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Beijing Saimo Technology Co., Ltd.

北京賽目科技股份有限公司

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

(Stock Code: 2571)

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

RESULTS HIGHLIGHTS FOR 2025

Financial Highlights

	Year ended 31 December		Year-on-year change %
	2025	2024	
	(RMB'000)	(RMB'000)	
Revenue	262,447	221,883	18.3
Gross profit	140,522	151,795	(7.4)
Profit before income tax	58,286	56,968	2.3
Profit for the year	59,622	55,094	8.2
Profit attributable to owners of the Company	56,265	53,666	4.8
Basic and diluted earnings per share (expressed in RMB per share)	0.43/0.43	0.55/0.54	(21.8)/(20.4)

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Beijing Saimo Technology Co., Ltd. (the “**Company**”) is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (the “**Group**” or “**we**” or “**us**”) for the year ended 31 December 2025 (the “**Reporting Period**” or the “**FY2025**”) together with the comparative figures for the year ended 31 December 2024 (the “**FY2024**”). The results are as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Year ended December 31,	
		2025	2024
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	4	262,447	221,883
Cost of sales	6	<u>(121,925)</u>	<u>(70,088)</u>
Gross profit		140,522	151,795
Other income	5	41,755	25,054
Other gains, net		30,446	2,848
Selling and marketing expenses	6	(8,966)	(10,916)
General and administrative expenses	6	(36,267)	(29,949)
Research and development expenses	6	(110,475)	(85,871)
Credit loss allowance recognized, net	6	<u>(862)</u>	<u>(242)</u>
Operating profit		56,153	52,719
Share of profit/(loss) of investments accounted for using the equity method		2,464	(558)
Finance income		6,222	6,004
Finance costs		<u>(6,553)</u>	<u>(1,197)</u>
Profit before income tax		58,286	56,968
Income tax credit/(expenses)	7	<u>1,336</u>	<u>(1,874)</u>
Profit for the year		<u>59,622</u>	<u>55,094</u>
Attributable to:			
Owners of the Company		56,265	53,666
Non-controlling interests		<u>3,357</u>	<u>1,428</u>
		<u>59,622</u>	<u>55,094</u>

		Year ended December 31,	
		2025	2024
	<i>Note</i>	RMB'000	RMB'000
Other comprehensive loss, net of tax:			
<i>Items that may be reclassified to profit or loss</i>			
Currency translation differences		<u>(1,176)</u>	<u>–</u>
Total comprehensive income for the year		<u>58,446</u>	<u>55,094</u>
Attributable to:			
Owners of the Company		55,089	53,666
Non-controlling interests		<u>3,357</u>	<u>1,428</u>
		<u>58,446</u>	<u>55,094</u>
Earnings per share for profit attributable to owners of the Company (expressed in RMB per share)			
	8		
Basic		0.43	0.55
Diluted		<u>0.43</u>	<u>0.54</u>

CONSOLIDATED BALANCE SHEET

		As at December 31	
		2025	2024
	Note	RMB'000	RMB'000
Assets			
Non-current assets			
Right-of-use assets		39,009	49,031
Equipment		114,001	37,901
Intangible assets		41,540	52,279
Financial assets at fair value through profit or loss	9	147,284	28,731
Investments accounted for using the equity method		2,785	321
Term deposits		30,419	–
Contract assets		677	2,187
Deferred income tax assets		2,389	846
Other non-current assets		1,096	955
Total non-current assets		379,200	172,251
Current assets			
Inventory		2,955	23,945
Contract assets		1,966	1,288
Trade and notes receivable	10	255,763	191,297
Prepayments and other receivables		18,968	59,589
Financial assets at fair value through profit or loss	9	137,877	7,029
Restricted cash		3,665	4,236
Cash and cash equivalents		235,461	208,325
Total current assets		656,655	495,709
Total assets		1,035,855	667,960

		As at December 31	
		2025	2024
	<i>Note</i>	RMB'000	RMB'000
Equity			
Equity attributable to owners of the Company			
Share capital		133,333	100,000
Shares held for employee incentive scheme		(38,859)	–
Reserves		577,303	277,554
Retained earnings		228,048	176,024
		<u>899,825</u>	<u>553,578</u>
Non-controlling interests		<u>7,487</u>	<u>4,130</u>
Total equity		<u>907,312</u>	<u>557,708</u>
Liabilities			
Non-current liabilities			
Lease liabilities		33,703	30,065
Deferred income		24,094	14,710
		<u>57,797</u>	<u>44,775</u>
Total non-current liabilities		<u>57,797</u>	<u>44,775</u>
Current liabilities			
Trade and notes payable	11	27,742	5,713
Current income tax payables		207	44
Other payables and accruals		23,030	23,641
Contract liabilities		808	2,563
Lease liabilities		17,275	31,686
Deferred income		1,684	1,830
		<u>70,746</u>	<u>65,477</u>
Total current liabilities		<u>70,746</u>	<u>65,477</u>
Total liabilities		<u>128,543</u>	<u>110,252</u>
Total equity and liabilities		<u>1,035,855</u>	<u>667,960</u>

NOTES:

1 GENERAL INFORMATION

Beijing Saimo Technology Co., Ltd. (the “**Company**”) was incorporated in Beijing, the People’s Republic of China (the “**PRC**”) on January 24, 2014 as a limited liability company. On November 8, 2022, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC, the Company and its subsidiaries (collectively, the “**Group**”) were primarily engaged in the provision of intelligent connected vehicle (“**ICV**”) testing, validation and evaluation solutions in the PRC.

On January 15, 2025, the Company completed its initial public offering, and its ordinary shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited.

These financial statements are presented in Renminbi (“**RMB**”), unless otherwise stated.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 Compliance with IFRS and HKCO

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards (“**IFRSs**”) as issued by the International Accounting Standards Board (“**IASB**”) and requirements of the Hong Kong Companies Ordinance Cap. 622 (“**HKCO**”).

IFRSs comprise the following authoritative literature:

- International Financial Reporting Standards,
- International Accounting Standards, and
- Interpretations developed by the International Institute of Certified Public Accountants.

The preparation of the consolidated financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies.

2.2 Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention unless otherwise stated, as modified by the revaluation of certain financial assets at fair value through profit or loss.

2.3 New and amended standards adopted by the Group

The Group has applied the ‘Amendments to IAS 21 – Lack of Exchangeability’ for the first time for its reporting period commencing January 1, 2025, which did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

2.4 New and amended standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for December 31, 2025 reporting periods and have not been early adopted by the Group.

Standards and amendments	Effective for annual periods beginning on or after	
Amendment to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 9 and IFRS 7	Contracts referencing nature-dependent electricity	January 1, 2026
Annual improvements project	Annual improvements to IFRS Accounting Standards – volumes 11	January 1, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures and subsequent amendments in October 2025	January 1, 2027
Amendment to IAS 21	Translation to a Hyperinflationary Presentation Currency	January 1, 2027
Amendments to IFRS 10 and IFRS 28	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 and amended standards. It has concluded on a preliminary basis that adoption of these new and amended standards is not expected to have a significant impact on the performance and positions of the Group, except possibly IFRS 18. The Group is still in the process of assessing the impact of IFRS 18, which might mainly impact on the presentation of the Group's consolidated statements of comprehensive income.

