



AINNOVATION TECHNOLOGY GROUP CO., LTD

創新奇智科技集團股份有限公司

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

(於中華人民共和國註冊成立的股份有限公司)

Stock Code 股份代號: 2121



2026
INTERIM REPORT
中期報告



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Corporate Information

Below is the basic information of the Company:

COMPANY'S LEGAL NAME

創新奇智科技集團股份有限公司

COMPANY'S ENGLISH NAME

Alnnovation Technology Group Co., Ltd*

BOARD OF DIRECTORS

Executive Director

Mr. Xu Hui (*Chief Executive Officer*)

Non-Executive Directors

Dr. Kai-Fu Lee (*Chairman*)

Ms. Tao Ning

Mr. Wang Jinqiao

Employee Representative Director

Mr. He Tao

Independent Non-Executive Directors

Mr. Xie Deren

Ms. Ko Wing Yan Samantha

Ms. Jin Keyu

AUDIT COMMITTEE

Mr. Xie Deren (*Chairman*)

Ms. Tao Ning

Ms. Ko Wing Yan Samantha

REMUNERATION COMMITTEE

Ms. Ko Wing Yan Samantha (*Chairwoman*)

Mr. Wang Jinqiao

Mr. Xie Deren

NOMINATION COMMITTEE

Dr. Kai-Fu Lee (*Chairman*)

Ms. Ko Wing Yan Samantha

Ms. Jin Keyu

COMPANY SECRETARY

Ms. Lv Hongyu

AUTHORIZED REPRESENTATIVES

Mr. Xu Hui

Ms. Lv Hongyu

REGISTERED OFFICE AND HEADQUARTERS

Room 501

Block A, Haier International Plaza

No. 939 Zhenwu Road, Economic Development Zone

Jimo District, Qingdao

Shandong, PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1928, 19/F, Lee Garden One

33 Hysan Avenue, Causeway Bay

Hong Kong

AUDITOR

PricewaterhouseCoopers

Certified Public Accountants and Registered

Public Interest Entity Auditor

22/F, Prince's Building

Central

Hong Kong

* For identification purposes only

LEGAL ADVISORS

As to Hong Kong Law

Clifford Chance
27/F, Jardine House
One Connaught Place
Central
Hong Kong

As to PRC Law

King & Wood Mallesons
18/F, East Tower
World Financial Center
No. 1 Dongsanhuan Zhonglu
Chaoyang District, Beijing
PRC

H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

PRINCIPAL BANK

Bank of China Jimo Branch
No. 973 Lanao Road
Jimo District
Qingdao, Shandong
PRC

STOCK CODE

2121

COMPANY'S WEBSITE

<https://www.ainnovation.com>

INVESTOR RELATIONSHIP

Telephone: (86)01053603717

Email: ir@ainnovation.com

Definition

"Articles of Association"	the articles of association of the Company, as amended, modified or supplemented from time to time
"Audit Committee"	the audit committee of the Board
"Board" or "Board of Directors"	the board of directors of our Company
"China" or "PRC"	the People's Republic of China, but for the purpose of this report only, do not apply to Hong Kong, the Special Administrative Region of Macau and Taiwan
"Company" or "Alnnovation" or "our Company"	Alnnovation Technology Group Co., Ltd. (創新奇智科技集團股份有限公司), which was established with limited liabilities under the laws of the PRC on 6 February 2018 and converted into a joint stock limited company on 19 May 2021, whose H shares are listed on the Main Board of the Hong Kong Stock Exchange on 27 January 2022 (stock code: 2121)
"Director(s)"	the director(s) of our Company
"Group" or "our Group" or "we" or "us"	our Company and our subsidiaries
"H Share(s)"	overseas-listed shares in the share capital of our Company, with a nominal value of RMB1.00 each, which are to be traded in Hong Kong Dollars and are listed and traded on the Stock Exchange
"HK\$" or "Hong Kong Dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

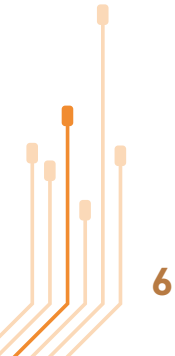
Definition

"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Latest Practicable Date"	15 September 2026, being the latest practicable date for ascertaining certain information in this report before its publication
"Listing Rules"	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented, or otherwise modified from time to time
"Nomination Committee"	the nomination committee of the Board
"Nuosai Yucheng"	Nanjing Nuosai Yucheng Management Consulting Company Limited (南京諾賽育成管理諮詢有限公司, formerly known as Beijing Sinovation Ventures Yucheng Management Consulting Co., Ltd. (北京創新工場育成管理諮詢有限公司)), a company incorporated under the laws of the PRC on 13 July 2015, and a member of our Single Largest Shareholders Group
"Prospectus"	the prospectus of the Company dated 17 January 2022
"Remuneration Committee"	the remuneration committee of the Board
"Reporting Period"	the six months ended 30 June 2026
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SFO"	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)"	H Share(s)
"Shareholder(s)"	holder(s) of the Shares
"Single Largest Shareholders Group"	a group of entities and individuals collectively holding approximately 27.40% of the share capital in our Company, namely Sinovation Ventures, Nuosai Yucheng, Mr. Wang Hua, Ms. Tao Ning, Ms. Lang Chunhui and Mr. Zhang Ying



Definition

"Sinovation Ventures"	Sinovation Ventures (Beijing) Enterprise Management Limited (創新工場(北京)企業管理股份有限公司), a company incorporated under the laws of the PRC on 2 November 2010, and a member of our Single Largest Shareholders Group
"Supervisor(s)"	the supervisor(s) of the Company, who retired from the position with effect from 15 May 2026
"Supervisory Committee"	the supervisory committee of the Company, which was dissolved with effect from 15 May 2026
"Treasury Share(s)"	has the meaning ascribed to it under the Listing Rules
"%"	percent



Financial Summary

Financial Summary

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	828,981	698,981
Gross profit	293,629	244,728
Operating loss	(60,358)	(62,187)
Loss for the period	(62,841)	(60,513)
Add:		
Share-based payment expenses	48,319	36,965
Amortization of intangible assets arising from acquisition	14,230	15,345
Changes in fair value of financial assets/liabilities at fair value through profit or loss	3,481	1,522
Adjusted net profit/(loss) (Unaudited)	3,189	(6,681)

Revenue-By Type of Products/Services

	For the six months ended 30 June			
	2026		2025	
	Amount RMB'000	%	Amount RMB'000	%
Sales of products and solutions	791,569	95.5	626,137	89.6
Services of data solutions	37,412	4.5	72,844	10.4
Total	828,981	100.0	698,981	100.0

Financial Summary

Revenue-By Customer Type

	For the six months ended 30 June			
	2026		2025	
	Amount RMB'000	%	Amount RMB'000	%
System integrators	499,696	60.3	355,620	50.9
End-users	329,285	39.7	343,361	49.1
Total	828,981	100.0	698,981	100.0

Revenue-By Industry Verticals

	For the six months ended 30 June			
	2026		2025	
	Amount RMB'000	%	Amount RMB'000	%
Manufacturing	675,622	81.5	555,561	79.5
Energy and Power	157,753	19.0	107,995	15.5
3C high-tech	104,284	12.6	73,322	10.5
Food & Beverage and New Material	100,505	12.1	76,480	10.9
Intelligent manufacturing practical training	66,479	8.0	53,703	7.7
Automotive equipment	65,506	7.9	99,331	14.2
Iron and steel metallurgy	54,463	6.6	45,271	6.5
Engineering and Construction	41,230	5.0	23,714	3.4
OLED panel semiconductors manufacturing	30,436	3.7	23,290	3.3
Others	54,966	6.6	52,455	7.5
Financial services	91,118	11.0	70,086	10.0
Other industries	62,241	7.5	73,334	10.5
Total	828,981	100.0	698,981	100.0

Part I: Business Review

In 2026, the intelligent transformation of the manufacturing industry in China entered a new stage empowered by LLM intelligent agents. The deep integration of artificial intelligence and manufacturing has become a core driver of the national strategy for new-type industrialization. The 2026 Government Work Report explicitly proposes to “continuously promote the ‘Artificial Intelligence +’ Initiative”, better combining digital technologies with manufacturing advantages and market advantages. The Outline of the 15th Five-Year Plan places “Leading the Development of New Quality Productive Forces” at a strategic height, clearly identifying “AI + Manufacturing” as one of the most important application scenarios for new quality productive forces. The convergence of intensive policy roll-outs and market demand has created a historic development window for the “AI + Manufacturing” sector.

Since the beginning of this year, the competitive logic in the industrial AI sector has undergone a fundamental shift, transforming from “who owns the largest model” to “who can embed models into production processes”. Specialised LLM providers with deep expertise in vertical sectors are building differentiated barriers through their extensive industry know-how and accumulated scenario data. At the same time, AI applications in manufacturing are exhibiting three notable trends: First, systematic empowerment across the entire chain: enterprises are no longer satisfied with isolated quality inspection or predictive applications. Instead, they are pursuing end-to-end intelligent solutions covering “R&D-production-operations-logistics-sales-service”. Industrial agents, as new-generation infrastructure for reshaping traditional business processes, are becoming a new imperative for manufacturing customers. Second, deep expertise in vertical LLM scenarios: the industry is demanding higher performance from models in professional dimensions such as process understanding and workflow optimization. Bridging the “probabilistic logic” of general LLMs with the “deterministic logic” of industrial scenarios has become a core technical challenge, and companies capable of deeply embedding model capabilities into production processes will gain significant competitive advantages. Third, the accelerated development of industrial agents: as a product of the deep integration between LLMs and industrial scenarios, industrial agents are moving from proof-of-concept to real-world deployment. Compared with general-purpose AI, industrial AI must exhibit higher-accuracy standards, more rigorous logical-reasoning capabilities and low tolerance for errors. Therefore, technical architectures combining ontology technology and harness engineering methods are driving industrial agents to evolve from “usable” to “useful and trustworthy”.

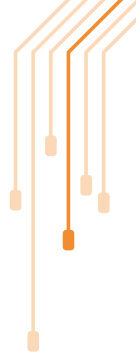
In the first half of 2026, the Group remained focused on its core business of “AI + Manufacturing”, continuously promoting the application and deployment of industrial LLMs and industrial agents in the manufacturing industry. All operating indicators maintained a trend of high-quality growth, with profitability continuing to improve, achieving an adjusted turnaround from loss to profit for the first time in a half-year period. During the Reporting Period, the Group recorded a revenue of RMB829 million, representing a year-on-year increase of approximately 18.6%. The proportion of revenue from the “AI + Manufacturing” business further increased to approximately 81.5%, reflecting a sustained rise in core business concentration. Gross profit reached RMB294 million, with a gross profit margin of 35.4%, representing an increase of approximately 0.4 percentage point as compared with the same period last year, marking sustained improvement for the sixth consecutive year. Most notably, during the Reporting Period, the Group achieved an adjusted turnaround from loss to profit for the first time, with an adjusted net profit of approximately RMB3.2 million, representing a year-on-year increase of 147.8%.

Business Overview

Based on the core strategy of “one model, one agent and two wings”, the Group continued to advance technological platform iterations and upgrades, as well as the commercialization of innovation outcomes, thereby reinforcing the technological leadership in the field of industrial AI. As of the end of the Reporting Period, the Group had filed a total of 1,440 patent applications, of which 85% were invention patents, covering core technology fields such as industrial LLMs, industrial robots, intelligent agents and industrial software, thereby establishing a comprehensive intellectual property moat. R&D investment maintained steady year-on-year growth, while the scale and talent structure of the R&D team continued to be optimized, further solidifying the technological barriers.

Leveraging its technological accumulation and industrial deployment achievements in the field of “AI + Manufacturing”, the Group received multiple authoritative industry accolades during the Reporting Period, including being listed in the Top 50 technology companies of Fortune China for the second consecutive year, further validating the Company’s robust strengths in scientific and technological innovation as a leading enterprise in China’s industrial AI sector; it was also listed in the Top 50 AI companies of Forbes China for the second time, being the only artificial intelligence enterprise on the main list that focuses on “AI + Manufacturing”. In addition, according to IDC statistics, Alnnovation ranked fifth in China’s LLM platform privatization market (the only company among the top five that focuses on the manufacturing industry) and third in China’s visual AI market, consistently maintaining its position in the first tier. The AlnnoGC Industrial Ontology Agent Platform successfully passed the trustworthy AI test conducted by the CAICT and received the current highest rating of Level 4+, becoming the first industrial agent product in China to pass the CAICT’s authoritative evaluation.

We also made significant progress in expanding benchmark customers, deepening industry solutions and building ecosystem partnerships, with the large-scale deployment capability of our AI business continuing to strengthen. As of the end of the Reporting Period, the Group had cumulatively served over 1,800 enterprise customers across multiple vertical fields, including iron and steel metallurgy, panel semiconductors, 3C high-tech, automotive equipment, energy and power, food and beverage, new materials, and intelligent manufacturing practical training. At the same time, the Group continued to advance the establishment of “industry-academia-research-application” collaborative innovation ecosystem, with “AI + Manufacturing” as the main axis, engaging in deep cooperation in areas such as joint research platform development, core technology breakthroughs, the commercialization of outcomes and the co-development of industry standards.



During the Reporting Period, the Company carried out the following key initiatives:

Enterprise-grade Agent Platform: AlnoGC AgentBuilder

In the first half of 2026, we continued to drive iterative upgrades of the AlnoGC AgentBuilder platform, achieving unified integration of workflow agents and DeepAgent (Agentic Agent). During the Reporting Period, the Company released AgentBuilder V3.1.0 and completed the major R&D work for V3.2.0. While enhancing the workflow agents' visual orchestration, node configuration and controllable execution capabilities, the platform further refined DeepAgent's capabilities in autonomous planning, step-by-step execution, tool collaboration and generation validation for complex tasks, forming an integrated product architecture where the two types of agents share a common foundation and operate collaboratively. Ontology enabled agents to understand the enterprise, AI Coding improved application building efficiency and Harness ensured reliable operation of applications at industrial sites, collectively forming the core platform capabilities of AlnoGC and consolidating models, ontologies, tools, workflows and engineering components into reusable industrial intelligence assets.

1. Development Paradigm Upgrade: Building the Trinity Capability of "Ontology + Harness + AI Coding"

Ontology enabled agents to understand the enterprise: building upon the ontology management capabilities of V3.0.0, the platform added new features such as time-series data, ontology enquiries, SQL tools and derived metrics, which organized multi-source data, including equipment, processes, energy consumption and personnel, into entities, attributes, relationships and rules based on business logics. The fragmented industrial data was thereby transformed into enterprise semantics that agents can understand and invoke, supporting agents' accurate identification of business objects, operational states and their interrelations.

Harness ensured reliable operation at industrial sites: the platform incorporated mechanisms such as human-in-the-loop, full-chain evaluation, generation validation, automatic repair, trial runs and process tracking into the agent construction and operation chain, making generated results verifiable, execution status traceable and anomalies remediable. Concurrent optimizations to the workflow editor, build-and-release processes, and multi-architecture delivery capabilities further enhanced the efficiency of configuring, debugging and deploying complex processes, advancing agents from "buildable" to "reliably operable".



Business Overview

AI Coding improved application building efficiency: the platform can assist in generating executable specifications, workflow design and node configuration directly from natural language requirements, and apply them directly to workflow agents. Ontology automated construction entered the Beta phase, enabling the generation of ontology entity types, attributes and relationships based on business data. This preliminarily established an intelligent development chain that spanned requirement understanding, solution design, configuration generation, and debugging and operation, lowering the barriers to developing industrial agents and manufacturing ontologies.

