# Beijing 51WORLD Digital Twin Technology Co., Ltd.
# 北京五一視界數字孿生科技股份有限公司

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

**(Stock Code: 06651)**

## INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2026

The Board is pleased to announce the unaudited consolidated interim results of the Group for the six months ended June 30, 2026. The unaudited interim financial information for the six months ended June 30, 2026 has been reviewed by the Board and the Audit Committee.

## KEY HIGHLIGHTS

### Financial Highlights

| | **For the six months ended June 30,** | | | | |
|---|---|---|---|---|---|
| | **2026** | | 2025 | | Period-on-Period Change |
| | **Amount** | **Percentage of Revenue** | Amount | Percentage of Revenue | Percentage |
| | *(in RMB thousands, except for percentage)* | | | | |
| Revenue | **123,672** | **100.0%** | 53,820 | 100.0% | 129.8% |
| Gross profit | **55,386** | **44.8%** | 22,127 | 41.1% | 150.3% |
| Loss for the period | **(70,053)** | **(56.6%)** | (94,049) | (174.7%) | (25.5%) |

## Business Review and Strategic Outlook

During the Reporting Period, the global Artificial Intelligence industry accelerated its paradigm shift from "Digital AI" to "Physical AI". As the first core infrastructure enterprise in Physical AI to be publicly listed on the capital market in China, the Company, leveraging its long-term technological accumulation and deep domain expertise in Physical AI, achieved significant breakthroughs across multiple dimensions including strategic positioning, business growth, organizational efficiency, and ecosystem development during this intergenerational industry transition.

In terms of financial performance, the Company reported revenue of approximately RMB124 million during the Reporting Period, representing an increase of approximately 129.8% year-on-year. Gross profit margin improved from 41.1% in the same period of last year to 44.8%. Research and development expenses increased by 80.3% year-on-year, while net loss for the Reporting Period narrowed by 25.5% year-on-year. As the Company's revenue entered a phase of rapid growth, operational quality and efficiency further improved.

In terms of business performance, the Company's Physical AI core business, 51Sim (Intelligent Driving and embodied AI), recorded a year-on-year revenue increase of 545.2%, with its revenue contribution rising from 14.8% to 41.4%, representing a substantial increase in its weighting within the Company's business portfolio. This marks a critical inflection point at which 51Sim has transitioned from the Company's second-curve incremental supplementary business to its core growth engine business. Leveraging its market leadership in the intelligent driving sector and its market breakthroughs in the embodied AI sector, the Company expects 51Sim to sustain its rapid growth trajectory.

### *Highlight I: 51Aes Maintains Steady Growth; 51Sim Achieves Faster-than-Expected Growth*

During the Reporting Period, 51Aes, as the Company's business foundation, continued to deepen its presence in verticals such as smart cities, water conservancy and water utilities, and industrial energy, delivering steady performance growth. On the product side, the iterative upgrades of AES 6.5 and WDP5.15 further strengthened the role of AI within the digital twin foundation and the secondary development platform. Meanwhile, 51Sim delivered the most landmark performance breakthrough during the Reporting Period, with revenue growing 545.2% year-on-year. Driven by the rollout of L3 mass-production access policies and leveraging its industry-leading market share, 51Sim rapidly converted its simulation validation and synthetic data capabilities into scalable monetizable core revenue. This marked a generational leap toward becoming Physical AI-native infrastructure and established 51Sim as the Company's core growth engine.

Looking ahead to the second half of the year, 51Aes will continue to iterate its key products, deliver customer value, sustain its steady growth trajectory, and continue to serve as a reliable revenue anchor for the Company. 51Sim will, through the iterative development of two product generations, namely SimOne3.X (for L2-L4 market-access) simulation testing and SimOne4.X (featuring 4DGS + World Model) data closed-loop, create unique and reliable value for customers in the intelligent driving industry. At the same time, it will integrate upstream and downstream demand and capabilities, promote the implementation of the Physical AI Factory, and drive the evolution of its revenue structure toward performance-based pricing. In the expansion into the embodied AI market, the Company's newly launched AperOne (Embodied Application OS) and AperData (integrated hardware-software data collection) will enter the commercial deployment phase, with deep implementation in high-value vertical scenarios such as smart parks and shopping mall operations, large venue management, mine safety, smart manufacturing, unmanned power station inspections, and intelligent guided tours in cultural tourism attractions. Within the year, AperOne aims to achieve the real-world deployment of over a thousand embodied robots, while AperData aims to achieve its leading position in terms of market share in China's embodied data market.

