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iMotion Automotive Technology (Suzhou) Co., Ltd.

知行汽車科技(蘇州)股份有限公司

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

(Stock Code: 1274)

(1) ANNUAL RESULTS ANNOUNCEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025;

(2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

(1) ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

During the year ended 31 December 2025, the Group has recorded:

- Revenue of RMB1,000.57 million, which was decreased by 19.81% compared to the same period in 2024.
- Gross profit of RMB15.24 million, which was decreased by 83.22% compared to the same period in 2024.
- Gross profit margin was 1.52% (2024: 7.28%).
- Loss before tax for the Reporting Period increased by 44.47% to RMB416.56 million (2024: RMB288.34 million).
- Loss attributable to equity shareholders of the Company for the Reporting Period was increased by 44.17% to RMB415.67 million (2024: RMB288.32 million).
- Basic and diluted loss per share attributable to equity shareholders of the Company amounted to RMB1.70 for the Reporting Period (2024: RMB1.27).
- The Board does not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: Nil).

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”, and each a “**Director**”) of iMotion Automotive Technology (Suzhou) Co., Ltd. (the “**Company**”) hereby announces the audited consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”, “**we**” or “**us**”) for the year ended 31 December 2025 (the “**Reporting Period**”), together with the comparative figures for the corresponding year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2025

(Expressed in RMB)

	Note	Year ended 31 December 2025 RMB'000	2024 RMB'000
Revenue	3	1,000,571	1,247,721
Cost of sales		<u>(985,333)</u>	<u>(1,156,895)</u>
Gross profit		15,238	90,826
Selling expenses		(18,386)	(30,393)
Administrative expenses		(80,319)	(57,497)
Research and development expenses		(322,784)	(280,651)
Impairment losses on financial assets		(6,366)	(9,418)
Impairment losses on non-current assets		(5,716)	–
Other income	4	6,086	5,908
Other losses - net	5	<u>(9,595)</u>	<u>(6,969)</u>
Operating loss		(421,842)	(288,194)
Finance income	6	11,027	5,109
Finance costs	6	<u>(5,740)</u>	<u>(5,254)</u>
Finance income/(costs) – net	6	5,287	(145)
Loss before income tax		(416,555)	(288,339)
Income tax expense	8	<u>84</u>	–
Loss for the year		<u>(416,471)</u>	<u>(288,339)</u>
Attributable to:			
Equity shareholders of the Company		(415,828)	(288,339)
Non-controlling interests		<u>(643)</u>	–
Loss for the year		<u>(416,471)</u>	<u>(288,339)</u>
Other comprehensive income:			
<i>Items that may be subsequently reclassified to profit or loss</i>			
Currency translation differences		<u>158</u>	17
Loss and total comprehensive loss for the year		<u>(416,313)</u>	<u>(288,322)</u>
Attributable to:			
Equity shareholders of the Company		(415,670)	(288,322)
Non-controlling interests		<u>(643)</u>	–
Loss and total comprehensive loss for the year		<u>(416,313)</u>	<u>(288,322)</u>
Loss per share attributable to the equity shareholders of the Company (in RMB)			
Basic and diluted loss per share	9	<u>(1.70)</u>	<u>(1.27)</u>

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
for the year ended 31 December 2025
(Expressed in RMB)

	<i>Note</i>	As at 31 December	
		2025	2024
		RMB'000	RMB'000
Assets			
Non-current assets			
Property, plant and equipment		433,303	308,486
Right-of-use assets		30,315	33,991
Intangible assets		74,277	38,004
Financial assets at fair value through profit or loss		10,000	4,778
Other non-current assets		24,566	26,409
		<u>572,461</u>	<u>411,668</u>
Current assets			
Inventories	10	291,543	298,943
Other current assets		48,647	93,400
Trade and notes receivables	11	232,080	222,121
Financial assets at fair value through other comprehensive income		30,012	95,768
Financial assets at fair value through profit or loss		300,468	223,908
Restricted cash		62	34,000
Cash and cash equivalents		260,699	181,114
		<u>1,163,511</u>	<u>1,149,254</u>
Total assets		<u>1,735,972</u>	<u>1,560,922</u>
Equity			
Share capital		252,636	230,757
Reserves		1,538,404	1,181,008
Accumulated losses		(924,569)	(508,741)
Total equity attributable to equity shareholders of the Company		<u>866,471</u>	<u>903,024</u>
Non-controlling interests		<u>4,094</u>	<u>–</u>
Total equity		<u>870,565</u>	<u>903,024</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
for the year ended 31 December 2025
(Expressed in RMB)

	<i>Note</i>	As at 31 December	
		2025	2024
		RMB'000	RMB'000
Liabilities			
Non-current liabilities			
Borrowings	<i>12</i>	298,614	170,173
Lease liabilities		–	548
Provisions		7,429	7,983
Deferred income		3,280	3,066
Deferred tax liabilities		2,421	–
		<u>311,744</u>	<u>181,770</u>
Current liabilities			
Trade payables	<i>13</i>	160,588	114,918
Other payables and accruals	<i>14</i>	190,716	186,555
Contract liabilities		16,290	22,289
Borrowings	<i>12</i>	179,680	144,725
Lease liabilities		974	2,949
Provisions		5,415	4,692
		<u>553,663</u>	<u>476,128</u>
Total liabilities		<u>865,407</u>	<u>657,898</u>
Total equity and liabilities		<u>1,735,972</u>	<u>1,560,922</u>
Net current assets		<u>609,848</u>	<u>673,126</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2025
(Expressed in RMB)

	Attributable to equity shareholders of the Company				Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Reserves RMB'000	Accumulated losses RMB'000	Total RMB'000		
As at 1 January 2025	230,757	1,181,008	(508,741)	903,024	–	903,024
Loss for the year	–	–	(415,828)	(415,828)	(643)	(416,471)
Other comprehensive loss	–	(158)	–	(158)	–	(158)
Provision of safety fund surplus reserve	–	422	(422)	–	–	–
Utilisation of safety fund surplus reserve	–	(422)	422	–	–	–
	<u>230,757</u>	<u>1,180,850</u>	<u>(924,569)</u>	<u>487,038</u>	<u>(643)</u>	<u>486,395</u>
Transactions with the equity shareholders of the Company						
Placing of new shares	26,686	393,788	–	420,474	–	420,474
Shares acquired for Share Award Scheme	(4,434)	(38,766)	–	(43,200)	–	(43,200)
Shares vested for Share Award Scheme	401	5,804	–	6,205	–	6,205
Repurchase of ordinary shares	(774)	(3,272)	–	(4,046)	–	(4,046)
Acquisition of subsidiaries with non-controlling interests	–	–	–	–	4,737	4,737
	<u>21,879</u>	<u>357,554</u>	<u>–</u>	<u>379,433</u>	<u>4,737</u>	<u>384,170</u>
As at 31 December 2025	<u>252,636</u>	<u>1,538,404</u>	<u>(924,569)</u>	<u>866,471</u>	<u>4,094</u>	<u>870,565</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
for the year ended 31 December 2024
(Expressed in RMB)

	Share capital <i>RMB'000</i>	Reserves <i>RMB'000</i>	Accumulated losses <i>RMB'000</i>	Total <i>RMB'000</i>
As at 1 January 2024	226,330	1,117,780	(220,402)	1,123,708
Loss for the year	–	–	(288,339)	(288,339)
Other comprehensive loss	–	17	–	17
Provision of safety fund surplus reserve	–	267	(267)	–
Utilisation of safety fund surplus reserve	–	(267)	267	–
	<u>226,330</u>	<u>1,117,797</u>	<u>(508,741)</u>	<u>835,386</u>
Transactions with the equity shareholders of the Company				
Placing of new shares	<u>4,427</u>	<u>63,211</u>	<u>–</u>	<u>67,638</u>
	<u>4,427</u>	<u>63,211</u>	<u>–</u>	<u>67,638</u>
As at 31 December 2024	<u><u>230,757</u></u>	<u><u>1,181,008</u></u>	<u><u>(508,741)</u></u>	<u><u>903,024</u></u>

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2025
(Expressed in RMB)

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Cash flows from operating activities		
Net cash used in operations	(186,327)	(410,092)
Interest received from cash at banks	11,027	5,109
	<u>(175,300)</u>	<u>(404,983)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(191,837)	(180,340)
Payments for intangible assets	(30,768)	(38,376)
Proceeds from sale of property, plant and equipment	1,790	2
Proceeds from disposals of financial assets at fair value through profit or loss	923,105	1,190,954
Payments for financial assets at fair value through profit or loss	(972,016)	(1,223,358)
Acquisition of subsidiaries, net of cash acquired	(6,611)	–
Loans to directors	–	(13,700)
Loans and interests repaid by a director	11,097	–
	<u>(265,240)</u>	<u>(264,818)</u>
Cash flows from financing activities		
Proceeds from contributions from equity shareholders	420,474	67,638
Payments of lease liabilities	(3,514)	(4,226)
Repayments of borrowings	(154,500)	(308,458)
Proceeds from borrowings	317,864	397,473
Interest paid for borrowings	(9,209)	(7,248)
Payments for shares purchased under Share Award Scheme	(43,200)	–
Payments for purchase of own shares	(4,046)	–
Payments for listing expenses	–	(18,020)
	<u>523,869</u>	<u>127,159</u>
Net cash generated from financing activities		
	<u>523,869</u>	<u>127,159</u>
Net increase/(decrease) in cash and cash equivalents	<u>83,329</u>	<u>(542,642)</u>
Cash and cash equivalents at beginning of the year	181,114	720,453
Exchange (gains)/losses on cash and cash equivalents	(3,744)	3,303
	<u>181,114</u>	<u>720,453</u>
Cash and cash equivalents at end of the year	<u><u>260,699</u></u>	<u><u>181,114</u></u>

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB unless otherwise indicated)

1 GENERAL INFORMATION

iMotion Automotive Technology (Suzhou) Co., Ltd. was incorporated in Suzhou on 27 December 2016 as a limited liability company. The address of its registered office is No.28 Yingqian Road, Industrial Park, Suzhou, Jiangsu Province, the PRC.