3 SEGMENT INFORMATION

The Group's business activities are the testing, validation and evaluation of the functionality, compatibility, safety, reliability and comfortability of ICVs in the PRC. The Group does not distinguish revenue, costs and expenses between segments in its internal reporting, and reports costs and expenses by nature as a whole.

The Group's chief operating decision-maker has been identified as the board of directors, who reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole and hence, the Group has only one reportable segment. The Group does not distinguish between markets or segments for the purpose of internal reports. As all of the Group's non – current assets other than financial instruments and deferred tax assets are all located in Mainland China, no geographical information is presented.

The major customers who contributed more than 10% of total revenue of the Group for the years ended December 31, 2025 and 2024 are listed below:

	Year ended December 31,	
	2025	2024
Number of major customers	<u>2</u>	<u>5</u>
Total revenue from major customers (RMB'000)	<u>76,401</u>	<u>140,798</u>
Customers	RMB'000	% of the total revenue
Year ended December 31, 2025		
Customer A	48,551	18.5%
Customer B	<u>27,850</u>	<u>10.6%</u>
	<u>76,401</u>	<u>29.1%</u>
Year ended December 31, 2024		
Customer C	36,000	16.2%
Customer D	33,743	15.2%
Customer E	24,638	11.1%
Customer F	23,585	10.6%
Customer G	<u>22,832</u>	<u>10.3%</u>
	<u>140,798</u>	<u>63.4%</u>

4 REVENUE

Disaggregation of revenue from contracts with customers by products and services is as follows:

	Year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
ICV simulation testing software and platforms	188,810	133,793
ICV data platforms and other products	20,696	20,621
ICV testing and related services	28,244	37,941
Advisory and other services	24,697	29,528
	262,447	221,883

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	Year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
At point in time	259,712	220,719
Over time	2,735	1,164
	262,447	221,883

The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

	Year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Mainland China	210,994	221,883
Hong Kong	51,453	–
	262,447	221,883

5 OTHER INCOME

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Government grants (i)	41,696	21,353
Value-added tax (“VAT”) refund (ii)	–	1,692
Interest income from wealth management products and others	59	2,009
	41,755	25,054
	41,755	25,054

(i) Government grants

Government grants primarily relate to grants in connection with the Group’s contributions to technology development of governments. There are no unfulfilled conditions or contingencies relating to these incomes.

(ii) VAT refund

According to the VAT tax regulations in the PRC, the applicable VAT tax rate for sales of computer software is 13% during the periods presented.

6 EXPENSES BY NATURE

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Change in inventory	20,990	(22,203)
Procurement costs	74,175	65,207
Salaries, wages and other benefits	66,524	70,006
Depreciation of equipment	47,808	30,369
Amortization of intangible assets	20,330	11,738
Depreciation of right-of-use assets	16,162	15,129
Commissioned external technical services	12,281	12,628
Business travel expenses	3,422	2,267
Office expenses	2,931	2,476
Rental and property expenses	2,517	2,825
Professional service and other consulting fees	2,294	370
Auditor’s remuneration		
– Audit services	2,110	1,180
– Non-audit services	10	100
Business entertainment expenses	1,912	1,580
Share-based payments expenses	1,208	1,202
Credit loss allowance recognized, net	862	242
Listing expenses	580	470
Insurance expenses	255	–
Other taxes and surcharges	350	556
Advertising and marketing expenses	104	79
Recruitment and training expenses	51	19
Others	1,619	826
	278,495	197,066
	278,495	197,066

7 INCOME TAX (CREDIT)/EXPENSES

The income tax (credit)/expenses of the Group for the years ended December 31, 2025 and 2024 are analyzed as follows:

	Year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Current income tax	207	44
Deferred income tax	(1,543)	1,830
	<u> </u>	<u> </u>
Income tax (credit)/expenses	(1,336)	1,874
	<u><u> </u></u>	<u><u> </u></u>

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the statutory tax rate applicable to the Group as follows:

	Year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Profit before income tax	58,286	56,968
Tax calculated at domestic tax rates applicable to profits in the respective countries (<i>Note (a)</i>)	12,174	14,242
<i>Tax effects of:</i>		
– Preferential income tax rate applicable to the Group (<i>Note (b)</i>)	(698)	(61)
– Super deduction for research and development expenses (<i>Note (c)</i>)	(20,265)	(14,342)
– Tax-exempt investment income	(4,484)	–
– Expenses and income not deductible for income tax purposes	470	162
– Utilization of previously unrecognized tax losses	(785)	(350)
– Deductible loss of unrecognized deferred income tax assets in the current year	12,868	2,084
– Tax effect of share of profits of associates and joint ventures	(616)	139
	<u> </u>	<u> </u>
Income tax (credit)/expenses	(1,336)	1,874
	<u><u> </u></u>	<u><u> </u></u>

Notes:

(a) Enterprise income tax in the PRC (“EIT”)

The income tax provision of the Group in respect of its operations in the Mainland China and Hong Kong were calculated using a tax rate of 25% and 16.5% respectively, on the assessable profits for the year presented, based on the existing legislation, interpretations and practices in respect thereof.

(b) Preferential EIT rate

The Company and its subsidiaries are entitled to preferential EIT rates, as follows:

The Company was recognized as the Key Software Enterprise and therefore enjoyed a preferential EIT rate of 0% from January 1, 2019 to December 31, 2023, and can enjoy a preferential EIT rate of 10% from January 1, 2024.

Subsidiaries of the Company, Zhejiang Saimo Technology Co., Ltd., Zhejiang Fly Here Technology Co., Ltd. and Beijing Saimo Automotive Testing Technology Co. Ltd., enjoy tax benefits for small and micro enterprises.

Saimo Technology (Hong Kong) Limited, the Company's subsidiary in Hong Kong, enjoy tax benefits for the first HK\$2 million assessable profit.

(c) Super deduction for research and development expenses

According to Announcement No. 7 of 2023 by the Ministry of Finance and the State Administration of Taxation, since January 1, 2023, the pre-tax deduction rate for enterprise research and development expenses is 100%. The Group has made its best estimate for the Super Deduction to be claimed for the Group's entities in ascertaining their assessable profits during the years.

(d) Global minimum top – up tax

The Group has adopted International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12 upon their release on May 23, 2023. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which is effective immediately, and require new disclosures about the Pillar Two exposure from December 31, 2023. The mandatory exception applies retrospectively and the retrospective application has no impact on the Group's consolidated financial statements.

8 EARNINGS PER SHARE

(a) Basic

	Year ended December 31,	
	2025	2024
Profit attributable to owners of the Company (<i>RMB'000</i>)	56,265	53,666
Weighted average number of ordinary shares (<i>thousands</i>)	129,930	98,450
Basic earnings per share (<i>RMB</i>)	<u>0.43</u>	<u>0.55</u>

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year. The shares granted to employees under an equity incentive plan are excluded from the calculation of the weighted average number of ordinary shares.