***Highlight II: Full-Stack Software Technology Closed-Loop in Physical AI – Highlighting Its Unique Ecological Niche Value in the Industry***

During the Reporting Period, the industry landscape report "From Digital AI to Physical AI" released by IDC positioned the Company across three major software infrastructure modules: "Model and Strategy", "Simulation and Verification Platform", and "Scenario Data and Synthetic Data", confirming that the Company is the only visible trinity closed-loop enterprise in China's Physical AI software layer. This positioning holds structural significance within the industry chain: the Company interfaces with upstream chip and computing power manufacturers represented by NVIDIA and Moore Threads, and serves downstream terminal manufacturers in autonomous driving and embodied AI with a unified software base encompassing model training, simulation validation and synthetic data, thereby forming an ecosystem hub position that is difficult to replicate. During the Reporting Period, a research outcome led by 51Sim was accepted by AAAI 2026, an internationally top-tier academic conference, further substantiating the Company's first-mover advantage and moat in core Physical AI technology directions through academic recognition.

Looking ahead to the second half of the year, as the first publicly listed Physical AI company, the Company will continue to consolidate its core Physical AI technologies and products. 51WORLD MODEL will achieve deeper platform-level integration with SimOne4.0 for intelligent driving and embodied AI products, driving 51WORLD MODEL to become a unified foundation spanning training, inference, and deployment, and enabling the trinity technology system of "World Model", "Simulation Platform", and "Synthetic Data" to evolve from synergy to deep integration. In the embodied AI domain, the Company believes that the fundamental distinction between physical AI and digital AI determines the two core pain points currently facing the industry. In the world of digital AI, training data is virtually unlimited, and erroneous outputs can be iterated upon at low cost; whereas in the world of physical AI, high-quality training data from the real world is inherently scarce, and any decision error directly impacts the physical environment, resulting in extremely high trial-and-error costs and low fault tolerance. This dual bottleneck of "data scarcity" and "low fault tolerance" imposes reliability requirements on physical AI that are far higher than those for digital AI, and it also constitutes the most fundamental demand-side context for the Company's two embodied intelligence product lines. The Company has strategically positioned AperData and AperOne to address specific challenges – AperData directly tackles "data scarcity" by advancing industrial-scale data collection operations, using a closed-loop process that combines real data collection in Learning From Demonstration with synthesized and augmented data to continuously supply high-quality data for robot training; AperOne directly addresses the issue of "low fault tolerance" by enhancing the certainty of engineering implementation in specific scenarios. Through a closed-loop process combining simulation verification and real-world operations, it shifts the costly and irreversible trial-and-error phase from the physical world to the virtual world, where it can be repeated indefinitely. This builds a bidirectional data-model flywheel, establishing a closed-loop capability for embodied robots from training to real-world deployment, thereby solving the industry's "last-mile" problem. At the same time, leveraging the ECS-1 customized satellite collaboration as an anchor point, the Company will expand space-based data sources, drive the initial establishment of a space-based data closed-loop, and extend the Earth Clone Plan from the ground to near-Earth orbit, thereby laying the foundation for the Company's medium- to long-term strategic positioning in space-based data.

***Highlight III: AI-Native Transformation Delivers Significant Improvement in Organizational Efficiency; Long-Term Incentive Mechanism Aligns Team and Shareholder Interests***

During the Reporting Period, the Company identified the upgrade to an AI-native organization as a core strategic pillar and systematically advanced AI transformation across the entire workforce, demonstrating the multiplier effect of AI on organizational efficiency through quantifiable results. Thus, driven by AI, average efficiency per employee increased by approximately 143.82% year-on-year, delivering leapfrog growth in organizational efficiency. During the Reporting Period, the voluntary turnover rate of the core team remained at a low level. The Company simultaneously maintained rigorous recruitment standards, prioritising quality over quantity, and continuously increased talent density. In terms of incentive mechanisms, the Company granted a total of 940,200 restricted share units (RSUs) to 303 Directors and employees, with a vesting period spanning four years in staggered tranches, thereby deeply aligning the long-term interests of the core team with those of the Shareholders. The Company's founder, Mr. Li Yi, also exercised his options covering 7,647,619 Shares (representing approximately 1.8% of the total share capital) through the ESOP plan on April 13, 2026 and, in accordance with the arrangements set out in the Prospectus, capped his annual compensation at no more than HK$510,000. His equity incentives are linked to the Company's market capitalisation and will only fully vest when the Company's market capitalisation reaches HK$100 billion, fully demonstrating the high degree of alignment between the founder's interests and those of long-term Shareholders.

Looking ahead to the second half of the year, as AI tools become deeply embedded in the Company's business processes, the Company will complete a comprehensive upgrade to an AI-native organization, enabling a new leap in per-capita value-creation capacity. In customer value delivery, the Company will fully implement the AI-powered QRT (Quick Response Team) mechanism, under which a single engineer can respond to and resolve critical issues on-site at the customer's premises in real time, elevating the efficiency of on-site problem resolution from a matter of days to hours. At the same time, building on the Company's accumulated proprietary AI data, we will commence the development of the Company's AI super brain, "Terra AI", which in the future will serve as a "generalist CEO" that every employee can interact with in real time. We have good reason to believe that the success of "Terra AI" holds the potential to fundamentally transform the Company's operating model within the next three to five years.