Upon approval by the shareholders' general meeting held in November 2022, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC and changed its registered name from "iMotion Automotive Technology (Suzhou) Co., Ltd. (知行汽車科技(蘇州)有限公司)" to "iMotion Automotive Technology (Suzhou) Co., Ltd. (知行汽車科技(蘇州)股份有限公司)" on 29 December 2022.

In December 2023, the Company successfully completed its initial public offering. The Company's H shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 20 December 2023.

The Company and its subsidiaries (together, "**the Group**") are principally engaged in the development, manufacture and sale of advanced driver assistance solutions and products.

2 BASIS OF PREPARATION

(i) Statement of compliance

These financial statements have been prepared in accordance with all applicable IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards ("**IASs**") and Interpretations issued by the International Accounting Standards Board ("**IASB**"), and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities ("**Listing Rules**") on the Stock Exchange. Material accounting policies adopted by the Group are disclosed below.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and derivative financial instruments that are measured at fair value.

(iii) New or amended standards adopted by the Group

The Group has applied amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

(iv) **New or amended standards not yet adopted**

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods 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.

Standards and amendments	Effective for accounting periods beginning on or after
IFRS 9 (Amendment) and IFRS 7 (Amendment) 'Classification and Measurement of Financial Instruments'	1 January 2026
Volume 11 'Annual Improvements to IFRS Accounting Standards'	1 January 2026
IFRS 18 'Presentation and Disclosure in Financial Statements'	1 January 2027
IFRS 19 'Subsidiaries without Public Accountability: Disclosures'	1 January 2027
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 Group has already commenced an assessment of the impact of these new or revised standards. According to the preliminary assessment made by the Group, no significant impact on the financial performance and positions of the Group is expected when they become effective.

3 REVENUE AND SEGMENT INFORMATION

(a) **Description of segments and principal activities**

During the year ended 31 December 2025, the Group is mainly engaged in the production, research and development and sales of advanced driver assistance solutions and products in the PRC. The executive Directors of the Company review the operating results of the business as one operating segment to make strategic decisions and resources allocation. Therefore, the Group regards that there is only one segment which is used to make strategic decisions.

Geographical information

The majority of the Group's business and operations are conducted in Mainland China and currently, the Group's principal market, majority of revenue, operating loss and non-current assets are derived from/located in the PRC. Accordingly, no geographical segment information is presented.

(b) **Revenue during the reporting period**

Revenue represents the invoiced value of goods sold and rendering of services, which is net of rebate and discounts.

Revenue mainly comprises sales of advanced driver assistance solutions and other products and rendering of services. An analysis of the Group's revenue by category for the years ended 31 December 2024 and 2025 is as follows:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Advanced driver assistance solutions and products	926,158	1,192,578
Autonomous driving-related R&D services	62,361	41,661
Sales of PCBA products	11,875	13,482
	1,000,394	1,247,721
Revenue from other sources		
Rental income	177	–
	1,000,571	1,247,721

All the Group's revenue is recognised at a point in time.

For the year ended 31 December 2025, Geely Group was the Group's largest customer and the Group's revenue from Geely Group was RMB610.30 million (2024: RMB1,043.90 million), representing approximately 61.00% (2024: 83.66%) of the Group's total revenue during the same year.

(c) Assets and liabilities related to contracts with customers

The Group recognised the following assets and liabilities related to the contracts with customers:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Non-current assets recognised for upfront payments to customers	1,750	3,500
Current assets recognised for upfront payments to customers	<u>1,750</u>	<u>1,750</u>
Total assets recognised for upfront payments to customers (i)	<u>3,500</u>	<u>5,250</u>
Non-current assets recognised for costs incurred to fulfill contracts	–	1,825
Current assets recognised for costs incurred to fulfill contracts	<u>37,845</u>	<u>40,400</u>
Total assets recognised for costs incurred to fulfill contracts (ii)	<u>37,845</u>	<u>42,225</u>
Current liabilities – rendering of services (iii)	14,874	22,288
Current liabilities – sales of products	<u>1,416</u>	<u>1</u>
Total contract liabilities	<u>16,290</u>	<u>22,289</u>

(i) Assets recognised for upfront payments to customers

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Assets recognised for upfront payments to customers	5,250	7,000
Amortisation recognised as a reduction of revenue during the year	<u>(1,750)</u>	<u>(1,750)</u>
	<u>3,500</u>	<u>5,250</u>

(ii) Assets recognised from costs to fulfill contracts

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Assets recognised from costs incurred to fulfill contracts	59,492	44,474
Less: provisions for impairment of contract fulfillment costs	(21,647)	(2,249)
	<u>37,845</u>	<u>42,225</u>

Contract fulfillment costs represented costs that relate directly to a contract for autonomous driving related R&D services provided by the Group primarily including direct labour, direct materials and allocations of costs incurred in providing the promised services directly to the customers. The provision for impairment of contract fulfillment costs as recognised was RMB19,398,000 (2024: RMB593,000) for the year ended 31 December 2025.

(iii) Significant changes in contract liabilities

Contract liabilities of the Group arise from deposits from sales of services made by the customers while the control of services are yet to be passed. Such liabilities increase as a result of contracts entered into with customers under the sales arrangement before the completion of the underlying services.

(iv) Revenue recognised in relation to contract liabilities

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Revenue recognised that was included in the contract liability balance at the beginning of the year	<u>16,963</u>	<u>8,174</u>

4 OTHER INCOME

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Government grants	<u>6,086</u>	<u>5,908</u>

During the year ended 31 December 2025, the government grants mainly include government subsidies for the Group's research and development expenditures as well as construction for advanced manufacturing industry base. There are no unfulfilled conditions or other contingencies attaching to the grants recognised.

5 OTHER LOSSES – NET

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Net fair value losses on financial assets at FVPL	(1,129)	(1,511)
Net gains/(losses) on disposals of property, plant and equipment and intangible assets	633	(21)
Net fair value gains on derivative financial instruments	–	169
Net foreign exchange losses	(8,334)	(5,635)
Others	<u>(765)</u>	<u>29</u>
	<u>(9,595)</u>	<u>(6,969)</u>

6 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

(a) Finance income and costs:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Finance income:		
Interest income on cash at banks	<u>11,027</u>	<u>5,109</u>
Finance cost:		
Interest on bank loans and other borrowings	9,242	7,350
Interest on lease liabilities	<u>81</u>	<u>131</u>
Total interest expense	9,323	7,481
Less: interest expense capitalised into properties under development*	<u>(3,583)</u>	<u>(2,227)</u>
	<u>5,740</u>	<u>5,254</u>

* During the year ended 31 December 2025, the interest rate applicable to the Group's capitalisation of borrowings costs in construction in progress was 2.30% – 2.40% (2024: 2.40% – 3.00%).

(b) Other items:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cost of inventories	886,946	1,131,190
Depreciation:		
– property, plant and equipment	17,760	11,715
– right-of-use assets	4,587	5,659
Research and development expenses (<i>i</i>)	322,784	280,651
Amortisation of intangible assets	11,878	7,606
Impairment losses on non-current assets	5,716	–
Auditors' remuneration of audit service	1,680	1,580

- (i) During the year ended 31 December 2025, staff costs and depreciation expenses in research and development expenses are RMB234,134,000 (2024: RMB190,040,000), which are also included in the total amounts disclosed separately above.

7 EMPLOYEE BENEFIT EXPENSES

	Year ended 31 December	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Wages, salaries and bonuses	242,010	202,166
Share-based payment expenses	6,205	–
Pension obligations, housing funds, medical insurances and other social insurances	43,000	35,758
Other employee benefits	1,927	2,044
	<u>293,142</u>	<u>239,968</u>

8 INCOME TAX EXPENSE

	Year ended 31 December	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current income tax expense	–	–
Deferred income tax expense	84	–
Income tax expense	<u>84</u>	<u>–</u>

The Group's principal applicable taxes and tax rates are as follows:

The Company was entitled to a preferential corporate income tax rate of 15% during the years ended 31 December 2025 and 2024. The Company obtained its High and New Technology Enterprises (“HNTTE”) qualification in year 2019, and hence it is entitled to a preferential tax rate of 15% for a three-year period commencing 2019. This qualification is subject to a requirement that the Company should reapply for HNTTE qualification every three years. The Company re-applied for HNTTE qualification and the application was approved for another three-year period commencing 2025.

In accordance with the Public Notice Jointly Issued by the Ministry of Finance (“MOF”) and State Taxation Administration (“STA”) of the PRC Regarding the Further Supporting of Preferential Tax Policies for Small and Micro Enterprises (“SMEs”) and Individual Businesses (MOF&STA Public Notice [2023] No.12), for SMEs, the policy that their annual taxable income shall be reduced by 25% and subject to CIT at the rate of 20% was extended to 31 December 2027.

Except for iMotion Electronics Technology (Suzhou) Co., Ltd., and iMotion Automotive Technology (Jiaxing) Co., Ltd., the Company’s subsidiaries qualified as small low-profit enterprises and enjoyed the above preferential income tax policy.

According to the relevant laws and regulations promulgated by the State Taxation Administration of the PRC, enterprises engaging in research and development activities are entitled to claim 175% from 2018 onwards (subsequently raised to 200% from 2021 onwards) of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for that year (the “Super Deduction”).

A reconciliation of the expected income tax calculated at the applicable corporate income tax rate and loss before income tax, with the actual corporate income tax is as follows:

	Year ended 31 December	
	2025	2024
	RMB’000	RMB’000
Loss before income tax	(416,471)	(288,339)
Notional tax on loss before taxation calculated at the rates applicable to the jurisdictions concerned	(104,182)	(71,408)
Tax effects of:		
Preferential tax rate	39,075	27,097
Expenses not deductible for taxation purposes	1,236	280
Super Deduction in respect of R&D expenditures	(38,538)	(38,819)
Utilisation of previously unrecognised tax losses	(736)	(578)
Tax losses for which no deferred income tax assets was recognised	91,677	82,414
Other Temporary differences for which no deferred income tax assets were recognised	11,384	1,014
	11,384	1,014
Income tax expense	(84)	–

As at 31 December 2025, the Group had unused tax losses of approximately RMB1,689,193,000 (2024: RMB1,068,850,000) that can be carried forward against future taxable income, respectively. No deferred income tax asset has been recognised in respect of such tax losses due to the unpredictability of future taxable income.