(b) Diluted

	Year ended December 31,	
	2025	2024
Profit attributable to owners of the Company (<i>RMB'000</i>)	56,265	53,666
Weighted average number of ordinary shares used in the basic earnings per share calculation (<i>thousands</i>)	129,930	98,450
Effect of dilution:		
– Restricted stock units (<i>thousands</i>)	<u>1,346</u>	<u>1,367</u>
Adjusted weighted average number of ordinary shares used in the diluted earnings per share calculation (<i>thousands</i>)	131,276	99,817
Diluted earnings per share (<i>RMB</i>)	<u>0.43</u>	<u>0.54</u>

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has restricted stock units outstanding which are potentially dilutive.

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Non-current assets		
Long-term investments measured at fair value through profit or loss		
– Unlisted equity securities	29,912	28,731
– Listed equity securities (<i>Note (i)</i>)	117,372	–
	<u>147,284</u>	<u>28,731</u>
Current assets		
Short-term investments measured at fair value through profit or loss		
– Wealth management products	50,076	7,029
– Funds (<i>Note (ii)</i>)	87,801	–
	<u>137,877</u>	<u>7,029</u>

(b) Amounts recognized in profit or loss

During the year, the following gains were recognized in profit or loss:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Fair value gains of financial assets at fair value through profit or loss recognized in other gains		
– Unlisted equity securities	1,181	2,849
– Listed equity securities (<i>Note (i)</i>)	27,173	–
– Wealth management products	976	–
– Funds (<i>Note (ii)</i>)	1,392	–
	<u>30,722</u>	<u>2,849</u>

Note:

- (i) During the year, the Group purchased 4,160,000 and 6,760,000 shares of Ruifeng Power Group Company Limited (“**Ruifeng Power**”), a listed company on the Main Board of the Hong Kong Stock Exchange, at HK\$7.18 and HK\$10.30 per share on September 19, 2025 and October 16, 2025, respectively. As at December 31, 2025, the Company holds approximately 1.365% of the issued share capital of Ruifeng Power with trading market price of HK\$11.90 per share.
- (ii) During the year, the Company made investments in several fund products totaling approximately RMB162.0 million, which were denominated in US\$ and HK\$. The corresponding management fees were RMB2.1 million. The underlying portfolios of these funds comprised a variety of assets, including securities, bonds, and cash management products.

As at December 31, 2025, the Company partially redeemed fund investments amounting to RMB75.5 million, resulting in an outstanding balance of RMB90.0 million. Subsequently, all the remaining principal amount of RMB82.0 million was fully redeemed and received by the Company, along with an exchange loss of RMB1.9 million recorded as “Other losses, net”. The remaining investment income receivable of approximately RMB6.1 million is still outstanding as of the date of this announcement.

10 TRADE AND NOTES RECEIVABLE

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Trade receivables		
– Third parties	263,792	185,815
– Related parties	–	829
Less: loss allowance	(10,127)	(8,969)
	253,665	177,675
Notes receivable	2,100	13,795
Less: loss allowance	(2)	(173)
	2,098	13,622
	255,763	191,297

The carrying amounts of the Group's trade and notes receivable are denominated in RMB.

The Group generally allows a credit period within 90 to 180 days to its customers. Aging analysis of trade and notes receivable based on date of completion of contractual obligations is as follows:

	As at December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade and notes receivable		
Up to 6 months	163,936	143,211
6 months to 1 year	45,528	24,125
1 to 2 years	29,439	19,230
Over 2 years	26,989	13,873
	265,892	200,439

Movement on the Group's loss allowance for trade and notes receivable are as follows:

	Year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
At the beginning of the year	(9,142)	(8,818)
Credit loss allowance recognized, net	(987)	(324)
At the end of the year	(10,129)	(9,142)

The credit loss allowance of the Group's trade and notes receivable as at December 31, 2025 and 2024 were determined as follows:

	As at December 31, 2025		
	Gross carrying amount	Expected credit loss rate	Credit loss allowance
	<i>RMB'000</i>		<i>RMB'000</i>
Credit loss allowance	265,892	-3.81%	(10,129)

	As at December 31, 2024		
	Gross carrying amount	Expected credit loss rate	Credit loss allowance
	<i>RMB'000</i>		<i>RMB'000</i>
Credit loss allowance	200,439	-4.56%	(9,142)

11 TRADE AND NOTES PAYABLE

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Trade payables	27,742	5,136
Notes payable	–	577
	<u>27,742</u>	<u>5,713</u>

The aging analysis based on date of receipt of goods and services are as follows:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Up to 3 months	25,074	3,465
3 to 6 months	20	–
Over 6 months	2,648	2,248
	<u>27,742</u>	<u>5,713</u>

As at December 31, 2025 and 2024, the carrying amounts of trade and notes payable, which were primarily denominated in RMB, approximated their fair values.

12 DIVIDENDS

No dividends have been paid or declared by the Group or the companies comprising the Group during the year ended December 31, 2025 (2024: Nil).

13 SUBSEQUENT EVENTS

On January 6, 2026, the Company entered into an investment agreement with Shanghai Shuxin Juhui Enterprise Management Consulting Partnership (“**Shuxin Juhui**”), Shanghai Xinjuhui Technology Partnership (“**Xinjuhui**”) and Jing Wei in respect of the shares of Zhejiang Saimo Technology Co., Ltd. (the “**Target Company**”), which is one of the Company’s subsidiaries. Pursuant to the agreement, Shuxin Juhui, Xinjuhui and Jing Wei subscribed for the increased registered capital of RMB9.61 million of the Target Company in the form of intellectual property rights and monetary capital and will hold 49% of the equity interest in the Target Company upon completion of the capital increase. The Company will hold the remaining 51% of the equity interest in the Target Company then.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS SUMMARY

We are a technology company in the PRC focusing on ICV simulation testing technologies, and primarily engaged in the design and R&D of ICV simulation testing products and the provision of related testing, validation and evaluation solutions. ICVs refer to a road vehicle equipped with advanced sensors, controllers, and actuators, and is designed with the intelligent and cooperative driving functions. The Group also started to extend the applications of our technologies in other industries. The Group mainly offers (i) ICV simulation testing software and platforms; (ii) ICV data platforms and other products; (iii) ICV testing and related services; and (iv) advisory and other services.

The Group offers ICV testing, validation and evaluation products and services to customers mainly based on our self-developed and proprietary core technological tools based on artificial intelligence and world models – (i) Sim Pro, a full-stack ICV simulation testing, validation and evaluation tool chain (in support of scenario databases and cloud (SaaS) deployment); and (ii) Safety Pro, a functional safety (“**FuSa**”) and safety of the intended functionality for road vehicles (“**SOTIF**”) analysis tool. Leveraging its proprietary software and hardware integration capabilities and services, the Group is able to provide customised solutions catering to specific needs of our customers in a flexible, speedy and cost-effective manner. The Group mainly generates revenue from the provision of comprehensive ICV testing, validation and evaluation solutions to state-owned enterprises (“**SOEs**”) and government authorities in the public sector and automotive manufacturers and technology companies in the private sector.

