

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Deepexi Technology Co., Ltd.

滴普科技股份有限公司

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

(Stock code: 1384)

**ANNUAL RESULTS ANNOUNCEMENT FOR
THE YEAR ENDED 31 DECEMBER 2025**

Financial highlights	Year ended 31 December		Percentage Change
	2025	2024	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>%</i>
Revenue	414,991	242,926	70.8
Gross profit	228,555	126,177	81.1
Loss and total comprehensive loss for the year	(934,559)	(1,254,990)	-25.5
Adjusted net loss (Non-HKFRS measure)	(27,535)	(96,389)	-71.4

The Board hereby announces the consolidated results of the Group for the year ended 31 December 2025 (the “**Reporting Period**”) together with the comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	Year ended 31 December	
		2025	2024
		RMB'000	RMB'000
REVENUE	4	414,991	242,926
Cost of sales		(186,436)	(116,749)
Gross profit		228,555	126,177
Other income and gains		5,215	8,622
Selling and marketing expenses		(105,577)	(89,096)
Administrative expenses		(212,200)	(49,314)
Research and development expenses		(107,708)	(81,399)
Impairment gains/(losses) on financial and contract assets, net		497	(9,305)
Changes in fair values of financial liabilities at shares with preferential rights		(735,149)	(1,155,186)
Other expenses		(6,844)	(2,695)
Finance costs		(1,298)	(385)
Share of profits and losses of an associate		—	(2,409)
LOSS BEFORE TAX	5	(934,509)	(1,254,990)
Income tax expense	6	(50)	—
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(934,559)	(1,254,990)
Loss and total comprehensive loss attributable to: Owners of the parent		(934,559)	(1,254,990)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	8	(3.20)	(6.11)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 December 2025

	<i>Notes</i>	As at 31 December	
		2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		5,759	3,252
Right-of-use assets		13,083	5,799
Other intangible assets		642	35
Other non-current assets		2,370	3,155
Total non-current assets		21,854	12,241
CURRENT ASSETS			
Inventories		9,758	14,546
Trade and bills receivables	<i>9</i>	307,614	166,233
Contract assets		17,081	15,350
Prepayments, other receivables and other assets		11,282	6,421
Financial assets at fair value through profit or loss		464	426
Pledged deposits		21,059	1,282
Restricted cash		8,004	–
Cash and cash equivalents		686,339	208,317
Total current assets		1,061,601	412,575
CURRENT LIABILITIES			
Trade and bills payables	<i>10</i>	111,695	83,623
Other payables and accruals		68,204	54,413
Interest-bearing bank borrowings	<i>11</i>	60,894	–
Lease liabilities		7,716	4,272
Shares with preferential rights		–	3,956,817
Total current liabilities		248,509	4,099,125
NET CURRENT ASSETS/(LIABILITIES)		813,092	(3,686,550)
TOTAL ASSETS LESS CURRENT LIABILITIES		834,946	(3,674,309)
NON-CURRENT LIABILITIES			
Lease liabilities		5,105	1,605
Total non-current liabilities		5,105	1,605
Net assets/(liabilities)		829,841	(3,675,914)
EQUITY			
Share capital/paid-in capital		326,632	50,333
Reserves		503,209	(3,726,247)
Total equity/(deficits)		829,841	(3,675,914)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

Deepexi Technology Co., Ltd. (the “Company”) was incorporated in the People’s Republic of China (“PRC”) on 3 May 2018, as a limited liability company under the Companies Law of the PRC. The registered office of the Company is located at Room 1001-1002, 10th Floor, Building 1, No. 62 Courtyard, Xueyuan South Road, Haidian District, Beijing, China. The Company was restructured from a limited company to a joint-stock company on 8 April 2025.

During the year, the Group was principally engaged in the sale of FastData and FastAGI solutions consisting primarily of deployment of software and standard warranty services.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) effective from 28 October 2025.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain financial instruments which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand (“RMB’000”) except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year’s financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, joint ventures and associates for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the Group’s financial statements.

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended HKFRS Accounting Standards, that have been issued but are not yet effective, in the financial statements. The Group intends to apply these new and amended HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ²
HKFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures</i> ²
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ¹
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> ¹
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to HKAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i> ²
<i>Annual Improvements to HKFRS Accounting Standards – Volume 11</i>	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ¹

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual/reporting periods beginning on or after 1 January 2027

³ No mandatory effective date yet determined but available for adoption

These new and revised HKFRS Accounting Standards are not expected to have any significant impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

Operating segment information

For management purposes, the Group has only one reportable operating segment, which is sale of FastData and FastAGI solutions consisting primarily of deployment of software and standard warranty services. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

(a) *Revenue from external customers*

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Chinese mainland	412,498	242,926
Hong Kong	2,493	–
Total	<u>414,991</u>	<u>242,926</u>

The revenue information above is based on the locations of the customers.

(b) *Non-current assets*

Since nearly all of the Group's non-current assets were located in the Chinese mainland, no geographical information is presented in accordance with HKFRS 8 *Operating Segments*.

Information about major customers

The Group has a large number of customers and no revenue from a single customer accounted for more than 10% of the Group's total revenue for the reporting period.