## MANAGEMENT DISCUSSION AND ANALYSIS

The following table presents figures for the six months ended June 30, 2026 together with the comparative figures for the six months ended June 30, 2025:

| | For the six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | ***(Unaudited)*** | *(Unaudited)* |
| **Revenue** | **123,672** | 53,820 |
| Cost of sales | **(68,286)** | (31,693) |
| **Gross profit** | **55,386** | 22,127 |
| Other net income | **14,703** | 5,096 |
| Selling expenses | **(32,336)** | (34,255) |
| General and administrative expenses | **(48,676)** | (46,084) |
| Research and development costs | **(54,329)** | (30,137) |
| Impairment losses on trade and other receivables and contract assets | **(878)** | (7,379) |
| **Loss from operations** | **(66,130)** | (90,632) |
| Finance costs | **(3,916)** | (2,963) |
| Share of results of associates | **9** | (454) |
| **Loss before tax** | **(70,037)** | (94,049) |
| Income tax | **(16)** | – |
| **Loss for the period** | **(70,053)** | (94,049) |

### Revenue

Our revenue increased from RMB53.8 million in the same period of 2025 to RMB123.7 million in the first half of 2026, primarily attributable to an increase in sales revenue from 51Aes and 51Sim.

Sales revenue from 51Aes increased from RMB43.8 million in the same period of 2025 to RMB72.3 million in the first half of 2026. Sales revenue from 51Sim rose from RMB7.9 million in the same period of 2025 to RMB51.3 million in the first half of 2026. Sales revenue from 51Earth decreased from RMB2.1 million in the same period of 2025 to RMB0.1 million in the first half of 2026.

### Cost of Sales

Our cost of sales increased from RMB31.7 million in the same period of 2025 to RMB68.3 million in the first half of 2026, which was in line with the growth of our revenue. The increase in cost of sales was primarily attributable to an increase in 51Aes and 51Sim as revenue increased.

### Gross Profit and Gross Profit Margin

Our gross profit increased from RMB22.1 million in the same period of 2025 to RMB55.4 million in the first half of 2026, while our overall gross profit margin grew from 41.1% in the same period of 2025 to 44.8% in the first half of 2026, primarily due to the optimization of the project revenue structure, with a higher proportion of revenue generated from projects with a high gross margin, as well as the increased reusability of standardized solutions and existing technical achievements during project delivery.

### Research and Development Costs

Our research and development costs increased from RMB30.1 million in the same period of 2025 to RMB54.3 million in the first half of 2026, primarily attributable to an increase in technology service fees mainly related to service charges incurred from outsourcing various auxiliary and non-core software development tasks to third-party companies.

### Selling Expenses

Our selling expenses decreased from RMB34.3 million in the same period of 2025 to RMB32.3 million in the first half of 2026, primarily due to a decrease in employee compensation.

### General and Administrative Expenses

Our general and administrative expenses increased from RMB46.1 million in the same period of 2025 to RMB48.7 million in the first half of 2026, primarily due to an increase in foreign exchange loss arising from fluctuations in exchange rates on foreign currency deposits, partially offset by a decrease in share-based payments expenses.

### Other Net Income

Our other net income increased from RMB5.1 million in the same period of 2025 to RMB14.7 million in the first half of 2026, primarily due to an increase in interest income from deposits and wealth management products.

### Impairment Losses on Trade and Other Receivables and Contract Assets

Impairment losses on trade and other receivables and contract assets decreased from RMB7.4 million in the same period of 2025 to RMB0.9 million in the first half of 2026, primarily due to increased collection of accounts receivables in the first half of 2026.

### Finance Costs

Our finance costs increased from RMB3.0 million in the same period of 2025 to RMB3.9 million in the first half of 2026, primarily due to higher interest expenses resulting from higher bank loans during the Reporting Period.

### Loss for the Period

As a result of the foregoing, we recorded a loss of RMB70.1 million in the first half of 2026, compared to a loss of RMB94.0 million in the same period of 2025.

**Trade and Other Receivables**

Our trade and other receivables decreased from RMB261.5 million as of December 31, 2025 to RMB242.3 million as of June 30, 2026, primarily due to increased collection of receivables in the first half of 2026, resulting in a decline in accounts receivables.

**Net Cash Used in Operating Activities**

The net cash used in operating activities in the first half of 2026 amounted to RMB43.1 million. The difference between the net cash used in operating activities and the loss before income tax was RMB26.9 million, mainly due to an increase in non-cash expenses such as share-based payments.

**Net Cash Used in Investing Activities**

The net cash used in investing activities in the first half of 2026 amounted to RMB142.8 million, primarily attributable to the fact that the purchased wealth management products have not yet been redeemed.

**Net Cash Generated from Financing Activities**

Net cash generated from financing activities in the first half of 2026 amounted to RMB47.1 million, primarily due to bank loans obtained that had not yet been repaid and proceeds received from the exercise of options.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate because of changes in market interest rates. As of June 30, 2026, RMB0 million (December 31, 2025: RMB38 million) of bank loans were variable rate loans while the rest of the Group's fixed deposits, certificates of deposit and borrowings were all issued at fixed rates. The balance of bank structured deposits was insignificant. Fluctuation in the interest rate did not have a significant impact on the Group.