MARKET OVERVIEW

With the government’s support for ICV technology and increasing acceptance of functions of intelligent vehicles among customers, the ICV industry is embracing its rapid growth. The advancement and universal application of technology have led to a continuous increase in the demand for ICV simulation testing technology, presenting enormous development opportunities for enterprises within the industry. Especially under the trend of rapid integration of artificial intelligence and world models into simulation testing, the industry has set higher demands for the ability to restore the real physical world with high precision and predict complex dynamic scenarios. World models can, by learning from massive driving data, construct interactive and evolvable virtual environments, while artificial intelligence drives the automatic generation of test scenarios and decision verification. This not only enhances the efficiency and coverage of simulation testing but is also becoming a key direction in industry technological competition. As a leading enterprise, the Group possesses formidable technological advantages and a robust market position, which positions us to methodically expand our operations, seize market opportunities, and achieve sustainable growth.

During the Reporting Period, the Group actively expanded its business operations and ramped up investment in research and development. Meanwhile, we keep abreast of industry trends and regulatory policies, consistently enhancing the quality of our products and services to adapt to the ever-changing market and cater to the personalized needs of our clients. These efforts have laid a solid foundation for our business growth.

OVERALL BUSINESS PERFORMANCE

During the Reporting Period, benefiting from the continuous development of intelligent driving technologies and increasing acceptance of ICVs in China, as well as the Group's constant optimisation and existing solutions upgrade, increased investment in innovation and enhancement of new products, the business performance of Group's ICV testing, validation and evaluation solutions has experienced steady growth. The Group achieved growth in both revenue and profit for the year. For the FY2025, the Group achieved revenue of approximately RMB262.4 million and net profit of approximately RMB59.6 million, representing an increase of 18.3% and 8.2% respectively as compared with the FY2024.

Business performance by product/service type

ICV simulation testing software and platforms, ICV data platforms and other products

The Group's products mainly include (i) ICV simulation testing software and platforms; and (ii) ICV data platforms and other products, which are primarily used for testing, validating and evaluating the functional completeness and safety of ICV intelligent driving solutions (including algorithms and their related key components of the intelligent driving system of an ICV), supporting effective regulation and decision-making of ICVs and constructing intelligent connected data centres or intelligent transportation platforms.

In terms of ICV simulation testing software and platforms, during the Reporting Period, the Group's revenue from the sale of ICV simulation testing software and platforms amounted to approximately RMB188.8 million, representing an increase of 41.1% as compared with the FY2024. As for ICV simulation testing platforms, the Group supports the development of customised functions to cater to different needs of our customers. The ICV simulation testing platforms implemented by the Group for our customers were either cloud-based (i.e. SaaS solutions) or non-cloud based.

In particular, the year 2025 witnessed a significant progress for the Group in the field of the ICV simulation testing technology. The Group achieved remarkable results in customer expansion and successfully fostered long-term relationships with a number of well-known automobile manufacturers and technology companies. These co-operations have brought us more business opportunities and growth potential. In terms of ICV simulation testing platform, we continued to upgrade our technology and optimize our function so as to ensure that our platform could meet the increasing testing needs of our customers. Especially driven by the world model and artificial intelligence algorithms, our platform is capable of dynamically generating test cases that encompass complex scenarios and long-tail distributions, significantly enhancing test coverage and efficiency. Our SaaS solutions have demonstrated great flexibility and expandability in cloud deployment and have been well received by our customers. Furthermore, the Group has continued to invest in research and development in the area of innovation, promoting technological innovation and product upgrades to provide customers with more advanced and efficient ICV testing, validation and evaluation solutions. These innovative achievements are reflected not only in the enhancement of simulation accuracy but also in the integration of the predictive capabilities of the world model with the decision optimization capabilities of artificial intelligence, thereby forming a complete closed loop from scenario construction to safety assessment. These innovations have not only bolstered our market competitiveness, but also injected new momentum into our business growth. In respect of ICV simulation testing standalone software products, the Group's standalone software products were sold to end customers by way of either direct sales or indirect sales. In 2025, our ICV simulation testing standalone software products received recognition in the market for their high quality and excellent performance.

In terms of ICV data platforms and other products, during the Reporting Period, the Group recognised revenue from the sale of ICV data platforms and other products of approximately RMB20.7 million, representing an increase of 0.4% as compared with the FY2024. As for ICV data platforms, the Group had been involved in the building of ICV data platforms in various cities in the PRC.

In 2025, we successfully expanded several important customers, who brought abundant data resources and application scenarios to our data platform. In the process of constructing these data platforms, we have introduced AI-powered data processing workflows and scene representation technologies supported by world models. This enables the platforms to not only efficiently manage massive amounts of road test data but also automatically extract high-value scenarios for simulation testing and algorithm iteration. We continued to optimize the function and performance of our data platform, enhance the efficiency of data processing and analysis, and provide more accurate and efficient data services to our customers through intensive co-operation with these customers.

ICV testing and related services, and advisory and other services

The Group's services include the provision of (i) ICV testing and related services; and (ii) advisory and other services, which help customers test, validate and evaluate the safety and driving capabilities of ICVs, help customers operate and maintain ICV-related platforms. We also offer advice and technical assistance in respect of ICV-related policies, laws and regulations as well as industry standards, assist government authorities in organising conferences and seminars in the ICV and related industries and help government authorities and technology companies in the testing, operation management and other activities of drones.

In terms of ICV testing and related services, the Group is capable of providing customers with comprehensive ICV testing and related services, including (i) simulation tests and related services (which generally require the use of the Group's core technologies, including Sim Pro); (ii) closed-course site tests and related services; and (iii) platform operation and maintenance services.

In 2025, relying on our proprietary Sim Pro technology, our simulation testing and related services applied the concept of world models to virtual environment construction. This enables the simulation scenarios to reflect complex physical interactions and dynamic changes in the real world, achieving comprehensive testing and validation of ICV intelligent driving solutions to ensure their functional integrity and safety. Meanwhile, artificial intelligence algorithms are used for automating testing processes and result analysis, significantly enhancing testing efficiency and the objectivity of evaluations. Our closed-course site testing and related services provided customers with a real testing environment to enable them to better understand the performance of their ICV products in actual applications. Moreover, our platform operation and maintenance services saved our customers tremendous manpower and material costs and improved their operational efficiency. Among these services, we were featured by providing highly customized solutions. Based on the different needs of our customers, we were able to provide them with suitable testing and operation and maintenance solutions which were tailor-made. Our professional team also maintained close communication with our customers to ensure that our services always meet their expectations and needs.

During the Reporting Period, the Group's revenue from ICV testing and related services amounted to approximately RMB28.2 million.