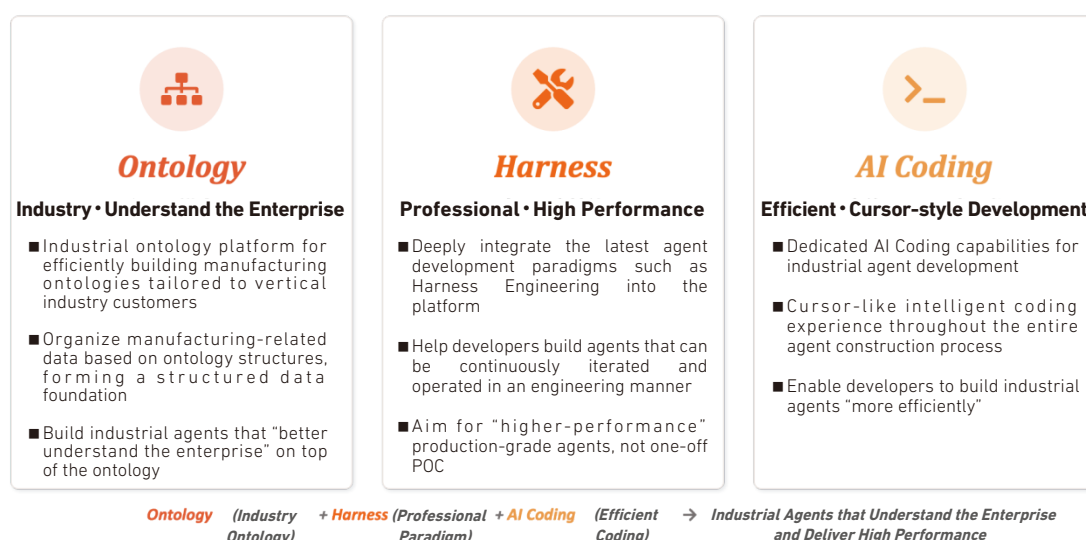


Figure 1 Agent Development Platform Paradigm for Industrial Scenarios

2. Platform Integration: Unified Support for Workflow Agents and DeepAgent

The AgentBuilder platform uniformly supported workflow agents and DeepAgent. Workflow agents were designed for business processes with clear rules and relatively deterministic paths, providing visual orchestration, node configuration and full lifecycle management. DeepAgent addressed open-ended complex tasks with autonomous planning, dynamic execution and tool collaboration capabilities. Both types of agents shared the same database, knowledge base, models, tools and other platform foundations, enabling unified management, invocation and reuse of related resources.

Enhanced complex task execution capability: building upon the closed loop of “Think – Search – Act”, DeepAgent further refined task planning, step-by-step execution and collaborative tool invocation, while introducing Harness mechanisms such as generation, validation, repair and trial runs. For industrial long-process tasks such as quality root cause analysis, equipment operation and maintenance, and production data exploration, the platform can retain key execution states and process logs, providing a basis for human intervention, result verification and subsequent optimization.

3. Deep Scenario Integration: Forming a Closed Loop of “Platform – Asset – Site – Product”

During project deployment, the FDE (Forward Deployment Engineer) team entered the customer site, completing TAC (Token Architecture Consultant) solution design, agent system development and validation with the platform and industrial intelligence assets. New Ontology, new Skills, workflows and Harness components generated on-site were validated and fed back into the platform, then gradually packaged into AEAM, AEMS, AML and related industry suites. This mechanism distilled common capabilities derived from 0→1 breakthroughs with key customers into standardized assets, which enabled 1→N replication across similar customers and scenarios. The platform simultaneously upgraded its agent marketplace and tool marketplace to support asset classification, publishing, reuse and cross-environment migration.

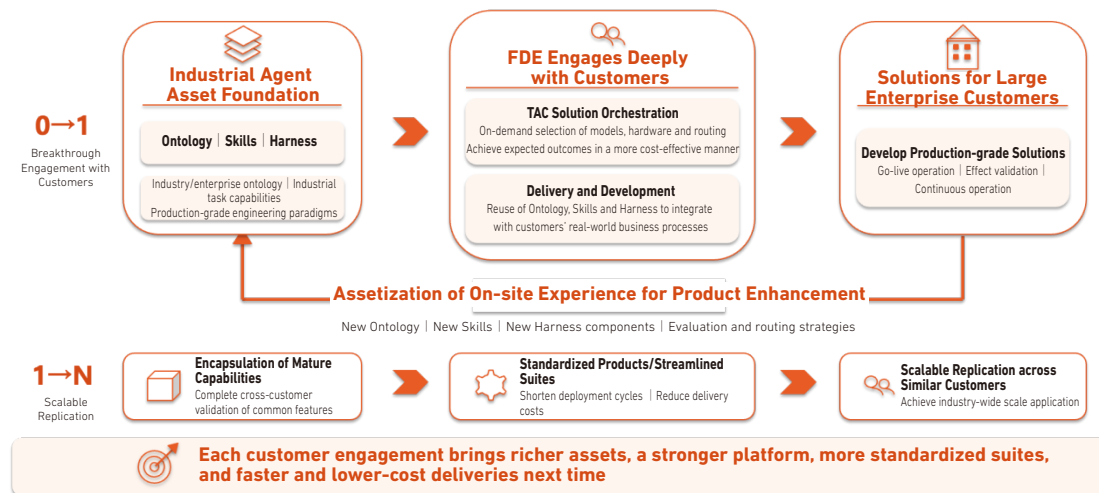


Figure 2 Closed Loop of “Platform – Asset – Site – Product”

Business Overview

Industrial Embodied Intelligence Platform: ChatRobot

As the Company’s core industrial embodied intelligence product, ChatRobot continued to advance in the first half of 2026 by focusing on “platform foundation-building, model evolution, intelligent collaboration and scenario deepening”, deepened the development of an integrated embodied intelligence data collection and training platform, strengthened the collaborative capabilities of the VLA foundation model, embodied brain and AgentBuilder, accelerated the large-scale application of multi-form robots in intelligent manufacturing practical training and key industrial scenarios, and further refined the full-chain capability system spanning data, models, platforms, products and industry solutions.

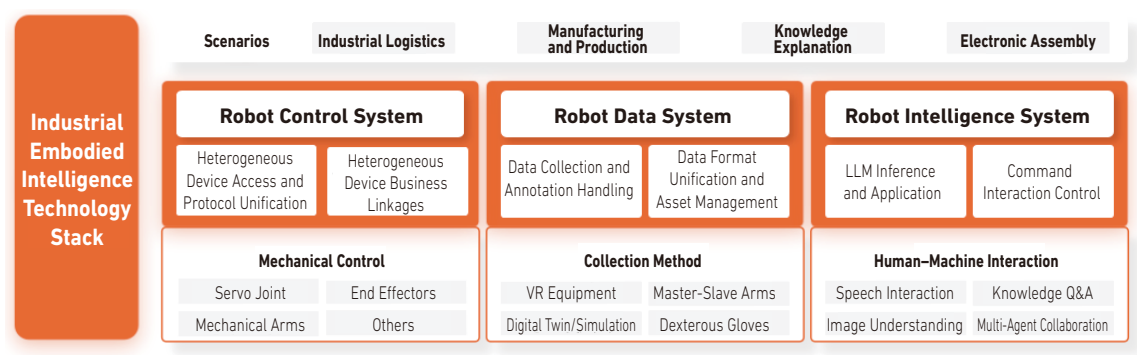
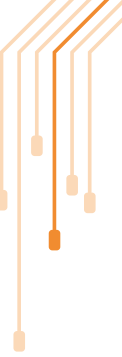


Figure 3 Full-Chain Core Systems of ChatRobot

1. Building Core Infrastructure: Embodied Intelligence Integrated Data Collection and Training Center

Aimed at the large-scale R&D and application of industrial embodied intelligence, we continued to deepen the collaborative development of control systems and data systems, forming a full-lifecycle platform that covers heterogeneous ontology access, data collection and governance, model training and evaluation, as well as deployment, operation and maintenance, thereby providing a unified foundation for algorithm iteration, multi-ontology adaptation and scenario replication. On the control side, we built a cloud-edge-end collaborative robot execution framework, unifying foundational strategies, environmental interaction and device access standards to improve the efficiency of model capability transfer and reuse across different robot ontologies and industrial devices. On the data side, we improved the multi-modal behavior data collection, governance and assetization system, integrating real data, teleoperated data and simulation data to enable unified management of tasks, devices, models and data. Leveraging the Embodied Intelligence Integrated Data Collection and Training Center, the Company further streamlined the closed loop of “Scenario – Data – Model – Skill – Deployment – Feedback”, driving continuous data generation from industrial scenarios, model evolution through data, and business applications benefiting from model improvement. As such, the platform was gradually upgraded from an R&D support tool to core infrastructure for the research, development, operation and large-scale delivery of industrial embodied intelligence.



2. Advancing Full-chain Productization: Defining Industrial Embodied Intelligence Product Standards

In terms of intelligent systems, the Company continued to advance the R&D of the “one brain, multiple bodies” VLA large language model, enabling different types of robots to comprehensively understand text commands, target images, environmental observations, and ontology states, and output executable action strategies. The model’s capabilities primarily covered natural language interaction, task generalization across scenarios, complex tasks understanding and execution, and general knowledge application, driving the evolution of autonomous understanding and dynamic decision-making in robots.

In terms of algorithms, key progresses included:

- 1) Deepening the technical roadmap of “one model for multiple agents, vision as the foundation, causality as the core”

In response to challenges in industrial environments such as diverse robot ontologies, long-tail tasks, expensive data and frequent scenario changes, we further refined the design of the industrial embodied intelligence technical roadmap, establishing the core direction of “one model for multiple agents, vision as the foundation, causality as the core”.

Through the unification of multi-modal representations, action space alignment and ontology-conditioned encoding, a single model can adapt to different robot morphologies, compressing the repetitive R&D and deployment costs associated with “one machine, one model”; simultaneously, via vast amounts of first-person human operation videos and robot vision data, it learned transferable operational intentions, spatial relationships and action priors, and through counterfactual interventions and causal correction, the model’s reliance on data biases and spurious correlations was reduced, which enhanced decision-making stability in complex industrial scenarios. The corresponding model architecture was built around multi-modal tokenization, visual/language/ontology state encoding, cross-modal Transformer and action output heads, mapping natural language commands, environmental observations and robot ontology states into a unified representation space, generating continuous action sequences via Flow Matching, and achieving an end-to-end VLA technical chain from semantic understanding to action execution.



Business Overview

- 2) Continuously advancing the iteration of the industrial embodied foundation LLM to establish general-purpose operational intelligence

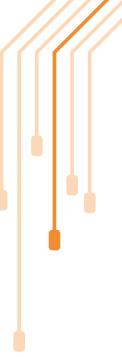
The industrial embodied foundation LLM evolved from single-robot data training to Human-Robot mixed training, from single-ontology task modeling to cross-ontology unified modeling and from direct action fitting to scene graph understanding and future action prediction. By integrating first-person video auto-annotation, human-robot action mapping, Human-Robot mixed training and multi-ontology Action/State standardization chain, we introduced key technologies including human-robot feature domain alignment, implicit scene graphs, Soft Prompt time-series memory, Flow Matching for continuous action generation and counterfactual causal debiasing, thereby continuously improving the model's data utilization efficiency, robustness in complex environments, and cross-scenario generalization capabilities. At the same time, we refined the system encompassing data adaptation, distributed training, automated evaluation and Robokey deployment, establishing the engineering closed loop from data production and foundation training to real-robot inference, thus laying the groundwork for skill transfer and large-scale multi-ontology deployment in industrial embodied intelligence.

- 3) Upgrading the embodied brain and connecting with AgentBuilder to build a collaborative brain-cerebellum architecture for robots

The embodied brain module progressively evolved from basic individual capabilities to multi-task complex reasoning capabilities, covering a broader range of business boundaries and exceptional cases, whilst introducing four new categories of input parameters, i.e. environment, robot ontology, skills and prompts, to enhance the adaptability of the Q&A system to different robots, scenarios and task configurations.

On this basis, we completed the construction of the command interaction platform and AgentBuilder capability framework, forming six core modules: environment, skills, knowledge, voice, applications and control. The platform adopted a product model featuring cloud low-code orchestration and edge execution, allowing visual composition of physical environments, robot ontologies, execution skills, industry knowledge bases and interactive prompts, thereby supporting the rapid development of applications for complex industrial scenarios.

The platform preliminarily established a collaborative "brain-cerebellum" mechanism for robots: the embodied brain agent handled intent recognition, task decomposition, knowledge reasoning and skill selection, the VLA model handled environmental perception and action strategy generation, and the low-level strategy and control system carried out real-time action execution, thereby forming a complete chain comprising "natural language commands – task planning – skill orchestration – action execution – state feedback".



3. Deepening Commercial Deployment: Empowering Multi-Domain and Multi-Scenario Intelligent Manufacturing Upgrades

With the goal of advancing embodied intelligence from a technological capability to an industry foundational capability, the Company completed a systematic layout spanning regional demonstration, university practical training and industrial scenario application. Leveraging the industrial embodied LLM, AgentBuilder and the multi-form robot collaboration system, we progressively connected the chain of technology R&D, product delivery, scenario operations and ecosystem collaboration, strengthened our solution system for embodied intelligence that can be replicated and promoted across multiple sub-sectors within the manufacturing industry, further enhanced the platform-based support, standardized delivery, and systematic deployment capabilities of related businesses, and drove the continuous expansion of achievements from single-point scenarios toward large-scale replication and in-depth application.

Industrial Design Generation Platform: ChatCAD

In the first half of 2026, the Company continued to deepen its collaboration with Bentley Systems, a strategic partner, and advanced capability building in industrial drawing understanding, engineering knowledge accumulation and intelligent review guided by the iterative development of the iPID product. ChatCAD was evolving from a tool for identifying drawing elements toward an industrial design intelligent platform, pushing AI beyond auxiliary drawing interpretation into core processes such as design review, quality control and engineering knowledge reuse.

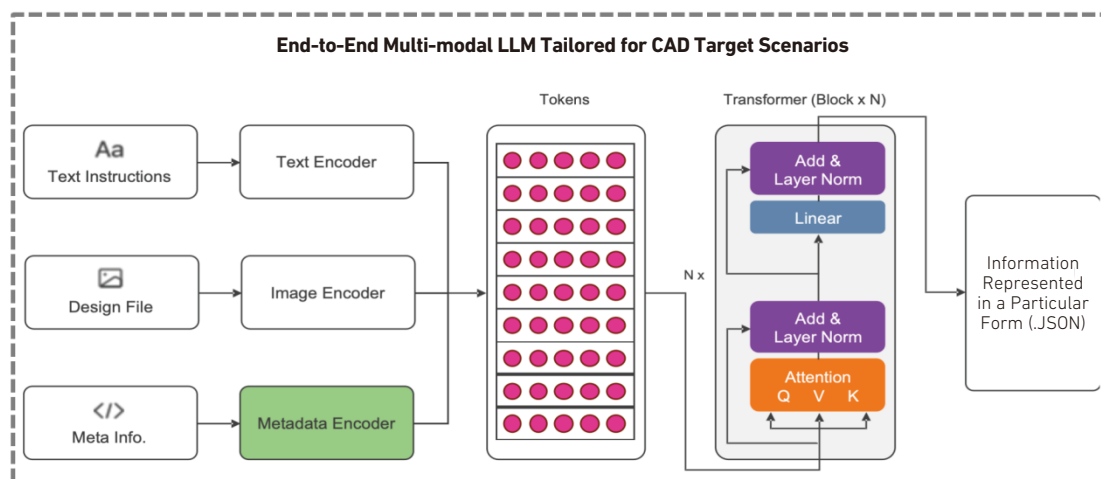


Figure 4 End-to-End Multi-modal LLM Tailored for CAD Target Scenarios



Business Overview

1. Breakthroughs in Complex Drawing Understanding Technology to Enhance Industrial Design Digital Capabilities

Addressing the challenges of ultra-high resolution, dense entities, complex professional semantics and significant long-tail categories in industrial drawings, we built a fusion algorithm system integrating “holistic understanding, multi-view cropping, object detection, OCR recognition and enhanced alignment”, achieving an upgrade from local element recognition to global structural understanding. By integrating image, text, legend and spatial relationship information, we enabled synergy between global topology understanding and local detail recognition. Meanwhile, we strengthened real-to-synthetic data domain alignment, multi-task joint learning and professional knowledge enhancement, effectively improving the model’s recognition accuracy, recall and generalization stability across dense text, minute targets, complex legends and cross-discipline drawings. Through continuous iteration, ChatCAD upgraded from single entity detection to “entity recognition, semantic association, structural parsing and design intent understanding”, preliminarily forming a unified intelligent understanding capability for multi-discipline industrial drawings, laying the core technical foundation for design specification verification, risk identification and intelligent drawing review.