**Exposure to Exchange Rate Fluctuation**

Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. Our business is principally conducted in RMB. The majority of non-RMB assets and liabilities are cash and cash equivalents denominated in US dollars and Hong Kong dollars.

We are primarily exposed to changes in US dollar exchange rates in our overseas subsidiaries whose functional currency is the Australian dollar. We currently do not engage in hedging activities designed or intended to manage foreign exchange rate risk. However, we will continue to monitor changes in currency exchange rates and will take necessary measures to mitigate the impact of exchange rates.

## Employees, Training and Remuneration Policy

As of June 30, 2026, the Group had a total of 333 employees. The number of employees engaged by the Group varies from time to time according to operational requirements.

To maintain the competence, knowledge, and skill levels of our employees, we provide ongoing internal and external education and training programs to enhance their technical, professional, or managerial competencies. We also conduct regular training sessions to ensure they understand and comply with our policies and procedures across all areas. During the Reporting Period, the Group actively advanced its organizational intelligent transformation. Through the broad adoption of advanced AI productivity tools and systematic specialized training programs, the office efficiency and research and development productivity of all employees were significantly enhanced. This initiative achieved deep integration of internal operations with cutting-edge AI technologies, comprehensively strengthened employees' professional competitiveness, and reinforced the talent foundation for the Company's long-term development in the Physical AI sector. In addition, we offer various incentives and benefits to our employees, particularly to key employees, including competitive remuneration, bonuses, and employee incentive schemes. We have granted share-based awards to employees and intend to continue doing so in the future as a means of rewarding their contributions to our growth and development.

The Board regularly reviews and determines the remuneration and compensation packages of the Directors and senior management, and receives recommendations from the remuneration and appraisal committee of the Company, which takes into account salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group.

## Use of Proceeds from the Global Offering

The Company's H Shares were listed on the Stock Exchange on December 30, 2025, the net proceeds from the Global Offering, after deduction of underwriting commissions and other estimated expenses paid or payable by us in connection with the Global Offering, amounted to approximately HK$649.9 million. The proceeds will be used in accordance with the purposes set out in the Prospectus. For details of the proposed use of proceeds, please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus.

During the Reporting Period, the Group used approximately HK$109.4 million of the net proceeds in accordance with the intended purposes set out in the Prospectus. As of June 30, 2026, the unused net proceeds, amounting to approximately HK$540.5 million, were placed in short-term interest-bearing deposits with licensed commercial banks and/or other authorised financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions). As of the date of this announcement, there have been no changes to the intended purposes of the net proceeds previously disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

| **Intended purposes as set out in the Prospectus** | **Planned proportion of the net proceeds** | **Planned use of the net proceeds** | **Net proceeds unused as of January 1, 2026** | **Actual use of net proceeds during the Reporting Period** | **Net proceeds unused as of June 30, 2026** | **Expected timeline for fully utilizing the net proceeds from the Global Offering[1]** |
|---|---|---|---|---|---|---|
| | *(%)* | *(Approx. HK$ million)* | *(Approx. HK$ million)* | *(Approx. HK$ million)* | *(Approx. HK$ million)* | |
| (i) Research and development | 80 | 519.9 | 519.9 | 64.1 | 455.8 | December 31, 2028 |
| – 51Aes | 20 | 130.0 | 130.0 | 53.3 | 76.7 | December 31, 2028 |
| – 51Sim | 30 | 195.0 | 195.0 | 10.7 | 184.3 | December 31, 2028 |
| – 51Earth | 30 | 194.9 | 194.9 | – | 194.9 | December 31, 2028 |
| (ii) Marketing activities in China and overseas | 10 | 65.0 | 65.0 | 8.2 | 56.8 | December 31, 2028 |
| – Global expansion initiatives | 8 | 52.0 | 52.0 | 5.8 | 46.2 | December 31, 2028 |
| – Strengthen marketing activities in China | 2 | 13.0 | 13.0 | 2.4 | 10.6 | December 31, 2028 |
| (iii) Working capital and general corporate purposes | 10 | 65.0 | 65.0 | 37.1 | 27.9 | December 31, 2028 |
| **Total** | 100 | 649.9 | 649.9 | 109.4 | 540.5 | |

*Note:*

(1) The expected timeline for fully utilizing the remaining proceeds is prepared based on the Group's best estimates and may be subject to changes under the current and future market conditions.

## Gearing Ratio

As of June 30, 2026, our gearing ratio (i.e. total liabilities divided by total assets) was 45.8%.

## Contingent Liabilities

As of June 30, 2026, we had no contingent liabilities.

## Significant Investments Held

As of June 30, 2026, we did not hold any significant investments.

## Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the Reporting Period, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

## Pledge of and Charge on Assets

As of June 30, 2026, we did not pledge any material assets.

## Future Plans for Material Investments and Capital Assets

Save as disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus and in this announcement, as of June 30, 2026, we had no specific future plans for material investments in or acquisitions of capital assets. The Group will continue to identify new investment opportunities and invest in companies with principal businesses related to the Group's core business, with the aim of creating synergies with the Group's existing core business and enhancing the services and products the Group provides to its customers.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
*for the six months ended June 30, 2026 – unaudited*
*(Expressed in Renminbi ("**RMB**"))*

| | | Six months ended June 30, | |
|---|---|---|---|
| | | **2026** | 2025 |
| | *Note* | ***RMB'000*** | *RMB'000* |
| **Revenue** | *3* | **123,672** | 53,820 |
| Cost of sales | | **(68,286)** | (31,693) |
| **Gross profit** | | **55,386** | 22,127 |
| Other net income | *4* | **14,703** | 5,096 |
| Selling expenses | | **(32,336)** | (34,255) |
| General and administrative expenses | | **(48,676)** | (46,084) |
| Research and development costs | | **(54,329)** | (30,137) |
| Impairment losses on trade and other receivables and contract assets | | **(878)** | (7,379) |
| **Loss from operations** | | **(66,130)** | (90,632) |
| Finance costs | | **(3,916)** | (2,963) |
| Share of results of associates | | **9** | (454) |
| **Loss before tax** | *5* | **(70,037)** | (94,049) |
| Income tax | *6* | **(16)** | – |
| **Loss for the period** | | **(70,053)** | (94,049) |
| **Other comprehensive income for the period (after tax):** | | | |
| Item that are or may be reclassified subsequently to profit or loss: | | | |
| Exchange difference on translation into presentation currency | | **(1,033)** | (368) |
| **Total comprehensive income for the period** | | **(71,086)** | (94,417) |

| | Note | Six months ended June 30, **2026** *RMB'000* | 2025 *RMB'000* |
|---|---|---|---|
| **Loss for the period attributable to:** | | | |
| – Equity shareholders of the Company | | **(67,572)** | (91,120) |
| – Non-controlling interests | | **(2,481)** | (2,929) |
| | | **(70,053)** | (94,049) |
| **Total comprehensive income for the period attributable to:** | | | |
| – Equity shareholders of the Company | | **(68,605)** | (91,488) |
| – Non-controlling interests | | **(2,481)** | (2,929) |
| | | **(71,086)** | (94,417) |
| **Loss per share** | *7* | | |
| Basic and diluted (RMB) | | **(0.16)** | (0.24) |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*at June 30, 2026 – unaudited*

*(Expressed in RMB)*

| | *Note* | **At June 30, 2026** *RMB'000* | At December 31, 2025 *RMB'000* |
|---|---|---|---|
| **Non-current assets** | | | |
| Property and equipment | | **2,369** | 1,922 |
| Right-of-use assets | | **6,766** | 8,011 |
| Intangible assets | | **2,207** | 2,587 |
| Interest in associates | | **1,512** | 1,471 |
| Other financial assets | | **67,797** | 69,390 |
| Other receivables | *8* | **11,873** | – |
| Prepayments | | **11,040** | 50,443 |
| | | **103,564** | 133,824 |
| **Current assets** | | | |
| Inventories | | **42,907** | 23,765 |
| Contract assets | *3(b)* | **12,151** | 9,712 |
| Trade and other receivables | *8* | **230,449** | 261,540 |
| Prepayments | | **68,659** | 56,654 |
| Other financial assets | | **189,471** | 30,905 |
| Restricted cash | | **202** | 8,401 |
| Cash and cash equivalents | | **656,047** | 796,913 |
| | | **1,199,886** | 1,187,890 |

| | Note | At June 30, 2026 RMB'000 | At December 31, 2025 RMB'000 |
|---|---|---|---|
| **Current liabilities** | | | |
| Trade and other payables | *9* | **229,186** | 263,997 |
| Contract liabilities | *3(b)* | **49,547** | 29,200 |
| Bank and other loans | | **310,763** | 286,331 |
| Lease liabilities | | **5,527** | 9,142 |
| Income tax payable | | **1,513** | 1,528 |
| | | **596,536** | 590,198 |
| **Net current assets** | | **603,350** | 597,692 |
| **NET ASSETS** | | **706,914** | 731,516 |
| **Equity** | | | |
| Share capital | *10(a)* | **414,004** | 406,356 |
| Reserves | | **287,227** | 318,172 |
| **Total equity attributable to equity shareholders of the Company** | | **701,231** | 724,528 |
| **Non-controlling interests ("NCI")** | | **5,683** | 6,988 |
| **TOTAL EQUITY** | | **706,914** | 731,516 |

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

*(Expressed in RMB unless otherwise indicated)*

## 1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with IFRS Accounting Standard ("**IAS**") 34, *Interim financial reporting*, issued by the International Accounting Standards Board (the "**IASB**"). It was authorised for issue on August 10, 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and the accompanying notes do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

## 2 CHANGES IN ACCOUNTING POLICIES

The IASB has issued a number of amendments to IFRS Accounting Standards that are first effective for the current accounting period. The application of these amendments to IFRS Accounting Standards effective in the current interim period has had no material impact on the Group's financial position and performance for the current period.