4. REVENUE

An analysis of revenue is as follows:

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
<i>Revenue from contracts with customers</i>	414,991	242,926
<u>Revenue from contracts with customers</u>		

(a) *Disaggregated revenue information*

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Types of goods or services		
FastAGI enterprise AI solution	254,466	90,396
FastData enterprise data intelligence solution	160,525	152,530
Total	414,991	242,926
Geographical markets		
Chinese mainland	412,498	242,926
Hong Kong	2,493	–
Total	414,991	242,926
Timing of revenue recognition		
Goods and services transferred at a point in time	407,097	240,733
Services transferred over time	7,894	2,193
Total	414,991	242,926

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Sale of solutions	3,662	7,108

(b) *Performance obligations*

Information about the Group's performance obligations is summarised below:

Sale of solutions

Revenue is recognised at the point in time when the software platform and related services are delivered to the customer's designated place, inspected and accepted by the customer. Revenue from certain sales contracts that the Group provides maintenance services is recognised over the scheduled period on a straight-line basis since the customer simultaneously receives and consumes the benefits provided by the Group. Such service contracts are for periods of one year and are billed based on the time incurred.

The payment is generally due within 3 months from delivery.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Amounts expected to be recognised as revenue:		
Within one year	96,520	47,612
After one year	3,745	212
Total	<u>100,265</u>	<u>47,824</u>

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to FastData enterprise data intelligence solutions, of which the performance obligations are to be satisfied within two years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	<i>Note</i>	Year ended 31 December	
		2025	2024
		RMB'000	RMB'000
Cost of inventories and services sold		186,436	116,749
Depreciation of property, plant and equipment*		2,607	4,434
Depreciation of right-of-use assets*		7,771	9,871
Amortisation of intangible assets*		41	–
Lease payments not included in the measurement of lease liabilities		335	166
Loss on disposal of items of property, plant and equipment***		9	208
Auditor's remuneration		2,800	379
Legal and professional fee		309	681
Listing expense		56,618	631
Interest income		(1,530)	(4,317)
Foreign exchange differences, net**		2,763	(483)
Impairment of trade and bills receivables	9	120	8,726
(Reversal of impairment)/impairment of contract assets		(294)	406
(Reversal of impairment)/impairment of other receivables		(323)	173
Government grants		(3,299)	(3,521)
Employee benefit expenses (including directors' and chief executive's remuneration):			
Wages, salaries and other allowances		139,252	140,635
Share-based payment expense		115,257	2,784
Pension scheme contributions and social welfare		16,663	16,281
		<u>139,252</u>	<u>140,635</u>

* The depreciation of property, plant and equipment, amortisation of intangible assets, and depreciation of right-of-use assets are included in "Cost of sales", "Selling and marketing expenses", "Administrative expenses", and "Research and development expenses" in the consolidated statement of profit or loss and other comprehensive income.

** The amounts are included in "Other income and gains" and "Other expenses" in the consolidated statement of profit or loss and other comprehensive income.

*** The amounts are included in "Other expenses" in the consolidated statement of profit or loss and other comprehensive income.

6. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Chinese mainland

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the Enterprise Income Tax (“EIT”) rate of the PRC subsidiaries was 25% during the reporting period, unless otherwise specified below.

The Company is qualified as a high and new technology enterprise and was subject to income tax at a preferential tax rate of 15% for the reporting period. This qualification is subject to review by the relevant tax authority in the PRC for every three years.

Deepexi Guangzhou Technology Co., Ltd., a subsidiary of the Group in the Chinese mainland, was qualified as a high and new technology enterprise and was subject to income tax at a preferential tax rate of 15% for the year ended 31 December 2024.

Hong Kong

A subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 8.25% for taxable income not exceeding HK\$2,000,000, and 16.5% for taxable income exceeding HK\$2,000,000 on any estimated assessable profits arising in Hong Kong. No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the reporting period.

Certain of the Group’s PRC subsidiaries were qualified as small and micro enterprises and were entitled to a preferential corporate income tax rate of 20% during the reporting period.

	Year ended 31 December	
	2025	2024
	<i>RMB’000</i>	<i>RMB’000</i>
Current – Chinese mainland:		
Charge for the year	50	–

A reconciliation of the tax expense applicable to loss before tax using the statutory rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled and/or operate to the tax expense at the effective tax rate is as follows:

	Year ended 31 December	
	2025	2024
	<i>RMB’000</i>	<i>RMB’000</i>
Loss before tax	(934,509)	(1,254,990)
Tax at the statutory tax rate of 25%	(233,627)	(313,748)
Lower tax rates for specific provinces or enacted by local authority	95,101	125,499
Additional deductible allowance for research and development expenses	(10,239)	(7,854)
Tax effect of changes in the carrying amount of shares with preferential rights	110,272	173,278
Deductible temporary differences and tax losses not recognised	38,075	22,397
Expenses not deductible for tax	468	428
Tax charge at the Group’s effective tax rate	50	–

The Group had accumulated tax losses arising in the Chinese mainland of RMB1,248,191,000 as of 31 December 2025 (2024: RMB1,098,557,000), that will expire in one to ten years for offsetting against future taxable profits of the Group.