2. Expanding Multi-Discipline Drawing Capabilities and Accumulating Industrial Design Data and Knowledge Assets

Building on the existing industrial design data foundation, we continued to deepen cross-discipline drawing governance and knowledge-based capabilities, further refining unified data standards, legend semantic systems and engineering knowledge expression frameworks. By strengthening data generation, quality governance and integration with professional knowledge, we continuously improved the trainability, interpretability and reusability of engineering drawing assets, enhanced the model’s adaptability to multi-discipline drawings, industry standards and complex design contexts, continued to consolidate the evolutionary closed loop of “data accumulation – model iteration – knowledge enhancement – application feedback”, providing more solid support for the upgrade of the industrial design foundation model and intelligent drawing review capabilities.

3. Evolving from Intelligent Drawing Interpretation to Intelligent Drawing Review, to Extend the Industrial Design Value Chain

In response to the needs for large-scale processing of industrial drawings, ChatCAD continued to improve capabilities such as multi-card concurrent inference, automatic task retry, independent start/stop of multiple models and dynamic adjustment of tokens for large drawings, enhancing the stability and processing efficiency of batch parsing for complex drawings. Building on intelligent drawing interpretation, we further advanced the structuring of drawing elements, engineering relationship parsing and professional knowledge association, thereby providing a unified interface for subsequent integration with industry standards and enterprise design rules, and driving the system’s evolution from “recognizing drawing content” to “understanding design logics, identifying potential issues and supporting quality review”.

AI Products and Solutions for Industries

In the field of industrial software, we continued to deepen the integration of artificial intelligence technologies with industrial software and boost innovation, advancing the intelligent upgrade of core products including AEAM, AEMS and AMI. During the Reporting Period, we introduced ontologies into our equipment management and energy management systems to build a unified business semantics and data foundation, with agents undertaking analysis, decision-making and business execution tasks; meanwhile, we integrated LLMs and ChatBI capabilities into manufacturing data analytics products, driving the evolution of industrial software from process management, data recording and report presentation towards ontology-driven operation, intelligent interaction and closed-loop business execution.

In terms of equipment management, building on the existing agent capabilities of AEAM 1.0, we launched the AEAM Equipment Management Agent Suite V2.0 based on AlInnoGC AgentBuilder. The new version constructed an equipment management ontology across the entire equipment lifecycle, distilling equipment data, maintenance knowledge, and spare parts information into queryable, inferable and reusable business assets. It integrated AgentBuilder's Ontology, AI Coding and Harness capabilities to enhance the intelligent agent's understanding of enterprise businesses and build its adaptability and operational stability. On this basis, AEAM 2.0 formed eight categories of intelligent agents covering key stages such as fault prediction, diagnostic handling, spare parts coordination and decision analysis, thereby realizing a production-grade closed-loop business process extending from equipment alerts and cause analysis to work order coordination and result feedback.

In terms of energy management, we built an energy management business ontology around AEMS's standard business functions, bridging the business relationships among organizations, meters, energy consumption, production output and operational metrics. On this basis, AEMS moved beyond traditional preset SQL and keyword-matching methods to support natural language-driven cross-object, cross-level enquiry and analysis across typical scenarios including cost and output accounting, unit consumption assessment, anomaly tracing and target planning, with cross-table enquiry accuracy exceeding 95%. Such capabilities not only improved the efficiency of energy data analysis but also laid the foundation for subsequent metric drill-down, anomaly identification and root cause analysis of abnormal energy consumption.

In terms of manufacturing data analysis, we launched AMI v2.0 Intelligent Interactive Edition based on the original AMI reports and visualization dashboard products, integrating LLMs and ChatBI capabilities into data modeling, metric management and reports analysis workflows. While retaining traditional BI capabilities, the new version enabled sales personnel to perform data enquiry, comparative analysis and result presentation through natural language, advancing AMI from a reporting tool for specialists to an intelligent BI product that combines visualization analysis with intelligent interaction capabilities.

Business Overview

In the field of intelligent manufacturing practical training, we concentrated on industry-education integration and industrial intelligent upgrading, and continued to deepen the integrated layout of “technology platforms, curriculum systems, scenario-based training and ecological collaboration”, with an aim to push forward the upgrading of intelligent manufacturing practical training from traditional teaching tools to industrial-grade infrastructure for cultivating intelligent talents. We further connected the full chain of “technology R&D – teaching transformation – talent cultivation – industrial application”. Leveraging AgentBuilder, the Company completed the development of training platforms for industrial agents and AI Coding, and integrated LLM, agent development, workflow orchestration, industrial knowledge and engineering practice to form a closed-loop teaching and training system covering knowledge acquisition, skill training, project practice, process evaluation and result delivery. Particularly, the industrial agent training platform targeted real manufacturing tasks and strengthened capabilities for Agent construction, orchestration, collaboration and governance. The AI Coding training platform covered the full workflow of requirement understanding, code generation, testing and review, and engineering delivery, which can improve software engineering practice capabilities in the AI era. Concurrently, we commenced the construction of the Embodied Intelligence Application Promotion Center. Drawing on ChatRobot’s technical system of “one brain, multiple bodies”, we integrated embodied brain, multi-modal perception, task planning, skill orchestration and robot control capabilities to enable the deployment of humanoid robots, composite robots and industrial robots into virtual-physical integrated teaching, research and application environments. The Company continuously expanded and strengthened strategic collaboration with ecological partners, pooled resources from universities, industrial institutions and robot manufacturers, advanced joint development of platforms, co-research of curricula, co-creation of scenarios and joint cultivation of talents, and further refined the development model of “education empowered by technologies, industries served by talents, and ecosystems driven by scenarios”, thereby enhancing the platform-based support, standardized delivery and systematic implementation capabilities of our intelligent manufacturing practical training business.

In the field of industrial logistics, we continued to deepen our engagement in digitalization and intelligentization trends of industrial logistics. Taking the Qizhi Kongming (奇智孔明) AlnoGC LLM platform as the intelligent foundation, and integrating the multi-modal perception, task planning, skill orchestration and autonomous control capabilities of ChatRobot embodied intelligence, we drove the evolution of drones, unmanned vehicles and industrial robots from single-machine automation toward “autonomous perception, intelligent decision-making and collaborative execution”, and secured key breakthroughs in technological innovation, self-developed equipment and scenario implementation.

In terms of core products, the intelligent unhooking robot for car dumpers further integrated embodied perception, adaptive control and task orchestration capabilities, which improved the robot’s adaptability to different equipment models, hook states and operating environments and expanded the application depth of intelligent robots in key processes of industrial logistics. Meanwhile, the large-scale commercialization of self-developed H-GNSS high-precision positioning devices was achieved, and the finalization and commercialization of mobile intelligent perception devices were completed. These developments further improved the autonomous technical system consisting of environmental perception, precise positioning, edge execution and cloud-based management and control.

In terms of technical implementation, the Company delivered a benchmark project at a steel base in Western Sichuan and realized collaborative operations between intelligently controlled drones and unmanned vehicles for slag transport. Supported by the self-developed iProECP intelligent flight platform and combined with AlnoGC's capability for unified management and intelligent analysis of tasks, equipment and environmental data, we addressed complex operating conditions including high temperature, heavy dust and dynamic interference in metallurgical scenarios, and realized autonomous planning, autonomous flight, autonomous perception and operation result feedback for drones. As such, a three-dimensional logistics collaboration system of "low-altitude perception, intelligent assessment and ground execution" was developed and a demonstration scenario for low-altitude intelligent logistics in the steel industry was built.

In terms of market expansion, the Company continued to deepen the dual-wheel drive models of "1+N" and "1×N", and replicated mature solutions deployed in steel and mining across general industrial scenarios such as ports. By accumulating industry know-how, operational workflows, equipment models and agent capabilities via the AlnoGC platform and connecting different types of execution equipment via the ChatRobot embodied intelligence foundation, we initially developed a product structure featuring "unified decision-making via industrial brains and collaborative operation of diverse devices", and continuously broadened the application boundary of intelligent industrial logistics.

In the field of intelligent equipment, we further deepened the integration of algorithms, software platforms and high-precision hardware, and drove the upgrading of intelligent equipment toward data-driven, model-driven and autonomous decision-making operation. Focusing on core scenarios such as quality control in automobile manufacturing, the Company further enhanced the exterior defect detection system for automobile parts. Taking the Qizhi Kongming (奇智孔明) AlnoGC LLM platform as the intelligent foundation, and integrating deep learning, industrial vision and 3D measurement technologies, we connected sample governance, data labelling, model training, inference deployment, online monitoring and result analysis and achieved unified development and continuous iteration of detection algorithms. The system achieved comprehensive identification capabilities for multiple defect types including surface, structural, welding and assembly defects, and supported real-time presentation of detection results, automated quality assessment, diversion of abnormal products and accumulation of defect information. Accordingly, a data closed loop spanning intelligent perception, defect assessment and production line disposal was formed, which further advanced automotive quality inspection toward integrated multi-defect recognition, full-process automatic assessment and data-based quality management. In the meantime, the Company integrated ChatRobot's embodied brain, multi-modal perception and task planning, alongside AgentBuilder's skill orchestration capabilities into robotic operation systems. This strengthened robots' ability to understand and process environmental information, instructions and operational tasks, and further improved the intelligent closed-loop operation of "perception – decision-making – execution – feedback".

Business Overview

In the field of digital and intelligent software, drawing on self-developed data intelligence software products and solutions, we promoted the integration of LLM agents, ontologies and data governance. Centering on intelligent data governance (AI for DataOps) and intelligent data applications (DataOps for AI), we constantly improved capabilities including active metadata, intelligent cataloguing, data lineage, data standards, data quality, asset retrieval and conversational analytics, and enhanced the discoverability, understandability, traceability and invocability of enterprise data.

For manufacturing, we drove the integration of data intelligence capabilities with factory data platforms, industrial software and on-site time-series data, and built enterprise ontologies around business objects including production, equipment, energy and quality. In relevant manufacturing scenarios, data covering regions, equipment, energy consumption records, energy-saving plans and alarms were organized into business objects. Indicator calculation, anomaly identification and expert analytical workflows were encapsulated as business rules to support equipment failure prediction, parameter optimization and energy consumption anomaly analysis. As a result, data applications were extended from report access to cause analysis, disposal recommendations and work order linkage.

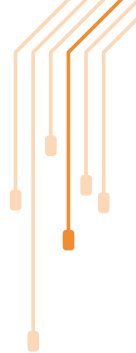
For the financial sector, we advanced the construction of business ontologies covering banking, securities, financial leasing, asset management and other scenarios. Relevant projects delivered multi-layer ontologies encompassing business entities, indicators, analysis dimensions, temporal semantics, drill-down paths and entity relationships. Business glossaries, indicator calibers and analytical paths were mapped to underlying physical tables and fields, supporting data intelligence applications including asset tracking, business Q&A, NL2SQL, ChatBI and indicator access.

Part II: Future Outlook

Looking ahead, the demand for China's industrial AI infrastructure and the digital and intelligent upgrade of the manufacturing industry is accelerating toward a RMB-trillion scale. LLMs and agent technologies are moving from proof-of-concept to large-scale application, and the underlying logic of enterprise services is returning to its essence: true value creation lies in deeply embedding in the core business processes of enterprise-level key customers, achieving full-chain coverage and closed-loop empowerment spanning R&D and design, production and manufacturing, operations and control, supply chain logistics, marketing and sales, and customer service. With the world's most comprehensive manufacturing industry chain system, China provides irreplaceable ground for building a sustainable closed-loop business model for industrial AI within its distinctive market environment.

In the second half of 2026, the Group will precisely target industrial customers' core demand for "controllable, trustworthy and usable" AI capabilities, and will steadfastly advance its core strategy of "one model, one agent and two wings":

- "One model" as the foundation: leveraging the self-developed industrial LLMs as a solid technological base, we will continue to reinforce underlying capabilities;
- "One agent" as the driver: with the enterprise-level intelligent agent platform as the core business engine, we will accelerate the engineering translation and large-scale deployment of model capabilities into business value;



- “Two wings” for implementation: we will continue to deepen the commercialization process of industrial intelligent agent software and industrial embodied robots as two strategic application directions, driving the realization of the value of AI capabilities in real industrial scenarios.

At the same time, we will focus on building a trinity industrial AI technology paradigm of “Ontology + Harness + AI Coding”: leveraging industrial ontology technology to achieve the structured representation and precise reasoning of domain knowledge, utilizing Harness engineering to ensure that industrial scenarios meet stringent requirements for high reliability and stability, and employing efficient coding capabilities to significantly accelerate the engineering delivery and iteration efficiency of solutions.

Building on eight years of deep cultivation, the Group has served over 1,800 enterprises and accumulated tens of thousands of industry scenarios, high-quality data and best practices. Looking forward, we will fully unleash the compounding effect of this extensive accumulation, accelerate the large-scale application and deployment of industrial LLMs and industrial agents across the board, steadily advance toward the goal of full profitability, and strive to become a trustworthy leader in AI-native infrastructure for China’s manufacturing industry.

Enterprise-grade Agent Platform: AlnnoGC AgentBuilder

As AI accelerates its evolution from conversational interaction toward autonomous planning and continuous execution, intelligent agents are emerging as a critical carrier for enterprises to deploy LLMs. Manufacturing features lengthy production workflows, stringent real-time requirements and limited fault tolerance, imposing higher standards for business comprehension, operational stability and behavioral safety. Going forward, the Company will continue striving to build a “reliable agent in the physical world”, with Ontology as the cognitive foundation, Harness as the reliability guarantee and AI Coding as the efficiency engine. This enables industrial agents to enter core stages of production and operation, and gradually extend from analysis and decision-making in the digital space to constrained on-site execution.

1. Strategic focus: leveraging ontologies to build the contextual foundation for industrial sites

We will position ontologies as the logical mapping connecting the physical world and the digital space, continuously refine the unified organization of data covering equipment, processes, quality, energy consumption as well as production and operations, and strengthen the semantic alignment among industrial software data, on-site time-series data, business indicators and rule relationships. The platform will advance capabilities for automatic construction, continuous updating and querying of ontologies, enabling models to accurately understand business objects, real-time status, correlations and operational rules prior to reasoning. Meanwhile, connections between ontologies on the one hand and AlnnoGC data platform, industrial vertical LLMs and business applications on the other hand will be enhanced, delivering complete, persistent and interpretable industrial context for agents.



Business Overview

2. Governance safeguard: establishing a production-grade agent reliability system via Harness

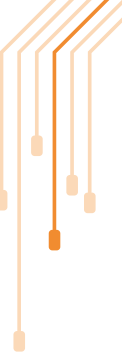
We will further embed Harness Engineering into the full lifecycle of agent design, generation, evaluation, release and operation, forming a closed engineering loop of "generation – verification – execution – evaluation– remediation". The platform will support the FDE team to provide TAC services to customers more efficiently, selecting and combining the optimal model portfolio and Token resource allocation according to specific business scenarios, thereby helping customers improve the overall Token utilization efficiency. DeepAgent will continue sharing foundations including databases, knowledge bases, models and tools with AgentBuilder. Focus will be placed on boosting capabilities for long-cycle operation of complex tasks, state persistence, tool invocation and exception recovery. Through human-in-the-loop mechanisms, permission boundaries, full-link tracing, security auditing and cloud-edge collaborative deployment, we ensure open-ended reasoning processes are observable, intervenable and reviewable. For industrial scenarios, behavioral safety takes precedence over model capability.