## 3 REVENUE

### (a) Revenue from contracts with customers

The principal activities of the Group are the sale of digital twin related software platform and related services. The Group's three core businesses are 51Aes (digital twin platform), 51Sim (synthetic data and simulation platform) and 51Earth (digital earth platform). Disaggregation of revenue from contracts with customers within scope of IFRS 15 is as follows:

| | **Six months ended June 30,** | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| **Disaggregated by major products or service lines** | | |
| 51Aes | **72,331** | 43,784 |
| 51Sim | **51,238** | 7,942 |
| 51Earth | **103** | 2,094 |
| | **123,672** | 53,820 |
| **Disaggregated by timing of revenue recognition** | | |
| Point in time | **121,499** | 51,728 |
| Over time | **2,173** | 2,092 |
| | **123,672** | 53,820 |

| | Six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| **Disaggregated by location of customers** | | |
| – Chinese Mainland | **121,381** | 53,820 |
| – Others | **2,291** | – |
| | **123,672** | 53,820 |

The Group has only one operating segment. The Group's operations are mainly located in the People's Republic of China (the "**PRC**") with most of the Group's non-current assets located in the PRC.

**(b) Contract assets and contract liabilities**

A contract asset is recognized when the Group recognizes revenue before being unconditionally entitled to the consideration under the terms in the contract. The amount of contract assets expected to be recovered after more than one year is RMB6,090,000 as at June 30, 2026 (2025: RMB4,461,000), all of which relate to retentions. All of the other contract assets are expected to be recovered within one year.

The contract liabilities primarily relate to the advance consideration received from customers before revenue recognition. These will be recognized as revenue when the Group's software and the hardware (if applicable) are delivered, inspected and accepted by customers, which is expected to occur over the following year. The amount of RMB7,901,000 included in contract liabilities as at January 1, 2026 has been recognized as revenue during the six-month period ended June 30, 2026 (2025: RMB16,033,000).

**(c) Seasonality of operations**

The Group generally recorded higher revenues in the fourth quarter of the year, primarily because customers tend to finalise their annual procurement schedules and budgets during the first quarter of the year and complete their inspection and accept our products and solutions in the fourth quarter, which cause the recognition of revenue in the fourth quarter. Hence, the Group typically has lower revenues and results for the first half of the year.

## 4 OTHER NET INCOME

| | Six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| Interest income | **14,605** | 775 |
| Government grants | **225** | 3,567 |
| Others | **(127)** | 754 |
| | **14,703** | 5,096 |

## 5 LOSS BEFORE TAX

Loss before taxation is arrived at after charging:

| | Six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| **(a) Finance costs** | | |
| Interest on bank and other loans | **3,686** | 2,551 |
| Interest on lease liabilities | **230** | 412 |
| | **3,916** | 2,963 |

| | Six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| **(b) Other items** | | |
| Amortization | **380** | 458 |
| Depreciation of property and equipment | **316** | 1,140 |
| Depreciation of right-of-use assets | **6,065** | 6,052 |
| Listing expenses | **–** | 7,415 |

## 6 INCOME TAX

Taxation in the consolidated statement of comprehensive income represents:

| | Six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| Current tax | **16** | – |

In accordance with the Enterprise Income Tax Law ("**Income Tax Law**") of the PRC, the statutory income tax rate is 25%. The group entities in the PRC are subject to PRC income tax at 25% unless otherwise specified.

The Company and certain subsidiaries of the Group were recognized as high and new technology enterprises and enjoyed the preferential tax rate of 15% during six months ended June 30, 2026 and 2025.

During the six months ended June 30, 2026 and 2025, an additional 100% of qualified research and development expenses incurred is allowed to be deducted from taxable income under the PRC income tax law and its relevant regulations.

Taxation for group entities in other tax jurisdictions is charged at the appropriate current rates of taxation ruling in the relevant tax jurisdictions.

## 7 LOSS PER SHARE

### (a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB67,572,000 (six months ended June 30, 2025: RMB91,120,000) and the weighted average number of 409,676,000 shares in issue (six months ended June 30, 2025: 382,381,000 shares).

### (b) Diluted loss per share

The restricted shares and share options issued under the share-based payment arrangements were not included in the calculation of diluted loss per share because their effect would have been anti-dilutive. Hence, the diluted loss per share for the six months ended June 30, 2026 and 2025 were the same as the basic loss per share.