In terms of advisory and other services, the Group offers advisory and other services to the PRC government authorities or SOEs in the public sector and automotive manufacturers in the private sector. In respect of the Group's advisory services, the Group assists automotive manufacturers in understanding and complying with the ICV-related domestic and international laws, regulations and/or standards, in particular those relating to software upgrade, OTA technology, simulation testing, SOTIF, FuSa, cyber security and data security matters concerning ICVs, by (i) reviewing materials (including R&D and production policies, safety manuals, user manuals, etc.) of our customers and/or their ICV products; and (ii) issuing advisory report which includes policy updates as well as the Group's advice in relation to improving the technologies and/or products of the relevant customers. For the Group's other services, the Group assists government authorities or their SOEs in organising conferences and seminars in the ICV and related industries. During the Reporting Period, the Group's revenue from advisory and other services amounted to approximately RMB24.7 million representing a decrease of 16.4% as compared with the FY2024.

General speaking, the decrease in the Group's revenue from consulting and other services in 2025 was not due to the weakening of the Company's professional capabilities or market position, but rather the concerted outcome of the changes in external market environment and internal proactive adjustments to the business structure. On the one hand, the traditional consulting business, which is primarily composed of individual projects, is facing the pressure in growth in terms of both the number of projects and the value of individual projects. This is not only a challenge unique to the Group, but rather a common trend affecting the broader traditional consulting sector. Therefore, the decrease in annual revenue partly reflects the natural market-driven contraction of the Company's traditional consulting business model. On the other hand, the Group is proactively adapting to the market shifts in its traditional business model by migrating its focus toward high-growth strategic areas: the Group's core strategy is to concentrate on the promising sector of ICV. The Group's resources and capabilities are rapidly concentrating on high-value-added services related to ICV. The scaling back of traditional consulting services is a deliberate decision by the Company to concentrate its advantageous resources and ensure strategic focus.

PROSPECTS AND FUTURE PLAN

Going forward, the Group will maintain its strong commitment to and focus on independent innovation to follow the national development strategies, and increase its investment to R&D and technological innovation, to continuously enhance the core competitiveness of its products and services, capture greater market share in the PRC and further develop and expand its business in overseas markets and other areas. In order to achieve this objective, the Group will pursue the following strategies:

The Group plans to continue to optimise and upgrade its existing solutions and strengthen its technological advantages

The continued growth of the Group during the Reporting Period has been founded upon the successful launch and commercialisation of its core technological tools Sim Pro, Safety Pro and other solutions, and the Group believes that its future success will continue to be closely related to its ability to develop or improve such tools and related technologies. As such, the Group plans to increase its investment in the continuous optimisation and upgrade of its existing solutions:

- **Sim Pro:** We will further introduce the high-fidelity representation of sensor physical characteristics by world models, as well as an AI-driven closed-loop data iteration mechanism to upgrade and optimise models for an array of real-world physical sensors such as cameras, LiDAR and millimetre-wave radar, upgrade and optimise the vehicle-cloud-vehicle data closed-loop based on cloud simulation, and upgrade and optimise the module within Sim Pro that enhances the performance of the XiL testing.
- **Safety Pro:** We will integrate artificial intelligence algorithm technology to upgrade and optimise the new function of intelligent analysis, and upgrade and optimise the function of automatic generation of FuSa and SOTIF scenario databases.
- **Traffic Pro:** We will incorporate the concept of a world model to optimise the high-precision real-time data processing engine, develop more optimisation algorithms for intelligent signal light based on deep learning and big data analysis, and enhance the compatibility of Traffic Pro with different software and systems.
- **SceCo Pro:** Developing the function of integrating data from multiple sources, such as data collected from sensors on the vehicles and map data, developing the function of cloud deployment, developing the function of automatic generation of customised scenarios. Leveraging the multimodal data fusion and representation capabilities of world models, along with the automatic composition and generalization of scene elements by artificial intelligence, the efficiency and coverage of customized scenario generation are significantly enhanced.

The Group plans to increase its investment in the innovation and enhancement of new products and solidify its market position in the ICV testing, validation and evaluation solutions industry

In order to maintain its competitiveness in the industry, the Group will continue to develop and commercialise new products and continuously diversify its product portfolio in respect of ICV testing, validation and evaluation. In the near term, the Group intends to focus its efforts on the following tools which are developed based on one or more modules within its Sim Pro tool chain, which include SGO Pro, DB Pro, Cloud Pro. With its continued R&D investment, the Group believes it is able to stay at the forefront of simulation technology development and product innovations to better serve the demands of customers in the rapidly evolving ICV industry.

The Group plans to grow its customer base and geographically expand its market coverage

The Group plans to further expand its geographic coverage and deepen its customer relationships to accommodate the market growth and capture greater business opportunities in the ICV testing, validation and evaluation solutions industry and strengthen its market position. Specifically, The Group plans to expand its business into more cities in China where many market players in the automotive and ICV industries are located or where laws, regulations and policies supportive of the industry development are in place. The Group would also consider setting up representative office and R&D center in Hong Kong so as to lay the groundwork for expanding its presence in overseas markets, and exploring opportunities with overseas partners to introduce the Group's solutions into more international markets. In executing the above expansion plans, the Group intends to enhance its sales and marketing efforts through (i) expanding and improving the capabilities of its domestic sales and marketing team; and (ii) participating in and organising more industry events such as conferences, seminars and trade fairs in mainland China and Hong Kong. With its established industry reputation and technological capabilities, the Group believes it is capable of acquiring new customers and undertake more ICV testing, validation and evaluation-related projects in the coming years.

The Group plans to grow its talent pool to support its business development plans

The Group believes that technical talents are essential for it to pursue technology innovations and carry out its product development plans. The Group will continue to invest in and expand its R&D team by attracting technical staff with extensive expertise and experience in areas such as artificial intelligence, world model construction, and large-scale simulation scenario generation, software development, algorithms, vehicle testing, industry research and product design, so as to execute its R&D strategies. Apart from R&D talents, the Group will also focus on recruiting more professionals with (i) sales and marketing expertise and experiences to support its domestic expansion plans; and (ii) management expertise and experiences, especially in relation to project management and execution, to enhance the operational and managerial capabilities of its management team. The Group will also optimise its talent training system constantly to facilitate the technical and occupational development of its employees and offer them a platform to achieve future success.

The Group plans to expand the application of simulation technologies and explore business opportunities in other industries

With its proprietary core technologies as well as technical know-how and expertise accumulated over the years, the Group plans to explore new commercialisation opportunities and application scenarios of its simulation technologies in the following areas:

- Drone-related solutions: Leveraging its experiences from such projects, the Group aims to further increase its involvement in assisting both public and private sector customers in the operation management, testing and commercial application of drones, in particular, government authorities and technology companies.
- Digital city twin: The Group expects that government authorities and other public sector organisations (such as universities and research institutes) will have increasing demand for digital city twin solutions to facilitate their administration or research activities in respect of urban transportation improvement.
- Intelligent agriculture: The Group also plans to work on the R&D and, more importantly, the commercialisation of simulation solutions to test intelligent agriculture machines, which are expected to target customers in the intelligent agriculture market, in particular, manufacturers of such intelligent products.