3. Efficiency breakthrough: accelerating asset accumulation and scaled replication via AI Coding and Skills

We will continuously iterate AI Coding capabilities tailored for industrial agent development, enabling natural language requirements to be converted more efficiently into specifications, workflows, ontologies, node configurations and tools, and we will shorten development cycles through automated debugging and evaluation. Meanwhile, the Company will progressively encapsulate industrial software APIs, data services and industrial protocol capabilities into reusable Skills. Under strict permission and safety constraints, this enhances agents' capacity to connect with business systems and physical assets. Supported by FDE deployed at customer sites, new ontologies, new Skills and Harness components generated from projects will be fed back into the platform. After generic verification, these will be consolidated into standardized products or lightweight kits, establishing a productization pathway from tackling key customer projects to replicating solutions across similar scenarios.

Industrial Embodied Intelligence Platform: ChatRobot

Centered on an industrial embodied intelligence foundational platform and general operational intelligence, ChatRobot will continuously drive deep integration of data, models, agents, robot ontologies and production scenarios, and build a complete technical system covering perception, cognition, decision-making, execution and continuous evolution. By strengthening proprietary technical foundations and industrialization capacity, we will upgrade robots from traditional automated execution units into intelligent production units capable of understanding tasks, learning skills, adapting to environments and conducting collaborative operations, building long-term technical barriers for industrial scenarios.



On the platform side, we will further develop the Embodied Intelligence Integrated Data Collection and Training Center, unify foundational standards for data, models, skills and ontologies, and enhance full-lifecycle capabilities spanning from data generation and model training through to deployment, operation and maintenance. Leveraging embodied brains and AgentBuilder, we will reinforce value chains linking scenarios, data, models, skills and tasks, creating a closed loop for sustained growth wherein data accumulation facilitates model evolution and model capabilities underpin scenario-based applications, so as to upgrade the platform from an R&D support tool into a unified runtime foundation for industrial embodied intelligence.

On the algorithm side, we adhere to the principle of “one model for multiple agents, vision as the foundation, causality as the core”, and continuously strengthen the VLA base model, EGO video learning, human-robot collaborative training and cross-ontology transfer capabilities, enhancing the model’s capacity to understand and make decisions for complex environments, long-duration tasks and dynamic operating conditions. Through developing “one brain, multiple bodies” capabilities, we drive standardized adaptation between the general embodied brain and diverse robot ontologies. Robots can then complete autonomous planning, skill invocation and collaborative execution for specific tasks, gradually forming general operational intelligence for manufacturing, logistics, energy and other industries.

In terms of industrialization, demonstration centers, university training bases and key industrial scenarios will serve as core carriers, continuously pushing embodied intelligence technologies forward from capability validation to standardized products, industry-specific solutions and large-scale delivery. Supported by collaboration among humanoid robots, composite robots and industrial robots, we will explore new operation modes including multi-skill single robot, multi-robot collaboration and human-machine integration. We will continuously accumulate industry know-how, skill components and delivery specifications, thus establishing an industrial embodied intelligence development system featuring “platform-converged capabilities, model-driven evolution, scenario-based value creation and ecosystem-enabled scaling”.

Industrial Design Generation Platform: ChatCAD

In the second half of the year, the Company will deepen strategic cooperation with Bentley Systems. We will advance technology and product upgrades centered on “base model enhancement, capability expansion, intelligent drawing review and ecosystem collaboration”, and drive the evolution of ChatCAD from a recognition tool for industrial drawing to an intelligent foundation for industrial design, enabling deeper integration into core workflows of design, review and quality control.

In terms of algorithms, we will continuously enhance the industrial drawing base model to improve its understanding of complex drawings, engineering semantics and design logics. Priority will be given to improving recognition accuracy, generalization capability and operational stability in real-world scenarios. Iterations to algorithm architectures and training systems will advance the model from single-element recognition toward holistic drawing comprehension, correlation analysis and design intent inference.



Business Overview

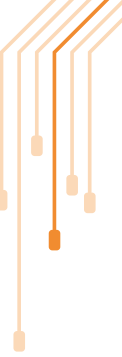
In terms of capability coverage, we will keep expanding professional drawing types and symbol libraries, improve cross-discipline and cross-industry industrial design knowledge systems, and boost models' rapid adaptability to new symbols, new specifications and enterprise-specific standards, thereby gradually building a reusable, extensible general base model for industrial drawings.

In terms of products, we will actively explore standardized drawing-recognition agents tailored for specific professional fields to deliver lightweight services for general-purpose customer needs in niche segments. Meanwhile, we will prioritize constructing a multi-agent collaborative system for intelligent drawing review, so as to establish coordination mechanisms for agents covering drawing comprehension, specification parsing, defect identification, result validation and report generation. This fosters deep fusion of industry knowledge, design specifications and model capabilities. By continuously upgrading platform-based capabilities and open interfaces, we will progressively build an intelligent industrial design ecosystem spanning intelligent drawing parsing, design assistance, compliance review and quality control.

AI Products and Solutions for Industries

In the field of industrial software, drawing on manufacturing Know-How and scenario accumulation and supported by AlnnoGC LLM and AgentBuilder platform, we will further advance our "ontology-driven, agent-executed" development path, integrating artificial intelligence across the full production and operation chain of manufacturing enterprises. Taking business ontologies embedded within self-developed industrial software as a unified semantic data layer, we will continuously accumulate enterprise data, business relationships and industry knowledge, and comprehensively drive agents to evolve from natural language data query and auxiliary analysis toward anomaly identification, root cause diagnosis, recommendation for decisions and closed-loop business operation. At the same time, we will further leverage AgentBuilder's AI Coding, Ontology and Harness capabilities to strengthen automatic construction of business ontologies, organization and reuse of industry knowledge, and advanced reasoning for agents. Data models, indicator systems, dashboards and reports, ontologies and scenario agents will be packaged into configurable, reusable industry digital asset suites, hence transforming mature industry experience from project-based delivery to standardized products and scalable replication.

Meanwhile, targeting digital transformation demands from small and medium-sized enterprises (SMEs), we will accelerate R&D and commercial rollout of Zhiqingsu (智輕速), a lightweight industrial agent software, and build business ontologies for production execution and an MCP-based standardized business interface system, thus converting capabilities including production planning, work order execution, material coordination, quality control and anomaly handling into business tools invocable and orchestratable by agents. Combined with an evaluation framework for SMEs' digital level, we will deliver lightweight, user-friendly and rapidly deployable industrial agent software packages to help SMEs improve key application scenarios and boost their capacity to advance toward a stage of "digital and intelligent empowerment".



In the field of intelligent manufacturing practical training, we will seize the strategic window for deep integration between artificial intelligence and manufacturing, and aim to cultivate interdisciplinary intelligent talents for new industrialization, with a view to comprehensively upgrading platform-based operations, standardized product replication and ecosystem development for the intelligent manufacturing practical training business. Built on the two technical foundations of AgentBuilder and ChatRobot's "one brain, multiple bodies", we will speed up the commercialization of training platforms for industrial agents, AI Coding and embodied intelligence, and convert LLM, agents, industrial expertise and robot practice into replicable talent development capabilities. We will complete the construction of the Embodied Intelligence Application Promotion Center on a simultaneous basis, bringing together humanoid robots, composite robots, industrial robots and virtual-physical integrated scenarios, and building a regional innovation hub that integrates technology demonstration, application verification, research training, talent development and industrial service functions. Through collaboration with ecosystem partners, universities and robot manufacturers, we will continuously advance laboratory development, joint curriculum research, co-creation of scenarios and market synergy, further connecting education chains, talent chains, innovation chains and industrial chains to form an intelligent manufacturing training development landscape featuring capability aggregation via platforms, application propulsion via scenarios and value amplification via ecosystems, so as to deliver sustained talent supply and innovation support for intelligent upgrading of the manufacturing industry.

In the field of industrial logistics, focused on industrial embodied intelligence, we will further strengthen synergy between the AlnnoGC industrial LLM platform and ChatRobot's embodied intelligence capabilities, and enhance the technical system of "unified decision-making via industrial brains, autonomous execution by intelligent equipment and collaborative operation of diverse devices", aiming to upgrade industrial logistics from point-based unmanned operations to full-process autonomy, swarming and intelligentization.

In terms of technologies and products, we will continuously iterate the iProECP intelligent flight platform, industrial robots, high-precision positioning and mobile perception devices, with a focus on tackling key technologies such as multi-equipment task decomposition, collaborative scheduling, multi-modal perception fusion, autonomous decision-making for complex environments and cloud-edge-terminal coordinated control. By accumulating industry know-how, operation workflows and equipment data via AlnnoGC and realizing task comprehension, skill orchestration and execution feedback via ChatRobot, we strive to improve collaboration efficiency and adaptability to complex working conditions among drones, unmanned vehicles and industrial robots.

In terms of scenarios and markets, we will deepen benchmark applications including low-altitude perception coupled with collaborated ground execution, intelligent unhooking and unmanned transportation, and replicate mature solutions to steel, mining, ports and other general industrial scenarios. Through product standardization, capabilities modularization and delivery systematization, we will lower cross-industry migration costs, accelerate penetration in key domestic sectors and expand overseas presence, thereby delivering industrial intelligent logistics solutions with proprietary technologies and advantages for large-scale replication.



Business Overview

In the field of intelligent equipment, we will deepen coordination among algorithms, high-precision perception hardware and robot execution systems, so as to advance quality inspection equipment from point-based detection toward “intelligent perception, comprehensive assessment, autonomous operation and closed-loop management”. In terms of algorithms, we will concentrate on strengthening complex defect recognition, anomaly detection, multi-modal data fusion and few-shot generalization, and improve model accuracy, stability and adaptability under complex lighting, product variations and long-tail defect scenarios. Supported by the AlInnoGC platform, we will refine the system covering data feedback, model training, online evaluation, inference deployment and continuous iteration, enabling quality inspection capabilities to be replicated across scenarios involving more components, production processes and quality management. In the meantime, the Company will integrate ChatRobot’s embodied brain, multi-modal perception and task planning, alongside AgentBuilder’s skill orchestration capabilities into robotic quality inspection workflows, so as to achieve joint execution of workpiece handling, inspection coordination and anomaly handling. This will further upgrade automotive quality inspection toward multi-defect integrated recognition, autonomous robotic operation and full-process intelligent quality management, and gradually build a software-defined, model-driven, hardware-software integrated intelligent quality inspection product system.

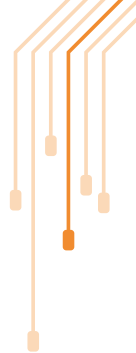
In the field of digital and intelligent software, centered on enterprise ontologies, we will drive coordinated development of data governance and intelligent applications, consolidating business objects, indicators, relationships and rules generated from finance and manufacturing projects into industry assets.

Firstly, we will advance the productization of ontology architectures. For the financial sector, we will refine templates covering entities, indicators, dimensions, temporal semantics, relationships and drill-down paths, and enhance the ability to construct ontologies automatically based on DDL, SQL, metadata and business glossaries. For manufacturing, we will integrate industrial software, time-series data, process mechanisms and expert experience to build ontologies for production, equipment, energy, quality and supply chains.

Secondly, we will drive synergy between data governance and ontologies. Priorities for metadata, standards, quality, lineage and security governance will be defined based on ontology requirements. Standards, semantic mappings, lineage and quality outputs generated via governance will be continuously fed back into ontologies, forming a bidirectional closed loop.

Thirdly, we will expedite conversion of trusted data into intelligent applications. Backed by ontologies, indicators, knowledge bases and standard APIs, we deliver trusted data context to business agents, and expand capabilities covering indicator Q&A, NL2SQL, ChatBI and root cause analysis, thereby extending manufacturing applications toward proactive monitoring and anomaly attribution, and supporting financial risk control, compliance, investment research and marketing. Verified ontologies, rules and components will be encapsulated into industry-specific kits.

Management Discussion and Analysis



OVERVIEW

Alnovation is a leading provider of applications for LLM intelligent agents in the “AI + Manufacturing” industry. In the first half of 2026, the Group’s strategic focus and technological accumulation in the core business of “AI + Manufacturing” continued to translate into commercial value, with steady revenue growth and sustained improvement in profitability. The Group achieved an adjusted turnaround from loss to profit for the first time, further solidifying its market position. Meanwhile, the intensive release of favorable national policies and the accelerated surge in industrial digitalization demand have created a conducive external environment for the Group’s sustainable growth.

REVENUE

Our revenue for the six months ended 30 June 2026 was RMB829.0 million, representing an increase of 18.6% as compared with RMB699.0 million for the six months ended 30 June 2025, which was primarily driven by revenue growth resulting from the continuous expansion of business scale in the manufacturing industry and financial services industry.

In terms of the manufacturing industry, revenue for the six months ended 30 June 2026 was RMB675.6 million, representing an increase of 21.6% as compared with RMB555.6 million for the six months ended 30 June 2025.

In terms of the financial services industry, revenue for the six months ended 30 June 2026 was RMB91.1 million, representing an increase of 30.0% as compared with RMB70.1 million for the six months ended 30 June 2025.

COST OF SALES

Our cost of sales for the six months ended 30 June 2026 was RMB535.4 million, representing an increase of 17.9% as compared with RMB454.3 million for the six months ended 30 June 2025, primarily due to higher costs driven by revenue growth.

In terms of the manufacturing industry, cost of sales for the six months ended 30 June 2026 was RMB413.8 million, representing an increase of 18.6% as compared with RMB348.9 million for the six months ended 30 June 2025, primarily due to higher costs driven by revenue growth in the manufacturing industry.

In terms of the financial services industry, cost of sales for the six months ended 30 June 2026 was RMB71.9 million, representing an increase of 53.0% as compared with RMB47.0 million for the six months ended 30 June 2025, primarily due to higher costs driven by revenue growth in the financial services industry.



Management Discussion and Analysis

GROSS PROFIT AND GROSS MARGIN

As a result of the foregoing, our overall gross profit for the six months ended 30 June 2026 was RMB293.6 million, representing an increase of 20.0% as compared with RMB244.7 million for the six months ended 30 June 2025. For the six months ended 30 June 2026, our overall gross margin was 35.4%, representing an increase of 0.4% from 35.0% for the six months ended 30 June 2025, primarily attributable to (i) economies of scales; and (ii) the more standardized products and solutions we provide.

SELLING AND DISTRIBUTION EXPENSES

Our selling and distribution expenses for the six months ended 30 June 2026 were RMB63.2 million, representing a decrease of 14.1% as compared with RMB73.6 million for the six months ended 30 June 2025, primarily due to the Company's ongoing optimization of cost control and improvement in operational efficiency.

The percentage of selling and distribution expenses in revenue decreased from 10.5% for the six months ended 30 June 2025 to 7.6% for the six months ended 30 June 2026, as our revenue grew at a faster pace.

GENERAL AND ADMINISTRATIVE EXPENSES

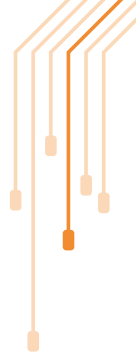
Our general and administrative expenses for the six months ended 30 June 2026 were RMB92.2 million, remaining relatively stable as compared with RMB90.1 million for the six months ended 30 June 2025.

The percentage of general and administrative expenses in revenue decreased from 12.9% for the six months ended 30 June 2025 to 11.1% for the six months ended 30 June 2026, as our revenue grew at a faster pace.

RESEARCH AND DEVELOPMENT EXPENSES

Our research and development expenses for the six months ended 30 June 2026 were RMB172.1 million, representing an increase of 4.6% as compared with RMB164.6 million for the six months ended 30 June 2025, primarily due to the overall increase in research and development investment driven by business expansion.

The percentage of research and development expenses in revenue decreased from 23.5% for the six months ended 30 June 2025 to 20.8% for the six months ended 30 June 2026, as our revenue grew at a faster pace.



NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

We had net impairment losses on financial assets of RMB35.6 million for the six months ended 30 June 2026, representing an increase as compared to net impairment losses of RMB4.1 million for the six months ended 30 June 2025, primarily due to an increase in provision for impairment of trade receivables during the Reporting Period.