## 8 TRADE AND OTHER RECEIVABLES

As of the end of the reporting period, the aging analysis of trade receivables (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

| | **At June 30, 2026** | At December 31, 2025 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Within 1 year | **163,429** | 181,861 |
| 1 to 2 years | **41,889** | 53,004 |
| 2 to 3 years | **14,254** | 15,304 |
| Trade receivables | **219,572** | 250,169 |
| Bills receivables | **1,195** | 3,335 |
| Other receivables – current | **9,682** | 8,036 |
| Trade and other receivables – current portion | **230,449** | 261,540 |
| Other receivables – non current portion | **11,873** | – |
| | **242,322** | 261,540 |

Trade receivables are normally due within 180 days from the date of billing subject to the creditworthiness of the relevant customers.

## 9 TRADE AND OTHER PAYABLES

As of the end of the reporting period, the ageing analysis of trade payables (which are included in trade and other payables), based on the invoice date, is as follows:

| | **At June 30, 2026** | At December 31, 2025 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Within 1 year | **76,547** | 124,381 |
| 1 to 2 years | **23,730** | 13,092 |
| 2 to 3 years | **11,925** | 8,750 |
| Over 3 years | **6,771** | – |

| | **At June 30, 2026** *RMB'000* | At December 31, 2025 *RMB'000* |
|---|---|---|
| Trade payables | **118,973** | 146,223 |
| Bills payable | **32** | 7,000 |
| Staff cost payables | **59,772** | 69,094 |
| Other taxes payables | **22,082** | 23,986 |
| Other payables | **28,327** | 17,694 |
| | **229,186** | 263,997 |

## 10 CAPITAL, RESERVES, AND DIVIDENDS

### (a) Share capital

| | **2026** *RMB'000* | 2025 *RMB'000* |
|---|---|---|
| **Ordinary shares, issued and fully paid:** | | |
| At January 1 | **406,356** | 382,381 |
| Issuance of shares | **7,648** | 23,975 |
| At June 30/December 31 | **414,004** | 406,356 |

On April 13, 2026, 7,647,619 shares were issued pursuant to exercise of share options under the Pre-IPO Share Option Scheme. As at June 30, 2026, the registration of the issuance has not been completed.

### (b) Equity settled share-based transactions

On April 27, 2026, the Company granted 940,200 restricted share units, which corresponds to 940,200 ordinary shares of the Company, at nil consideration. This grant includes 60,000 RSUs granted to directors of the Company and 880,200 RSUs granted to employees of the Company in aggregate. These RSUs will vest as to 25% after 12 months from the date of acceptance; the remaining 75% shall vest in 12 quarterly instalments at 6.25% each. The closing price of the shares on the date of grant is HK$50.9 per share.

### (c) Dividends

The directors of the Group did not propose the payment of any dividend during the six months ended June 30, 2026 (2025: Nil).

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange (including the sale of any treasury shares). As of June 30, 2026, the Company had no treasury shares.

## EVENTS AFTER THE REPORTING PERIOD

On July 3, 2026 (before trading hours), the Company entered into the Placing Agreement with the Placing Agents, pursuant to which the Company conducted a placing of 5,465,600 new H Shares to not less than six Placees at the price of HK$73.20 per Share pursuant to the General Mandate. Such Placing was completed on July 10, 2026, and the net proceeds from the Placing amounted to approximately HK$394.5 million. For definitions and details regarding the Placing, please refer to the announcements of the Company dated July 3, 2026, and July 10, 2026.

Save as disclosed above, since the end of the Reporting Period and up to the date of this announcement, no other material events have occurred that are likely to have an effect on the Group.

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company strives to attain and maintain relatively high standards of corporate governance that are best suited to the needs and interests of the Group, as it believes that effective corporate governance practices are fundamental to safeguarding the interests of the Shareholders and other stakeholders and enhancing the value of Shareholders.

The Board has adopted the Corporate Governance Code as set out in Appendix C1 to the Listing Rules. During the Reporting Period, the Company has fully complied with all the applicable code provisions under the Corporate Governance Code save as disclosed below.

Pursuant to code provision C.2.1 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the roles of chairman and CEO should be separate and should not be performed by the same individual. We do not have a separate chairman or CEO, and Mr. Li Yi currently holds these two positions. Our Board believes that Mr. Li Yi will provide solid and continuous leadership to the Group, extensive experience and knowledge in management and the support of other members of the Board. Furthermore, vesting the roles of both CEO and chairman of our Board in the same person has the benefit of ensuring consistent leadership within our Group and enabling more effective and efficient overall strategic planning for our Group. The Board considers that the balance of power and authority for such an arrangement will not be undermined, and this structure will be more conducive to the Company making and implementing decisions promptly and effectively. The Board will continue to review and consider separating the roles of chairman of our Board and the CEO of our Company, in a timely manner, by taking into account the overall circumstance of our Group.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code and maintain the Company's high standards of corporate governance practices.

## INTERIM DIVIDEND

The Board has resolved not to recommend the declaration of an interim dividend for the six months ended June 30, 2026.

## SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct governing securities transactions by Directors. In response to specific enquiries made by the Board, all Directors confirmed that they have complied with the provisions of the Model Code during the Reporting Period.

