

What's Hot Today:

► Pony AI (2026 HK, HK\$74.20, HK\$32bn): Strong Robotaxi Demand Validates Sustainable Commercialization

Pony.AI posted solid 1Q26 growth, with Robotaxi posting strong end-market demand, driving positive UE in several core cities, substantiating commercialization of autonomous mobility. Furthermore, Bill of Materials (BOM) reduction will amplify per-vehicle profitability, and we remain positive on the company's long-term outlook.

Driven by Robotaxi and Intelligent Solutions: 1Q26 total revenue came in RMB236m (+145% YoY) with,

1). Robotaxi revenue stood at RMB59.1m (+395% YoY / +27% QoQ, 25% of total). Passenger fares surged 4.6x YoY, confirming strong demand of real user payments. Currently, its global fleet size has reached 1,700+ units, deployed in 9 countries including China, Qatar, Singapore, Croatia and South Korea. It is a leading player in major cities such as Beijing, Shanghai, Guangzhou and Shenzhen. It has also established partnership with OnTime and Verne under co-fleet models to penetrate more cities in China.

Looking ahead, the Mgt has raised its full-year 2026 targets of robotaxi fleet size from 3k to 3,5k units with revenue growth from 3x to 3.5x+YoY, and target to operate in over 20 cities globally. In addition, the 2027 model Robotaxi is expected to achieve a total vehicle BOM of no more than RMB 230k, providing a strong reason for rapid fleet expansion.

2). Robotruck revenue reached RMB70.3m (+31% YoY / -23% QoQ, 30% of total). The expanding fleet and higher traffic volume used by Sinotrans are the key reasons behind the growth. The QoQ drop would be affected by logistics off-season. The company's Gen4 truck is scheduled for mass production in 2H26. The L4 autonomous light-duty truck was launched in April, focusing on urban logistics scenarios. Leveraging the same software stack and operational infrastructure with Robotaxi, the light-duty truck is expected to reduce operating costs by approximately 50% compared to manned fleets.

3). Intelligent Solutions revenue came in at RMB107m (+246.5% YoY / +63% QoQ, 45% of total). Driven by strong demand on Atom ADC, which shipment grew more than 5x YoY, commonly used for low-speed delivery, street sweepers, logistics and humanoid robots. This marks Pony.AI's ability to leverage its L4 technology and software-hardware integration, packaging autonomous driving capabilities into standardized ADCs for external sale, thus becoming a supplier of autonomous hardware and solutions.

China & HK Indices	CLOSE	1D	YTD
HSI	24,961	-1.2%	-2.6%
HSCEI	8,436	-0.8%	-5.4%
HSCCI	4,353	-1.5%	8.4%
CSI300	4,816	-1.8%	4.0%
Shanghai A	4,224	-0.7%	8.2%
Shanghai B	274	-1.3%	8.2%
Shenzhen A	2,892	-1.3%	9.2%
Shenzhen B	1,131	0.1%	-10.5%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	50,866	-1.3%	5.8%
S&P 500	7,383	-2.6%	7.9%
Nasdaq	25,709	-4.2%	10.6%
Nikkei Index	64,291	-3.4%	27.7%
FTSE Index	10,368	0.1%	4.4%
CAC Index	8,218	-0.3%	0.8%
DAX Index	24,759	-0.7%	1.1%