Deferred tax assets have not been recognised in respect of these losses and deductible temporary differences as they have arisen in the subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits in the foreseeable future will be available against which the tax losses can be utilised.

7. DIVIDENDS

No dividend was paid or declared by the Company during the years ended 31 December 2025 and 2024.

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares of 292,269,000 (2024: 205,566,000) outstanding during the year.

The Group had no potentially dilutive ordinary shares in issue and no adjustment has been made to the basic loss per share amounts presented for the years ended 31 December 2025 and 2024.

	Year ended 31 December	
	2025	2024
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculation (RMB'000)	(934,559)	(1,254,990)
Shares		
Weighted average number of ordinary shares in issue during the year, used in the basic loss per share calculation ('000)	292,269	205,566
Loss per share (basic and diluted) RMB per share	(3.20)	(6.11)

9. TRADE AND BILLS RECEIVABLES

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Trade and bills receivables	326,558	185,057
Impairment	(18,944)	(18,824)
Total	307,614	166,233

The Group's trading terms with its certain customers are on credit, and the credit period is generally within 90 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by management. In view of the aforementioned and the fact that the Group's trade and bills receivables relate to diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the end of each of the reporting periods, based on the date of revenue recognition and net of loss allowance, is as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	281,905	144,754
1 to 2 years	18,587	14,551
2 to 3 years	6,660	1,596
Over 3 years	462	5,332
	<hr/>	<hr/>
Total	307,614	166,233
	<hr/> <hr/>	<hr/> <hr/>

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
At beginning of year	18,824	10,098
Impairment losses, net	120	8,726
	<hr/>	<hr/>
At end of year	18,944	18,824
	<hr/> <hr/>	<hr/> <hr/>

An impairment analysis was performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group writes off trade receivables when there is information indicating that the counterparty is in severe financial difficulties and there is no realistic prospect of recovery, e.g., when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs sooner, also taking into account legal advice where appropriate.

Set out below is the information about the credit risk exposure on the Group's trade and bills receivables using a provision matrix:

As at 31 December 2025

	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>2 to 3 years</u>	<u>Over 3 years</u>	<u>Total</u>
Expected credit loss rate	3.50%	12.71%	24.08%	89.38%	5.80%
Gross carrying amount (RMB'000)	292,140	21,294	8,772	4,352	326,558
Expected credit losses (RMB'000)	10,235	2,707	2,112	3,890	18,944

As at 31 December 2024

	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>2 to 3 years</u>	<u>Over 3 years</u>	<u>Total</u>
Expected credit loss rate	6.51%	15.71%	25.07%	50.78%	10.17%
Gross carrying amount (RMB'000)	154,831	17,262	2,130	10,834	185,057
Expected credit losses (RMB'000)	10,077	2,711	534	5,502	18,824

10. TRADE AND BILLS PAYABLES

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

	<u>As at 31 December</u>	
	<u>2025</u>	<u>2024</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	98,318	75,174
1 to 2 years	9,037	4,869
2 to 3 years	2,181	1,592
Over 3 years	2,159	1,988
Total	<u>111,695</u>	<u>83,623</u>

The trade and bills payables are non-interest-bearing and are normally settled on terms of 1 to 3 months.

11. INTEREST-BEARING BANK BORROWINGS

The effective interest rates and maturity of the borrowings are as follows:

	<u>As at 31 December 2025</u>		
	<u>Effective interest rate (%)</u>	<u>Maturity</u>	<u>RMB'000</u>
Current			
Bank loans – unsecured	<u>2.60-3.00</u>	<u>2026</u>	<u>60,894</u>

The carrying amounts of borrowings are denominated in RMB.

	<u>As at 31 December</u>	
	<u>2025</u>	<u>2024</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Analysed into:		
Bank loans and overdrafts repayable:		
Within one year	<u>60,894</u>	<u>–</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Macro and Industry Environment

AI has undergone significant evolution since its inception, with continuous advancements expanding its capabilities – ranging from discriminative AI to large model AI, and from artificial narrow intelligence (ANI) to the emerging potential of artificial general intelligence (AGI) and the ultimate goal of artificial superintelligence (ASI). As AI becomes increasingly integrated into the workplace, it is reshaping industries, driving disruptive innovation, and realizing substantial productivity gains. In this context, AI application solutions have become vital tools for organizations of all sizes, helping them tackle unique challenges and achieve strategic objectives. Enterprise AI application solutions refer to a wide range of solutions that integrate AI algorithms into hardware, software and services that are provided to enterprises. Enterprise AI application solutions seamlessly integrate AI into enterprise systems, ensuring scalability and compatibility with existing infrastructure, while delivering tangible value through the resolution of complex, industry-specific problems and supporting long-term business growth.