The Group principally conducted its business in Mainland China, where the accumulated tax losses will normally expire within 5 years. Pursuant to the relevant regulations on extension for expiries of unused tax losses of HNTE issued in August 2018, the expiry period of the accumulated unexpired tax losses of the Company, which is qualified as HNTE, from 2018 had been extended from 5 years to 10 years. The Company re-applied for HNTE status in 2025 and the approval was obtained in December 2025.

Deductible losses that are not recognised for deferred income tax assets will expire as follows:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Expiry year		
2025	–	167
2026	654	654
2027	4,566	4,566
2028	28,268	27,731
2029	61,511	62,738
2030	82,643	54,205
2031	70,498	66,757
2032	77,343	74,318
2033	262,428	257,753
2034	521,552	519,961
2035	579,730	–
	1,689,193	1,068,850

9 LOSS PER SHARE

(a) Basic loss per share

Basic loss per share for the years ended 31 December 2025 and 2024 are calculated by dividing the loss attributable to the equity shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
	2025	2024
Loss attributable to the equity shareholders of the Company (RMB'000)	(415,828)	(288,339)
Weighted average number of ordinary shares outstanding (thousand shares) (Note)	244,600	226,330
Basic loss per share (expressed in RMB per share)	(1.70)	(1.27)

Note:

The weighted average number of ordinary shares for the year ended 31 December 2025 was adjusted for the effect of the placing of new shares and the purchase of own shares in 2025 and the purchase of shares reserved for Share Award Scheme.

(b) Diluted loss per share

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive instruments. For the year ended 31 December 2025 and 2024, diluted loss per share was the same as basic loss per share as there were no potentially dilutive ordinary shares outstanding during the years.

10 INVENTORIES

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Raw materials	81,850	145,526
Work in progress	7,923	9,840
Finished goods	235,749	146,283
	<u>325,522</u>	<u>301,649</u>
Less: provisions for impairment	(33,979)	(2,706)
	<u><u>291,543</u></u>	<u><u>298,943</u></u>

(a) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Carrying amount of inventories sold	886,946	1,131,190
Write down of inventories	31,273	2,563
	<u>918,219</u>	<u>1,133,753</u>

11 TRADE AND NOTES RECEIVABLES

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables (a)	236,631	227,360
Notes receivables	7,446	–
Loss allowance	(11,997)	(5,239)
	<u>232,080</u>	<u>222,121</u>

The carrying amounts of the Group's trade receivables, excluding loss allowance, are denominated in the following currencies:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
RMB	233,525	220,014
USD	3,081	7,333
EUR	25	13
	<u>236,631</u>	<u>227,360</u>

(a) **Trade receivables**

(i) ***Aging analysis of the trade receivables***

As at 31 December 2025 and 2024, the aging analysis of the trade receivables based on date of revenue recognition is as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 3 months	214,414	206,577
3 to 6 months	5,973	7,132
6 to 12 months	7,704	658
Over 12 months	8,540	12,993
	<hr/>	<hr/>
Total	236,631	227,360
	<hr/> <hr/>	<hr/> <hr/>

(ii) ***Fair values of the trade receivables***

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

(iii) ***Impairment and risk exposure***

Trade receivables

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

12 BORROWINGS

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Borrowings included in non-current liabilities:		
<i>Secured</i>		
Bank borrowings (a)	240,614	170,173
<i>Unsecured</i>		
Bank borrowings (b)	58,000	–
	298,614	170,173
Borrowings included in current liabilities:		
<i>Secured</i>		
Bank borrowings (a)	33,422	–
<i>Unsecured</i>		
Bank borrowings (b)	82,000	114,500
Other loans (c)	64,000	30,000
Interest payables	258	225
	179,680	144,725
Total borrowings	478,294	314,898

- (a) The Group has pledged its land use rights with carrying amounts of approximately RMB29,390,000 (31 December 2024: RMB30,524,000) to bank as the security for the long-term bank borrowings of RMB274,036,000 (31 December 2024: RMB170,173,000) as at 31 December 2025. The Group's long-term interest-bearing borrowings were RMB-denominated borrowings with floating rates linked to Loan Prime Rate. Interest is payable quarterly. The principal for the borrowings is payable in batches from 21 June 2026 to 14 November 2033.
- (b) As at 31 December 2025, the Company had borrowings from PRC banks with amounts totalling RMB140,000,000 (31 December 2024: RMB114,500,000) and effective interest rates from 2.17% to 2.60% per annum (31 December 2024: 2.58% to 2.95%), respectively.
- (c) As at 31 December 2025, borrowings of RMB64,000,000 (31 December 2024: RMB30,000,000) comprise of short-term borrowings as obtained from financing of letter of credit.

(d) Other disclosures

During the years ended 31 December 2025 and 2024, the Group had not been in violation of any of the covenants nor subject to material financial covenants pursuant to the applicable borrowing agreements that the Group entered with the lenders.

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

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Less than 6 months	27,711	44,500
Between 6 and 12 months	151,711	100,000
Between 1 and 2 years	43,778	33,423
Between 2 and 5 years	217,919	118,939
Over 5 years	36,917	17,811
	<u>478,036</u>	<u>314,673</u>

The fair values of borrowings approximate their carrying amount as the discounting impact is not significant.

As at 31 December 2025 and 2024, the Group had the following undrawn bank facilities:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
RMB facilities	<u>671,064</u>	<u>509,827</u>

13 TRADE PAYABLES

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables		
– Payables for materials	<u>160,588</u>	<u>114,918</u>

(a) The carrying amounts of trade payables approximate their fair values due to their short-term maturity in nature.

- (b) The aging analysis of the trade payables based on purchase date at the end of each reporting period is as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	160,588	114,918

14 OTHER PAYABLES AND ACCRUALS

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Payroll and welfare payables	41,088	36,797
Accruals	19,642	39,019
Other taxes payables	10,195	2,762
Payables for purchases of property, plant and equipment	78,126	82,816
Others (a)	41,665	25,161
	190,716	186,555

- (a) The Group agreed to collect service fees from an OEM customer and pay on behalf of the customer to a supplier, who provided part of the R&D services in relation to its hardware and software used in autonomous driving products. As at 31 December 2025, the service fees collected by the Company from the customer but unpaid to the supplier were approximately RMB37,496,000 (2024: RMB21,990,000).

15 DIVIDEND

No dividend has been paid or declared by the Company or subsidiaries of the Company during the years ended 31 December 2025 and 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

I. MARKET REVIEW

In 2025, China's Automotive Market witnessed a steady growth

In 2025, China's automotive production and sales reached 34.53 million units and 34.40 million units, representing year-on-year growth of 10.4% and 9.4% respectively. Among them, production and sales of passenger vehicle reached 30.27 million units and 30.10 million units, representing year-on-year growth of 10.2% and 9.2% respectively. It is noteworthy that Chinese-branded passenger vehicles maintained strong momentum with sales of 20.94 million units recorded, accounting for 69.5% of total passenger vehicle sales and representing a 4.3 percentage point increase as compared with the previous year in terms of market share.

Production and sales of new energy vehicles continued to sustain rapid growth, with the market share steadily increasing. In 2025, China's production and sales of new energy vehicle totaled 16.63 million units and 16.49 million units, representing year-on-year growth of 29.0% and 28.2% respectively and capturing a market share of 47.9%. Simultaneously, China's automobile exports maintained steady growth and reached 7.10 million units, representing year-on-year growth of 21.1%.

In 2025, the Chinese government introduced a series of policies to promote the high-quality development of the intelligent driving industry

In 2025, coordinated efforts at both the national and local levels in China focused on refining policies and regulations, strengthening the standards system, and promoting pilot programs, thereby providing an institutional foundation for the high-quality advancement of the intelligent driving industry.

At the national level, policies focused on safety standards and industry guidance, establishing a comprehensive framework for both regulation and support. On 25 February 2025, Ministry of Industry and Information Technology (工業和信息化部) and the State Administration for Market Regulation (國家市場監督管理總局) jointly issued the "Notice on Further Strengthening the Management of Product Admission, Recalls, and Over-the-Air ("OTA") Software Updates for Intelligent Connected Vehicles" (《關於進一步加強智慧網聯汽車產品准入、召回及軟體線上升級管理的通知》), explicitly placing advanced driver assistance and OTA functions into the mandatory regulatory framework. On 4 June 2025, the National Standards Information Public Service Platform published a notice soliciting opinions on the proposed mandatory national standard project "Safety Requirements of Combined Driver Assistance System for Intelligent Connected Vehicle" (《智慧網聯汽車組合駕駛輔助系統安全要求》). On 17 September 2025, the Ministry of Industry and Information Technology solicited public opinions on the mandatory national standard "Safety Requirements of Combined Driver Assistance System for Intelligent Connected Vehicle" (《智慧網聯汽車組合駕駛輔助系統安全要求》), with the public comment period ending on 15 November 2025. On 31 December 2025, the Ministry of Industry and Information Technology officially released the "Technical Requirements and Test Methods for Autonomous Emergency Braking Systems for Light Vehicles". This national standard has transitioned the autonomous emergency braking system from recommended to mandatory and expanded the applicable vehicle scope, marking the beginning of a new era where active safety features become standard equipment in Chinese automobiles.

At the local level, supportive regulations came into effect in multiple regions, including Beijing, Guangzhou, Wuhan, Anhui Province, and Hangzhou. For instance, the “Beijing Autonomous Driving Vehicle Regulations” (《北京市自動駕駛汽車條例》) officially came into force on 1 April 2025, becoming China’s first regional regulation explicitly authorizing the Level 3 autonomous driving private vehicles for legal public roads use. In December 2025, the Ministry of Industry and Information Technology announced China’s first batch of admission approvals for Level 3 conditional autonomous vehicles, granting approval to two vehicle models to commence road trials in designated areas of Chongqing and Beijing.