FINANCIAL REVIEW

Revenue

The Group offers ICV testing, validation and evaluation products and services to customers. During the Reporting Period, revenue of the Group was derived from (i) the sale of its products; and (ii) the provision of its services. The revenue of the Group increased by RMB40.5 million (or approximately 18.3%) from RMB221.9 million in FY2024 to RMB262.4 million in FY2025, which was mainly due to an increase in revenue generated from ICV simulation testing software and platforms. The following table sets forth a breakdown of our revenue attributable to our products and services for the years indicated:

Revenue contributed from	Year ended 31 December			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Products				
– ICV simulation testing software and platforms	188,810	71.9	133,793	60.3
– ICV data platforms and other products	20,696	7.9	20,621	9.3
Subtotal	209,506	79.8	154,414	69.6
Services				
– ICV testing and related services	28,244	10.8	37,941	17.1
– Advisory and other services	24,697	9.4	29,528	13.3
Subtotal	52,941	20.2	67,469	30.4
Total revenue	262,447	100	221,883	100

Cost of sales

Cost of sales of the Group increased by RMB51.8 million (or approximately 74.0%) from RMB70.1 million in FY2024 to RMB121.9 million in FY2025, which was mainly due to an increase in cost of operation resulting from the expansion of revenue and an increase in hardware procurement.

Gross profit and gross profit margin

Gross profit of the Group decreased by RMB11.3 million (or approximately 7.4%) from RMB151.8 million in FY2024 to RMB140.5 million in FY2025, which was mainly due to a growing proportion of high-customization and hardware integration projects as a result of phasal business structure changes. The overall gross profit margin of the Group decreased from 68.4% in FY2024 to 53.5% in FY2025, which was mainly due to a decline in gross profit margin resulting from more hardware and customization requirements for ICV simulation testing software and platforms because of customer requirements elicitation.

Other income

Other income of the Group increased by RMB16.7 million (or approximately 66.7%) from RMB25.1 million in FY2024 to RMB41.8 million in FY2025, which was mainly due to the receipt of government contract grants for concluded projects and also the dedicated subsidy funds during the current financial year.

Other gains, net

Other gains, net of the Group increased by RMB27.6 million (or approximately 969.0%) from RMB2.8 million in FY2024 to RMB30.4 million in FY2025, which was mainly due to the fair value changes in financial assets measured at fair value through profit or loss.

Selling and marketing expenses

Selling and marketing expenses of the Group decreased by RMB1.9 million (or approximately 17.9%) from RMB10.9 million in FY2024 to RMB9.0 million in FY2025, which was mainly due to the cost reduction and efficiency improvement as a result of the optimization and restructuring of our sales team.

General and administrative expenses

General and administrative expenses of the Group increased by RMB6.4 million (or approximately 21.1%) from RMB29.9 million in FY2024 to RMB36.3 million in FY2025, which was mainly due to the increase in labour costs of management staff, as well as professional services and other consulting charges.

R&D expenses

R&D expenses of the Group increased by RMB24.6 million (or approximately 28.7%) from RMB85.9 million in FY2024 to RMB110.5 million in FY2025, which was mainly due to an increase in depreciation and amortization expenses of equipment and intangible assets related to R&D activities.

Credit loss allowance recognized

Credit loss allowance recognized by the Group increased by RMB0.7 million (or approximately 256.2%) from RMB0.2 million in FY2024 to RMB0.9 million in FY2025, which was mainly due to the growth in accounts receivables resulting from the increase in revenue during the current financial year.

Share of profit/(loss) of investments accounted for using the equity method

Share of profit of investments accounted for using the equity method of the Group increased by RMB3.1 million from a loss of RMB0.6 million in FY2024 to a profit of RMB2.5 million in FY2025, which was mainly due to the increase in the share of profit from the associate, namely Beijing Dysprosium Data Technology Co., Ltd. (“**Beijing Dysprosium**”) in FY2025 as compared to that of FY2024.

Finance (costs)/income, net

Finance income, net of the Group decreased by RMB5.1 million (or approximately 106.9%) from finance income, net of RMB4.8 million in FY2024 to finance costs of RMB0.3 million in FY2025, which was mainly due to the increase in foreign exchange losses and interest expenses on leasing liabilities.

Income tax credit/(expenses)

Income tax credit of the Group in FY2025 was RMB1.3 million, changing from the income tax expense of RMB1.9 million in FY2024, which was mainly due to the recognition of current income tax expense of RMB0.2 million, and reversal of deferred income tax liabilities of approximately RMB0.7 million and recognition of deferred income tax assets of approximately RMB0.8 million in 2025.

Profit for the year

Profit for the year of the Group increased by RMB4.5 million (or approximately 8.2%) from RMB55.1 million in FY2024 to RMB59.6 million in FY2025, which was mainly due to the increase in revenue, other income and net other gains of approximately RMB40.5 million, RMB16.7 million and RMB27.6 million, respectively, and was partially offset by the increase in (i) selling expenses; (ii) R&D expenses and administrative expenses; and (iii) finance costs.

Non-IFRS measure

To supplement our consolidated financial statements, which are presented in accordance with IFRSs, our Group also uses adjusted profit/(loss) (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with IFRSs. The Group believes that this non-IFRS measure facilitates comparisons of our operating performance between different financial years and different entities by eliminating the potential impact of certain items. The Group also believes that this non-IFRS measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of adjusted profit/(loss) (non-IFRS measure) may not be comparable to similarly titled measures presented by other entities. The use of this non-IFRS measure has limitations as an analytical tool, and it should not be considered in isolation from, or as a substitute for an analysis of, results of operations or financial condition of the Group as reported under IFRSs. The Group defines adjusted profit/(loss) (non-IFRS measure) as profit/(loss) for the year which is adjusted by eliminating (i) share-based payment expenses; and (ii) listing expenses.

The following table reconciles our adjusted profit for the year (non-IFRS measure) to our profit for the year presented under IFRSs:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Profit for the year	59,622	55,094
Add:		
– Share-based payment expenses (<i>Note 1</i>)	1,208	1,202
– Listing expenses (<i>Note 2</i>)	580	470
Adjusted profit for the year (non-IFRS measure)	<u>61,410</u>	<u>56,766</u>

Notes:

- (1) Share-based payment expenses are adjusted for as they are non-cash in nature and do not result in cash outflow.
- (2) Listing expenses are adjusted for as they were incurred for the purpose of the Listing.

Equipment, right-of-use assets and intangible assets

The equipment of the Group increased from RMB37.9 million as at 31 December 2024 to RMB114.0 million as at 31 December 2025, mainly as a result of the acquisition of additional fixed assets during the year. The right-of-use assets of the Group decreased from RMB49.0 million as at 31 December 2024 to RMB39.0 million as at 31 December 2025, mainly as a result of depreciation of right-of-use assets. The intangible assets of the Group decreased from RMB52.3 million as at 31 December 2024 to RMB41.5 million as at 31 December 2025, which was mainly due to the amortisation of intangible assets. The intangible assets primarily represent simulation, modelling and algorithm software programmes of the Group for its government-commissioned projects and R&D purpose, internally generated intangible assets and other business and financial software for its business operations.

Financial assets at fair value through profit or loss

The financial assets at fair value through profit or loss of the Group increased from RMB35.8 million as at 31 December 2024 to RMB285.2 million as at 31 December 2025, which was mainly due to the purchase of wealth management products, funds and listed equity securities.