The development of large model AI has been one of the most significant advancements in artificial intelligence in recent years, revolutionizing how enterprises operate, innovate, and engage with customers. With the rise of models like GPT, BERT, and other Transformer-based architectures, large model AI application solution has emerged as powerful tools for enterprises of all sizes, driving transformation across enterprise operations and enhancing user experiences in diverse applications. In particular, large model AI application solution not only enables enterprises to generate and process various types of content more efficiently, but also more importantly, empowers them to make better-informed and more impactful business decisions. While recognizing the transformative potential of large model AI, enterprises often face several challenges and pain points when considering the development and adoption of these applications, including: 1. lack of ready-to-use large model AI applications; 2. challenges in adapting foundation models to meet specific enterprise needs; 3. unready data quality for enterprise large model AI application development; and 4. demand for optimized computing power infrastructure to support large model AI applications.

In order to address the aforementioned pain points faced by enterprises during the development and adoption of large model AI technologies, enterprise large model AI application solution is offered. Enterprise large model AI application solution, as a subset of enterprise AI solutions, refer to applications built on large model AI capabilities, along with the supporting services necessary when delivering integrated large model AI solutions including model development services, data platform services, and computing power optimization services to help enterprises better utilize enterprise large model AI applications to realize cost reduction and efficiency increases.

Business Review

FastData Enterprise Data Intelligence Solution

Leveraging our proprietary FastData Foil Data Fusion Platform, our FastData solution tackles this challenge by enabling enterprises to efficiently govern structured, unstructured and semi-structured multi-modal data, building high-quality knowledge bases. By standardizing and unifying the governance of multi-modal data (e.g., knowledge, documents, drawings, formulas), it aims to bridge the gap between raw information and real-world business needs for faster, more accurate data access, reduced development costs, and sharper decision-making.

FastData solution also prepares data for AI, delivering tokenized data output for training and fine-tuning large models and agentic AI applications. Its data output also powers business intelligence and analytics, ensuring enterprises derive maximum value from their information assets.

FastAGI Enterprise AI Solution

Based on our Deepexi enterprise large model, our FastAGI solution, launched and commercialized in late 2023, delivers multi-scenario agentic AI applications tailored to various industries, including consumer goods, manufacturing, healthcare and transportation.

FastAGI solution acts as a one-stop solution enabling full processes from knowledge base development and model management to the incubation of AI agents, simplifying the complexities of AI deployment to empower enterprises across industries to optimize decision-making, enhance operational efficiency and boost productivity.

During the Reporting Period, the total revenue generated from our sales of FastAGI solution was RMB254.5 million, representing a year-on-year increase of 181.5%. Revenue from sales of FastAGI solution accounted for 61.3% of total revenue.

We derived revenue from sales of FastData enterprise data intelligence solution and FastAGI enterprise AI solution. The table below sets forth our revenue breakdown by business segment in amounts and as percentages of our total revenue for the periods indicated:

	Year ended 31 December					
	2025		2024		Change	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentage)</i>					
FastData enterprise data intelligence solution	160,525	38.7	152,530	62.8	7,995	5.2
FastAGI enterprise AI solution	254,466	61.3	90,396	37.2	164,070	181.5
Total	414,991	100.0	242,926	100.0	172,065	70.8

Financial Review

The following discussion is based upon the financial information and notes thereto contained elsewhere in this announcement and should be read in conjunction therewith.

Revenue

During the Reporting Period, the Group's revenue amounted to RMB415.0 million, representing an increase of 70.8% from RMB242.9 million in the corresponding period last year, primarily attributable to the growing market demand and an expanding customer base, with the number of customers reaching 130 in 2025, representing an increase of 46.1% from 89 in 2024. The significant growth in both customers and revenue for FastAGI enterprise AI solution has driven the overall revenue growth.

The following table sets out the breakdown of the Group's revenue by product category for the Reporting Period and the corresponding period last year.

	Year ended 31 December					
	2025		2024		Change	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentage)</i>					
FastData enterprise data intelligence solution	160,525	38.7	152,530	62.8	7,995	5.2
FastAGI enterprise AI solution	254,466	61.3	90,396	37.2	164,070	181.5
Total	414,991	100.0	242,926	100.0	172,065	70.8

- FastData enterprise data intelligence solution. During the Reporting Period, the Group's revenue from sales of FastData enterprise data intelligence solution amounted to RMB160.5 million, representing an increase of 5.2% from RMB152.5 million in the corresponding period last year, primarily attributable to: (i) stable sales scale and market conditions; and (ii) the software products of FastData enterprise data intelligence solution reaching a stage of maturity, with its market recognition and brand influence gradually becoming apparent.
- FastAGI enterprise AI solution. During the Reporting Period, the Group's revenue from sales of FastAGI enterprise AI solution amounted to RMB254.5 million, representing an increase of 181.5% from RMB90.4 million in the corresponding period last year, primarily attributable to the expansion of our customer base and the number of customers increasing from 20 in 2024 to 70 in 2025, resulting from (i) the increased market demand, (ii) the increased brand recognition, and (iii) the enhanced capabilities of FastAGI enterprise AI solution.

Cost of sales

During the Reporting Period, the Group's cost of sales amounted to RMB186.4 million, representing an increase of 59.7% from RMB116.7 million in the corresponding period last year, primarily attributable to the year-on-year growth in sales revenue, with the overall cost of sales aligning with the revenue growth of our FastData enterprise data intelligence solution and FastAGI enterprise AI solution.