The penetration rate of advanced driver assistance systems continued to increase

In 2025, leading domestic Original Equipment Manufacturers (“OEMs”) such as BYD, Changan Automobile, Geely Auto, Chery Automobile, and GAC Group held press conferences in rapid succession to promote the universal access to autonomous driving technology. Benefiting from the efforts by these leading OEMs and the general decline in costs, advanced driver assistance systems rapidly spread to vehicle models priced below RMB200,000. The overall penetration rate of the integrated driver assistance system reached approximately 66.12%, up by about 10 percentage points from 2024.

Autonomous driving algorithms continues to upgrade and iterate

In 2025, autonomous driving algorithm models exhibited a trend of rapid iteration, evolving from “perception-decision” end-to-end large models towards “understanding-reasoning” capabilities. Vision-Language Models (“VLM”), by unifying perception and natural language reasoning in a shared embedding space, demonstrated stronger generalization capabilities when facing new objects, weather conditions, and driving rules. Furthermore, Vision-Language-Action (“VLA”) large models integrate sensor data streams, high-level natural language instructions, and low-level execution commands into a single strategy, endowing vehicles with enhanced scene understanding and reasoning capabilities.

II. BUSINESS REVIEW

The Group is an intelligent driving solution provider in China. Relying on a number of advanced system R&D capabilities such as computing platforms, efficient middleware and artificial intelligence algorithms, the Group provides advanced intelligent driving solutions to customers through efficient integration of software and hardware. We have commercialized level 2 to level 2+ advanced driver assistance systems (of which level 2+ is not an official classification under SAE(1) standard) and are developing level 3 to level 4 autonomous driving solutions for automotive manufacturers. Our principal activities include (1) provision of advanced driver assistance solutions and products; (2) provision of autonomous driving-related R&D services; and (3) sales of printed circuit boards (“PCB”) assembly (“PCBA”) products.

During the Reporting Period, we delivered more than 388,000 advanced driver assistance solutions and products to our customers, representing an increase of 70.9% as compared to last year, as more and more customer vehicle models equipped with our advanced driver assistance solutions and products entered serial production and delivery stage. From 2020 to 2025, we delivered more than 834,000 advanced driver assistance solutions and products to our customers.

Advanced driver assistance solutions and products

During the Reporting Period, we generated most of our revenue from the sales of our advanced driver assistance solutions and products to OEMs, which included advanced driver assistance domain controllers and intelligent front camera products. We develop advanced driver assistance solutions and products for OEMs by leveraging core vertically integrated competencies in product design and development, algorithm and function development, system integration and manufacturing, etc. Our solutions and products for advanced driver assistance can be installed on both new energy vehicles (NEVs) and internal combustion engine (ICE) vehicles, and are capable of realizing a wide variety of advanced driver assistance functions.

During the Reporting Period, we generated revenue of approximately RMB926.16 million (2024: RMB1,192.58 million) from the provision of advanced driver assistance solutions and products, representing a decrease of 22.34% as compared to that in 2024, accounting for approximately 92.56% of our total revenue in 2025. Among which, revenue from the sales of advanced driver assistance domain controllers amounted to approximately RMB782.56 million (2024: RMB1,134.61 million), representing a decrease of 31.03% as compared to that in 2024. The decrease was mainly attributable to a significant decrease in the order for Supervision™ from customers. However, the revenue from the self-developed iDC series advanced driving assistance domain controller amounted to approximately RMB195.67 million (2024: RMB93.77 million), representing an increase of 108.67% compared to that in 2024 and indicating self-developed iDC series advanced driver assistance domain controller has a rapid growth trend; revenue from the sales of intelligent front cameras amounted to approximately RMB143.60 million (2024: RMB57.97 million), representing an increase of 147.73% as compared to that in 2024, the increase of which was mainly attributable to multiple new vehicle models of customers entering the serial production and delivery phase.

Autonomous driving-related R&D services

We continued to provide autonomous driving-related R&D services to OEMs. Our autonomous driving-related R&D services are primarily focused on three aspects: (1) the development of software and hardware for advanced driver assistance; (2) the development of algorithms and functions for advanced driver assistance; and (3) functional safety consulting and validation. Our autonomous driving-related R&D services are primarily focused on two areas: (1) proof-of-concept projects: in these projects, OEMs engage us to conduct concept validation for new technology; leveraging our comprehensive R&D capabilities and utilizing advanced technology, we develop and provide prototypes to OEMs within a short time to conduct concept validation; and (2) R&D services in relation to the supply of our advanced driver assistance solutions: after receiving the letter of nomination, we start providing R&D services to customers, which primarily include R&D of hardware, software, algorithms and advanced driver assistance functions, as well as implementation, integration, verification and testing services.

During the Reporting Period, we recorded revenue from the autonomous driving-related R&D services of approximately RMB62.36 million (2024: RMB41.66 million), representing approximately 6.23% of our total revenue in the Reporting Period. The increase in revenue from autonomous driving-related R&D services for the Reporting Period as compared to that in 2024 was primarily due to that we obtained new R&D projects and completed the corresponding development tasks and obtained the customer's acceptance.

Sales of PCBA products

During the Reporting Period, we continue to be engaged in the manufacturing and sales of PCBA products to third parties. We mount different electronic components on the PCB, such as SoCs, resistors, capacitors, and transmitters to prepare a fully usable PCBA based on our customers' specifications.

During the Reporting Period, we recorded revenue from the sale of PCBA products of approximately RMB11.88 million (2024: RMB13.48 million), accounting for approximately 1.19% of our total revenue in the Reporting Period.

Project acquisition

During the Reporting Period, we obtained a total of 37 letters of nomination from well-known OEM customers including, among others, Chery, Leapmotor, Geely Auto and Dongfeng Motor. These projects encompass domain controllers for unmanned logistics vehicles and intelligent heavy-duty trucks, marking the successful expansion of our intelligent driving products into new business areas such as unmanned logistics vehicles and heavy commercial vehicles for the first time. Concurrently, we entered the supply chain of a leading OEM in South China and a Sino-Korean OEM, achieving a breakthrough in customer coverage. The majority of these nominated vehicle models are scheduled to be put into production between 2025 and 2027, which will help us consolidate our commercial advantages and capture a larger market share.

R&D progress

During the Reporting Period, our products and algorithms underwent rapid iteration. In terms of product, our fully self-developed advanced driver assistance domain controllers – iDC500 entered serial production phase. This is the world’s first mass-produced advanced driver assistance solution that successfully deploys BEV Transformer + OCC perception algorithm on the Renesas V4H computing platform. In January 2025, we officially signed a strategic cooperation agreement with Horizon Robotics (stock code: 09660) to accelerate serial production collaboration based on the latest-generation Journey 6 series. The iDC310 domain controller, based on the Horizon Journey® 6B computing platform, has obtain letters of nomination from a leading automotive OEM and is scheduled to commence mass production in 2026. This will mark the world’s first mass production based on the Horizon Journey® 6B computing platform. The iDC510 Pro domain controller, based on the Horizon Journey® 6M computing platform, has also received letters of nomination from multiple customers and is scheduled for mass production in 2026. Concurrently, the iDC700 domain controller, based on dual Horizon Journey® 6M computing platforms, has also received a letter of nomination, representing the industry’s first project for unmanned logistics vehicles based on a dual Horizon Journey® 6M computing platform.

Regarding intelligent driving algorithms, building upon the maturing two-stage technical approach, our end-to-end autonomous driving solution is undergoing significant advancement towards an integrated one-stage architecture that unifies the entire chain of perception, decision-making, and planning. Our BEV algorithm for parking has been continuously refined, achieving mass production deployment across dozens of vehicle models. It has demonstrated excellent performance on mid-to-low computing power platforms, validating the capability for large-scale adaptation of high-performance algorithms across different platforms and vehicle models. Regarding our data infrastructure, leveraging our established highly automated data acquisition and annotation platform, we have further introduced VLA and World Models for high-quality data generation. This has effectively expanded the scale and diversity of our training data, thereby accelerating the algorithmic iteration loop. Simultaneously, we are actively advancing the integrated deployment of VLA large models with one-stage models on mid-computing-power platforms. We are exploring a new autonomous driving paradigm driven by multi-modal large models, committed to developing an intelligent driving system that is safer, more versatile, and better aligned with human intent.

Progress in Embodied Intelligence

During the Reporting Period, we actively expanded into the field of embodied intelligence. In March 2025, we established a wholly-owned subsidiary named iMotion Robotics (Suzhou) Co., Ltd. (“**iMotion Robotics**”). Based on the parent company’s technological and industrial foundation and leveraging the technical commonality between embodied intelligence and autonomous driving systems in visual perception, multimodal interaction and other aspects, iMotion Robotics focus on the R&D and commercialization of embodied intelligence technology. In May 2025, we entered into a framework agreement for equity transfer with the shareholders of Suzhou Artiarm Robotics Co., Ltd. (“**Artiarm Robotics**”) (subsequently renamed as One Square Meter Power (Suzhou) Co., Ltd.), quickly tapping into key components market for embodied intelligence and taking a solid step forward in accelerating the expansion into specific application scenarios.

Leveraging our technical expertise and mass production experience in integrated driving assistance domain controllers, we have rapidly expanded into the embodied intelligence main controller business during the Reporting Period and launched iRC100P, an AI BOX designed for general-purpose robotics applications. Built on a domestic high-computing-power chip platform, this product adopts a “integrated brain-cerebellum” architecture and leverages our automotive-grade product design and engineering expertise to provide integrated edge-side hardware and software support for embodied intelligence applications.