## AUDIT COMMITTEE

The Audit Committee, comprised of Mr. Zhang Lening, an independent non-executive Director (the chairman of the Audit Committee), Mr. Yang Gu, a non-executive Director, and Mr. Li Pan, an independent non-executive Director, reviewed the unaudited interim financial information of the Group for the Reporting Period. The Audit Committee has also discussed the matters in relation to the accounting policies and practices adopted by the Company, risk management, internal control and financial reporting with senior management members, and believed that the Group's interim results have been prepared in accordance with applicable accounting standards, rules, and regulations and that appropriate disclosures have been made.

## PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The interim results announcement has been published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (https://www.51world.com.cn). The interim report of the Company for the six months ended June 30, 2026, will be published on the aforementioned websites of the Stock Exchange and the Company and will be dispatched to the Shareholders (if requested) in due course.

## DEFINITIONS

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

| | |
|---|---|
| "AI" or "Artificial Intelligence" | artificial intelligence, a new technical science that studies and develops theories, methods, technologies and application systems for simulating, extending and expanding human intelligence |
| "Audit Committee" | the audit committee of the Company |
| "Board" or "Board of Directors" | the board of directors of the Company |
| "CEO" | Chief Executive Officer of the Company |

| | |
|---|---|
| "China" or "the PRC" | the People's Republic of China |
| "Company", "our Company", or "the Company" | Beijing 51WORLD Digital Twin Technology Co., Ltd. (北京五一視界數字孿生科技股份有限公司), a joint stock company incorporated in China with limited liability, whose H Shares are listed on the Main Board of the Stock Exchange (Stock Code: 06651) |
| "Corporate Governance Code" | Corporate Governance Code set out in Appendix C1 to the Listing Rules, as amended, modified or otherwise supplemented from time to time |
| "Director(s)" | the directors of the Company |
| "embodied AI" | artificial intelligence integrated into physical entities or robots that interact with the environment, using sensors and actuators to perceive, reason and act in real-world contexts |
| "Global Offering" | the Hong Kong Public Offering and the International Placing as defined in the Prospectus |
| "Group", "our Group", "the Group", "51WORLD" "we", "us", or "our" | the Company and its subsidiaries |
| "H Share(s)" | overseas listed foreign shares in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Stock Exchange and traded in Hong Kong dollars |
| "HK$" or "Hong Kong dollars" | the lawful currency of Hong Kong |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "IDC" | International Data Corporation, a globally renowned professional provider of consulting, advisory and event services in the fields of information technology, telecommunications and consumer technology |
| "IFRS Accounting Standards" | IFRS Accounting Standards as issued by the International Accounting Standards Board |

| | |
|---|---|
| "L2, L3, L4" | levels of driving automation as defined by the Society of Automotive Engineers (SAE), where L2 represents partial automation, L3 represents conditional automation, L4 represents high automation |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange |
| "Listing" | the listing of the H Shares on the Main Board of the Stock Exchange |
| "Model Code" | the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules |
| "Prospectus" | the prospectus of the Company dated December 18, 2025 |
| "Reporting Period" | the six months ended June 30, 2026 |
| "RMB" or "Renminbi" | Renminbi, the lawful currency of China |
| "Securities and Futures Ordinance" | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time |
| "Share(s)" | Share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising the domestic shares and H Shares |
| "Shareholder(s)" | holder(s) of the Share(s) |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "subsidiary(ies)" | has the meaning ascribed to it in the Listing Rules |
| "US$" or "US dollars" | United States dollar, the lawful currency of the United States |
| "WDP" | WORLD Developer Platform, a digital twin application and development platform that provides developers with features such as multi-source data import, intuitive scene creation, low-code development, open APIs, and other digital twin development services |
| "%" | per cent |

By order of the Board
**Beijing 51WORLD Digital Twin Technology Co., Ltd.**
**北京五一視界數字孿生科技股份有限公司**
**Mr. Li Yi**
*Chairman of the Board, Executive Director and*
*Chief Executive Officer*

Hong Kong, August 10, 2026

*As of the date of this announcement, the executive Directors are Mr. Li Yi, Mr. Wang Chenkang, Ms. Du Jinyan, Ms. Tong Shan and Ms. Pu Ge; the non-executive Director is Mr. Yang Gu; and the independent non-executive Directors are Mr. Li Pan, Mr. Lin Chen and Mr. Zhang Lening.*

*This announcement contains certain forward-looking statements. Such forward-looking statements are based on information currently available to the Group or the Board's current beliefs, expectations and assumptions. These forward-looking statements are subject to risks, uncertainties and other factors beyond the Company's control, which may cause actual results or performance to differ materially from those expressed or implied by such forward-looking statements. In view of the risks and uncertainties, the forward-looking statements contained in this announcement should not be construed as representations by the Board or the Company that the plans and objectives will be achieved, and shareholders and investors of the Company should not place undue reliance on such statements.*