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SenseTime Group Inc.

商汤集团股份有限公司

(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)
(Stock Code: 0020 (HKD Counter) and 80020 (RMB Counter))

PLACING OF NEW CLASS B SHARES UNDER GENERAL MANDATE

Placing Agents

**Guotai Junan Securities
(Hong Kong) Limited**

CLSA Limited

On July 23, 2025 (after trading hours of the Stock Exchange), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 1,666,667,000 Subscription Shares at the Subscription Price of HK\$1.50 per Subscription Share for an aggregate consideration of approximately HK\$2,500 million.

The Subscription Shares represent (i) approximately 4.58% of the number of issued Class B Shares and approximately 4.50% of the number of issued Shares as at the date of this announcement; and (ii) approximately 4.38% of the number of issued Class B Shares and approximately 4.31% of the number of issued Shares as enlarged by the allotment and issue of the Subscription Shares (assuming there is no other change in the issued share capital of the Company from the date of this announcement to the Completion Date).

On July 23, 2025 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agents in respect of the Subscription. Pursuant to the Placing Agreement, the Placing Agents have agreed to, among other things, assist in completing the transactions contemplated under the Subscription Agreement. The Company has agreed to pay the fees for the above-mentioned services to the Placing Agents after the completion of the Subscription.

The gross proceeds from the Subscription will be approximately HK\$2,500 million and the net proceeds from the Subscription, after deducting of the placing agent fee and other related expenses of the Subscription, will be approximately HK\$2,498 million.

The Subscription may or may not proceed as Completion is conditional upon the fulfillment of the Conditions Precedent. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

On July 23, 2025 (after trading hours of the Stock Exchange), the Company entered into (i) the Subscription Agreement with the Subscriber; and (ii) the Placing Agreement with the Placing Agents in relation to the Subscription. Pursuant to the Subscription Agreement, the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 1,666,667,000 Subscription Shares at the Subscription Price of HK\$1.50 per Subscription Share for an aggregate consideration of approximately HK\$2,500 million.

THE SUBSCRIPTION AGREEMENT

The principal terms of the Subscription Agreement are set out below:

Date

July 23, 2025 (after trading hours of the Stock Exchange)

Parties to the Subscription Agreement

- (i) the Company; and
- (ii) the Subscriber

Subscription Shares

Pursuant to the Subscription Agreement, the Subscriber shall subscribe a total of 1,666,667,000 Subscription Shares at the Subscription Price of HK\$1.50 per Subscription Share for an aggregate consideration of approximately HK\$2,500 million.

The 1,666,667,000 Subscription Shares represent (i) approximately 4.58% of the number of issued Class B Shares and approximately 4.5% of the number of issued Shares as at the date of this announcement; and (ii) approximately 4.38% of the number of issued Class B Shares and approximately 4.31% of the number of issued Shares as enlarged by the allotment and issue of the Subscription Shares (assuming there is no other change in the issued share capital of the Company from the date of this announcement to the Completion Date). Such Subscription Shares will have an aggregate nominal value of US\$41.67.

Subscription Price

The Subscription Price of HK\$1.50 per Subscription Share represents:

- (a) a discount of approximately 6.25% to the closing price of HK\$1.60 per Class B Share as quoted on the Stock Exchange on July 23, 2025, being the Last Trading Day and the date on which the Subscription Price is fixed;
- (b) a discount of approximately 8.54% to the average closing price of HK\$1.64 per Class B Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to (but excluding) the Last Trading Day;
- (c) a discount of approximately 0.66% to the average closing price of HK\$1.51 per Class B Share as quoted on the Stock Exchange for the last thirty consecutive trading days immediately prior to (but excluding) the Last Trading Day; and
- (d) a premium of approximately 1.35% to the average closing price of HK\$1.48 per Class B Share as quoted on the Stock Exchange for the last sixty consecutive trading days immediately prior to (but excluding) the Last Trading Day.

The Subscription Price was determined and negotiated on an arm's length basis between the Company and the Subscriber and with reference to the market conditions and the prevailing market price of the Class B Shares. Assuming all the Subscription Shares are successfully subscribed, the net Subscription Price will be approximately HK\$1.50 per Subscription Share.

The Subscriber

With dual headquarters in Hong Kong and Abu Dhabi, the Subscriber is licensed by the SFC and the Abu Dhabi Global Market (ADGM) Financial Services Regulatory Authority (FSRA). The Subscriber is wholly owned by Infini Capital Global, a Cayman Islands holding company and the ultimate beneficial owner of the Subscriber is Tony Chin, the founder and Chief Investment Officer of the Subscriber.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Subscriber and its ultimate beneficial owners are Independent Third Parties. The Subscriber will not become a substantial shareholder of the Company immediately after the Completion.