Regarding embodied intelligence algorithms, we have built a cloud-edge integrated intelligent architecture based on the VLA large model framework. The cloud provides robust scene understanding and task planning capabilities, while the edge enables fast and smooth real-time inference, balancing intelligence levels with response efficiency. Leveraging the general comprehension capabilities of large models, the robots can flexibly adapt to diverse task scenarios, demonstrating enhanced generalization and adaptability. Concurrently, we have established a Sim-to-Real data generation system, which efficiently synthesizes large-scale training data in simulated environments and transfers it to real-world scenarios. This approach has significantly reduced data acquisition costs and accelerated the iteration and deployment of robotics algorithms.

Regarding the edge deployment of embodied intelligence large models, we continue to advance relevant capability development. We have completed the quantization adaptation and edge deployment of visual-language navigation (VLN) and VLA models, and integrated them into our self-developed AI BOX platform. During the Reporting Period, relevant solutions have been adapted and tested on various mainstream robot platforms, enabling robots to perform perception, navigation, and partial task execution under natural language commands, thereby establishing preliminary productization capabilities through hardware-software synergy.

Currently, we have gradually established a technology system encompassing edge AI computing platforms, large-model algorithms, model deployment capabilities, and core execution components. Moving forward, we will build upon our existing technological foundation to continuously advance the R&D and iteration of next-generation high-performance computing platforms and related products, enhance the operational efficiency of edge models and overall system performance, and drive the practical application of embodied intelligence technology in more real-world scenarios.

Overseas Layout

During the Reporting Period, we actively promoted overseas expansion. On 13 May 2025, our wholly-owned subsidiary, iMotion Automotive Technology (Singapore) Pte. Ltd. entered into a joint venture agreement with Delloyd Technology Berhad, a benchmark enterprise in Malaysia’s local automotive supply chain. In January 2026, we jointly invested in the establishment of joint ventures in Malaysia to gradually build a localized operational system and facilitate the rapid expansion of our business footprint into the Southeast Asian market. We already completed the setup of our first production line in Malaysia and commenced trial production, which is expected to officially commence in the first half of 2026.

III. FINANCIAL REVIEW

Revenue

Revenue for the year ended 31 December 2025 was RMB1,000.57 million, representing a decrease of RMB247.15 million or 19.81% as compared to that for the corresponding period in 2024. Among which, revenue from sales of advanced driver assistance solutions and products was RMB926.16 million, representing a decrease of RMB266.42 million or 22.34% as compared to that for the corresponding period in 2024; revenue from rendering of autonomous driving-related R&D services was RMB62.36 million, representing an increase of RMB20.70 million or 49.69% as compared to that for the corresponding period in 2024; and revenue from sales of PCBA products was RMB11.88 million, representing a decrease of RMB1.61 million or 11.92% as compared to that for the corresponding period in 2024; revenue from other item was RMB0.17 million in 2025.

A substantial portion of the revenue of the Group was generated from sales of advanced driver assistance solutions and products, accounting for 92.56% of its revenue for the year ended 31 December 2025 (2024: 95.58%). In addition, revenue generated from rendering of autonomous driving-related R&D services accounted for 6.23% of its revenue for the year ended 31 December 2025 (2024: 3.34%); revenue from sales of PCBA products accounted for 1.19% of its revenue for the year ended 31 December 2025 (2024: 1.08%); and revenue from other item accounted for 0.02% of its revenue for the year ended 31 December 2025. Revenue of the Group was mainly derived from our operations in the PRC.

	For the year ended 31 December			
	2025	Percentage of total revenue	2024	Percentage of total revenue
	Amount (RMB' million)		Amount (RMB' million)	
Advanced driver assistance solutions and products				
– Advanced driver assistance domain controller solutions	782.56	78.21%	1,134.61	90.93%
– Intelligent front cameras	143.60	14.35%	57.97	4.65%
Subtotal	926.16	92.56%	1,192.58	95.58%
Autonomous driving-related R&D services	62.36	6.23%	41.66	3.34%
Sales of PCBA products	11.88	1.19%	13.48	1.08%
Other item	0.17	0.02%	–	–
Total	1000.57	100.00%	1,247.72	100.00%

Cost of Sales and Services

Cost of sales and services for the year ended 31 December 2025 was RMB985.33 million, representing a decrease of RMB171.56 million or 14.83% as compared to that for the corresponding period in 2024. Among which, cost of sales of advanced driver assistance solutions and products for the year ended 31 December 2025 was RMB907.39 million representing a decrease of RMB206.36 million or 18.53% as compared to that for the corresponding period in 2024; cost of rendering of autonomous driving-related R&D services was RMB68.29 million, representing an increase of RMB36.51 million or 114.92% as compared to that for the corresponding period in 2024; and cost of sales of PCBA products was RMB9.55 million, representing a decrease of RMB1.82 million or 16.02% as compared to that for the corresponding period in 2024; and cost from other item was RMB0.10 million in 2025.

Gross Profit

Gross profit for the year ended 31 December 2025 was RMB15.24 million, representing a decrease of RMB75.59 million or 83.22% as compared to that for the corresponding period in 2024. Of which, gross profit of sales of advanced driver assistance solutions and products for the year ended 31 December 2025 was RMB18.77 million, representing a decrease of RMB60.06 million or 76.19% as compared to that for the corresponding period in 2024; gross profit of rendering of autonomous driving-related R&D services was RMB-5.93 million, representing a decrease of RMB15.81 million or 159.86% as compared to that for the corresponding period in 2024; and gross profit of sales of PCBA products was RMB2.33 million, representing an increase of RMB0.21 million or 10.12% as compared to that for the corresponding period in 2024; and gross profit of other item was RMB0.07 million in 2025.

Gross profit margin for the year ended 31 December 2025 was 1.52% (2024: 7.28%). Due to the adjustment in the Company's market pricing strategy and in the product structure, the revenue of the Company's advanced driver assistance controller product, Supervision™, was decreased, while its corresponding sales cost was increased, resulting in a decrease in the Company's gross profit for 2025 as compared to that for 2024.

Other Income

Other income primarily consists of government subsidies for the Group's research and development expenditures as well as construction for advanced manufacturing industry base. For the year ended 31 December 2025 amounted to RMB6.09 million, representing an increase of 3.01% as compared with RMB5.91 million for the year ended 31 December 2024. The increase was mainly due to the increase in government subsidies.

Other Losses – Net

Net other losses primarily consist of (i) net fair value gains/losses on financial assets at fair value through profit or loss (“FVTPL”) in relation to gains/losses from our wealth management; (ii) net foreign exchange gains/losses; (iii) net fair value losses or gains on derivative financial instruments; (iv) net gains or losses on disposals of property, plant and equipment and intangible assets; and (v) others. Net other losses for the year ended 31 December 2025 amounted to RMB9.60 million, representing an increase of RMB2.63 million as compared with net other losses RMB6.97 million for the year ended 31 December 2024. The increase was mainly due to increase in foreign exchange losses.

Selling Expenses

Selling expenses for the year ended 31 December 2025 amounted to RMB18.39 million, representing a decrease of 39.51% as compared with RMB30.39 million for the year ended 31 December 2024. The decrease was mainly attributable to the decrease in after-sales warranty. As a percentage of revenue, the selling expenses decreased over the corresponding period last year from 2.44% for the year ended 31 December 2024 to 1.84% for the year ended 31 December 2025, down by 0.6 percentage point.

Administrative Expenses

Administrative expenses for the year ended 31 December 2025 amounted to RMB80.32 million, representing an increase of 39.69% as compared with RMB57.50 million for the year ended 31 December 2024. The increase was mainly attributable to intelligent upgrades, professional consulting service fee and expansion of high-level talent to support business development and enhance management efficiency. As a percentage of revenue, the administrative expenses increased over the corresponding period last year from 4.61% for the year ended 31 December 2024 to 8.03% for the year ended 31 December 2025, up by 3.42 percentage point.

Research and Development Expenses

Research and development expenses for the year ended 31 December 2025 amounted to RMB322.78 million, representing an increase of 15.01% as compared with RMB280.65 million for the year ended 31 December 2024. The increase was mainly attributable to the further increase in research and development investment in self-developed new products and autonomous driving technology and the increase in talent investments as the Company actively attracted top-notch autonomous driving algorithm talents in the market. As a percentage of revenue, the research and development expense increased over the corresponding period last year from 22.49% for the year ended 31 December 2024 to 32.26% for the year ended 31 December 2025, up by 9.77 percentage point.

Finance Income

Finance income primarily consists of interest income on cash at bank. Finance income for the year ended 31 December 2025 amounted to RMB11.03 million, representing an increase of RMB5.92 million as compared with RMB5.11 million for the year ended 31 December 2024. The increase was mainly attributable to the completion of the 2025 February Placing and 2025 July Placing, which led to an increase in cash and thus an increase in interest income.

Finance Costs

Finance costs for the year ended 31 December 2025 amounted to RMB5.74 million, representing an increase of RMB0.49 million as compared with RMB5.25 million for the year ended 31 December 2024. The increase was mainly attributable to an increase in the interest thereon of bank borrowings.

Loss Before Tax

As a result of the foregoing, loss before tax for the year ended 31 December 2025 amounted to RMB416.56 million, representing an increase of 44.47% as compared with RMB288.34 million for the year ended 31 December 2024.

Loss for the Year

As a result of the foregoing, loss for the year ended 31 December 2025 amounted to RMB416.47 million, representing an increase of 44.44% as compared with RMB288.34 million for the year ended 31 December 2024.

Loss for the Year Attributable to the Equity Shareholders of the Company

For the year ended 31 December 2025, loss for the year attributable to equity shareholders of the Company amounted to RMB415.67 million, representing an increase of 44.17% as compared with RMB288.32 million for the year ended 31 December 2024.

IV. LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

For the year ended 31 December 2025, the Group's net cash outflow generated from operating activities was RMB175.30 million, as compared with RMB404.98 million of its net cash outflow generated from operating activities for the year ended 31 December 2024. The net cash outflow from operating activities decreased by RMB229.68 million year on year. The decrease in net cash outflow of operating activities was mainly due to the combined effect of speeding up the customer payment collection and the decrease in the payment for procuring raw materials.