Gross profit and gross profit margin

During the Reporting Period, the Group's gross profit amounted to RMB228.6 million, representing an increase of 81.1% from RMB126.2 million in the corresponding period last year. The gross profit margin for the period was 55.1%, representing an increase of 3.2 percentage points from 51.9% in the corresponding period last year, primarily attributable to the growth in gross profit from FastAGI enterprise AI solution, which drove the overall increase in gross profit. Specifically: (i) the gross profit margin for sales of FastAGI enterprise AI solution increased from 49.1% in 2024 to 55.2% in 2025, mainly due to the economies of scale from the maturity of our business and technology, particularly the usability and adaptability of our solutions, with the improved delivery efficiency; (ii) the gross profit margin for sales of FastData enterprise data intelligence solution remained relatively stable at 53.6% and 54.9% in 2024 and 2025 respectively.

Other income and gains

During the Reporting Period, the Group's other income and gains amounted to RMB5.2 million, representing a decrease of 39.5% from RMB8.6 million in the corresponding period last year, primarily attributable to the bank deposits of the Company being predominantly held as demand deposits. From 20 May 2025, the interest rate on demand deposits at major commercial banks was reduced from 0.10% to 0.05%, resulting in the decreased interest income.

Selling and marketing expenses

During the Reporting Period, the Group's selling and marketing expenses amounted to RMB105.6 million, representing an increase of 18.5% from RMB89.1 million in the corresponding period last year, primarily attributable to an increase in employee benefits expenses and traveling costs driven by our increased number of sales employees to support our business growth, partially offset by a decrease in business development expenses as we strategically reduced such spending after establishing a solid sales channel expansion through substantial investments made from 2022 to 2024, which helped us build a more stable customer base.

Administrative expenses

During the Reporting Period, the Group's general and administrative expenses amounted to RMB212.2 million, representing an increase of 330.3% from RMB49.3 million in the corresponding period last year, primarily attributable to (i) an increase in share-based payment expense mainly due to the Employee Incentive Scheme adopted by us in 2025 to recognize the contribution of employees, attract and retain talents, and (ii) an increase in listing expense.

Research and development expenses

During the Reporting Period, the Group's research and development expenses amounted to RMB107.7 million, representing an increase of 32.3% from RMB81.4 million in the corresponding period last year, primarily attributable to (i) an increase in computing power and cloud service expenses driven by our strategy to train and fine-tune foundation models and enterprise large models to enhance Agentic AI application capabilities, and (ii) an increase in our outsourced data labeling and solution testing fees as we increased investment in data labeling, ontology data model and solution testing activities to support the development of our solutions, in particular, our FastAGI enterprise AI solution, partially offset by a decrease in employee benefit expenses as we streamlined our R&D employee structure to optimize our R&D efficiency.

Impairment gains/(losses) on financial and contract assets

During the Reporting Period, the Group's impairment gains on financial and contract assets amounted to RMB0.5 million, compared with a loss of RMB9.3 million in the corresponding period last year, primarily attributable to the continued significant improvement in the recovery of receivables, which substantially reduced migration rates and consequently lowered the expected credit loss ratio.

Other expenses

During the Reporting Period, the Group's other expenses amounted to RMB6.8 million, representing an increase of 154.0% from RMB2.7 million in the corresponding period last year, primarily attributable to the increased donations and exchange losses, including (1) a donation of RMB2.0 million to the Hong Kong Polytechnic University in 2025; (2) exchange losses of RMB2.8 million arising from exchange rate fluctuations during the period.

Finance costs

During the Reporting Period, the Group's finance costs amounted to RMB1.3 million, representing an increase of 237.1% from RMB0.4 million in the corresponding period last year, primarily attributable to the increased interest expense arising from new short-term borrowings during the period.

Changes in fair values of financial liabilities at shares with preferential rights

During the Reporting Period, the Group's changes in fair values of financial liabilities at shares with preferential rights amounted to RMB735.1 million, representing a decrease of 36.4% from RMB1,155.2 million in the corresponding period last year, primarily attributable to the fair value change in the financial liabilities at shares with preferential rights we issued to our Pre-IPO Investors.

Income tax expense

During the Reporting Period, the Group's income tax expense amounted to RMB50.0 thousand, whereas no income tax expense was incurred in the corresponding period last year, primarily attributable to the withholding income tax during the Reporting Period.

Loss and total comprehensive loss for the year

As a result of the foregoing, the Group's loss and total comprehensive loss for the year amounted to RMB934.6 million, representing a decrease of RMB320.4 million compared to RMB1,255.0 million in the corresponding period last year.

Non-HKFRS Financial Measure

To supplement our consolidated financial statements, which are presented in accordance with HKFRS, we also use adjusted net loss (Non-HKFRS measure) as additional financial measure, which is not required by, or presented in accordance with HKFRS. We believe this non-HKFRS measure facilitates comparisons of operating performance from period to period by eliminating potential impacts of certain items. We believe this measure provides useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as they help our management. However, such non-HKFRS financial measure we presented may not be directly comparable to similar measures presented by other companies.