OTHER INCOME

Other income primarily consists of government grants, which mainly relate to financial assistance from local governments in the PRC.

For the six months ended 30 June 2026, our other income was RMB9.2 million.

OTHER (LOSSES)/GAINS, NET

Our other (losses)/gains, net mainly comprise (i) interest income from financial assets at fair value through profit or loss; and (ii) changes in fair value of financial assets and liabilities at fair value through profit or loss.

For the six months ended 30 June 2026, our other losses, net were RMB0.2 million.

OPERATING LOSS

As a result of the foregoing, we had an operating loss of RMB60.4 million for the six months ended 30 June 2026, representing a decrease as compared with the operating loss of RMB62.2 million for the six months ended 30 June 2025. This was mainly driven by higher revenue and gross profit.

FINANCE INCOME

Our finance income for the six months ended 30 June 2026 was RMB0.9 million, representing a decrease as compared with RMB2.4 million for the six months ended 30 June 2025, primarily due to a decrease in interest income from bank deposits.

FINANCE COSTS

Our finance costs are primarily comprised of (i) borrowing interest; and (ii) interest expenses on lease liabilities.

For the six months ended 30 June 2026, our finance costs were RMB2.3 million, representing a decrease as compared with RMB3.1 million for the six months ended 30 June 2025, primarily due to a decrease in interest expenses on lease liabilities and bank borrowings.



Management Discussion and Analysis

LOSS FOR THE PERIOD

For the six months ended 30 June 2026, we recorded a loss for the period of RMB62.8 million, representing a slight increase from the loss of RMB60.5 million for the six months ended 30 June 2025, and remained stable in general.

NON-IFRS MEASURES

Adjusted Net Profit/(Loss)

We define adjusted net profit/(loss) as the net loss for the period adjusted by adding back share-based payment expenses, amortization of intangible assets arising from acquisition and changes in fair value of financial assets/liabilities at fair value through profit or loss. The changes in fair value of financial assets/liabilities at fair value through profit or loss mainly include fair value changes of contingent considerations and other financial investments.

In the first half of 2026, the Group remained focused on its core "AI + Manufacturing" sector, with revenue growing steadily and gross profit margins continuing to improve. Driven by rising market demand and operational efficiency gains resulting from the enhancement of the Group's platform capabilities and product standardization, the Group recorded an adjusted net profit (non-IFRS measures) of RMB3,189 thousand for the six months ended 30 June 2026, representing a significant improvement as compared with the adjusted net loss (non-IFRS measures) of RMB6,681 thousand recorded in the same period of 2025, and achieving an adjusted turnaround from loss to profit for the first time.

The following table reconciles our adjusted net profit/(loss) for the period presented to the most directly comparable financial measures calculated and presented in accordance with IFRSs, which is net loss for the periods.

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Reconciliation of net loss to adjusted net profit/(loss):		
Loss for the period	(62,841)	(60,513)
Add:		
Share-based payment expenses	48,319	36,965
Amortization of intangible assets arising from acquisition	14,230	15,345
Changes in fair value of financial assets/liabilities at fair value through profit or loss	3,481	1,522
Adjusted net profit/(loss) (Unaudited)	3,189	(6,681)

LIQUIDITY AND CAPITAL RESOURCES

Cash and Cash Equivalents

As at 30 June 2026, cash and cash equivalents of the Group were approximately RMB718.2 million (31 December 2025: RMB830.9 million). The change was mainly from cash outflows from operating, investing and financing activities. Most of the cash and cash equivalents of the Group were denominated in RMB.

Gearing Ratio

The Group monitors capital on the basis of the gearing ratio, which is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including related party borrowing) and lease liabilities less cash and cash equivalents. As of 30 June 2026, the Group had a net cash position and the gearing ratio was not applicable.

MATERIAL ACQUISITIONS AND DISPOSALS

On 11 June 2026, the Company entered into the Equity Transfer Agreement Regarding Alnnovation EHigher (Shanghai) Intelligence Technology Co., Ltd. (the “**Equity Transfer Agreement**”) with Shanghai Lansu Commercial Management Co., Ltd.* (上海嵐溯商業管理有限公司) (“**Shanghai Lansu**”) and Alnnovation EHigher (Shanghai) Intelligence Technology Co., Ltd. (the “**Target Company**”), pursuant to which, the Company agreed to sell, and Shanghai Lansu agreed to acquire 21,440,000 shares of the Target Company, representing approximately 33.5% of the total number of shares of the Target Company as at the date of signing of the Equity Transfer Agreement, for a consideration of RMB20,100,000 (the “**Disposal**”). The Closing Date was 12 June 2026. Upon completion of the Disposal, the Company’s shareholding in the Target Company will be reduced from 51% to 17.5%, and the Target Company will cease to be a subsidiary of the Company. Accordingly, its financial results will cease to be consolidated into the Group’s financial statements. For details, please refer to the announcement of the Company dated 11 June 2026.

For the six months ended 30 June 2026, save as disclosed in this report, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

MATERIAL INVESTMENTS HELD/FUTURE PLANS FOR MATERIAL INVESTMENTS OR ACQUISITION OF CAPITAL ASSETS

As of 30 June 2026, save as disclosed in this report, we did not have material investments or future plans for other material investments or acquisition of capital assets.

Management Discussion and Analysis

FOREIGN EXCHANGE EXPOSURE

For the six months ended 30 June 2026, the Group mainly operated in the PRC with most of the transactions settled in RMB. The functional currency of our Company and its main subsidiaries is RMB. As of 30 June 2026, our balance of cash and cash equivalents was mainly denominated in RMB. The Group manages its foreign exchange risk by closely monitoring the movement of the exchange rates and will consider hedging significant foreign currency exposure if necessary. As of 30 June 2026, our business is not exposed to any significant foreign exchange risk.

PLEDGE OF ASSETS

As at 30 June 2026, the Group had no material pledge of assets.

BORROWINGS

As at 30 June 2026, borrowings of the Group were RMB74.4 million (31 December 2025: RMB122.2 million), mainly including short-term borrowings of several subsidiaries.

CONTINGENT LIABILITIES

As at 30 June 2026, we did not have any material contingent liabilities.

SUBSEQUENT EVENT

Save as disclosed in this report, there was no significant event subsequent to the end of the Reporting Period and up to the Latest Practicable Date.

Corporate Governance and Other Matters



The Board is committed to maintaining high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of Shareholders of the Company, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

COMPLIANCE WITH THE CG CODE

The Company has adopted the principles and code provisions of the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 of the Listing Rules as the basis of the Company’s corporate governance practice. The Company is committed to the view that the Board should include a balanced composition of executive and independent non-executive Directors so that there is a strong independent element on the Board, which can effectively exercise independent judgment.

During the Reporting Period, the Company has complied with all applicable code provisions set out in the CG Code.

The Company has also put in place certain recommended best practices as set out in the CG Code.

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

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors and Supervisors of the Company. Upon specific enquiries with all Directors and Supervisors by the Company, all Directors and Supervisors confirmed that they have been in compliance with the required standards set out in the Model Code during the Reporting Period.

CHANGE IN CONSTITUTIONAL DOCUMENTS

The amendments to the Articles of Association were approved by the Shareholders at the 2025 annual general meeting of the Company held on 15 May 2026. In light of the revised Guidelines on the Articles of Association of Listed Companies (《上市公司章程指引》) issued and implemented by the China Securities Regulatory Commission on 28 March 2025, the Company amended the Articles of Association based on its actual circumstances to reflect relevant updates to applicable laws and regulations as well as the Company’s practical situation, and to further refine the relevant provisions and wording of the Articles of Association.

For the full text of the amended Articles of Association, please refer to the website of the Hong Kong Stock Exchange at <https://www.hkexnews.hk> and the website of the Company at <https://www.ainnovation.com>.



Corporate Governance and Other Matters

CHANGES OF POSITIONS HELD BY DIRECTORS, SUPERVISORS AND MEMBERS OF SENIOR MANAGEMENT

Mr. Zhang Fa'en resigned as the Chief Technical Officer of the Company due to work arrangements with effect from 25 March 2026 and was re-designated as the Chief Scientist of the Company on the same date. On 25 March 2026, Dr. Li Fan was appointed as the Chief Technical Officer of the Company.

Mr. Wang Hua resigned from his positions as a non-executive Director of the Company and a member of the Audit Committee due to his personal work arrangements with effect from 15 May 2026. Ms. Tao Ning was appointed as a non-executive Director of the Company and a member of the Audit Committee on 15 May 2026.

Mr. He Tao was elected as an employee representative Director at the employee meeting of the Company on 15 May 2026.

Since 15 May 2026, the Company shall no longer maintain a Supervisory Committee. Ms. Lin Ying, Ms. Duan Chengjin and Ms. Gao Lingyan shall no longer serve as Supervisors with effect from the same date.

CHANGES TO THE INFORMATION OF DIRECTORS, SUPERVISORS AND MEMBERS OF SENIOR MANAGEMENT

During the Reporting Period, save as disclosed in this report, there has been no change in the information of the Directors, Supervisors and members of senior management as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had 655 employees. During the six months ended 30 June 2026, the employee benefit expenses of the Group amounted to approximately RMB154.8 million, as compared to approximately RMB168.6 million during the six months ended 30 June 2025. The Group integrates its human resources strategy with remuneration plans based on different job sequences to provide all employees with competitive salaries and incentives based on performance contributions. The Group also contributes to social security and provident funds for all employees in accordance with the law, and provides a comprehensive benefit plan including retirement schemes, supplementary medical insurance, accident insurance, annual health check and various subsidies.



EMPLOYEE TRAINING

Based on the Company's business goals and employee career development needs, the Group matches the corresponding capacity enhancement resources with employees at all levels and various career development stages. For all employees, we focus on cultivating workplace skills, and help them improve their professional quality and work efficiency through classroom learning and picture and text sharing; for new employees, we focus on cultivating corporate culture and company environment, efficient office and institutional processes, etc., through NEO (New Employee Orientation), partnership system, On Boarding newcomer introduction, etc., to help them successfully blend in and become qualified Qizhi people (奇智人); for new managers and core employees, we focus on cultivating business ability, foundational leadership and management experience, through classroom learning, IDP personal development plan, etc., to stimulate team momentum; for executives, we focus on cultivating business maturity, leadership, capital markets and strategic strength to promote organizational development.

EMPLOYEE INCENTIVE

To incentivize the management team, retain talent and promote the long-term sustainable development of the Company, the Group has adopted the Employee Incentive Scheme pursuant to the resolution of the general meeting on 31 March 2021 as an amendment, restatement and consolidation of the previous versions of employee share incentive schemes adopted by the Group since 2018.

To encourage, motivate and retain Directors and employees who contribute to the Group's ongoing operations, development and long-term growth, to enhance the Company's ability to attract new talents, and to send positive signals to the market and boost market confidence, the Group has adopted the 2023 Directors and Senior Management H Share Incentive Scheme in accordance with the resolution of the general meeting on 13 January 2023, which was capped at a maximum of 25,000,000 H Shares.

In order to improve the Company's incentive mechanism, motivate the Company's Directors, senior management and employees to continue to innovate, retain key personnel, enhance the Company's ability to attract new talents, achieve sustainable development for the Company's business, and balance long-term growth and short-term performance goals, the Group has adopted the 2024 H Share Incentive Scheme in accordance with the resolution of the general meeting on 10 May 2024. The maximum cap for the 2024 H Share Incentive Scheme is the maximum number of H Shares that will be acquired by the Trustee through on-market transactions from time to time at prevailing market price with funds in the amount of not more than RMB300 million.



Corporate Governance and Other Matters

USE OF PROCEEDS FROM SHARE PLACING

In order to enhance the financial strength, enhance market competitiveness and comprehensive strength, and promote the long-term healthy and sustainable development of the Company, on 14 June 2023, the Company successfully placed a total of 19,900,000 new H Shares with nominal value of RMB1.00 each to not less than six Placees (who are professional, institutional or other investors), who and whose ultimate beneficial owner(s) are independent persons and not connected persons of the Company, at the Placing Price of HK\$19.70 per H Share (a discount of approximately 16.17% to the closing price of HK\$23.50 per H Share quoted on the Hong Kong Stock Exchange on 6 June 2023 (being the date of the Placing Agreement)).

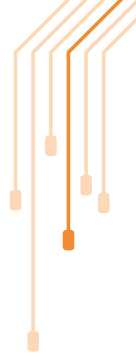
The net proceeds from the Placing (the **"Proceeds from the Placing"**) amounted to approximately HK\$378,856,331. The Company currently intends to use such net proceeds for the following purposes:

Use	Amount	Amount (RMB)	Percentage	The unutilized net proceeds as of 31 December 2025	The actual use of net proceeds during the Reporting Period	The unutilized net proceeds as of 30 June 2026	The unutilized net proceeds after the change of use of proceeds in the announcement dated 26 August 2026	Expected timeline for utilization of the unutilized net proceeds
Investment in R&D	Approximately HK\$151.5 million	Approximately RMB139.1 million	About 40.0%	Approximately RMB4.30 million	Approximately RMB1.89 million	Approximately RMB2.41 million	Approximately RMB33.19 million	On or before 31 December 2029
Investment in sales and marketing	Approximately HK\$37.9 million	Approximately RMB34.77 million	About 10.0%	Approximately RMB31.82 million	–	Approximately RMB31.82 million	–	On or before 31 December 2029
Investment in strategic expansion	Approximately HK\$113.7 million	Approximately RMB104.32 million	About 30.0%	Approximately RMB104.32 million	–	Approximately RMB104.32 million	–	On or before 31 December 2029
Investment in enhancing our internal system and upgrading our IT infrastructure	Approximately HK\$37.9 million	Approximately RMB34.77 million	About 10.0%	–	–	–	–	On or before 31 December 2029
Working capital	Approximately HK\$37.9 million	Approximately RMB34.77 million	About 10.0%	Approximately RMB11.90 million	Approximately RMB6.01 million ⁽¹⁾	Approximately RMB5.89 million	Approximately RMB111.25 million	On or before 31 December 2029

Note:

- (1) Among them, RMB0.28 million was used for project procurement and other purposes, and RMB5.73 million was used for professional technical services, staff costs and other expenses.

Corporate Governance and Other Matters



The Company published an announcement on 26 August 2024 regarding the extension of the useful life of the Proceeds from the Placing from 31 December 2024 to 31 December 2027. The Company also published an announcement on 22 August 2025 regarding the reallocation of unutilized net proceeds of approximately RMB34.77 million, originally intended to be used as investment in enhancing our internal system and upgrading our IT infrastructure, with approximately RMB10 million reallocated to investment in R&D and approximately RMB24.77 million reallocated to working capital. The Company also published an announcement on 26 August 2026 regarding the reallocation of unutilized net proceeds of approximately RMB31.82 million, originally intended to be used as investment in sales and marketing, with approximately RMB30.78 million reallocated to investment in R&D and approximately RMB1.04 million reallocated to working capital, the reallocation of the entire unutilized net proceeds originally intended to be used as investment in strategic expansion of approximately RMB104.32 million to working capital, and the extension of the useful life of the Proceeds from the Placing from 31 December 2027 to 31 December 2029.

The Company has utilized the net Proceeds from the Placing in accordance with the proposed uses as set out in the aforementioned announcements and schemes. The unutilized net Proceeds from the Placing will be utilized in accordance with the revised use of proceeds as stated above and in the same manner as previously disclosed by the Company. For further details of the Placing, the use and the useful life of the Proceeds from the Placing, and the reasons for and benefits of the change of use and expected timeline of the Proceeds from the Placing, please refer to the announcements of the Company dated 7 June 2023, 14 June 2023, 26 August 2024, 22 August 2025 and 26 August 2026, as well as the Company's 2024 interim report.