For the year ended 31 December 2025, the Group's net cash outflow of investing activities was RMB265.24 million, as compared with RMB264.82 million of its net cash outflow generated from investing activities for the year ended 31 December 2024.

For the year ended 31 December 2025, the Group's net cash inflow generated from financing activities was RMB523.87 million, as compared with RMB127.16 million of its net cash inflow of financing activities for the year ended 31 December 2024. The increase in net cash inflow of financing activities was mainly attributable to the completion of the 2025 February Placing and 2025 July Placing and the increase of bank borrowings.

Net Current Assets

As at 31 December 2025, the Group's net current assets amounted to RMB609.85 million, as compared to its net current assets of RMB673.13 million as at 31 December 2024.

Financial assets at fair value through profit or loss

As at 31 December 2025, the Group's financial assets at fair value through profit or loss amounted to RMB300.47 million, consisting of investments in wealth management products issued by banks and financial institutes, representing an increase of 34.19% as compared with RMB223.91 million as at 31 December 2024. The increase was mainly due to the increase of funds in 2025.

The acquisition and disposal of such wealth management products did not constitute any notifiable transaction of the Company under Chapter 14 of the Listing Rules.

Inventories

The Group's inventories consist of (i) raw materials; (ii) work in progress; and (iii) finished goods. As at 31 December 2025, the Group's inventories amounted to RMB291.54 million, representing a decrease of 2.48% as compared with RMB298.94 million for the year ended 31 December 2024. The decrease was mainly due to the combined effect of increase of finished goods and decrease of raw material.

In 2025, the Group's average inventory turnover days (which is equivalent to the average of opening and closing inventory balances divided by the cost of sales and services for that year and multiplied by 360 days) were 108 days, representing an increase as compared with 87 days in 2024, mainly attributable to the increase of goods shipped from new project at the year ended 31 December 2025.

Borrowings

As at 31 December 2025, the Group's borrowings were RMB478.29 million, representing an increase of 51.89% as compared with RMB314.90 million for the year ended 31 December 2024. All the Group's bank loans and other borrowings are denominated in Renminbi.

The following table sets forth the Group's bank loans and other borrowings as at the dates indicated:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Borrowings included in non-current liabilities:		
<i>Secured</i>		
Bank borrowings (a)	<u>240,614</u>	<u>170,173</u>
<i>Unsecured</i>		
Bank borrowings (a)	<u>58,000</u>	<u>–</u>
	<u>298,614</u>	<u>170,173</u>
Borrowings included in current liabilities:		
<i>Secured</i>		
Bank borrowings (a)	33,422	–
<i>Unsecured</i>		
Bank borrowings (b)	82,000	114,500
Other loans (c)	64,000	30,000
Interest payables	<u>258</u>	<u>225</u>
	<u>179,680</u>	<u>144,725</u>
Total borrowings	<u><u>478,294</u></u>	<u><u>314,898</u></u>

Gearing Ratio

Gearing ratios, which is calculated as total borrowings divided by total equity of the Group, are 54.94% and 34.87% as at 31 December 2025 and 31 December 2024, respectively.

Pledge of Assets

The Group has pledged its land use rights with carrying amounts of approximately RMB29.39 million to bank as the security for the long-term bank borrowings of RMB274.04 million as at 31 December 2025.

Capital Expenditures and Investment

The Group's capital expenditures comprise primarily expenditures on land use rights, property, plant, equipment and intangible assets. For the year ended 31 December 2025, the Group's total capital expenditures were RMB222.61 million, representing an increase of 1.78% as compared with RMB218.72 million for the year ended 31 December 2024.

Treasury Policies and Exposure to Fluctuation in Exchange Rates

Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the Group entities' functional currency. The Group's businesses are principally conducted in RMB. The majority of assets is denominated in RMB. The majority of non-RMB assets and liabilities are cash and cash equivalents, trade receivables and trade payables denominated in HKD, USD and EUR. The Group is subject to foreign exchange risk arising from future commercial transactions and recognised assets and liabilities which are denominated in non-RMB and net investment in foreign operations.

The Group manages its foreign exchange risk by closely monitoring the movement of the foreign currency rates. Cash repatriation from the PRC are subject to the rules and regulations of foreign exchange control promulgated by the PRC government. Additionally, the Group enters into forward exchange contracts to mitigate the foreign exchange risk. The Group did not have other significant exposure to foreign exchange risk.

Contingent Liabilities

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

Staff Cost and Employee Remuneration Policy

As at 31 December 2025, the Group had 564 employees (as at 31 December 2024: 575 employees). Staff cost of the Group increased by 22.16% from RMB239.97 million for the year ended 31 December 2024 to RMB293.14 million for the year ended 31 December 2025, mainly attributable to increase in labor costs for high-level talent R&D personnel and administrative personnel.

We are committed to establishing a competitive and fair remuneration. In order to effectively motivate our employees, we continually refine our remuneration and incentive policies through market research. We conduct annual performance evaluation for our employees to provide feedback on their performance. Compensation for our staff typically consists of base salary and a performance-based bonus. Certain equity incentive schemes were also established for the benefit of our Directors, supervisors, senior management and core employees as remuneration for their services provided to us and to incentivize and reward the eligible persons who have contributed to the success of our Company. For details of the incentive schemes, please refer to the section headed "Equity Incentive Scheme" contained in the Company's annual report to be published in due course.

V. SIGNIFICANT INVESTMENTS

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

VI. MATERIAL ACQUISITIONS AND DISPOSALS

The Group had no material acquisitions or disposal of subsidiaries, associates and joint ventures during the Reporting Period.

VII. FUTURE STRATEGY AND PROSPECTS

The year 2026 is regarded as a pivotal year for the intelligent driving assistance industry in its transition from “large-scale adoption” to a focus on “quality and efficiency”. As consumer awareness and acceptance of intelligent driving functions continue to rise, demand for these capabilities is growing, and intelligent driving capabilities have become a key factor in vehicle purchasing decisions. The “democratization of intelligent driving” is accelerating, with advanced driver assistance functions such as highway Navigation on Autopilot (“NOA”) and urban NOA rapidly penetrating from high-end models down to the mainstream price range of RMB100,000 to 200,000. It is anticipated that the penetration rate of NOA functions will increase significantly in 2026. At the same time, both national policies and regulations as well as consumers are placing greater emphasis on the safety of intelligent driving, imposing higher technical requirements on the technology. Consequently, the reliability and cost-effectiveness of solutions have become particularly critical in supplier selection for passenger vehicles in the mainstream price segment. We have deployed high-safety and cost-effective solutions across different chip platforms, ranging from low-to-mid, mid, and mid-to-high computing power, to meet the diverse needs of various automakers and vehicle models.

China has established a leading position in automotive electrification and intelligence, laying a solid foundation for overseas market expansion. In 2025, China’s automobile exports reached a new high of 7.10 million units, representing a year-on-year increase of 21.20%. The growing brand recognition and influence of domestic OEM in overseas markets have driven increased demand for advanced driver-assistance systems in regions such as Europe and Southeast Asia, providing a valuable window of opportunity for Chinese intelligent driving suppliers to expand globally.

The year 2025 witnessed rapid iteration in embodied intelligence technology, with the integration of technologies represented by VLA large models as a core breakthrough, significantly enhancing robots' perception, decision-making, and execution capabilities in complex environments. Technological advancements, policy support, and supply chain development have brought embodied intelligence closer to practical implementation. It is expected that embodied intelligence will follow a development pattern of "industrial deployment first, followed by penetration across all scenarios". Core scenarios anticipated for initial implementation include industrial manufacturing, logistics and warehousing, and specialized inspection, effectively improving efficiency and reducing costs. Concurrently, consumer-grade embodied intelligence products are accelerating their market penetration. Leveraging prominent supply chain advantages, product prices continue to decline, with some consumer-grade humanoid robots already priced in the tens of thousands of yuan range, driving the popularization of these technologies in daily life scenarios such as home services, education, and entertainment.

Continue to pioneer the large-scale commercialization of intelligent driving solutions and products

We will continuously optimize and refine our existing product lines, and expand our in-house manufacturing capacity to reinforce our business expansion; and provide more cost-effective solutions and products to our customers through technological advancement and supply chain optimization. Our new smart factory has been officially put into operation. With the integration of the newly implemented systems, applications and products (SAP) and manufacturing execution system (MES) systems, we have significantly enhanced the digitalization level of the supply chain and manufacturing processes, significantly enhancing production efficiency and quality. In 2026, we will expand our production capacity to meet customers' growing demand for mass production deliveries.

Sustain R&D investment to solidify our leading position

The Company focuses on delivering large-scale commercial intelligent driving solutions to the market. At present, we have independently developed core algorithms, middleware and cloud platforms. Moving forward, we will continue to optimize our software, enhance technical barriers and cost-effectiveness of our solutions, and continuously improve the core competitiveness of our products. In terms of algorithms, we will strengthen the deployment of one-stage end-to-end and VLA large model to develop safer, more generalizable, and human-aligned autonomous driving algorithms. In terms of data, we will continuously refine the full-link data closed-loop system to enhance data mining capabilities and data value and shorten R&D cycles. We will persistently refine our self-developed software middleware to make it more automatic and programmatic, ensuring compatibility with diverse computing platforms while improving operational resource efficiency. In terms of computing platforms, we will strengthen collaboration with Horizon Robotics to accelerate the mass production of products and solutions based on the Journey 6 platform. Meanwhile, we will collaborate with our partners to build integrated cockpit-driving platform and vehicle central computing platform.

Continue to deepen, expand, and diversify our OEM customer base

We will strengthen our cooperation with existing customers and strive to expand our products and solutions to more vehicle models. Meanwhile, we will continue to grow our sales and marketing teams to achieve breakthroughs with key potential customers. In addition, we will collaborate with our strategic partners to broaden our OEM customer base.

Enhance our value chain integration capabilities

We will continue to collaborate with existing international first-class system-on chips (“SoC”) suppliers, and actively promote the R&D and commercialization of products and solutions of Horizon Journey system chips based on our strategic cooperation with Horizon Robotics. We aim to deepen our cooperation with sensor suppliers to develop modular solutions to shorten the development cycle and improve the adaptability of our solutions. In addition, we plan to strengthen our vertical integration capabilities by investing in or acquiring quality companies that can create synergies.