We define adjusted net loss (Non-HKFRS measure) for the Reporting Period as loss and total comprehensive loss for the year adjusted by adding back (i) share-based payment expense, (ii) changes in fair values of financial liabilities at shares with preferential rights, and (iii) listing expense. The following table reconciles our adjusted net loss (Non-HKFRS measure) for the year presented in accordance with HKFRS:

	Year ended 31 December,		Percentage change
	2025	2024	
	<i>(RMB in thousands, except for percentages)</i>		
	<i>Amount</i>	<i>Amount</i>	<i>%</i>
Loss and total comprehensive loss for the year	(934,559)	(1,254,990)	-25.5
Add:			
– Share-based payment expense	115,257	2,784	4,040.0
– Changes in fair values of financial liabilities at shares with preferential rights	735,149	1,155,186	-36.4
– Listing expense	56,618	631	8,872.7
Adjusted net loss (Non-HKFRS measure) for the year	(27,535)	(96,389)	-71.4

Property, plant and equipment

As of 31 December 2025, the Group's property, plant and equipment amounted to RMB5.8 million, representing an increase of 77.1% from RMB3.3 million as of 31 December 2024, primarily attributable to the increased computing power support and AI training servers required for the Company's business expansion.

Right-of-use assets

As of 31 December 2025, the Group's right-of-use assets amounted to RMB13.1 million, representing an increase of 125.6% from RMB5.8 million as of 31 December 2024, primarily attributable to the renewal of existing leases and the addition of leases in Hong Kong and Suzhou.

Inventories

As of 31 December 2025, the Group's inventories amounted to RMB9.8 million, representing a decrease of 32.9% from RMB14.5 million as of 31 December 2024, primarily attributable to the recognition of contract fulfilment costs as cost of sales following project acceptance in 2025.

Trade and bills receivables

As of 31 December 2025, the Group's trade and bills receivables amounted to RMB307.6 million, representing an increase of 85.0% from RMB166.2 million as of 31 December 2024, primarily attributable to a substantial rise in revenue of primary business, which correspondingly led to an increase in the associated receivables.

Trade and bills payables

As of 31 December 2025, the Group's trade and bills payables amounted to RMB111.7 million, representing an increase of 33.6% from RMB83.6 million as of 31 December 2024, primarily attributable to the significant growth in our business, which led to the increased purchase amount and consequently higher balances payable to suppliers.

Prepayments, other receivables and other assets

As of 31 December 2025, the Group's prepayments, other receivables and other assets amounted to RMB11.3 million, representing an increase of 75.7% from RMB6.4 million as of 31 December 2024, primarily attributable to an increase in prepayments to suppliers for outsourced research and development.

Contract assets

Contract assets represent our rights to receive consideration for obligations performed under some of our sales contracts. As of 31 December 2025, the Group's contract assets amounted to RMB17.1 million, representing an increase of 11.3% from RMB15.4 million as of 31 December 2024, primarily attributable to an increase in warranty payment.

Other payables and accruals

As of 31 December 2025, the Group's other payables and accruals amounted to RMB68.2 million, representing an increase of 25.3% from RMB54.4 million as of 31 December 2024, primarily attributable to an increase in fees payable to listing agency.

Liquidity and capital resources

During the Reporting Period, the Group's net cash flows used in operating activities amounted to RMB198.9 million, compared with RMB117.7 million in the corresponding period last year.

As of 31 December 2025, the Group's cash at banks amounted to RMB715.4 million, comprising pledged deposits of RMB21.1 million, restricted cash of RMB8.0 million and cash and cash equivalents of RMB686.3 million, representing an increase of 241.3% from RMB209.6 million as of 31 December 2024.

As of 31 December 2025, the Group's interest-bearing bank loans and other borrowings amounted to RMB60.9 million, all of which were short-term borrowings. As of 31 December 2024, the Group had no interest-bearing bank loans or other borrowings. The increase was primarily attributable to fund management requirements for replenishing working capital. All borrowings of the Group were denominated in Renminbi and were fixed-rate borrowings. The Group has not implemented any interest rate hedging policies.

Indebtedness

The Group's indebtedness included bank loans, other borrowings and lease liabilities.

As of 31 December 2025, the Group's current indebtedness comprised bank loans and lease liabilities of RMB60.9 million and RMB7.7 million respectively. As of 31 December 2024, the Group's current indebtedness comprised bank loans and lease liabilities of RMBnil million and RMB4.3 million respectively.

As of 31 December 2025, the Group had no bank loans or other borrowings in its non-current indebtedness, with lease liabilities amounting to RMB5.1 million. As of 31 December 2024, the Group had no bank loans or other borrowings in its non-current indebtedness, with lease liabilities amounting to RMB1.6 million.

Contingent liabilities

As of 31 December 2025, the Group did not have any material contingent liabilities.

Capital expenditures

During the Reporting Period, the Group's capital expenditures amounted to RMB5.7 million. The Group's capital expenditures consisted of expenditures on property, plant and equipment for office refurbishment and procurement of servers, and intangible assets.

Capital commitments

As of 31 December 2025, the Group did not have any significant capital commitments.

Gearing ratio

As of 31 December 2025, the Group's gearing ratio (defined as total liabilities divided by total assets as at the same date) stood at 23.4%, representing a decrease of 941.9 percentage points from 965.3% as of 31 December 2024, primarily attributable to an increase in monetary assets arising from the Group's issuance of H shares for financing purposes during the Reporting Period and cash flows from operating activities.

