii) grants that are made in batches during a year for administrative and compliance reasons, which include Post-IPO Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Post-IPO Award would have been granted; (iv) grants with a mixed or accelerated vesting schedule such as where the Post-IPO Award may vest evenly over a period of 12 months; or (v) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

(k) Details of the Options and Awards granted under the Post-IPO Share Plan

As of June 30, 2026, the Board has not granted any Post-IPO Options to any participant.

During the six months ended June 30, 2026, the Board granted 855,000 Post-IPO Awards to the participants. Please refer to the announcements of the Company dated February 3, 2026 and June 26, 2026 for details.

Details of the awards granted under the Post-IPO Share Plan during the Reporting Period and the awards outstanding at the beginning and end of the Reporting Period are set out below:

Category/name of grantee	Date of grant	Vesting period ⁽¹⁾	Purchase price (US\$)	Number of Shares underlying unvested awards as at January 1, 2026	During the Reporting Period				Number of Shares underlying unvested awards as at June 30, 2026
					Granted ⁽²⁾⁽³⁾	Vested ⁽⁴⁾	Cancelled	Lapsed	
Director									
Mr. Zeng Daibing	May 7, 2025	A	Nil	120,000	–	30,000	–	–	90,000
Other grantees									
Employees	May 7, 2025	A	Nil	14,773,398	–	3,667,582	–	331,540	10,774,276
		B	Nil	1,901,289	–	1,901,289	–	–	–
	July 31, 2025	A	Nil	338,000	–	77,000	–	30,000	231,000
	October 21, 2025	A	Nil	639,000	–	–	–	–	639,000
	February 3, 2026	A	Nil	–	345,000	–	–	35,000	310,000
	June 26, 2026	A	Nil	–	510,000	–	–	–	510,000
Total				17,771,687	855,000	5,675,871	–	396,540	12,554,276

Notes:

- (1) Please refer to different categories of vesting schedules below:

Category	Vesting Schedule
A	25% of the total granted awards shall vest one year from the vesting commencement date and the remaining 75% shall vest each year thereafter over the next three years in equal portion
B	100% of the total granted awards shall vest one year from the vesting date

- (2) The fair value of the awards granted during the Reporting Period at the grant date was equivalent to the closing price of the Company's shares on the grant date. Specifically, the closing price of the Company's shares on the grant date, being February 3, 2026, was HK\$19.21, and the closing price of the Company's shares immediately before the grant date (i.e., February 2, 2026) was HK\$18.97; and the closing price of the Company's shares on the grant date, being June 26, 2026, was HK\$10.38, and the closing price of the Company's shares immediately before the grant date (i.e., June 25, 2026) was HK\$11.04. For the accounting standards and policies adopted for the awards, please refer to Note 30 to the condensed consolidated financial statements.
- (3) No performance targets were attached to the Post-IPO Awards granted during the Reporting Period.
- (4) The weighted average closing price of the Shares immediately before the vesting date of the awards was HK\$16.24.

The number of Post-IPO Options and Post-IPO Awards available for grant under the Post-IPO Share Plan at the beginning of the Reporting Period was 38,014,282; and the number of Post-IPO Options and Post-IPO Awards available for grant under the Post-IPO Share Plan at the end of the Reporting Period was 38,067,822.

The number of Shares that may be issued in respect of options and awards granted under all share schemes of the Company during the Reporting Period (being 855,000 Shares) divided by the weighted average number of Shares in issue (excluding treasury shares) for the Reporting Period is 0.13%.

Issue of Securities and Share Capital

On March 6, 2026, the Company allotted and issued 28,543,000 Shares under the general mandate (the “**First Subscription**”). For further details of the First Subscription, please refer to the announcements of the Company dated January 8, 2026, January 25, 2026 and March 6, 2026.

On March 11, 2026, the Company issued 6,000,000 Shares which will be held by the trustee to satisfy the vesting of the Post-IPO Awards granted under the Post-IPO Share Plan.