Build an international brand with a global presence

We will adhere to our overseas expansion strategy by serving Chinese OEMs’ overseas business on the one hand, and actively developing international customers on the other. Based on our established presence, our products and solutions have followed our customers to be deployed across regions and countries including Europe, the Middle East, Southeast Asia, South Korea, and Japan. This has enabled us to accumulate extensive on-the-ground experience in overseas applications and develop strong localized service capabilities. In 2026, we plan to further strengthen our global sales and service network, with active efforts to establish a local service network in Japan. Through our overseas business units and production bases, technical adaptation, ecosystem collaboration, and data compliance capabilities, we aim to accelerate our integration into the direct supply chains of international automakers. In addition, we will leverage the resources provided by our strategic overseas shareholders to explore new international business opportunities and establish more international strategic alliances.

Actively explore more diversified business models

Our current solutions focus primarily on intelligent driving of passenger vehicles. In addition, there are also broad application prospects for autonomous driving solutions in specialized scenarios such as public transportation, freight logistics, agricultural machinery, industry and warehousing, mines and ports, which can help improve transportation efficiency, reduce injuries and lower costs. We have engaged in in-depth discussions with multiple leading players in the unmanned logistics vehicle and intelligent heavy-duty truck sectors and have secured letters of nomination for both unmanned logistics vehicles and intelligent heavy-duty trucks. This marks the successful expansion of our products and solutions into the non-passenger vehicle sector.

Continuing to focus on the field of embodied intelligence

Building on the iRC100P product, we will launch the research and development of our next-generation high-computing-power AI BOX platform to further enhance on-device model inference efficiency and multi-modal perception fusion capabilities. The new product will support the deployment of VLA models with larger parameter scales to meet real-time decision-making requirements in complex scenarios, while expanding compatibility with a wider range of robotic platforms to build a more versatile edge intelligence foundation.

Based on the existing VLA architecture, we will focus on advancing in long-sequence task planning and precise operational control, thereby enhancing robots' autonomous decision-making capabilities in dynamic environments. Concurrently, we will optimize our Sim-to-Real data generation system by introducing more real-world scenario data feedback mechanisms. This will enhance the generalization performance and robustness of models under complex operating conditions, thereby shortening the time required to transition algorithms from the laboratory to real-world applications.

Leveraging our proven hardware-software synergy capabilities, we will actively expand the application of embodied intelligence technology across sectors such as smart manufacturing, intelligent logistics, and commercial services. By establishing strategic partnerships with upstream and downstream enterprises in the industry chain, we will promote the large-scale deployment of AI BOX platform and our accompanying algorithmic solutions in typical scenarios, gradually forming a replicable commercialization model to create a new growth trajectory for us.

We will continue to refine our embodied AI technology system, enhancing the level of self-determination and control over our system-level solutions. Concurrently, we will actively participate in the formulation of industry standards and the development of the open-source ecosystem. By fostering in-depth collaboration with robot manufacturers, application developers, and research institutions, we aim to jointly promote the healthy development of the embodied AI industry.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company will be held on Thursday, 18 June 2026 (the “AGM”) and the notice thereof will be available to the shareholders of the Company (“Shareholders”) in a manner as required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and the Articles of Association. In order to determine Shareholders’ entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 15 June 2026 to Thursday, 18 June 2026 (both days inclusive). In order to be entitled to attend and vote at the AGM, unregistered holders of shares of the Company should ensure that all the share transfer documents together with the relevant share certificates are lodged with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Friday, 12 June 2026. All Shareholders whose names appear on the register of members of the Company on Thursday, 18 June 2026 are entitled to attend and vote at the AGM.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2025. (2024: Nil)

USE OF PROCEEDS FROM THE GLOBAL OFFERING

On 20 December 2023, the H Shares of the Company were listed on the Main Board of the Stock Exchange with 22,116,000 Offer Shares under the Global Offering, comprising the Hong Kong Public Offering of 2,211,600 Hong Kong Offer Shares and the International Offering of 19,904,400 International Offer Shares at a nominal value of RMB1.00 per H Share. Offer Shares were issued to and subscribed by Hong Kong and overseas investors through the Global Offering at the Offer Price of HK\$29.65 per H Share (excluding brokerage fee of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%).

The net proceeds from the Global Offering, after deduction of the underwriting commission, fees and estimated expenses payable by us in connection with the Global Offering and other expenses, were approximately RMB575.83 million (equivalent to approximately HK\$595.23 million).

As at 31 December 2025, all the net proceeds from the Global Offering had been utilized in accordance with the intended purposes and the same portion as stated in the prospectus of the Company dated 12 December 2023.

PREVIOUS PLACINGS OF H SHARES UNDER GENERAL MANDATE

(I) 2024 Placing

On 25 November 2024, the Company entered into a placing agreement (the “**2024 Placing Agreement**”) with Guotai Junan Securities (Hong Kong) Limited (as the placing agent). Pursuant to the 2024 Placing Agreement, the placing agent has conditionally agreed to procure, on a best effort basis, not less than six placees who are professional, institutional and/or other investors and who were independent of, and not connected with the Company and its connected persons, to purchase up to an aggregate of 4,427,000 new H Shares (the “**2024 Placing Shares**”) at the placing price of HK\$17.58 per 2024 Placing Share, exclusive of applicable brokerage, trading fees, transaction fees and levies (the “**2024 Placing**”). On 2 December 2024, the Company completed the allotment and issue of the 2024 Placing Shares under general mandate to not less than six placees pursuant to the 2024 Placing Agreement. The net proceeds from the 2024 Placing (after deducting all fees, costs and expenses incurred by the Company in connection with the placing including the commission and levies) amount to approximately HK\$73.28 million. The net proceeds from the placing are intended to be used by the Group for (i) enhancing R&D of the advanced intelligent driving and automated driving and cockpit integrated solutions and products; (ii) capital expenditure in relation to enhancing the R&D and manufacturing facilities; (iii) expanding the overseas sales and service network; and (iv) working capital and general corporate purposes.

For further details of the 2024 Placing, please refer to the Company’s announcements dated 25 November 2024 and 2 December 2024.

The following table sets forth the Company’s use of the proceeds from the 2024 Placing and the planned timetable as at 31 December 2025:

	Approximate percentage of the total net proceeds	Net proceeds from the 2024 Placing (HKD’ million)	Unutilized net proceeds as of 1 January 2025 (HKD’ million)	Actual use of proceeds during the Reporting Period (HKD’ million)	Unutilized net proceeds as 31 December 2025 (HKD’ million)	Expected time to utilize the remaining net proceeds in full
Enhancing R&D of the advanced intelligent driving and automated driving and cockpit integrated solutions and products	40.0%	29.30	8.26	8.26	–	Fully utilized
Capital expenditure in relation to enhancing the R&D and manufacturing facilities	20.0%	14.66	–	–	–	Fully utilized
Expanding the overseas sales and service network	20.0%	14.66	12.36	2.50	9.86	By the end of the year 2026
Working capital and general corporate purposes	20.0%	14.66	5.31	5.31	–	Fully utilized
Total (Note)	100.0%	73.28	25.93	16.07	9.86	

Note: Any discrepancies in the above table between the total shown and the sum of the amounts listed are due to rounding.

As at 31 December 2025, the unutilized net proceeds from the 2024 Placing amounted to approximately HK\$9.86 million, and the Group will utilize the net proceeds in accordance with the intended purposes and the same portion as stated in the Company's announcement dated 2 December 2024. In order to enhance overall operational efficiency and the level of capital returns, the Group has been proactively strengthening the sharing and reusability of domestic and international resources and adopting a prudent approach towards overseas investments. As a result, there has been a delay in the expected timetable table of utilizing the net proceeds for expanding our sales and service network. Save as the change of the expected timetable to utilize the net proceeds for expanding our sales and service network, the net proceeds for other intended purposes had been fully utilized in light of the expected timetable and portion as disclosed in the 2024 Annual Report. The expected timeline is based on the best estimation of future market conditions and business operations made by the Company currently, and will be subject to change based on future development of market conditions and actual business needs. Should there be any change in the intended use of the unutilized net proceeds, the Company will make appropriate announcement(s) in due course.

(II) 2025 February Placing

On 8 February 2025, the Company entered into a placing agreement (the “**2025 February Placing Agreement**”) with Guotai Junan Securities (Hong Kong) Limited (as the placing agent). Pursuant to the 2025 February Placing Agreement, the placing agent has conditionally agreed to procure, on a best effort basis, not less than six places who are individual, professional, institutional and/or other investors and who together with respective ultimate beneficial owners were independent of, and not connected with the Company and its connected persons, to purchase up to an aggregate of 11,190,200 new H Shares (the “**2025 February Placing Shares**”) at the placing price of HK\$20.88 per 2025 February Placing Share, exclusive of applicable brokerage, trading fees, transaction fees and levies (the “**2025 February Placing**”). The placing price of HK\$20.88 per 2025 February Placing Share represented (i) a discount of approximately 13.00% to the closing price of HK\$24.00 per H Share as quoted on the Stock Exchange on 7 February 2025, being the last trading day immediately prior to the date of the 2025 February Placing Agreement; (ii) a premium of approximately 8.86% to the average closing price of HK\$19.18 per H Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the 2025 February Placing Agreement; and (iii) a premium of approximately 30.99% to the average closing price of HK\$15.94 per H Share as quoted on the Stock Exchange for the last 20 consecutive trading days immediately prior to the date of the 2025 February Placing Agreement.

The aggregate nominal value of the 2025 February Placing Shares was HK\$11,190,200 based on a nominal value of RMB1.00 per 2025 February Placing Share. The net placing price per share was approximately HKD20.41, after deducting relevant expenses. The 2025 February Placing will further provide financial assurance for the Group's continued robust development and meet the Group's needs to advance its AI large model-driven autonomous driving technology.