Trade and notes receivables

Trade and notes receivables of the Group increased from RMB191.3 million as at 31 December 2024 to RMB255.8 million as at 31 December 2025, which was mainly due to the higher revenue, while most of the revenue for the FY2025 was recognized in the second half of the year. Trade and notes receivables turnover days in FY2025 amounted to 310.9 days (FY2024: 293.6 days).

Prepayments and other receivables

Prepayments and other receivables of the Group amounted to RMB19.0 million as at 31 December 2025, representing a decrease of RMB40.6 million as compared to RMB59.6 million as at 31 December 2024, which was mainly due to the transfer of listing-related prepayments for capitalization to capital reserves.

Current assets

Current assets of the Group increased from RMB495.7 million as at 31 December 2024 to RMB656.7 million as at 31 December 2025, which was mainly due to the increase in financial assets measured at fair value through profit or loss, trade and notes receivables, which was partially offset by the decrease in prepayments, other receivables, and contract fulfillment costs.

LIQUIDITY AND CAPITAL RESOURCES

The Group finances operations primarily through a combination of (i) capital contribution; and (ii) operating cash flows. The cash and cash equivalents of the Group increased from RMB208.3 million as at 31 December 2024 to RMB235.5 million as at 31 December 2025, which was mainly attributable to the listing proceeds. As of 31 December 2025, the cash and cash equivalents of the Group were denominated in RMB, HKD and USD.

The Group adopts a prudent financial management approach towards its treasury policies. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Net cash generated from operating activities

Net cash generated from operating activities of the Group increased by RMB41.4 million (or approximately 92.5%) from RMB44.8 million in FY2024 to RMB86.2 million in FY2025, which was mainly attributable to our net cash generated from operations comprising operating cash flows before movements in working capital of approximately RMB111.9 million and adjustments for changes in working capital of RMB31.4 million.

Net cash (used in)/generated from investing activities

The Group recorded net cash used in investing activities of RMB368.5 million in FY2025 compared to the net cash generated from investing activities of RMB73.9 million in FY2024, which was mainly attributable to the purchases of equipment and intangible assets, listed equity securities, funds and wealth management products.

Net cash generated from/(used in) financing activities

The Group recorded net cash generated from financing activities of RMB313.9 million in FY2025 compared to the net cash used in financing activities of RMB28.7 million in FY2024, which was mainly attributable to the receipt of listing proceeds.

Borrowings

As of 31 December 2025, we did not have any external borrowings or loans.

Lease liabilities

The lease liabilities of the Group amounted to RMB51.0 million as at 31 December 2025, representing a decrease of RMB10.8 million as compared to RMB61.8 million as at 31 December 2024, which was mainly due to the payment of rent for the Shunyi Testing Site.

Trade and notes payables

Trade and notes payables of the Group increased from RMB5.7 million as at 31 December 2024 to RMB27.7 million as at 31 December 2025, which was mainly due to the increase in procurement costs resulting from higher revenue, which in turn led to an increase in trade payables. The trade and notes payables turnover days for FY2025 was 50.1 days (FY2024: 33.6 days).

Gearing ratio

As of 31 December 2025, the Group's gearing ratio, which was calculated as the percentage of bank borrowings to total equity, was 0.

Pledge of assets

As at 31 December 2025, the Group did not have any pledged assets.

Foreign exchange risk

The Group primarily operates its business in the PRC and its transactions and revenue were primarily denominated in Renminbi. The Group has certain cash and cash equivalents and trade receivables denominated in HK dollars and US dollars, and is exposed to foreign exchange risk arising from exchange rate fluctuation of RMB against HK dollars and US dollars. The Group currently does not have any hedging policy for foreign currencies in place. However, the Board will remain alert to any relevant risks and, if necessary, consider to hedge any material potential foreign exchange risk.

Contingent liabilities

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

Capital commitments

The Group's capital commitments not yet paid was RMB1.2 million, remained unchanged as compared to that as at 31 December 2024.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The investment objective of the Group is to enhance the corporate value to the shareholders of the Company (“**Shareholders**”). The strategy of the Group is to identify and invest in both listed and unlisted investments with potential of growth within their industries. In identifying potential investment, the Group will consider its business segment, operation, current value and the potential of going public. Currently, the Group has no specific industry focus on potential investment.

As at 31 December 2025, the Group held the following significant investment:

Ruifeng Power Group Company Limited (瑞豐動力集團有限公司) (“Ruifeng Power”)

According to the publicly available information, Ruifeng Power is an exempted company limited by shares incorporated in the Cayman Islands and the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (stock code: 2025). Ruifeng Power and its subsidiaries (the “**Ruifeng Power Group**”) are principally engaged in the design, development, production and sales of cylinder blocks, as well as cylinder heads and certain cylinder block components and others, to automobile manufacturers and engine manufacturers in the PRC. During the year, the Group purchased 4,160,000 and 6,760,000 shares of Ruifeng Power (“**Ruifeng Power Shares**”) at HK\$7.18 and HK\$10.30 per share on September 19, 2025 and October 16, 2025, respectively, the total consideration of which is approximately HK\$99.5 million. As at 31 December 2025, the Company holds approximately 10,920,000 shares of Ruifeng Power, representing approximately 1.365% of the issued share capital of Ruifeng Power. For a detailed understanding of the performance and future prospects of the investment in Ruifeng Power Shares, please refer to the published annual/interim reports of Ruifeng Power as disclosed on the website of the Stock Exchange. For other details of the purchase of Ruifeng Power Shares, please refer to the announcement of the Company dated 16 October 2025 and the annual report of the Company for the year ended 31 December 2025 to be published in due course.

In FY2025, save as disclosed in this announcement, the Company had no material acquisitions and disposals of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 31 December 2025, save as disclosed in the section headed “Future Plans and Use of Proceeds” in the prospectus of the Company dated 31 December 2024, the Group has no other future plans for any other material investments and capital assets.

EMPLOYEE AND REMUNERATION POLICY

As of 31 December 2025, the Group had a total of 162 employees (as of 31 December 2024: 187). In FY2025, the Group’s staff cost amounted to approximately RMB67.7 million (FY2024: approximately RMB71.2 million).

The Group’s employee remuneration policy is determined by taking into account factors such as the remuneration in the local market, the overall remuneration level in the industry, operating efficiency, position and employees’ performance. We provide both internal and external training sessions to our employees to improve their work performances. Our internal training includes induction training and on-the-job training which can be conducted either physically or remotely. It covers various aspects of our employees’ development, which include, among other things, data security awareness, general skills, professional skills and management capabilities. We also encourage and, to some extent, sponsor our employees to attend external training programmes from time to time to further improve their technical knowledge and professional skills. In addition to basic salaries, our employees are entitled to annual performance-based compensation based on our employees’ job performance. We had the Employee Incentive Scheme and the 2025 H Share Award Trust Scheme (“**H Share Award Scheme**”, adopted on 17 June 2025) to motivate our key management and skilled personnel. We also participate in housing fund and employee social security plans organised by applicable local PRC government authorities, including housing provident fund, pension, medical, work-related injury, maternity and unemployment benefit plans, under which we have made contributions at specified percentages of the salaries of our employees in the PRC where applicable.