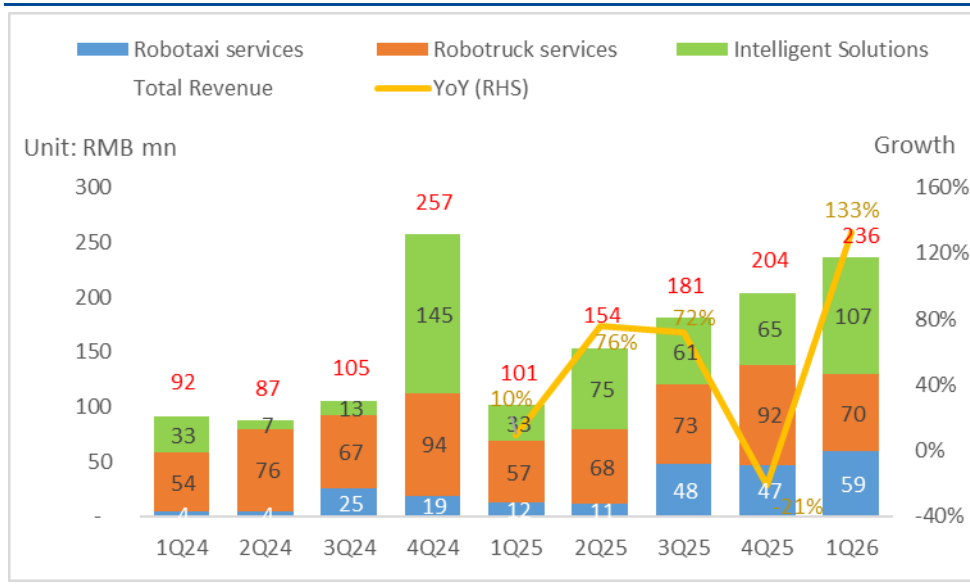
Commodities	CLOSE	1D	YTD
GOLD (US\$/oz.)	4,328	-3.3%	0.6%
STEEL (US\$/oz.)	3,298	-4.0%	29.7%
SILVER (US\$/oz.)	67	-8.2%	-4.6%
CRUDE OIL (US\$/bbl)	90	-2.7%	61.1%
COPPER (US\$/oz.)	13,519	-2.2%	8.8%
ALUMINIUM (US\$/oz.)	3,592	-3.0%	19.9%
PLATINUM (US\$/oz.)	1,780	-6.2%	-13.0%
ZINC (US\$/oz.)	3,530	-2.2%	13.2%
WHEAT (US\$/bu)	580	-0.3%	14.1%
CORN (US\$/bu)	446	-1.3%	-3.4%
SUGAR (US\$/lb)	119	-0.1%	
SOYBEAN (US\$/bu)	1,121	-0.7%	4.3%
PVC (US\$/t)	4,783	-1.5%	58.3%
CRB	376	-3.2%	3.0%
BDI		-4.6%	58.8%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.834	0.868	160.290	0.796	6.788
HKD	0.128		0.111	20.464	10.164	0.866
EUR	1.152	9.026		184.660	1.090	7.822
JPY	0.006	4.887	0.541		0.497	0.042
CHF	1.256	9.838	1.090	201.376		8.525
RMB	0.147	1.154	0.128	23.593	0.117	

Market Sentiment	CURRENT	5D
CDS Monitor - USD SR 5Y		
Greece	N/A	N/A
Ireland	83	-2.4%
Italy	139	-0.6%
Portugal	207	-0.0%
Spain	108	0.3%
VIX	21	40.4%