Distributable reserves

As of 31 December 2025, the Group had no distributable reserves.

Foreign currency

Foreign currency risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between RMB and USD in which we conduct business may affect our financial condition and results of operations. As the Group's operations are predominantly settled in Renminbi, such risks are not material and the Group does not employ hedging instruments for this purpose.

Asset mortgage

As of 31 December 2025, the Group did not pledge any assets.

Significant Investments, Acquisitions and Disposals

As of the end of the Reporting Period, the Group did not have any significant investments required to be disclosed pursuant to paragraph 32(4A) of Appendix D2 to the Hong Kong Listing Rules. During the Reporting Period, the Group had no significant investments, acquisitions and/or disposals of subsidiaries, associates and joint ventures.

Future Plans for Significant Investments and Investments in Capital Assets

As of the end of the Reporting Period, save as disclosed in “Use of Proceeds” of this announcement and “Future Plans and Use of Proceeds” of the Prospectus, the Group has no future plans for significant investments or capital asset investments.

Main Risks and Uncertainties

Our business involves certain risks (as set out in the section of “Risk Factors” in the Prospectus). The following is a summary of certain main risks and uncertainties faced by the Group (some of which are beyond our control).

- Any flaw or misuse of the AI technologies, whether actual or perceived, intended or inadvertent, committed by us or by other third parties, could harm our reputation and materially and adversely impact on our business, financial condition, prospects and the general acceptance of AI solutions by the society;
- Actual or alleged failure to comply with cybersecurity and data protection and personal information protection laws and regulations could damage our reputation, deter current and potential customers from using our solutions and could subject us to significant legal, financial and operational consequences;
- Our ability to continuously improve our technology and provide innovative solutions that meet the expectations of our customers;
- Our ability to generate commercial returns from our R&D investments;
- Our ability to compete effectively;
- Our ability to retain existing customers, attract new customers or increase the spending by existing customers;
- Our ability to make our solutions to perform as required, and to offer high-quality customer services;
- Our ability to expand into new verticals successfully;
- Our ability to obtain or maintain adequate intellectual property protection for our technologies and solutions;
- We may not be able to achieve or subsequently maintain profitability in the near future;
- We are subject to risks related to sanctions, export control laws and economic or trade restrictions.

Significant Event after the Reporting Period

Save as disclosed in this announcement, there are no significant events after the Reporting Period that require adjustment or disclosure in accordance with the HKFRS Accounting Standards.

Future Outlook

Today, leveraging the coupling of open-source foundation models with public knowledge capabilities, as well as extensive data from different industries and experience from collaborations with industry leaders, we developed the Deepexi enterprise large model. This platform incorporates foundational capabilities across various verticals and can be trained and fine-tuned into enterprise-specific large models through supervised fine-tuning (SFT), where a pre-trained large model is adapted to a specific downstream task using labeled dataset, and reinforcement learning, an interdisciplinary area combining machine learning and optimal control that focuses on how an intelligent agent should take actions in a dynamic environment in order to maximize a reward signal. These models power our FastAGI enterprise AI solution with embedded agentic AI applications, which are capable of processing industry-specific data and performing multi-step reasoning to assist enterprises in completing complex tasks and enhancing operational efficiency.

Looking ahead, we believe all industries will undergo AI-driven transformation. We plan to focus on data engineering, model engineering and application engineering as the core of our AI development, while exploring diverse hybrid technology stacks to enhance our solutions. By deeply integrating with industry scenarios, we aim to continuously build and operationalize scenario-specific AI applications, providing full-cycle services for enterprise AI deployment.

Purchase, Sale, or Redemption of the Company's Securities

Save as disclosed in this announcement, neither the Company nor any of its subsidiaries purchased, sold, or redeemed any of the Company's listed securities (including the sale of treasury shares (as defined under the Hong Kong Listing Rules)) during the Reporting Period. As of 31 December 2025, the Company did not hold any such treasury shares.

Save as disclosed in the section "Use of Proceeds" of this announcement, the Company did not issue any new shares or debentures during the year ended 31 December 2025.

Use of Proceeds

The Company issued H Shares and listed on the Main Board of the Stock Exchange on 28 October 2025. The aggregate number of H Shares issued through the Hong Kong public offering and international placing was 26,632,000 shares with a par value of RMB1.00 each, at an issue price of HK\$26.66 per share. The total proceeds raised from this H Share issuance amounted to HK\$710.01 million (approximately RMB647.19 million). After deducting issuance expenses directly attributable to the offering, the net proceeds were approximately HK\$657.28 million (approximately RMB599.64 million), representing net proceeds of approximately HK\$24.68 per H Share.