On May 8, 2026, the Company allotted and issued 33,544,600 Shares under the general mandate (the “**Second Subscription**”). For further details of the Second Subscription, please refer to the announcements of the Company dated March 9, 2026, March 18, 2026 and May 8, 2026.

During the Reporting Period, the issued Shares of the Company increased by 5,572,975 following the exercise of the Pre-IPO Options granted pursuant to the Pre-IPO Share Plan. For further details on the Pre-IPO Share Plan, please refer to “Share Incentive Schemes – Pre-IPO Share Plan” of this report.

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

During the Reporting Period, the Company repurchased an aggregate of 1,982,200 Shares on the Stock Exchange at a total consideration of HK\$35,956,024 (excluding expenses). All Shares repurchased are currently held as treasury shares (as defined in the Listing Rules). Details of the Shares repurchased during the Reporting Period are set out below:

Month of repurchase	Number of Shares repurchased	Consideration per Share		Aggregate consideration paid HK\$
		Highest price paid HK\$	Lowest price paid HK\$	
January 2026	271,200	22.22	22.02	6,000,224
May 2026	1,711,000	17.86	16.32	29,955,800
Total	1,982,200			35,956,024

As of June 30, 2026, the Company held in aggregate 1,982,200 treasury shares (as defined in the Listing Rules). The Company may subsequently, as needed, hold, sell or transfer the treasury shares, or otherwise deal with them in accordance with the Listing Rules.

Save as disclosed above, during the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s securities listed on the Stock Exchange (including any sale of treasury shares (as defined in the Listing Rules)).

Events After the Reporting Period

Save as otherwise disclosed in this report, there were no other significant events that may affect the Group since the end of the Reporting Period and up to the Latest Practicable Date.

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 Practices

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Shareholders. The principles of the Company's corporate governance are to promote effective internal control measures, to enhance transparency of the work of the Board, and to strengthen accountability to all the Shareholders.

The Company has adopted the Corporate Governance Code as its own code of corporate governance. Save as disclosed below, the Company has complied with all applicable code provisions set out in the Corporate Governance Code throughout the Reporting Period.

Pursuant to code provision C.2.1 of Part 2 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the roles of chairman of the Board and the chief executive officer should be separate and should not be performed by the same individual. The Company does not have a separate chairman and chief executive officer and Mr. Shan currently performs these two roles. The Board believes that vesting the roles of both chairman of the Board and the 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 for the Group, and (iii) facilitating the flow of information between management and the Board. The Board currently comprises two executive Directors (including Mr. Shan), two non-executive Directors and three independent non-executive Directors, and therefore has a strong independent element in its composition. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure 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.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code, and maintain a high standard of corporate governance practices of the Company.

Model Code for Securities Transactions by Directors

The Board has adopted the Model Code as its own code of conduct regulating dealings in securities of the Company by the Directors and the Company's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company's securities. In response to specific enquiries made by the Board, all Directors confirmed that they have complied with the provisions of the Model Code during the Reporting Period. In addition, the Company is not aware of any non-compliance with the Model Code by the senior management of the Company during the Reporting Period.

Audit Committee

The Audit Committee (comprising three independent non-executive Directors, Prof. Li Qingyuan (being the chairperson of the Audit Committee), Prof. Long Wenmao and Prof. Xu Ming), together with senior management members and the Auditor, has considered and reviewed the unaudited interim financial information of the Group for the Reporting Period, discussed matters in relation to the accounting policies and practices adopted by the Company, risk management, internal control and financial reporting and is of the view that the interim financial information has been prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been duly made.

Other Board Committees

In addition to the Audit Committee, the Company has also established a nomination committee and a remuneration committee.

Changes in Directors and Senior Management

Mr. Yang Yuxin ceased to serve as the chief marketing officer of the Company with effect from September 2026.