Source: Bloomberg

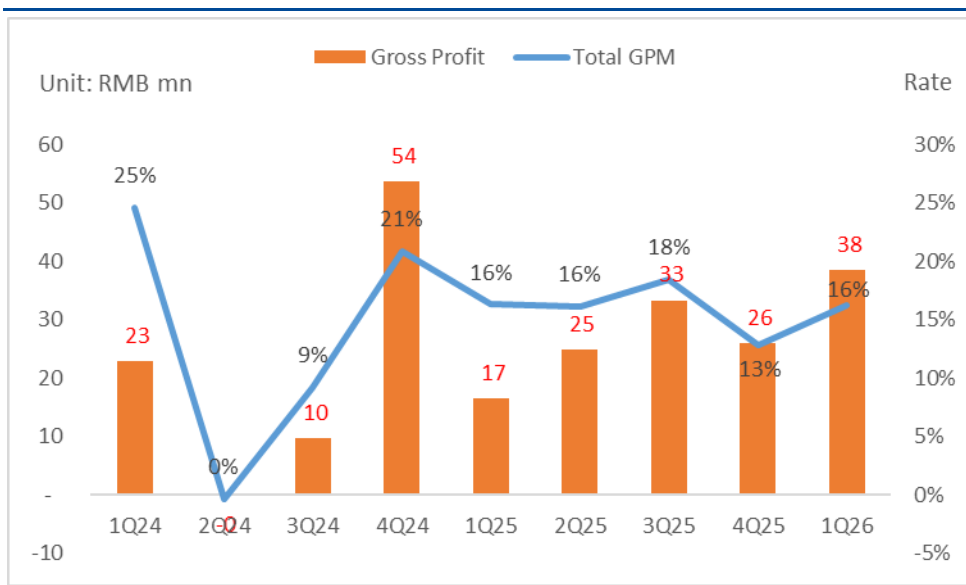
Fig 1: Total Revenue (RMB'mn)



Source: Company Data, Sunwah Kingsway Research

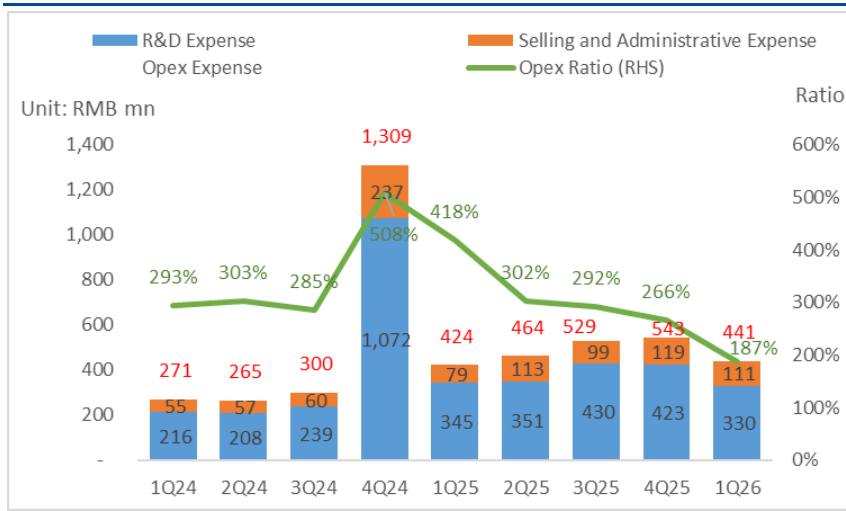
Stable GPM, Narrowing Core Loss: Overall GPM remained stable at 16.2%. OPEX ratio improved further to 187% (from 266% in 4Q25), benefiting from strong topline expansion, despite absolute OPEX remaining above RMB400mn. R&D spending moderated to RMB330mn, while SG&A stayed relatively flat at RMB111mn, due to higher costs associated with overseas operations. Core operating loss narrowed to RMB402mn from RMB517mn in Q4 2025, though largely unchanged YoY. Core operating margin continued its QoQ and YoY improvement to -170%. And the net loss stood at RMB369mn. By the end of 1Q26, the company had total cash and investments totaling RMB9.9bn, providing ample liquidity to underpin strategic execution.

Fig 6: Gross profit Breakdown (RMB'mn)