The use of proceeds disclosed in the Prospectus remains unchanged. The utilization of the Company's H Share proceeds is as follows:

	Approximate Percentage of Total Amount	Net Proceeds Available for Use <i>(RMB million)</i>	Amount Utilized from Listing Date to End of Reporting Period <i>(RMB million)</i>	Amount Unutilized at End of Reporting Period <i>(RMB million)</i>	Expected Timeline for Utilizing Remaining Unutilized Amount ⁽¹⁾
Enhancing our R&D capabilities in the next five years	40.0%	239.86	2.79	237.07	Before 31 December 2030
The expansion of our sales network and customer base in China	30.0%	179.89	6.27	173.62	Before 31 December 2030
Overseas business expansion	15.0%	89.95	0.36	89.59	Before 31 December 2030
Potential investment, merger, and acquisition opportunities	5.0%	29.98	-	29.98	Before 31 December 2030
Working capital and for general corporate uses	10.0%	59.96	3.58	56.38	Before 31 December 2030
Total	100.0%	599.64	13.00	586.64	Not applicable

Note:

- (1) The expected timing for the use of the remaining proceeds is based on the Group's best estimates and may change depending on current and future market conditions.

The balance of proceeds from the initial public offering will continue to be used in accordance with the purposes and proportions disclosed in the Prospectus.

Dividends

The Board has not proposed a final dividend for the year ended 31 December 2025.

During the Reporting Period, there were no arrangements whereby shareholders waived or agreed to waive any dividends.

Audit Committee

During the period from the Listing Date to 31 December 2025 and up to the date of this announcement, the Audit Committee consisted of three Directors, namely Mr. Zhang Jielong, Dr. Yang Hongxia, and Dr. Kong Xianguang. Mr. Zhang Jielong serves as the chairman of the Audit Committee. The Audit Committee and the management of the Company have reviewed the accounting principles and practices adopted by the Group and discussed and reviewed the matters on, among others, risk management and the internal control, enterprise risk assessment, financial statements and the effectiveness of the internal audit function, including the review of annual results and annual report for the year of 2025, on which they had no dissenting opinion.

Corporate Governance Practices

The Company is committed to upholding high standards of corporate governance in order to safeguard the interests of Shareholders. From the Listing Date to 31 December 2025, except as disclosed below, the Company has complied with the provisions of the Corporate Governance Code (as of 30 June 2025) set out in Appendix C1 to the Hong Kong Listing Rules (the “**Corporate Governance Code**”), which sets forth the principles of good corporate governance. The Board will review the corporate governance structure and practices from time to time and will make necessary arrangements as the Board deems appropriate.

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 and chief executive should be separate and should not be performed by the same individual. We do not have a separate chairman and chief executive officer, and Mr. Zhao Jiehui currently performs these two roles. The Board believes that vesting the roles of both chairman of the Board and chief executive officer in the same person has the benefit of (i) ensuring consistent leadership within the Group, (ii) enabling more effective and efficient overall strategic planning for the Group, and (iii) facilitating the flow of information between the management and the Board. 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 executive 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.

Directors’ Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code as set out in Appendix C3 to the Hong Kong Listing Rules and requires directors’ securities transactions to be conducted in accordance with the Model Code.

After making specific enquiries of all directors, the directors confirmed that they had complied with the Model Code during the period from the Listing Date to 31 December 2025.

Scope of Work of the Auditor

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group’s auditors, Ernst & Young, to the amounts set out in the Group’s consolidated financial statements for the year ended 31 December 2025. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Ernst & Young on the preliminary announcement.

Publication of Annual Results and 2025 Annual Report

This results announcement is published on the Company's website (www.deepexi.com) and the Hong Kong Stock Exchange website (www.hkexnews.hk). The Company's 2025 Annual Report will be available on the Company's website and the Hong Kong Stock Exchange website in due course.

Definitions

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set forth below:

“Audit Committee”	the Audit Committee of the Board
“Board”	the board of directors of the Company
“China” or “PRC”	the People's Republic of China, excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region, and the Taiwan region
“H Shares”	shares of RMB1.00 par value each in the Company's share capital, listed and traded on the Stock Exchange
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Listing Date”	28 October 2025
“Listing”	the listing of the H Shares on the Main Board
“Main Board”	the stock market operated by the Stock Exchange (excluding the options market), which is separate from and operates in parallel with the Stock Exchange's GEM
“Prospectus”	the prospectus issued by the Company on 28 October 2025
“Reporting Period”	the period from 1 January 2025 to 31 December 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Shareholder”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“The Company” or “Company” Deepexi Technology Co., Ltd. (滴普科技股份有限公司), a limited liability company established under the laws of the PRC on 3 May 2018 under the name of Beijing Deepexi Technology Co., Ltd. (北京滴普科技有限公司) and converted into a joint stock limited company on 8 April 2025 under the current name, with its H Shares listed and traded on the Stock Exchange

“The Group” or “We” the Company and its subsidiaries

By order of the Board
Deepexi Technology Co., Ltd.
Mr. Zhao Jiehui
*Chairman of the Board, Executive Director
and Chief Executive Officer*

Beijing, 20 March 2026

As at the date of this announcement, the Board of the Company comprises: (i) Mr. Zhao Jiehui, Mr. Yang Lei, Dr. Li Qiang, Mr. Cao Lianfei and Ms. Shi Yi as executive Directors; (ii) Mr. Wang Zhenghao as non-executive Director; and (iii) Dr. Yang Hongxia, Dr. Kong Xianguang and Mr. Zhang Jielong as independent non-executive Directors.