Since the publication of the Company's 2025 annual report and up to the Latest Practicable Date, there have been no changes in the information of the Directors required to be disclosed under Rule 13.51B(1) of the Listing Rules.

Continuing Disclosure Obligations Pursuant to the Listing Rules

Save as disclosed in this interim report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

DEFINITIONS

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

"Audit Committee"	the audit committee of the Company
"Auditor"	PricewaterhouseCoopers, the independent auditor of the Company
"Board" or "Board of Directors"	the board of directors of the Company
"BVI"	the British Virgin Islands
"Company"	Black Sesame International Holding Limited, an exempted company incorporated under the laws of Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2533)
"Corporate Governance Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"Director(s)"	the director(s) of the Company
"Eeasy Tech"	Zhuhai Eeasy Technology Co., Ltd. (珠海億智電子科技有限公司), a limited liability company incorporated in the PRC on July 22, 2016, currently a subsidiary of the Company
"Excellent Ocean Trust"	a trust set up by the Company as the settlor with Trident Trust Company (HK) Limited as the trustee for the purposes of managing certain options granted under the Pre-IPO Share Plan, and with Excellent Ocean Assets Limited, a company incorporated under the laws of the BVI and a wholly-owned subsidiary of Trident Trust Company (HK) Limited, holding the relevant options and Shares involved in the capacity as the trustee
"Global Offering"	the Hong Kong Public Offering and the International Offering as defined in the Prospectus
"Group", "our Group", "we" or "us"	the Company and its subsidiaries
"HK\$" or "HKD"	Hong Kong Dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"IFRS"	International Financial Reporting Standards

“Independent Third Party(ies)”	individual(s) or company(ies) who or which, to the best of the Directors’ knowledge having made all due and careful enquiries, is/are independent from and not connected with (within the meaning of the Listing Rules) any Director, chief executive or substantial shareholder (within the meaning of the Listing Rules) of the Company, its subsidiaries or any of their respective associates
“Latest Practicable Date”	September 23, 2026, being the latest practicable date prior to the printing of this interim report
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	August 8, 2024, being the date on which the Shares were listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers, as set out in Appendix C3 of the Listing Rules
“Mr. Liu”	Mr. Liu Weihong (劉衛紅), one of our founders and the non-executive Director of the Company
“Mr. Shan”	Mr. Shan Jizhang (單記章), one of our founders, and the chairman of the Board, executive Director and chief executive officer of the Company
“Ms. Pan”	Ms. Pan Dan, the spouse of Mr. Shan
“New Key Trade”	New Key Trade Company Limited, a limited liability company incorporated under the laws of the BVI and ultimately owned by Mr. Liu’s trust, the beneficiaries of which are Mr. Liu and Ruby Wealth
“Post-IPO Share Plan”	the post-IPO share plan approved by the Shareholders on July 26, 2024 as amended from time to time
“PRC” or “China”	the People’s Republic of China, which, for the purpose of this interim report and for geographical reference only, references to the “PRC” and “China” do not apply to Taiwan, Hong Kong and the Macau Special Administrative Region of the PRC, except where the context indicates or requires otherwise
“Pre-IPO Share Plan”	the pre-IPO share plan approved by the Company on September 7, 2016 as amended from time to time

"Prospectus"	the prospectus of the Company dated July 31, 2024
"R&D"	research and development
"Reporting Period"	the six months ended June 30, 2026
"RMB"	Renminbi, the lawful currency of the PRC
"Ruby Wealth"	Ruby Wealth International Limited, a limited liability company incorporated under the laws of the BVI and wholly owned by Mr. Liu
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	the ordinary share(s) of par value US\$0.0001 per share in the authorized share capital of the Company
"Shareholder(s)"	the holder(s) of Share(s)
"SoC"	system-on-chips, an integrated circuit that integrates most or all components of a computer or other electronic system
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US\$" or "USD"	United States Dollars, the lawful currency of the United States
"%"	per cent