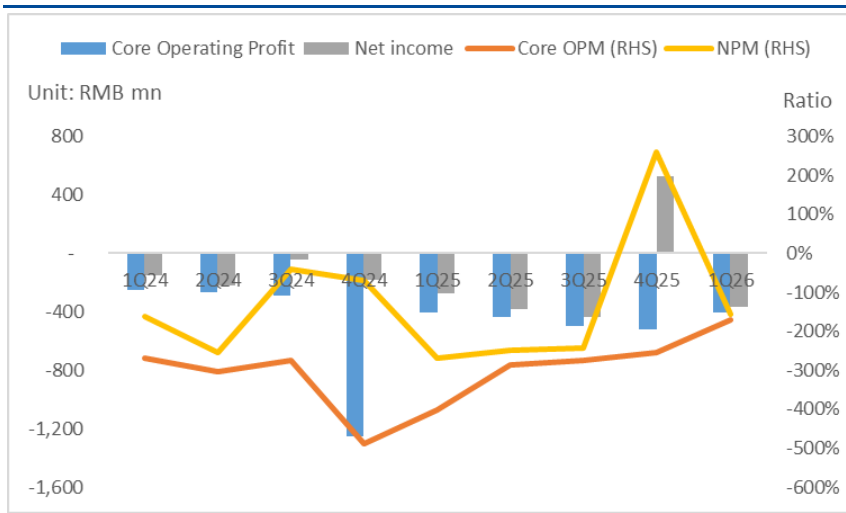
Source: Company Data, Sunwah Kingsway Research

Fig 3: OPEX Breakdown (RMB'mn)



Source: Company Data, Sunwah Kingsway Research

Fig 4: Core Operating Breakdown (RMB'mn)