Ranking

The Subscription Shares, when issued and fully paid, will rank *pari passu* in all respects with each other, among themselves and with the other Class B Shares in issue on the date of allotment and issue of the Subscription Shares.

Conditions Precedent

Completion is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Subscription Shares;
- (b) trading in the Class B Shares on the Stock Exchange not being revoked or withdrawn at the time prior to Completion;
- (c) there being no indication received from the Stock Exchange that the listing of the Class B Shares on the Stock Exchange will be suspended, revoked or withdrawn at any time after Completion, whether in connection with any of the transactions contemplated by the Subscription Agreement or otherwise;
- (d) having obtained all necessary consents and approvals as may be required to be obtained on the part of the Company in respect of the Subscription and the transactions contemplated under the Subscription Agreement by the Company; and
- (e) the Subscriber having obtained the written consent(s) from limited partner(s) of the Infini Global Master Fund representing 50% or more of the limited partnership interest of the Infini Global Master Fund for the Completion.

The Subscriber may, at its sole discretion, at any time by notice in writing to the Company waive the Conditions Precedent set out in clause (d) and (e) above. The Conditions Precedent set out in clause (a), (b) and (c) above are incapable of being waived by the Company and the Subscriber.

Termination

In the event that any of the Conditions Precedent above not being fulfilled or waived in full by the expiry of two calendar months after the date of the Subscription Agreement (or such other time and date as may be agreed between the Company and the Subscriber in writing), the Subscription Agreement shall cease and terminate, neither party to the Subscription Agreement shall have any obligations and liabilities under the Subscription Agreement save for any antecedent breaches of the provisions under the Subscription Agreement.

Completion

Subject to the Conditions Precedent specified in the paragraph headed “THE SUBSCRIPTION AGREEMENT – Conditions Precedent” above being fulfilled or, as the case may be, waived by the Subscriber, Completion shall take place at or prior to 5:00 p.m. on the Completion Date.

THE PLACING AGREEMENT

The principal terms of the Placing Agreement are set out below:

Date

July 23, 2025 (after trading hours of the Stock Exchange)

Parties to the Placing Agreement

- (1) the Company; and
- (2) the Placing Agents

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agents and its ultimate beneficial owners are Independent Third Parties.

The Placing Agents have agreed to act as agent for the Company and use its best effort to procure the Subscriber to subscribe for the Subscription Shares at the Subscription Price (together with such brokerage, SFC and Accounting and Financial Reporting Council transaction levy and Stock Exchange trading fee to the extent payable by the Subscriber) and assist in completing the transactions contemplated under the Subscription Agreement during the period commencing upon the execution of the Placing Agreement and terminating at 8:00 a.m. (Hong Kong time) on the Completion Date (or such later time and date as the Company and the Placing Agents may agree in writing).

Conditions to the Placing Agreement

Completion of the Placing Agreement is conditional upon the fulfilment or waiver (in respect of conditions (4) to (7) below only) of the following conditions:

- (1) the execution of the Subscription Agreement between the Company and the Subscriber;
- (2) the Conditions Precedent under the Subscription Agreement being fulfilled and continuing to be fulfilled;
- (3) the Listing Approval having been granted by the Stock Exchange and such Listing Approval not subsequently being revoked prior to the delivery of the definitive share certificate(s) representing the Subscription Shares;
- (4) the Company's representations and warranties made pursuant to the Placing Agreement being true and accurate and not misleading as of the date of the Placing Agreement and the Completion Date;
- (5) the Placing Agents having received the final draft or substantially complete draft of the CSRC Filings, such drafts to be in form and substance satisfactory to the Placing Agents;
- (6) the Placing Agents having received a legal opinion issued by counsel for the Company as to Cayman Islands laws, in form and substance satisfactory to the Placing Agents; and
- (7) the Company having complied with all of the agreements and undertakings and satisfied all of the conditions on its part to be complied with or satisfied under the Placing Agreement on or before the Completion Date.

GENERAL MANDATE TO ISSUE THE SUBSCRIPTION SHARES

The Subscription Shares will be allotted and issued under the General Mandate granted to the Board by a resolution of the Shareholders passed at the AGM held on June 26, 2025, under which the Board may allot, issue or otherwise deal with new Class B Shares, or sell and/or transfer out of treasury that are held as treasury shares up to 7,401,474,200 new Class B Shares (representing 20% of the total number of Shares in issue (excluding any Class B Shares that are held as treasury shares) as at the date of the AGM).

As at the date of this announcement and immediately prior to the entering into of the Subscription Agreement, the Company has not issued any Class B Shares or sold or transferred any treasury shares under the General Mandate.

