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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 Codes: 0020 (HKD Counter) and 80020 (RMB Counter))

COMPLETION OF PLACING OF NEW CLASS B SHARES UNDER GENERAL MANDATE

Placing Agents

Reference is made to the announcement of SenseTime Group Inc. (the "**Company**") dated December 18, 2025 in respect of the placing of new Class B Shares under general mandate (the "**Placing Announcement**"). Capitalised terms used herein shall have the same meanings as those defined in the Placing Announcement unless otherwise specified.

COMPLETION OF PLACING OF NEW CLASS B SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that all the conditions set out in the Placing Agreement have been fulfilled and the Placing Completion took place on December 29, 2025 in accordance with the terms of the Placing Agreement.

A total of 1,750,000,000 Placing Shares have been successfully placed by the Placing Agents to no fewer than six Placees at the Placing Price of HK$1.80 per Placing Share pursuant to the terms and conditions of the Placing Agreement, representing (i) approximately 4.60% of the number of issued Class B Shares and approximately 4.52% of the number of issued Shares immediately before the Placing Completion; and (ii) approximately 4.40% of the number of issued Class B Shares and approximately 4.33% of the number of existing issued Shares as enlarged by the allotment and issue of the Placing Shares.

To the best of the Directors' and the Placing Agents' knowledge, information and belief, having made all reasonable enquiries, (i) each of the Placees and their respective ultimate beneficial owner(s) (where applicable) is an Independent Third Party; and (ii) none of the Placees has become a substantial shareholder (as defined in the Listing Rules) of the Company upon the Placing Completion.

The net proceeds from the Placing, after deducting the Placing commission and other relevant costs and expenses of the Placing, amounted to approximately HK$3,146 million. The Company intends to use such net proceeds in the following manner:

(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 of the Company's AI infrastructure (SenseCore) while increasing its adoption of domestic chips, with full utilization expected by June 30, 2026. This portion of proceeds will be dedicated to continuously building an industry-leading native AI cloud, expanding the scale of SenseCore, SenseTime's AI infrastructure, and adapting software ecosystems for domestic chips, thereby constructing a more competitive full-stack AI infrastructure system. In terms of the AI cloud, anchored by its core positioning as "the AI infrastructure that best understands large models", we will further advance the cloud-native and intelligent computing architectures. Meanwhile, we will conduct integrated hardware and software optimization for the NEO architecture of SenseTime's SenseNova native multimodal large models, so as to reduce training costs and enhance the inference performance of large models. We will also enable the rapid creation and elastic scaling of virtual AI clusters, supporting the large-scale and efficient service delivery of large model training and inference capabilities. Based on the SenseTime Lingang AIDC and the computing nodes across the nation, we will further increase the scale of computing clusters and improve the efficiency of computing-power and energy-power coordination. By leveraging an intelligent energy storage system to achieve peak shaving and valley filling, we will reduce costs and carbon emissions. For domestic chip adoption, we will continue to deepen strategic cooperation with leading domestic chip partners, conduct in-depth adaptation to domestic chips, and optimize heterogeneous computing technology. Our goal is to realize stable training on larger-scale heterogeneous domestic GPU clusters, hence laying the foundation for large-scale commercial application of domestic computing power;

(ii) 30% will be used to support the R&D of Generative AI, as well as the development and commercialization of the Company's Multimodality Large Model, with full utilization expected by December 31, 2026. This portion of proceeds will be used to support the full-lifecycle R&D and commercialization of generative AI, maintaining our technical advantage and building up a robust product ecosystem. On the R&D front, we will advance progress across data, systems, models and applications. In terms of data, the R&D team will leverage technological upgrades and ecosystem collaborations to continuously expand the reserve of high-value data, increase the scale, quality and information density of synthetic data, and build a more robust data ecosystem centered on world models and embodied intelligence. For systems, we will explore more efficient hardware-software synergy paradigms to achieve an exponential increase in training and inference efficiency, enabling high-level real-time interaction across various applications of multimodal AI. As for models, we will continue to explore native multimodal architectures to achieve effective unification of understanding and generation, driving technological innovations for the integration of the digital and physical worlds. On the product and application side, we will continue to focus on applications of multimodal large models, covering productivity tools and interactive tools. We will prioritize the penetration of key sectors including AIGC, intelligent hardware, finance, education, smart government services, and marketing, etc., delivering end-to-end services spanning from scenario definition to business implementation. Additionally, we will accelerate the market penetration of our products through open-source ecosystem and collaboration with industry players in benchmark cases, driving generative AI technologies to empower more industries and fostering sustainable commercial model;

(iii) 20% will be used to explore the technological integration and practice of AI in innovative vertical fields, including but not limited to the application of AI in finance, education, marketing and other industries, with full utilization expected by December 31, 2026. This portion of proceeds will focus on the in-depth integration of generative AI with vertical industries, addressing the intelligent transformation needs of key sectors such as finance, education and marketing, complementing know-how in these verticals. We will target vertical industries characterized by large demand volumes traditionally, rich application scenarios, and high adaptability with generative AI technologies. We will adopt flexible cooperation models to enter these key sectors, including but not limited to greenfield development, and building a collaborative ecosystem through investment and mergers & acquisitions, so as to expand our capabilities and channels. Taking education as an example, we will provide schools with integrated AI software and hardware tools to empower both teaching and academic administration, driving the digital transformation of education. Meanwhile, we will develop personalized learning systems and AI teaching assistant tools, leveraging adaptive learning algorithms to match students' learning paces and promote the inclusiveness of educational resources. By co-building lighthouse projects with strategic partners and industry clients, we will develop replicable industry-specific solutions, accelerate the industrial implementation of AI technologies, and unlock incremental market potential in vertical sectors; and

(iv) 20% will be used as the Company's general working capital, with full utilization expected by December 31, 2026. This portion of proceeds will be utilized to cover various operating costs including but not limited to employee salaries and benefits, the development of talent training systems, enhancement of branding, development of marketing and sales team, and other administrative costs.

As disclosed in the Placing Announcement, following the Placing Completion, the Company will make filings with the regulatory authorities in the PRC in accordance with the relevant applicable laws and regulations, including the CSRC Filings.

EFFECTS OF THE PLACING ON SHAREHOLDING STRUCTURE OF THE COMPANY

Following the Placing Completion and as at the date of this announcement, the number of the total issued Shares of the Company is 40,424,038,000 Shares, comprising 614,034,470 Class A Shares and 39,810,003,530 Class B Shares.

The table below sets out a summary of the shareholding structure of the Company (i) immediately before the Placing Completion; and (ii) immediately upon the Placing Completion:

	Immediately before the Placing Completion		**Immediately upon the Placing Completion**	
	Number of Shares	*Approximate percentage of total issued Shares (%)*	*Number of Shares*	*Approximate percentage of total issued Shares (%)*
Class A Shares	**614,034,470**	**1.59**	**614,034,470**	**1.52**
Class B Shares				
Placees(1)	–	–	1,750,000,000	4.33
Other Class B Shareholders	38,060,003,530	98.41	38,060,003,530	94.15
Sub-total of Class B Shares	**38,060,003,530**	**98.41**	**39,810,003,530**	**98.48**
Total	**38,674,038,000**	**100.00**	**40,424,038,000**	**100.00**

Notes:

(1) None of the Placees is a substantial shareholder as at the date of this announcement, nor has any Placees become a substantial shareholder of the Company immediately upon the Placing Completion.

(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 Placing Completion, the public float of the Company remains no less than 25% of the Company's issued share capital as enlarged by the Placing.

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, December 29, 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.