Corporate Governance and Other Matters

USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING

The shares of the Company were listed on the Main Board of the Hong Kong Stock Exchange on 27 January 2022 and 44,744,400 shares with nominal value of RMB1.00 each were issued to Hong Kong and overseas investors at an offer price of HK\$26.3 per share. The net proceeds received by the Company from the Global Offering (the “**IPO Proceeds**”), after deduction of the underwriting commission and other estimated expenses payable by the Company, are estimated to be approximately HK\$1,070.1 million. The Company currently intends to use such net proceeds for the following purposes:

Use	Amount	Amount (RMB)	Percentage	The unutilized net proceeds as of 31 December 2025	The actual use of net proceeds during the Reporting Period	The unutilized net proceeds as of 30 June 2026	Expected timeline for utilization of the unutilized net proceeds
Enhancing our R&D capabilities	Approximately HK\$481.6 million	Approximately RMB392.05 million	About 45.0%	Approximately RMB12.48 million	–	Approximately RMB12.48 million	On or before 31 December 2029
Enhancing our commercialization capabilities	Approximately HK\$267.5 million	Approximately RMB217.81 million	About 25.0%	–	–	–	On or before 31 December 2029
Potential strategic investments and acquisitions	Approximately HK\$107.0 million	Approximately RMB87.12 million	About 10.0%	–	–	–	On or before 31 December 2029
Strengthening internal systems and upgrading information infrastructure	Approximately HK\$107.0 million	Approximately RMB87.12 million	About 10.0%	–	–	–	On or before 31 December 2029
Working capital and general corporate use	Approximately HK\$107.0 million	Approximately RMB87.12 million	About 10.0%	Approximately RMB19.96 million	Approximately RMB10.99 million ⁽¹⁾	Approximately RMB8.97 million	On or before 31 December 2029

Note:

- (1) Among them, RMB Nil was used for project procurement and other purposes, and RMB10.99 million was used for professional technical services, staff costs and other expenses.

Corporate Governance and Other Matters

To increase the efficiency in use of capital, with the approval of the Board, the Company has extended the use of proceeds as set out in the Prospectus by changing “short-term deposits with banks or qualified financial institutions” to “short-term deposits with banks or qualified financial institutions, or to purchase wealth management products, including but without limitation to structured deposits, treasury bonds, central bank bills, bond repurchase, money funds and bond funds”.

The Company has published an announcement on 26 August 2024 regarding the reallocation of approximately RMB87.12 million of the unutilized net proceeds originally intended for potential strategic investments and acquisitions, and approximately RMB27 million of unutilized net proceeds originally intended for strengthening internal systems and upgrading information infrastructure, to working capital and general corporate use, and the extension of the useful life of the IPO Proceeds from 31 December 2024 to 31 December 2025. The Company also published an announcement on 22 August 2025 regarding the reallocation of approximately RMB8.75 million of unutilized net proceeds originally intended for enhancing our commercialization capabilities to working capital and general corporate use, and the reallocation of approximately RMB20.24 million of unutilized net proceeds originally intended for strengthening internal systems and upgrading information infrastructure to enhancing our R&D capabilities, and the extension of the useful life of the IPO Proceeds from 31 December 2025 to 31 December 2027. The Company also published an announcement on 26 August 2026 regarding the extension of the useful life of the IPO Proceeds from 31 December 2027 to 31 December 2029.

The Company has utilized the net IPO Proceeds in accordance with the proposed uses as set out in the Prospectus and the aforementioned announcements and schemes. The unutilized net IPO Proceeds will be utilized in accordance with the proposed use as set out in the Prospectus and the revised use of proceeds as stated above and in the same manner as previously disclosed by the Company. For further details of the Global Offering, the use and the useful life of the IPO Proceeds, and the reasons for and benefits of the change of use and expected timeline of the IPO Proceeds, please refer to the Prospectus, the announcements of the Company dated 26 August 2024, 22 August 2025 and 26 August 2026, as well as the Company’s 2024 interim report.

Corporate Governance and Other Matters

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

During the Reporting Period, the Company repurchased a total of 2,068,000 H Shares (the “**Repurchased Shares**”) on the Stock Exchange for a total consideration of approximately HK\$9,639,068. Details of the Repurchased Shares are as follows:

Month of repurchase	Number of Repurchased Shares	Highest price (HK\$)	Lowest price (HK\$)	Total consideration (HK\$)
March	783,100	5.15	4.75	3,887,340
April	323,300	5.39	5.19	1,712,059
June	961,600	4.5	3.9	4,039,669
Total	2,068,000	–	–	9,639,068

The Repurchased Shares during the Reporting Period are held by the Company as Treasury Shares and will be disposed of or utilized based on the comprehensive consideration of market conditions and the Company's capital management needs.

As at 30 June 2026, the Company had not cancelled the Repurchased Shares. The balance of the issued Shares of the Company was 563,544,438 shares (including 10,515,700 Treasury Shares). The Repurchased Shares as referred to in the circulars of the Company dated 24 April 2025 and 17 April 2026 were for the purpose of safeguarding the value of the Company and the interests of the Shareholders.

Save as disclosed above, neither the Company nor its subsidiaries have purchased, sold or redeemed any of the Company's listed securities (including sale of Treasury Shares) during the Reporting Period.

ISSUED SHARE CAPITAL

As of 30 June 2026, the total share capital of the Company was RMB563,544,438, divided into 563,544,438 shares of RMB1.00 each. Details of the movement of the share capital of the Company during the Reporting Period are set out in note 21 to the financial statements.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2026.

REVIEW OF INTERIM REPORT BY AUDIT COMMITTEE

The members of the Audit Committee of the Company consist of Mr. Xie Deren (Chairman of the Committee), Ms. Tao Ning and Ms. Ko Wing Yan Samantha. The interim results announcement for the six months ended 30 June 2026, the 2026 interim report and the unaudited interim financial statements for the six months ended 30 June 2026 of the Group, which were prepared in accordance with the requirements under the International Financial Reporting Standards, have been reviewed and confirmed by the Audit Committee of the Company.

Changes in Share Capital and Information of Shareholders

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

As at 30 June 2026, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code are set out below:

Interest in the Shares of the Company

Name of Directors and chief executives of the Company	Nature of interest	Number of ordinary Shares held	Long position/ short position	Approximate percentage of the issued Shares ⁽¹⁾
Mr. Xu Hui	Beneficial interest	87,868,780	Long position	15.59%
	Interest in controlled corporation	26,130,926	Long position	4.64%
Mr. He Tao	Beneficial owner	4,188,299	Long position	0.74%
	Interest in controlled corporation	5,644,217	Long position	1.00%
Ms. Tao Ning ⁽²⁾	Beneficial interest	2,160,000	Long position	0.38%
	Interest held jointly with another person	152,280,000	Long position	27.02%
Mr. Xie Deren	Beneficial interest	882,226	Long position	0.16%

Notes:

- (1) As at 30 June 2026, the balance of the issued Shares of the Company was 563,544,438 shares (including 10,515,700 Treasury Shares).
- (2) Sinovation Ventures, Nuosai Yucheng, Mr. Wang Hua and Ms. Tao Ning directly held 135,000,000, 8,640,000, 8,640,000 and 2,160,000 Shares in the Company, respectively. Pursuant to concert party arrangement, Sinovation Ventures, Nuosai Yucheng, Mr. Wang Hua, Ms. Tao Ning, Ms. Lang Chunhui and Mr. Zhang Ying formed the Single Largest Shareholders Group. As such, each of Mr. Wang Hua, Ms. Tao Ning, Ms. Lang Chunhui and Mr. Zhang Ying is deemed to be interested in the Shares held by other member of the Single Largest Shareholders Group.

Save as disclosed above, as at 30 June 2026, none of the Directors or the chief executives of the Company had or were deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (iii) to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

Changes in Share Capital and Information of Shareholders

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

So far as known to any Directors or chief executives of the Company, as at 30 June 2026, the persons (other than the Directors and the chief executives of the Company) or corporations who had interest or short positions in the Shares and underlying Shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of Shareholder	Nature of interest	Number of ordinary Shares held	Long position/ short position	Approximate percentage of the issued Shares ⁽¹⁾
Sinovation Ventures ⁽¹⁾	Beneficial interest	135,000,000	Long position	23.96%
	Interest held jointly with another person	19,440,000	Long position	3.44%
Nuosai Yucheng ⁽¹⁾	Beneficial interest	8,640,000	Long position	1.53%
	Interest held jointly with another person	145,800,000	Long position	25.87%
Mr. Wang Hua ⁽¹⁾	Beneficial interest	8,640,000	Long position	1.53%
	Interest held jointly with another person	145,800,000	Long position	25.87%
Ms. Tao Ning ⁽¹⁾	Beneficial interest	2,160,000	Long position	0.38%
	Interest held jointly with another person	152,280,000	Long position	27.02%
Ms. Lang Chunhui ⁽¹⁾	Interest held jointly with another person	154,440,000	Long position	27.40%
Mr. Zhang Ying ⁽¹⁾	Interest held jointly with another person	154,440,000	Long position	27.40%

Changes in Share Capital and Information of Shareholders

Name of Shareholder	Nature of interest	Number of		Approximate percentage of the issued Shares ⁽¹⁾
		ordinary Shares held	Long position/ short position	
SB Global Advisers Capital Markets Limited	Interest in controlled corporation	39,326,630	Long position	6.98%
SB Global Advisers Limited	Interest in controlled corporation	39,326,630	Long position	6.98%
SoftBank Group Corp.	Interest in controlled corporation	39,326,630	Long position	6.98%
SoftBank Group Overseas GK	Interest in controlled corporation	39,326,630	Long position	6.98%
SoftBank Vision Fund II-2 L.P.	Interest in controlled corporation	39,326,630	Long position	6.98%
SVF II Aggregator (Jersey) L.P.	Interest in controlled corporation	39,326,630	Long position	6.98%
SVF II GP (Jersey) Limited	Interest in controlled corporation	39,326,630	Long position	6.98%
SVF II Holdings (DE) LLC	Interest in controlled corporation	39,326,630	Long position	6.98%
SVF II Holdings (Singapore) Pte Ltd.	Interest in controlled corporation	39,326,630	Long position	6.98%
SVF II Investment Holdings (Subco) LLC	Interest in controlled corporation	39,326,630	Long position	6.98%
SVF II Investment Holdings LLC	Interest in controlled corporation	39,326,630	Long position	6.98%
SVF II Zeal Subco (Singapore) Pte. Ltd.	Beneficial interest	39,326,630	Long position	6.98%
China International Capital Corporation Limited ("CICC") ⁽²⁾	Interest in controlled corporation	37,729,822	Long position	6.70%
		429,900	Short position	0.08%
	Beneficial interest	10,658,500	Short position	1.89%

Changes in Share Capital and Information of Shareholders

Notes:

- (1) Sinovation Ventures, Nuosai Yucheng, Mr. Wang Hua and Ms. Tao Ning directly held 135,000,000, 8,640,000, 8,640,000 and 2,160,000 Shares in our Company, respectively. Sinovation Ventures and Nuosai Yucheng are collectively controlled by Mr. Wang Hua, Ms. Tao Ning, Ms. Lang Chunhui and Mr. Zhang Ying pursuant to a concert party agreement among themselves. Sinovation Ventures, Nuosai Yucheng, Mr. Wang Hua and Ms. Tao Ning have been acting in concert and will continue to act in concert at the Company's general meetings and Board meetings pursuant to a concert party agreement among themselves. As a result, Sinovation Ventures, Nuosai Yucheng, Mr. Wang Hua, Ms. Tao Ning, Ms. Lang Chunhui and Mr. Zhang Ying form our Single Largest Shareholders Group. As such, each of Sinovation Ventures, Nuosai Yucheng, Mr. Wang Hua, Ms. Tao Ning, Ms. Lang Chunhui and Mr. Zhang Ying is deemed to be interested in the Shares held by other members of our Single Largest Shareholders Group.
- (2) Among the interests in the Shares of our Company held by CICC, 448,700 Shares (long position) and 11,145,100 Shares (short position) were non-listed derivative instruments settled in cash.

Save as disclosed above, as at 30 June 2026, the Directors and the chief executives of the Company were not aware of any other person or corporation having an interest or short position in the Shares or underlying Shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Report on Review of Interim Financial Information

**TO THE BOARD OF DIRECTORS OF
AINNOVATION TECHNOLOGY GROUP CO., LTD.**

(incorporated in the People's Republic of China with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 48 to 82, which comprises the interim condensed consolidated statement of financial position of Alnnovation Technology Group Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2026 and the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting". The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26 August 2026

Interim Condensed Consolidated Statement of Comprehensive Income

For the Six Months Ended 30 June 2026

	Note	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	7	828,981	698,981
Cost of sales	8	(535,352)	(454,253)
Gross profit		293,629	244,728
Selling and distribution expenses	8	(63,166)	(73,571)
General and administrative expenses	8	(92,197)	(90,069)
Research and development expenses	8	(172,102)	(164,564)
Net impairment losses on financial assets		(35,559)	(4,110)
Other income	9	9,225	20,817
Other (losses)/gains, net	10	(188)	4,582
Operating loss		(60,358)	(62,187)
Finance costs	11	(2,266)	(3,140)
Finance income	11	895	2,392
Finance costs – net		(1,371)	(748)
Loss before income tax		(61,729)	(62,935)
Income tax (expense)/credit	12	(1,112)	2,422
Loss for the period		(62,841)	(60,513)
Other comprehensive income/(loss), net of tax			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Fair value change of financial assets at fair value through other comprehensive income		(75)	–
<i>Items that may be reclassified subsequently to profit or loss</i>			
Currency translation differences		508	(185)
Other comprehensive income/(loss) for the period, net of tax		433	(185)
Total comprehensive loss for the period		(62,408)	(60,698)

Interim Condensed Consolidated Statement of Comprehensive Income

For the Six Months Ended 30 June 2026

	Note	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Loss for the period attributable to:			
Owners of the Company		(65,107)	(56,156)
Non-controlling interests		2,266	(4,357)
Loss for the period		(62,841)	(60,513)
Total comprehensive loss for the period attributable to:			
Owners of the Company		(64,671)	(56,237)
Non-controlling interests		2,263	(4,461)
Total comprehensive loss for the period		(62,408)	(60,698)
Basic and diluted loss per share for loss attributable to the owners of the Company (in RMB)	14	(0.13)	(0.10)

The notes on pages 55 to 82 are an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	Note	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	15	25,612	42,973
Right-of-use assets	15	12,228	30,557
Intangible assets	15	143,554	159,712
Goodwill	15	135,140	135,140
Deferred income tax assets		–	7,007
Financial assets at fair value through other comprehensive income	19	10,398	1,803
Financial assets at fair value through profit or loss	20	16,750	16,750
Other non-current assets		5,717	11,169
Total non-current assets		349,399	405,111
Current assets			
Inventories	16	136,681	208,602
Trade and notes receivables	17	487,281	416,631
Prepayments and other receivables	18	292,726	364,274
Financial assets at fair value through other comprehensive income	19	24,264	10,004
Financial assets at fair value through profit or loss	20	–	3,414
Restricted cash		2,954	23,301
Cash and cash equivalents		718,176	830,881
Total current assets		1,662,082	1,857,107
Total assets		2,011,481	2,262,218
EQUITY			
Equity attributable to owners of the Company			
Share capital	21	563,545	563,545
Share premium	21	2,626,071	2,626,071
Less: Treasury shares	22	(551,729)	(482,131)
Other reserves		1,231,317	1,192,287
Accumulated losses		(2,759,371)	(2,694,189)
		1,109,833	1,205,583
Non-controlling interests		149,951	175,265
Total equity		1,259,784	1,380,848

Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	Note	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
LIABILITIES			
Non-current liabilities			
Lease liabilities		4,727	23,061
Deferred income tax liabilities		17,278	18,070
Other non-current liabilities		6,983	11,718
Total non-current liabilities		28,988	52,849
Current liabilities			
Borrowings	23	74,439	122,244
Lease liabilities		8,082	15,552
Trade and notes payables	24	421,935	317,684
Contract liabilities		60,264	155,533
Other payables and accruals	25	120,796	179,310
Current income tax liabilities		—	4,670
Financial liabilities at fair value through profit or loss	26	37,193	33,528
Total current liabilities		722,709	828,521
Total liabilities		751,697	881,370
Total equity and liabilities		2,011,481	2,262,218