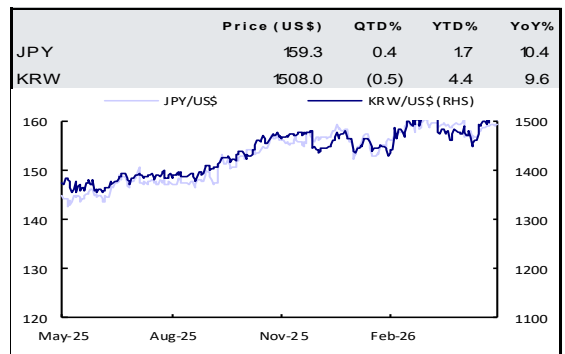
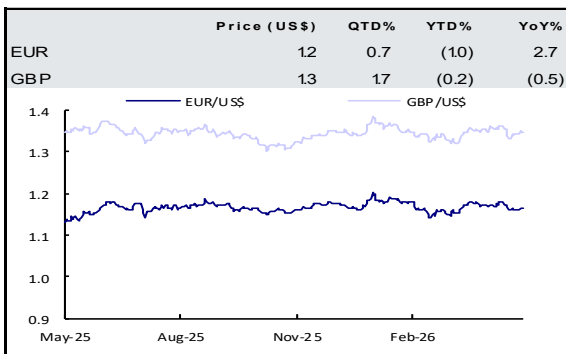
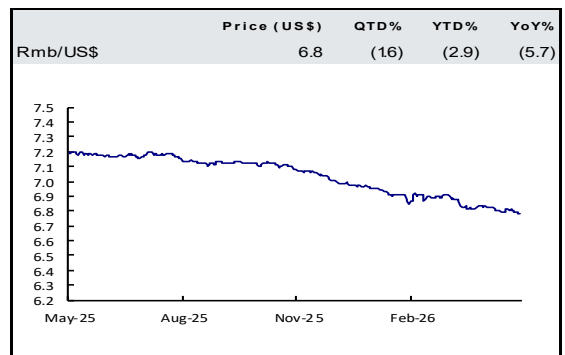
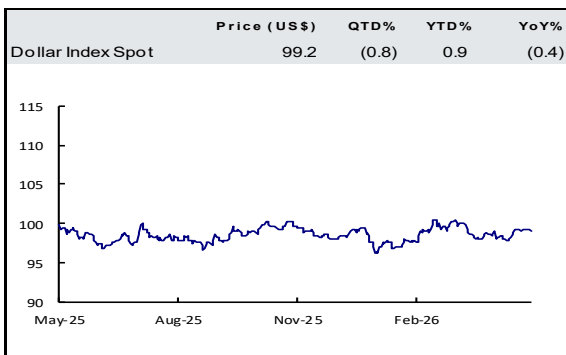
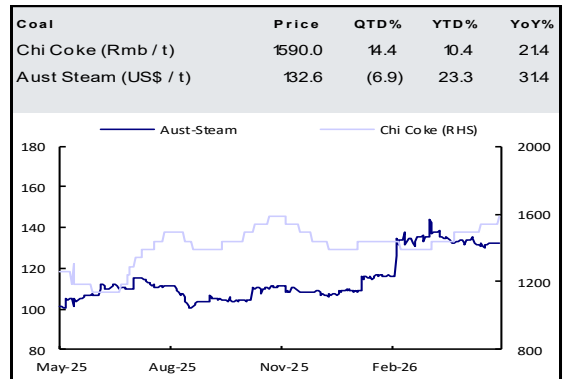
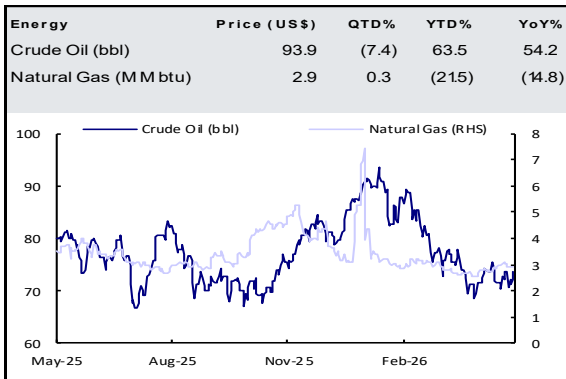
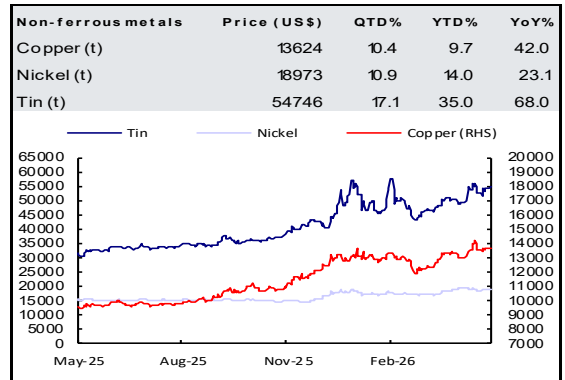
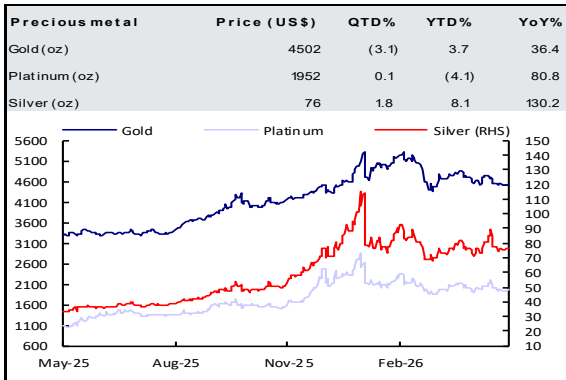
Source: Company Data, Sunwah Kingsway Research

Our views: We remain positive on Pony.AI. The company is a global leader in Robotaxi and L4 autonomous driving. Its rapidly growing Robotaxi revenue and ADC shipments further validates its technological edge and commercialization capability.

Pony.AI has achieved positive unit economics (UE) in several core cities (such as Guangzhou and Shenzhen) and it would be a critical milestone in commercialization. The successful business case is likely to attract more new partners (e.g., mobility platforms, fleet operators) and existing users to increase their commitment.