The Group offers our executive Directors, supervisors of the Company (the “**Supervisors**”) and senior management members, who are also employees of our Company, emolument in the form of remuneration, pension, performance-based compensation and other welfares. Our independent non-executive Directors receive emolument based on their responsibilities (including being members or chairperson of Board committees).

During the year ended 31 December 2025, the Group did not experience any major difficulties in recruitment, nor experience any substantial loss in manpower or any material labor dispute.

SIGNIFICANT EVENTS AFTER THE YEAR

Deemed Disposal of Equity Interest in a Subsidiary

On 6 January 2026, the Company, Zhejiang Saimo Technology Co., Ltd. (浙江賽目科技有限公司) (the “**Target Company**”) and Shanghai Shuxin Juhui Enterprise Management Consulting Partnership Enterprise (Limited Partnership), Shanghai Xinjuhui Technology Partnership Enterprise (Limited Partnership) and Jing Wei entered into an Investment Agreement and a shareholders agreement. Pursuant to the investment agreement, *inter alia*, the Investors (as defined in the announcement of the Company dated 6 January 2026) have agreed to contribute to the Target Company by way of intellectual property and cash, subscribing for the increase in the registered capital of the Target Company in the amount of RMB9,607,843 in exchange for an aggregate of approximately 49% equity interest in the Target Company (the “**Capital Increase**”). Upon completion of the Capital Increase, the registered capital of the Target Company will increase from RMB10,000,000 to RMB19,607,843, and the Company and the Investors will directly hold approximately 51% and 49% equity interest in the Target Company, respectively. Please refer to the announcement of the Company dated 6 January 2026 for more details.

H-Share Full Circulation

On 30 December 2025, the Board reviewed and approved the conversion of 65,081,360 domestic unlisted shares of the Company held by certain Shareholders (the “**Participating Shareholders**”) (representing approximately 48.81% of the total issued share capital of the Company as of the date of this announcement) into H-shares of the Company (the “**H-Share Full Circulation**”). Due to the changes of Participating Shareholders, the Board considered and approved the adjustments to the H-Share Full Circulation Scheme on 6 February 2026, pursuant to which the number of domestic non-listed shares of the Company subject to the proposed Conversion and Listing (as defined in the announcement of the Company dated 30 December 2025) has been adjusted to 52,911,569 shares, representing approximately 39.68% of the total issued share capital of the Company as of the date of this announcement. As at the date of this announcement, the Company has submitted the filing application to the China Securities Regulatory Commission in respect of the implementation of the H-Share Full Circulation. Please refer to the announcements of the Company dated 30 December 2025, 6 February 2026 and 4 March 2026 for more details.

Save as disclosed above, there were no other material and important events affecting the Group that had occurred after 31 December 2025 and up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to the establishment of stringent corporate governance practices and procedures, and continuously striving to maintain a high standard of corporate governance, so as to enhance the Company's accountability and transparency continuously. Since the date on which the H shares of the Company are listed on the Stock Exchange, i.e. 15 January 2025 (the "**Listing Date**"), the Company has adopted and applied the code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as its own corporate governance code. The Company has complied with all applicable code provisions under the CG Code since the Listing Date and up to the date of this announcement.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "**Model Code**") set forth in Appendix C3 to the Listing Rules as a code of conduct for all securities transactions by the Directors, Supervisors and relevant employees of the Company since the Listing Date. All Directors and Supervisors always abided by the required standards as set out in the Model Code since the Listing Date and up to the date of this announcement after making specific enquiries to all the Directors and Supervisors. During the above-mentioned period, the Company was not aware of any case of non-compliance with the Model Code by the relevant employees.

In case the Company is aware of any restricted period for dealings in the Company's securities, the Company will notify its Directors, Supervisors and relevant employees in advance.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2025, BOCI Trustee (Hong Kong) Limited, an independent trustee for the H Share Award Scheme, purchased 3,226,200 shares of the Company ("**Shares**"), representing approximately 2.42% of the Company's total issued Shares, and with total consideration of HK\$42,599,426.53 (equivalent to RMB38,859,206.18) on the Stock Exchange for the purpose of future grants of the H Share Award Scheme of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company (including sale of treasury shares) for the year ended 31 December 2025. The Company did not hold any treasury shares as at 31 December 2025.

FINAL DIVIDEND

The Board of Directors does not recommend to declare any final dividend of the Company for the year ended 31 December 2025.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the “**AGM**”) will be held on Wednesday, 24 June 2026. A notice convening the AGM will be published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.saimo.cloud and dispatched to the Shareholders (who have requested corporate communications in printed copy) in due course in the manner prescribed by the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the AGM, the record date will be Wednesday, 24 June 2026 and the register of members of the Company will be closed from Thursday, 18 June 2026 to Wednesday, 24 June 2026 (both days inclusive), during which period no transfer of Shares will be registered. Shareholders should lodge all completed transfer documents accompanied by the relevant share certificates to Computershare Hong Kong Investor Services Limited, the H Share Registrar of the Company at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong (for holders of H shares of the Company), or to the Company’s registered office at Room 401, 4/F, No. 66 Zizhuyuan Road, Haidian District, Beijing, the PRC (for holders of unlisted shares of the Company) no later than 4:30 p.m. Wednesday, 17 June 2026 for handling registration procedures.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) consists of three independent non-executive Directors, namely Ms. Guo Lili, Mr. Ma Weiguo and Mr. Wong Ho Kwan. The chairlady of the Audit Committee is Ms. Guo Lili, who has expertise in accounting and financial management. The primary duties of the Audit Committee include, but are not limited to, (i) proposing engagement or replacement of external auditors; (ii) reviewing the financial information of the Company; (iii) supervising the financial reporting system, risk management and internal control system of the Company; and (iv) performing other duties and responsibilities as may be assigned by the Board.

REVIEW OF ANNUAL RESULTS BY AUDIT COMMITTEE

The Audit Committee has reviewed the audited consolidated financial statements 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 Group and internal control with senior management and the Company's external auditor, PricewaterhouseCoopers. The Audit Committee considers that the audited consolidated annual results of the Group for the FY2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated balance sheet as at 31 December 2025, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this preliminary results announcement for the year ended 31 December 2025 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the FY2025. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on this preliminary results announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.saimo.cloud.

The Company's annual report for the year ended 31 December 2025 containing all the information required by the Listing Rules will be dispatched to the Shareholders (who have requested corporate communications in printed copy) and published on the website of the Company at www.saimo.cloud and the website of the Stock Exchange at www.hkexnews.hk respectively in due course.

By order of the Board
Beijing Saimo Technology Co., Ltd.

Hong Kong, 30 March 2026

As at the date of this announcement, the Board comprises (i) the executive Directors are Mr. Hu Dalin, Mr. He Feng and Ms. Ma Lei; (ii) the non-executive Directors are Mr. Jia Qi, Dr. Yao Xiang and Ms. Gong Xiao; and (iii) the independent non-executive Directors are Ms. Guo Lili, Mr. Ma Weiguo and Mr. Wong Ho Kwan.