APPLICATION FOR LISTING OF THE SUBSCRIPTION SHARES

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Subscription Shares on the Stock Exchange.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Group is a leading AI software company principally engaged in the sale of advanced AI software platform and related services, sale of AI software-embedded hardware and related services, AIDC service as well as research and development activities in relation to AI technology.

The gross proceeds from the Subscription will be approximately HK\$2,500 million and the net proceeds from the Subscription, after deducting of the placing agent fee and other related expenses of the Subscription, will be approximately HK\$2,498 million.

The net proceeds from the Subscription (after deducting the placing agent fee and other related expenses of the Subscription) will be used for:

- (i) 30% will be used to support the development of the Company's core businesses, including building an industry-leading AI Cloud and continuously expanding the scale and scenario coverage of SenseCore, the Company's AI infrastructure;
- (ii) 30% will be used to support the R&D of Generative AI, as well as productization of the Company's Multimodality Large Model, with a focus on advancing the commercial application in vertical scenarios such as smart devices;
- (iii) 20% will be dedicated to exploring the integration and application of AI in innovative fields, includes, but is not limited to, exploring areas such as embodied intelligence robotics, blockchain, real-world assets (RWA), digital assets and stablecoins, independently or in collaboration with strategic partners, as well as obtaining relevant qualifications, and to applying AI large models in risk control and settlement in digital finance;
- (iv) 20% will be used as the Company's general working capital.

The Directors are of the view that the Subscription will benefit the Group's long-term development by providing a good opportunity to raise additional funds to further solidify the Company's leading position in frontier Generative AI, increase the technology's market penetration, capture potential opportunities in innovative fields, and enhance the Company's financial robustness.

FUND RAISING ACTIVITIES BY THE COMPANY IN THE PAST TWELVE MONTHS

On December 11, 2024, the Company entered into a placing agreement with China International Capital Corporation Hong Kong Securities Limited, Guotai Junan Securities (Hong Kong) Limited and Huatai Financial Holdings (Hong Kong) Limited in relation to the Previous Placing. The Previous Placing was completed on December 17, 2024, pursuant to which a total of 1,865,000,000 placing shares, representing approximately 5.12% of the number of the then issued Class B Shares and approximately 5.04% of the number of the then existing issued Shares as enlarged by the allotment and issue of the placing shares, have been successfully placed to no fewer than six independent placees (which were individual, professional, corporate and/or institutional investors) at the placing price of HK\$1.50 pursuant to the terms and conditions of the placing agreement. The placing shares under the Previous Placing was issued under the general mandate as approved at the annual general meeting of the Company held on June 26, 2024. For further details of the Previous Placing, please refer to the Company's announcement dated December 11, 2024 and December 17, 2024.

The net proceeds from the Previous Placing, after deducting the placing commission and other relevant costs and expenses of the Previous Placing, amounted to approximately HK\$2,787 million (representing a net issue price of approximately HK\$1.49 per placing share), which were mainly used for supporting the development of the Company's core business, which includes the building of an industry-leading AI cloud, further enhancing the scale of the Company's industry leading AI infrastructure – SenseCore, and supporting the further development of generative AI (including large model research and product development), and for the purpose of general working capital of the Company.

As of the date of this announcement, the net proceeds under the Previous Placing had been fully utilised in accordance with the intended purposes and timeline.

Save as disclosed above, the Company has not carried out any equity fund raising activities during the past 12 months immediately preceding the date of this announcement.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the number of the total issued Shares of the Company is 37,007,371,000 Shares, comprising 614,034,470 Class A Shares and 36,393,336,530 Class B Shares.

The table below sets out a summary of the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon the Completion (assuming there is no other change in the number of issued Shares from the date of this announcement up to the Completion Date and all the Subscription Shares are successfully placed):

	As at the date of this announcement		Immediately upon the Completion Date	
	<i>Number of Shares</i>	<i>Approximate percentage of total issued Shares (%)</i>	<i>Number of Shares</i>	<i>Approximate percentage of total issued Shares (%)</i>
<i>Class A Shares</i>	614,034,470	1.66	614,034,470	1.59
<i>Class B Shares</i>				
The Subscriber ⁽¹⁾	–	–	1,666,667,000	4.31
Other Class B Shareholders	36,393,336,530	98.34	36,393,336,530	94.10
Sub-total of Class B Shares	36,393,336,530	98.34	38,060,003,530	98.41
Total	<u>37,007,371,000</u>	<u>100.00</u>	<u>38,674,038,000</u>	<u>100.00</u>

Notes:

- (1) The Subscriber is not a substantial shareholder as at the date of this announcement, and it is expected that it will not become a substantial shareholder of the Company immediately upon the Completion Date.
- (2) The percentage figures above have been rounded off to the nearest second decimal place.
- (3) The sum of the number of Shares and the shareholding percentage may not be equal to the total number or percentage due to rounding.