The notes on pages 55 to 82 are an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Changes In Equity

For the Six Months Ended 30 June 2026

		(Unaudited)						
		Attributable to owners of the Company						
Note	Less:		Share premium	Other reserves	Accumulated losses	Total	Non-controlling interests	Total equity
	Share capital	Treasury shares						
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2026	563,545	(482,131)	2,626,071	1,192,287	(2,694,189)	1,205,583	175,265	1,380,848
(Loss)/profits for the period	-	-	-	-	(65,107)	(65,107)	2,266	(62,841)
Other comprehensive loss								
– Fair value change of financial assets at fair value through other comprehensive income	-	-	-	(75)	-	(75)	-	(75)
– Currency translation differences	-	-	-	511	-	511	(3)	508
Total other comprehensive loss for the period	-	-	-	436	-	436	(3)	433
Transactions with owners in their capacity as owners								
– Repurchase of shares	22	(69,598)	-	-	-	(69,598)	-	(69,598)
– Share-based payment expenses		-	-	48,319	-	48,319	-	48,319
– Debt waiver for a non-wholly owned subsidiary		-	-	(9,800)	-	(9,800)	9,800	-
– Disposal of subsidiaries		-	-	-	-	-	(40,327)	(40,327)
– Capital injection by non-controlling interests		-	-	-	-	-	2,950	2,950
– Derecognition of financial assets at fair value through other comprehensive income		-	-	75	(75)	-	-	-
Total transactions with owners in their capacity as owners		(69,598)	-	38,594	(75)	(31,079)	(27,577)	(58,656)
Balance at 30 June 2026	563,545	(551,729)	2,626,071	1,231,317	(2,759,371)	1,109,833	149,951	1,259,784

Interim Condensed Consolidated Statement of Changes In Equity

For the Six Months Ended 30 June 2026

(Unaudited)								
	Note	Attributable to owners of the Company						Total equity RMB'000
		Share capital RMB'000	Less: Treasury shares RMB'000	Share premium RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Non-controlling interests RMB'000	
Balance at 1 January 2025		565,051	(313,711)	2,631,580	1,103,042	(2,442,062)	1,543,900	168,328
Loss for the period		-	-	-	-	(56,156)	(56,156)	(4,357)
Other comprehensive loss								
– Currency translation differences		-	-	-	(81)	-	(81)	(104)
Total other comprehensive loss for the period		-	-	-	(81)	-	(81)	(104)
Transactions with owners in their capacity as owners								
– Shares cancelled	22	(1,506)	7,015	(5,509)	-	-	-	-
– Repurchase of shares	22	-	(61,212)	-	-	-	(61,212)	-
– Share-based payment expenses		-	-	-	36,965	-	36,965	-
– Transactions with non-controlling interests		-	-	-	-	-	5,720	-
Total transactions with owners in their capacity as owners		(1,506)	(54,197)	(5,509)	36,965	-	(24,247)	5,720
Balance at 30 June 2025		563,545	(367,908)	2,626,071	1,139,926	(2,498,218)	1,463,416	169,587

The notes on pages 55 to 82 are an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Cash Flows

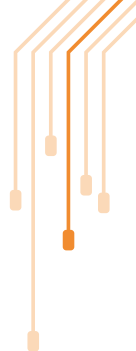
For the Six Months Ended 30 June 2026

	Note	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Cash flows from operating activities			
Cash used in operations		(13,434)	(10,138)
Interest received		895	2,392
Income taxes paid		(2,037)	(673)
Net cash used in operating activities		(14,576)	(8,419)
Cash flows from investing activities			
Payments of property, plant and equipment and intangible assets		(2,869)	(3,129)
Proceeds from disposals of property, plant and equipment		31	9
Disposal of subsidiaries		(9,786)	–
Proceeds from disposal of financial assets at fair value through profit or loss		840,010	1,924,600
Payments of financial assets at fair value through profit or loss		(840,010)	(1,971,350)
Interest received on financial assets at fair value through profit or loss		2,451	5,871
Proceeds from financial assets at fair value through other comprehensive income		1,728	–
Payments of contingent consideration		(663)	–
Loans to a related party	28	–	(690)
Repayment of loans from a related party	28	–	690
Net cash used in investing activities		(9,108)	(43,999)
Cash flows from financing activities			
Capital injection in subsidiaries from non-controlling interests		2,950	5,720
Withdrawal by non-controlling interests		–	(7,350)
Repurchase of shares		(54,593)	(115,190)
Proceeds from bank borrowings		41,780	52,180
Repayments of bank borrowings		(58,990)	(66,000)
Interest paid of bank borrowings		(1,665)	(1,985)
Proceeds from related parties borrowing	28	–	4,960
Repayments of related parties borrowing	28	(6,350)	(14,591)
Payments of lease liabilities		(11,736)	(13,115)
Net cash used from financing activities		(88,604)	(155,371)
Net decrease in cash and cash equivalents		(112,288)	(207,789)
Cash and cash equivalents at beginning of the period		830,881	1,204,879
Exchange losses on cash and cash equivalents		(417)	(44)
Cash and cash equivalents at the end of the period		718,176	997,046

The notes on pages 55 to 82 are an integral part of this interim condensed consolidated financial information.

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026



1 General information of the Group

Alnovation Technology Group Co., Ltd. (the "Company") was incorporated in the People's Republic of China (the "PRC") on 6 February 2018 as a limited liability company and changed the type of enterprise from a limited liability company to a joint stock company on 19 May 2021. The address of the Company's registered office is Room 501, Block A, Haier International Plaza, No. 939 Zhenwu Road, Economic Development Zone, Jimo District, Qingdao, Shandong, PRC.

The Company and its subsidiaries (collectively, the "Group") mainly conduct research and development of artificial intelligence technologies and provide artificial intelligence-based software and hardware technology solutions services in the PRC.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 27 January 2022.

This interim condensed consolidated financial information is presented in thousands of Renminbi ("RMB"), unless otherwise stated.

This interim condensed consolidated financial information has been reviewed, not audited.

2 Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2026 has been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim financial reporting". The interim condensed consolidated financial information does not include all the notes of the type normally included in annual financial statements. Accordingly, the interim condensed consolidated financial information should be read in conjunction with the Group's annual audited consolidated financial statements for the year ended 31 December 2025, which have been prepared in accordance with IFRS Accounting Standards.

3 Accounting policies information

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2025, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total earnings for the full financial year.



Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

3 Accounting policies information (continued)

(i) New and amended standards adopted by the Group

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies as a result of adopting these standards.

Standards and amendments	Key requirements	Effective for annual periods beginning on or after
IFRS 9 and IFRS 7 (Amendments)	Classification and Measurement of Financial Instruments	1 January 2026
IFRS 9 and IFRS 7 (Amendments)	Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to IFRS Accounting Standards	Annual Improvements	1 January 2026

(ii) New and amended standards not yet adopted by the Group

The followings are new accounting standards, amendments to accounting standards and interpretations have been issued but not effective for the financial year beginning on 1 January 2026 and have not been early adopted by the Group. These standards, amendments or interpretations, except for IFRS 18 which will impact the presentation of statement of profit and loss, are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Standards and amendments	Key requirements	Effective for annual periods beginning on or after
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to IFRS 19	Amendments to Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IAS 28	Fair value option for investments in associates and joint ventures	1 January 2027
IFRS 20	Regulatory Assets and Regulatory Liabilities	1 January 2029
Amendments to IFRS 10 and IFRS 28	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

3 Accounting policies information (continued)**(ii) New and amended standards not yet adopted by the Group (continued)****(a) IFRS 18 Presentation and Disclosure in Financial Statements**

IFRS 18 will replace IAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- *Impact on consolidated statements of comprehensive income*

Although the adoption of IFRS 18 will have no impact on the Group's net loss, the Group expects that grouping items of income and expenses in the income statement into the new categories will impact how operating loss is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating loss:

Foreign exchange differences

Foreign exchange differences currently aggregated in the line item "other (losses)/gains – net" in operating loss might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit, unless doing so would involve undue cost or effort.

Gain or loss of investments measured at fair value through profit or loss

The gain or loss of investments measured at fair value through profit or loss currently aggregated in the line item "other (losses)/gains – net" in operating loss and will be presented below operating loss.

- *Impact on consolidated balance sheets*

The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.

- *Impact on disclosures*

The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for the first annual period of application of IFRS 18, a reconciliation for each line item in the income statement between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

3 Accounting policies information (continued)

(ii) New and amended standards not yet adopted by the Group (continued)

(a) IFRS 18 Presentation and Disclosure in Financial Statements (continued)

- *Impact on disclosures (continued)*

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

4 Estimates

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements for the year ended 31 December 2025, as described in those annual financial statements.

5 Fair value measurement of financial instruments

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

5.1 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted company investment.

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

5 Fair value measurement of financial instruments (continued)

5.1 Fair value hierarchy (continued)

The following table presents the Group's assets and liabilities that are measured and recognised at fair value on a recurring basis:

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 30 June 2026 (Unaudited)				
Assets				
Financial assets at FVTOCI				
– Notes receivables	–	–	24,264	24,264
– Unlisted company investment	–	–	10,398	10,398
	–	–	34,662	34,662
Financial assets at fair value through profit or loss ("FVTPL")				
– Unlisted company investment	–	–	16,750	16,750
Liabilities				
Financial liabilities at FVTPL				
– Contingent considerations	–	–	37,193	37,193

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

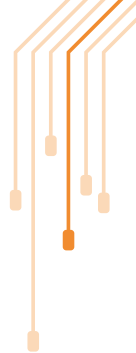
5 Fair value measurement of financial instruments (continued)

5.1 Fair value hierarchy (continued)

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 31 December 2025				
Assets				
Financial assets at FVTOCI				
– Notes receivables	–	–	10,004	10,004
– Unlisted company investment	–	–	1,803	1,803
	–	–	11,807	11,807
Financial assets at FVTPL				
– Unlisted company investment	–	–	16,750	16,750
– Listed equity securities	3,414	–	–	3,414
	3,414	–	16,750	20,164
Liabilities				
Financial liabilities at FVTPL				
– Contingent considerations	–	–	33,528	33,528

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026



5 Fair value measurement of financial instruments (continued)

5.2 Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments; and
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

There were no changes in valuation techniques during the six months ended 30 June 2026 and 2025. The Group also did not change any valuation techniques in determining the level 3 fair values.

There were no transfers between level 1, 2 and 3 during the six months ended 30 June 2026 and 2025.

The fair value of trade and notes receivables, other receivables, restricted cash, and cash and cash equivalents approximated to their carrying amounts.

The fair value of trade and notes payables, other payables and accruals (excluding payroll and welfare payables and other tax payables) and borrowings approximated their carrying amounts.

As at 30 June 2026, the discounted cash flow method was used to determine the fair value of notes receivables and contingent liabilities. The key assumption under the discounted cash flow method is discount rate (3.0% and 14.0%, respectively). The net asset value method was used to determine the fair value of unlisted company investment.



Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

5 Fair value measurement of financial instruments (continued)

5.3 Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 30 June 2026 and 2025:

	Financial assets at FVTPL RMB'000 (Unaudited)	Financial assets at FVTOCI RMB'000 (Unaudited)	Financial liabilities at FVTPL RMB'000 (Unaudited)
Six months ended 30 June 2026 (Unaudited)			
As at the beginning of the period	16,750	11,807	33,528
Additions	–	35,795	–
Change in fair value	–	–	3,665
Disposals	–	(12,940)	–
As at the end of the period	16,750	34,662	37,193
includes unrealised losses recognized in profit or loss attributable to balances held for six months ended 30 June 2026	–	–	3,665
Six months ended 30 June 2025 (Unaudited)			
As at the beginning of the period	–	18,393	106,009
Additions	16,750	48,274	–
Change in fair value	–	–	1,721
Disposals	–	(45,129)	–
As at the end of the period	16,750	21,538	107,730
includes unrealised losses recognized in profit or loss attributable to balances held for six months ended 30 June 2025	–	–	1,721

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

6 Segment information

The executive director of the Company has been identified as the chief operating decision-maker of the Group who reviews the Group's internal reporting in order to assess performance of the Group on a regular basis and allocate resources.

The revenue of the Group is primarily derived from artificial intelligence products and services. Therefore, the Group regards that there is only one segment which is used to make strategic decisions.

No geographical segment information is presented as most of the revenue and operating losses of the Group are derived within the PRC and most of the operating assets of the Group are located in the PRC, which is considered as one geographic location with similar risks and returns.

For the six months ended 30 June 2026 and 2025, no customer contributed over 10% of the total revenue of the Group.

7 Revenue

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Point in time		
– Sales of products and solutions	747,396	616,264
Over time		
– Sales of products and solutions	44,173	9,873
– Services of data solutions	37,412	72,844
	828,981	698,981

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

8 Expenses by nature

	Six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Material costs	376,151	267,920
Subcontracting costs	229,321	227,075
Employee benefit expenses	154,818	168,577
Computing power service fee	21,105	27,509
Amortisation of intangible assets (Note 15)	14,504	15,945
Service fees	10,647	16,345
Depreciation of property, plant and equipment (Note 15)	10,431	9,870
Depreciation of right-of-use assets (Note 15)	7,028	7,797
Marketing expenses	4,302	5,169
Travelling expenses	4,221	5,036
Rental and property management expenses	3,883	3,500
Other expenses	26,406	27,714
	862,817	782,457

9 Other income

	Six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Government grants	9,225	20,817

Government grants provided to the Group mainly related to financial assistance from the local governments in the PRC.

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

10 Other (losses)/gains, net

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Interests received on financial assets at FVTPL	2,451	5,871
Fair value losses on financial assets and liabilities at FVTPL	(3,481)	(1,522)
Others	842	233
	(188)	4,582

11 Finance costs and income

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Finance costs:		
Interest expenses on lease liabilities	(601)	(1,155)
Interest expenses on bank borrowings	(1,665)	(1,985)
Total finance costs	(2,266)	(3,140)
Finance income:		
Interest income from bank deposits	895	2,392
Finance costs – net	(1,371)	(748)

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

12 Income tax (expense)/credit

The amount of income tax charged to the consolidated statement of comprehensive income represents:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Current tax on profit for the period	(25)	(27)
Deferred income tax	(1,087)	2,449
Income tax (expense)/credit	(1,112)	2,422

The Company and its subsidiaries in the PRC are subject to the PRC corporate income tax at a rate of 25% on estimated assessable profits.

A number of subsidiaries of the Group obtained or kept the status as High and New Technology Enterprises during the six months ended 30 June 2026. According to the tax incentives of the Corporate Income Tax Law of the People's Republic of China (the "CIT Law") for High New Tech Enterprises, these companies are subject to a reduced corporate income tax rate of 15% for three years commencing from the years when these companies are recognized as High New Tech Enterprises.

A number of subsidiaries of the Group are entitled to the preferential policy of Small and Micro-sized Enterprises, for which the applicable income tax rate is 5%.

13 Dividends

The Board does not recommend an interim dividend for the six months ended 30 June 2026 (2025: Nil).

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

14 Loss per share

(a) Basic loss per share

The basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares (excluding treasury shares) issued during the six months ended 30 June 2026 and 2025.

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Loss from continuing operation attributable to the owners of the Company	(65,107)	(56,156)
Weighted average number of ordinary shares in issue ('000)	499,633	535,570
Basic loss per share (RMB)	(0.13)	(0.10)

(b) Diluted loss per share

As the Group incurred losses for the six months ended 30 June 2026 and 2025, the potential diluted ordinary shares related to treasury shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, the diluted loss per share for the six months ended 30 June 2026 and 2025 are the same as basic loss per share of the respective period.