On 17 February 2025, the Company completed the allotment and issue of the 2025 February Placing Shares under general mandate to not less than six places pursuant to the 2025 February Placing Agreement. The net proceeds from the placing (after deducting all fees, costs and expenses incurred by the Company in connection with the placing including the commission and levies) amount to approximately HK\$228.37 million. The net proceeds from the placing are intended to be used by the Group for (i) enhancing R&D of the advanced intelligent driving and automated driving and cockpit integrated solutions and products; (ii) capital expenditure in relation to enhancing the R&D and manufacturing facilities; (iii) expanding the overseas sales and service network; and (iv) working capital and general corporate purposes.

For further details of the 2025 February Placing, please refer to the Company's announcements dated 9 February 2025 and 17 February 2025.

The following table sets forth the Company's use of the proceeds from the 2025 February Placing and the planned timetable as at 31 December 2025:

	Approximate percentage of the total net proceeds	Net proceeds from the 2025 February Placing (HK\$' million)	Actual use of proceeds during the Reporting Period (HK\$' million)	Unutilised net proceeds as of 31 December 2025 (HK\$' million)	Expected time to utilize the remaining net proceeds in full
Enhancing R&D of the advanced intelligent driving and automated driving and cockpit integrated solutions and products	60.0%	137.02	137.02	–	Fully utilized
Capital expenditure in relation to enhancing the R&D and manufacturing facilities	10.0%	22.84	22.84	–	Fully utilized
Expanding the overseas sales and service network	5.0%	11.42	–	11.42	By the end of the year 2026
Working capital and general corporate purposes	25.0%	57.09	57.09	–	Fully utilized
Total (Note)	100.0%	228.37	216.95	11.42	

Note: Any discrepancies in the above table between the total shown and the sum of the amounts listed are due to rounding.

As at 31 December 2025, the unutilized net proceeds from the 2025 February Placing amounted to approximately HK\$11.42 million, and the Group will utilize the net proceeds in accordance with the intended purposes and the same portion as stated in the Company's announcement dated 17 February 2025. The expected timeline is based on the best estimation of future market conditions and business operations made by the Company currently, and will be subject to change based on future development of market conditions and actual business needs. Should there be any change in the intended use of the unutilized net proceeds, the Company will make appropriate announcement(s) in due course.

(III) 2025 July Placing

On 12 July 2025, the Company entered into a placing agreement (the “**2025 July Placing Agreement**”) with Macquarie Capital Limited and CCB International Capital Limited (as the placing agents). Pursuant to the 2025 July Placing Agreement, the placing agent has conditionally agreed to procure, on a best effort basis, not less than six placees who, together with respective ultimate beneficial owners were independent of, and not connected with the Company and its connected persons, to purchase up to an aggregate of 15,495,000 new H Shares (the “**2025 July Placing Shares**”) at the placing price of HK\$15.22 per 2025 July Placing Share, exclusive of applicable brokerage, trading fees, transaction fees and levies (the “**2025 July Placing**”). The placing price of HK\$15.22 per 2025 July Placing Share represented (i) a discount of approximately 8.97% to the closing price of HK\$16.72 per H Share as quoted on the Stock Exchange on 11 July 2025, being the last trading day immediately prior to the date of the 2025 July Placing Agreement; (ii) a premium of approximately 0.21% to the average closing price of HK\$15.188 per H Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the 2025 July Placing Agreement; and (iii) a premium of approximately 10.24% to the average closing price of HK\$13.806 per H Share as quoted on the Stock Exchange for the last 20 consecutive trading days immediately prior to the date of the 2025 July Placing Agreement.

The aggregate nominal value of the 2025 July Placing Shares was HK\$15,495,000 based on a nominal value of RMB1.00 per 2025 July Placing Share. The net placing price per share was approximately HKD14.89, after deducting relevant expenses. The 2025 July Placing will further provide financial assurance for the Group's continued robust development and meet the Group's needs to advance its AI large model-driven autonomous driving technology.

On 21 July 2025, the Company completed the allotment and issue of the 2025 July Placing Shares under general mandate to not less than six placees pursuant to the 2025 July Placing Agreement. The net proceeds from the placing (after deducting all fees, costs and expenses incurred by the Company in connection with the placing including the commission and levies) amount to approximately HK\$230.7 million. The net proceeds from the placing are intended to be used by the Group for (i) enhancing R&D of the advanced intelligent driving and automated driving and cockpit integrated solutions and products; (ii) capital expenditure in relation to enhancing the R&D and manufacturing facilities; (iii) R&D, mergers and acquisitions of the Company's robotics business; and (iv) working capital and general corporate purposes.

For further details of the 2025 July Placing, please refer to the Company's announcements dated 13 July 2025 and 21 July 2025.

The following table sets forth the Company's use of the proceeds from the 2025 July Placing and the planned timetable as at 31 December 2025:

	Approximate percentage of the total net proceeds	Net proceeds from the 2025 July Placing (HK\$' million)	Actual use of proceeds during the Reporting Period (HK\$' million)	Unutilised net proceeds as of 31 December 2025 (HK\$' million)	Expected time to utilize the remaining net proceeds in full
Enhancing R&D of the advanced intelligent driving and automated driving and cockpit integrated solutions and products	50.0%	115.35	75.00	40.35	By the end of the year 2026
Capital expenditure in relation to enhancing the R&D and manufacturing facilities	10.0%	23.07	23.07	–	Fully utilized
R&D, mergers and acquisitions of the Company's robotics business	15.0%	34.61	16.13	18.48	By the end of the year 2026
Working capital and general corporate purposes	25.0%	57.68	57.68	–	Fully utilized
Total (Note)	100.0%	230.70	171.87	58.83	

Note: Any discrepancies in the above table between the total shown and the sum of the amounts listed are due to rounding.

As at 31 December 2025, the unutilized net proceeds from the 2025 July Placing amounted to approximately HK\$58.83 million, and the Group will utilize the net proceeds in accordance with the intended purposes and the same portion as stated in the Company's announcement dated 13 July 2025. The expected timeline is based on the best estimation of future market conditions and business operations made by the Company currently, and will be subject to change based on future development of market conditions and actual business needs. Should there be any change in the intended use of the unutilized net proceeds, the Company will make appropriate announcement(s) in due course.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the Reporting Period, save for (i) the 4,433,600 H Shares purchased by the trustee of the first H Share award and trust scheme on the Stock Exchange at the total consideration of HK\$46.98 million pursuant to the terms of the trust deed under such scheme; and (ii) an aggregate of 774,200 H Shares repurchased by the Company on 29, 30 and 31 December 2025, neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale or transfer of treasury shares).

As at 31 December 2025, the Company held 774,200 treasury shares.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed otherwise in this announcement, there were no significant events taking place after the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors’ and supervisors’ securities transactions. After making specific enquiries to all the Directors and supervisors, each of them has confirmed that they have complied with the Model Code throughout the Reporting Period.

CORPORATE GOVERNANCE PRACTICE OF THE COMPANY

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code set out in Appendix C1 to the Listing Rules (the “**CG Code**”) as its own code of corporate governance. Save as below, the Company has complied with all applicable code provisions under the CG Code during the Reporting Period. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

Mr. Song Yang is currently both the chief executive officer of the Company and the chairman of the Board. Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be segregated and should not be performed by the same individual. The Board believes that vesting the roles of both chief executive officer and chairman of the Board in the same person has the benefit of ensuring consistent leadership and efficient discharge of executive functions within the Group. The Group considers that the balance of power and authority of the present arrangement will not be impaired as the Board comprises five other experienced and high-calibre individuals including another three executive Directors and two independent non-executive Directors who would be able to offer advice from various perspectives. In addition, for major decisions of the Group, the Board will make consultations with appropriate Board committees and senior management. Therefore, the Directors consider that the present arrangement is beneficial to and in the interest of the Company and the Shareholders as a whole and the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstance.

Following the resignation of Mr. Liu Yong on January 15, 2026, the number of independent non-executive Director has been reduced to only two. In order to comply with the relevant Listing Rules, the Company is in the course of identifying suitable candidates to fill the vacancy of independent non-executive Director.

REVIEW OF ANNUAL RESULTS BY AUDIT COMMITTEE

The audit committee of the Company has reviewed the consolidated financial statements and annual results of the Group for the year ended 31 December 2025. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company, the risk management and internal control with members of senior management and the external auditor of the Company, and considers the risk management and internal control systems to be effective and adequate.

SCOPE OF WORK OF THE AUDITOR

The financial figures in respect of the Group's consolidated statement of financial position as at 31 December 2025, the 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 results announcement have been compared by the Group's auditor, KPMG, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2025 and the amounts were found to be in agreement. The work performed by KPMG in this respect did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong standards on Assurance Engagements issued by the Hong Kong institute of Certified Public Accountants and consequently no opinion or assurance conclusion has been expressed by KPMG.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.imotion.ai). The annual report of the Company for the year ended 31 December 2025 containing all the information required by the Listing Rules will be despatched to the Shareholders requiring the printed copy and made available on the same websites in due course.

(2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

On 27 March 2026, the Board of Directors approved a resolution regarding the proposed amendment to the Company's Articles of Association (the "**Articles of Association**") (the "**Proposed Amendment**").

Due to the need of the Company's business development, it is proposed to change the scope of business and amend the corresponding clauses of the Articles of Association. The Proposed Amendment is subject to consideration and approval by the Company's shareholders at a general meeting.

A circular containing, among other things, the full text of the Proposed Amendment together with the notice of the general meeting will be despatched to the Shareholders requiring the printed copy and made available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.imotion.ai) in due course.

By order of the Board
iMotion Automotive Technology (Suzhou) Co., Ltd.
SONG Yang
Chairman of the Board and Executive Director

Hong Kong, 27 March 2026

As of the date of this announcement, the Board comprises Mr. SONG Yang as chairman of the Board and executive Director; Mr. LU Yukun, Ms. JIANG Jingfang and Ms. LIU Fang as executive Directors; and Dr. ZHANG Weigong and Ms. XUE, Rui Shirley as independent non-executive Directors.