The Directors confirm that, immediately after the Completion (assuming all the Subscription Shares are successfully placed), the public float of the Company will be no less than 25% of the Company's issued share capital as enlarged by the Subscription (assuming that the Subscription Shares are fully placed and there is no other change in the issued Shares of the Company from the date of this announcement up to the Completion).

The Subscription may or may not proceed as Completion is conditional upon the fulfillment of the Conditions Precedent. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on June 26, 2025
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	the day(s) on which the Stock Exchange is open for the transaction of business
“Class A Share(s)”	the class A ordinary shares of the Company with a par value of US\$0.000000025 each, conferring weighted voting rights in the Company such that a holder of a Class A Share is entitled to 10 votes per share on any resolution tabled at the Company’s general meeting (unless ceased in accordance with the Listing Rules and/or the memorandum and articles of association of the Company), save for resolutions with respect to any Reserved Matters, in which case they shall be entitled to one vote per share
“Class B Share(s)”	the class B ordinary shares of the Company with a par value of US\$0.000000025 each, conferring a holder of a Class B Share one vote per share on any resolution tabled at the Company’s general meeting
“Company”	SenseTime Group Inc. (商汤集团股份有限公司), an exempted company incorporated under the laws of the Cayman Islands with limited liability on October 15, 2014 and whose Class B Shares are listed on the Stock Exchange (Stock Codes: 20 (HKD Counter) and 80020 (RMB Counter))
“Completion”	completion of the Subscription in accordance with the terms and conditions of the Subscription Agreement
“Completion Date”	the date on which the Completion occurs, which shall be within three Business Days after the date on which the Conditions Precedent are fulfilled or, as the case may be, waived by the Subscriber, or another date as agreed between the Subscriber and the Company in writing
“Conditions Precedent”	conditions precedent to the Completion as set out in the section headed “THE SUBSCRIPTION AGREEMENT – Conditions Precedent” in this announcement

“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted by the ordinary resolution passed at the AGM to the Board to allot, issue and deal with new Class B Shares not exceeding 20% of the aggregate number of the issued Shares existing as at the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined in the Takeovers Code) with any of the connected persons of the Company or any of their respective associates (as defined under the Listing Rules)
“Last Trading Day”	July 23, 2025, being the last trading day prior to the signing of the Subscription Agreement
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Placing Agents”	Guotai Junan Securities (Hong Kong) Limited and CLSA Limited
“Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agents dated July 23, 2025
“Previous Placing”	the placing of 1,865,000,000 new Class B Shares at HK\$1.50 per placing share pursuant to the placing agreement entered into between the Company and China International Capital Corporation Hong Kong Securities Limited, Guotai Junan Securities (Hong Kong) Limited and Huatai Financial Holdings (Hong Kong) Limited on December 11, 2024, details of which are as set out in the Company’s announcements dated December 11, 2024 and December 17, 2024
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan

“Reserved Matter”	those matters resolutions with respect to which each Share is entitled to one vote at general meetings of the Company pursuant to the Articles of Association, being: (i) any amendment to the Memorandum of Association or Articles of Association; (ii) the variation of rights attached to any class of shares; (iii) the appointment, election or removal of any independent non-executive Director; (iv) the appointment, election or removal of the Company’s auditor; and (v) the voluntary liquidation or winding-up of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	the Class A Shares and Class B Shares
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Infini Capital Management Limited
“Subscription”	the subscription by the Subscriber for, and the allotment and issue by the Company of, the Subscription Shares under the terms and subject to the conditions of the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated July 23, 2025 and entered into between the Company and the Subscriber
“Subscription Price”	HK\$1.50 per Subscription Share
“Subscription Share(s)”	1,666,667,000 new Class B Shares to be subscribed by the Subscriber pursuant to the Subscription Agreement
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC
“trading day”	means a day on which the Stock Exchange is open for the trading of securities

“treasury shares” has the meaning ascribed thereto under the Listing Rules

“%” per cent.

By order of the Board
SenseTime Group Inc.
商汤集团股份有限公司

Dr. Xu Li
Executive Chairman Chief Executive Officer

Hong Kong, July 24, 2025

As at the date of this announcement, the executive Directors are Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng; the non-executive Director is Ms. Fan Yuanyuan; and the independent non-executive Directors are Prof. Xue Lan, Mr. Lyn Frank Yee Chon and Mr. Chiu Duncan.