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

15 Property, plant and equipment, right-of-use assets, intangible assets and goodwill

	Property, plant and equipment RMB'000 (Unaudited)	Right-of-use assets RMB'000 (Unaudited)	Intangible assets RMB'000 (Unaudited)	Goodwill RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Six months ended 30 June 2026 (Unaudited)					
Opening net book amount as at 1 January 2026	42,973	30,557	159,712	135,140	368,382
Additions	354	5,565	392	–	6,311
Disposal of subsidiaries	(7,051)	(1,947)	(2,046)	–	(11,044)
Disposals	(233)	(14,919)	–	–	(15,152)
Depreciation and amortisation (Note 8)	(10,431)	(7,028)	(14,504)	–	(31,963)
Net book amount as at 30 June 2026	25,612	12,228	143,554	135,140	316,534
Six months ended 30 June 2025 (Unaudited)					
Opening net book amount as at 1 January 2025	38,957	39,643	207,017	175,213	460,830
Additions	1,596	4,375	–	–	5,971
Disposals	(230)	(800)	–	–	(1,030)
Depreciation and amortisation (Note 8)	(9,870)	(7,797)	(15,945)	–	(33,612)
Net book amount as at 30 June 2025	30,453	35,421	191,072	175,213	432,159

The Group's intangible assets comprise customer relationship and technology from business combinations and other intangible assets.

During the six months ended 30 June 2026, the decrease in property, plant and equipment and intangible assets is primarily due to the disposal of subsidiaries, see Note 19(i) for more details.

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

16 Inventories

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Raw materials	8,258	63,713
Work in progress	127,443	143,484
Finished goods	1,084	1,941
	136,785	209,138
Less: allowance for impairment of inventories	(104)	(536)
	136,681	208,602

17 Trade and notes receivables

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Trade receivables	642,530	568,359
Less: Provision for impairment	(173,270)	(169,490)
	469,260	398,869
Notes receivables	18,021	17,762
	487,281	416,631

As at 30 June 2026 and 31 December 2025, notes receivables were bank acceptance notes mature in six months and commercial acceptance notes mature in one year.

The carrying amounts of trade and notes receivables approximate their fair values as at the balance sheet dates.

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

17 Trade and notes receivables (continued)

Movements on the Group's credit loss allowance for trade receivables are as follows:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
At beginning of the period	169,490	157,723
Provision for credit loss allowance	35,559	10,035
Written off	(3,661)	–
Disposal of subsidiaries	(28,118)	–
At end of the period	173,270	167,758

The majority of the Group's receivables are with credit term from 30 days to 180 days. As at 30 June 2026 and 31 December 2025, the aging of the trade receivables based on the recognition date of the gross trade receivables is as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Trade receivables		
Less than 3 months	343,882	270,910
3 months to 6 months	50,938	35,523
6 months to 12 months	94,941	104,061
1 year to 2 years	92,101	91,429
Over 2 years	60,668	66,436
	642,530	568,359

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

18 Prepayments and other receivables

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Other receivables		
– Deposits	16,140	12,150
– Deposits for share repurchase	14,530	30,715
– Receivables from disposal of subsidiaries	10,050	–
– Staff advances	1,930	2,023
– Others	10,230	8,924
Other receivables, gross	52,880	53,812
Provision for impairment	(382)	(5,136)
Other receivables, net	52,498	48,676
Prepayments to vendors	48,732	107,699
Recoverable value – added tax (“VAT”)	190,833	207,236
Recoverable income tax	663	663
Total	292,726	364,274

The carrying amounts of other receivables approximate their fair values as at the balance sheet dates.

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

19 Financial assets at fair value through other comprehensive income

The financial assets at FVTOCI comprise:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Current		
Debt investments		
– Notes receivables aged less than six months	24,264	10,004
Non-Current		
Unlisted company investment		
– Alnnovation EHigher (Shanghai) Intelligence Technology Co., Ltd. (“Shanghai EHigher”) (i)	10,398	–
– Hunlicar Chainnovation Limited	–	1,803
	34,662	11,807

- (i) On 11 June 2026, the Company entered into an equity transfer agreement with a purchaser and Shanghai EHigher, pursuant to which, the Company agreed to sell, and the purchaser agreed to acquire 21,440,000 shares of Shanghai EHigher, representing approximately 33.5% of the total number of shares of Shanghai EHigher, for a consideration of RMB20,100,000. Upon completion of the disposal, the Company's shareholding in Shanghai EHigher was reduced from 51% to 17.5%, and Shanghai EHigher ceased to be a subsidiary of the Company. Accordingly, its financial results ceased to be consolidated into the Group's financial statements. The remaining equity interest was remeasured to its fair value at the date of disposal, and was reclassified as financial asset at fair value through other comprehensive income.

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

20 Financial assets at fair value through profit or loss

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Unlisted company investment	16,750	16,750
Listed equity securities	–	3,414
	16,750	20,164

The Group invested an unlisted company with amount of RMB16,750,000 in March 2025, and classified it as a financial asset measured at fair value through profit or loss due to the redemption right obtained.

21 Share capital and share premium

The movements in share capital and share premium are set out below:

	Number of issued and fully paid shares	Share capital RMB'000	Share premium RMB'000	Total RMB'000
Six months ended 30 June 2026 (Unaudited)				
As at 31 December 2025 and 30 June 2026	563,544,438	563,545	2,626,071	3,189,616
Six months ended 30 June 2025 (Unaudited)				
As at 31 December 2024	565,050,738	565,051	2,631,580	3,196,631
Shares cancelled (i)	(1,506,300)	(1,506)	(5,509)	(7,015)
As at 30 June 2025	563,544,438	563,545	2,626,071	3,189,616

- (i) On 30 June 2025, the cumulative shares repurchased by the Company of 1,506,300 shares were cancelled (Note 22).

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

22 Treasury shares

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
At the beginning of the period	482,131	313,711
Shares repurchased under 2024 Share Repurchase Mandate (i)	–	6,958
Shares repurchased under 2025 Share Repurchase Mandate (ii)	4,937	15,222
Shares repurchased under 2026 Share Repurchase Mandate (iii)	3,511	–
Shares repurchased through trustees (iv)	61,150	39,032
Shares cancelled (v)	–	(7,015)
At the end of the period	551,729	367,908

- (i) Pursuant to the resolution passed by the shareholders of the Company at the annual general meeting convened on 10 May 2024, the Board of Directors of the Company was granted a general mandate (the “2024 Share Repurchase Mandate”) to repurchase the shares of the Company up to no more than 10% of the total number of the shares of the Company in issue at the time of the passing of the resolution at the annual general meeting which shall expire on the earliest of: (a) the conclusion of the annual general meeting of 2024 of the Company; or (b) the date on which the Share Repurchase Mandate is withdrawn or amended by a special resolution at the general meeting. On 25 October 2024, the Board of the Company duly resolved to exercise the 2024 Share Repurchase Mandate to repurchase the shares of the Company in the open market from time to time for a maximum amount not exceeding HK\$100,000,000.

For the six months ended 30 June 2026 and 2025, the number of shares repurchased by the Company under 2024 Share Repurchase Mandate totalled nil and 1,912,500 shares with total consideration amounting to approximately nil and HK\$7,508,000 (equivalent to approximately nil and RMB6,958,000).

- (ii) Pursuant to a resolution passed by the shareholders of the Company at the annual general meeting convened on 16 May 2025, the Board of Directors of the Company was granted a general mandate (the “2025 Share Repurchase Mandate”) to repurchase the shares of the Company up to not more than 10% of the total number of the shares of the Company in issue (excluding treasury shares) at the time of the passing of the resolution at the annual general meeting which shall expire on the earliest of: (a) the conclusion of the annual general meeting of 2025 of the Company; or (b) the date on which the Share Repurchase Mandate is withdrawn or amended by a special resolution at the general meeting. On 16 May 2025, the Board of the Company duly resolved to exercise the 2025 Share Repurchase Mandate and planned to repurchase the shares of the Company in the open market from time to time for a maximum amount not exceeding RMB100,000,000.

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

22 Treasury shares (continued)

- (ii) For the six months ended 30 June 2026 and 2025, the number of shares repurchased by the Company totalled 1,106,400 and 2,802,200 shares with total consideration amounting to approximately HK\$5,599,000 and HK\$16,662,000 (equivalent to approximately RMB4,937,000 and RMB15,222,000).
- (iii) Pursuant to a resolution passed by the shareholders of the Company at the annual general meeting convened on 15 May 2026, the Board of Directors of the Company was granted a general mandate (the "2026 Share Repurchase Mandate") to repurchase the shares of the Company up to not more than 10% of the total number of the shares of the Company in issue (excluding treasury shares) at the time of the passing of the resolution at the annual general meeting which shall expire on the earliest of: (a) the conclusion of the annual general meeting of 2026 of the Company; or (b) the date on which the Share Repurchase Mandate is withdrawn or amended by a special resolution at the general meeting. On 15 May 2026, the Board of the Company duly resolved to exercise the 2026 Share Repurchase Mandate and planned to repurchase the shares of the Company in the open market from time to time for a maximum amount not exceeding HK\$100,000,000.

For the six months ended 30 June 2026, the number of shares repurchased by the Company totalled 961,600 shares with total consideration amounting to approximately HK\$4,040,000 (equivalent to approximately RMB3,511,000).

- (iv) For the six months ended 30 June 2026 and 2025, the Company, through trustees, repurchased 13,565,700 shares and 7,422,700 shares at a total cash consideration of approximately HK\$69,402,000 and HK\$42,641,000 (equivalent to approximately RMB61,150,000 and RMB39,032,000) on the Hong Kong Stock Exchange respectively. The repurchased shares were recognized as treasury shares and will be fully used as awards shares under a new equity incentive scheme.
- (v) For the six months ended 30 June 2025, the number of shares cancelled by the Company totalled 1,506,300 shares with total consideration amounting to approximately HK\$7,608,000 (equivalent to approximately RMB7,015,000).

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

23 Borrowings

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Current		
– Borrowings in relation to discounting notes receivable (i)	439	3,254
– Bank loans, guaranteed (ii)	55,000	105,990
– Bank loans, unsecured	19,000	13,000
	74,439	122,244

The Group's borrowings comprised:

- (i) As at 30 June 2026, borrowings in relation to discounting notes receivables with aggregated amount of RMB439,000 represented the proceeds received from the discounting of the Group's notes receivable with recourse. As these notes receivable had not yet matured, the proceeds were recorded as borrowings.
- (ii) As at 30 June 2026, the bank loans with aggregated amount of RMB55,000,000 were guaranteed by: 1) Mr. Li Weiguo, the director and non-controlling shareholder of Qingdao Aolipu Qizhi Intelligent Industrial Technology Co., Ltd., to the extent of RMB25,000,000; 2) Mr. Li Weiguo and his spouse, to the extent of RMB23,000,000; 3) Mr. Ma Li, the director and non-controlling shareholder of Shanghai Compass Information Technology Co., Ltd., and his spouse, to the extent of RMB7,000,000.

For the six months ended 30 June 2026, the interest rates relating to the Group's borrowings ranged from 2.50% to 3.20% per annum (31 December 2025: 2.50% to 3.20% per annum). The borrowings of the Group are all loans denominated in RMB.

24 Trade and notes payables

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Accounts payable	414,935	316,276
Notes payable	7,000	1,408
	421,935	317,684

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

24 Trade and notes payables (continued)

As at 30 June 2026 and 31 December 2025, the aging analysis of the trade and notes payables based on transaction date were as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Within 3 months	248,745	134,645
Between 3 months and 6 months	26,971	31,587
Between 6 months and 1 year	79,026	55,700
Between 1 year and 2 years	48,831	68,340
Between 2 years and 3 years	18,362	27,412
	421,935	317,684

The carrying amounts of trade and notes payables approximate their fair values as at the balance sheet dates.

25 Other payables and accruals

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Payroll and welfare payables	56,807	74,989
Accruals and other payables	39,864	45,797
Other taxes payable	24,125	25,873
Other payables to related parties (Note 28)	—	22,000
Interest payable on convertible bond	—	9,276
Warranty	—	1,375
	120,796	179,310

The carrying amounts of other payables and accruals approximate their fair values as at the balance sheet dates.

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

26 Financial liabilities at fair value through profit or loss

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Contingent considerations (i)	37,193	33,528

- (i) In May 2023, the Company entered into one transfer agreement with the shareholders of Shanghai Compass Information Technology Co., Ltd. to acquire an aggregate 51% interests in the company with fixed consideration and contingent considerations which would be adjusted according to the performance commitment. The contingent considerations represented liabilities measured at fair value, and the fair values were determined using valuation model for which not all inputs are observable and are therefore within level 3 of the fair value hierarchy (Note 5.1). During the six months ended 30 June 2026, the change in fair value of contingent considerations amounted to approximately RMB3,665,000.

27 Commitments

Capital commitments

As at 30 June 2026 and 31 December 2025, the Group had the following capital commitments:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
Contracted but not provided for – Leasehold improvement	5	–

28 Related party transactions

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in holding power over the investee; exposure or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

28 Related party transactions (continued)

(a) Related parties

The directors of the Company are of the view that the following parties/companies were related parties that had transactions or balances with the Group during the six months ended 30 June 2026 and 2025:

Name of related parties	Relationship with the Company
Sinovation Ventures (Beijing) Enterprise Management Limited ("Sinovation Ventures")	Shareholder of the Company
CISDI (Chongqing) Information Technology Co., Ltd. ("CISDI Information")	Non-controlling shareholder of a subsidiary
CISDI Group Co., Ltd.	The parent company of CISDI Information
CISDI Engineering Co., Ltd.	Controlled by CISDI Group Co., Ltd.
Chongqing CISDI Engineering Consulting Co., Ltd.	Controlled by CISDI Group Co., Ltd.
Mr. Li Weiguo	Director and non-controlling shareholder of a subsidiary
Mr. Chen Hong*	Director and non-controlling shareholder of a subsidiary
Mr. Ma Li	Director and non-controlling shareholder of a subsidiary
Qingdao Shupu Intelligent Interconnection Technology Co., Ltd. ("Qingdao Shupu")	Associate of the Group

- * Mr. Chen Hong, a director and non-controlling shareholder of Shanghai EHigher, was considered a related party of the Company up to 11 June 2026, before Shanghai EHigher ceased to be a subsidiary of the Company.

Other than as disclosed elsewhere in this report, the following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the reporting period.

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

28 Related party transactions (continued)

(b) Transactions with related parties

	Six months ended 30 June 2026 RMB'000 (Unaudited)	Six months ended 30 June 2025 RMB'000 (Unaudited)
(i) Services provided by related parties		
CISDI Group Co., Ltd. and its subsidiaries	3,505	–
Qingdao Shupu	57	1,241
	3,562	1,241
(ii) Received loans from a related party		
Mr. Chen Hong	–	4,960
(iii) Repayment of loans to a related party		
Mr. Chen Hong	6,350	4,960
Mr. Li Weiguo and a company controlled by him	–	9,631
	6,350	14,591
(iv) Loans to a related party		
Qingdao Shupu	–	690
(v) Repayment of loans from a related party		
Qingdao Shupu	–	690

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

28 Related party transactions (continued)

(c) Balances with related parties

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000
(i) Receivables from related parties		
Trade		
Trade and notes receivables		
– CISDI Group Co., Ltd. and its subsidiaries	6,060	7,342
Provision for impairment	(5,073)	(4,238)
	987	3,104
(ii) Payables to related parties		
Trade		
Contract liabilities		
– CISDI Group Co., Ltd. and its subsidiaries	996	–
Trade payables		
– CISDI Group Co., Ltd. and its subsidiaries	3,747	–
	4,743	–
Non-Trade		
Other payables and accruals		
– Mr. Chen Hong	–	22,000

Notes to the Interim Condensed Consolidated Financial Information

For the Six Months Ended 30 June 2026

28 Related party transactions (continued)**(d) Key management compensation**

Key management includes directors (executive and non-executive), supervisors and the senior management of the Group. The compensation paid or payable to key management for employee services is shown below:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Salaries, bonus and other welfare	8,776	6,848
Share-based payment expenses	30,626	15,388
	39,402	22,236

29 Events after the reporting period

The Group had no significant events after the reporting period and up to the date of the approval of the unaudited interim condensed consolidated financial statements.



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