We believe Pony.AI's L4 technology is its core competitive capability and the foundation of its industry leadership. However, it is important to keep its costs down as the fleet size expands. Therefore, the company plans to lower total vehicle BOM cost for its 2027 domestic Robotaxi model by 25%, from the current RMB310k (7th generation) to below RMB 230k, which will further boost per vehicle profitability. Although insurance mitigates part of the operational risk, potential safety incidents still warrant close monitoring given their possible regulatory, reputational and financial implications. The company has been admitted in to Stock Connect on June 4. The company is trading at 18x FY26E EV/Revenue. (Research Department)

Market Watch – Major Commodities and Currencies



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
PPI	MoM		11-Jun-26
Housing Starts / Building Permits	MoM		16-Jun-26
Business Inventories	MoM		17-Jun-26
New home Sales	MoM		24-Jun-26
Consumer Confidence	MoM		30-Jun-26
Initial Jobless Claims	WoW		11-Jun-26
GDP	QoQ		25-Jun-26
Wholesale Inventories	MoM		9-Jun-26
Factory Orders	MoM		2-Jul-26
Existing Home Sales	MoM		9-Jun-26
CPI	MoM		10-Jun-26
Industrial Production	MoM		15-Jun-26
ISM Manufacturing PMI	MoM		1-Jul-26
Personal Income & Spending	MoM		25-Jun-26
Durable Goods Orders	MoM		25-Jun-26
Trade Balance	MoM		9-Jun-26
Employment Report	MoM		2-Jul-26
Retail Sales	MoM		17-Jun-26
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Money Supply - M2	MoM		9-Jun-26
Trade Balance	MoM		9-Jun-26
PPI	MoM		10-Jun-26
CPI	MoM		10-Jun-26
Retail Sales	MoM		16-Jun-26
Industrial Production	MoM		16-Jun-26
PMI Manufacturing	MoM		30-Jun-26
Foreign Exchange Reserves	QoQ		7-Jul-26
GDP	YoY		15-Jul-26

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Producer Prices Index	QoQ		12-Jun-26
Industrial Production	QoQ		12-Jun-26
Unemployment Rate	MoM		16-Jun-26
CPI	MoM		23-Jun-26
Trade Balance	MoM		25-Jun-26
Money Supply - M2	MoM		30-Jun-26
Retail Sales	MoM		2-Jul-26
PMI	MoM		6-Jul-26
Foreign Currency Reserve	MoM		7-Jul-26
GDP	QoQ		31-Jul-26
Composite Interest Rate	MoM		

Kingsway Research Team

Analyst

Howard Wong
Alan Li
Amelia Deng

Email

howard.wong@sunwahkingsway.com
alan.li@sunwahkingsway.com
amelia.deng@sunwahkingsway.com

Phone No.

(852) 2283 7307
(852) 2283 7306
(852) 2283 7618

Disclaimer

This document is not an offer to sell or the solicitation of an offer to buy or subscribe for any securities. The securities referred to in this document may not be eligible for sale in certain jurisdiction. Neither this document nor any portion hereof may be taken distributed or transmitted directly or indirectly into such jurisdiction nor to any residents thereof. Any failure to comply with this restriction may constitute a violation of the applicable laws and regulations and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. This document has been produced for private circulation and may not be copied, photocopied, duplicated, or redistributed without the prior written consent of Kingsway Financial Services Group Limited (“KFS”) and its affiliated companies (collectively, “Kingsway Group”).

This report is distributed in Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”) by KFS which is registered as a licensed corporation under the Securities and Futures Ordinance (Cap.571 of The Laws of Hong Kong) with the Securities and Futures Commission of Hong Kong (“SFC”) and its SFC CE number is ADF346.

The information contained in this report has been taken from sources believed to be reliable but no representation or warranty expressed or implied is made as to their accuracy or correctness. This report is published for the assistance of recipients but is not to be relied upon as authoritative or taken in substitution for the exercise of judgment by any recipient. It is not to be construed as an offer, invitation or solicitation to buy or sell any securities of the company or companies covered herein. Any recommendation contained in this report does not have regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. All opinions and estimates reflect our judgment on the date of this report and are subject to change without notice.

KFS, including its parent, subsidiaries and/or affiliates, may act as lead or co-manager in an offering of the securities of any issuer discussed herein, may from time to time perform financial services or other advisory services for, or solicit financial services or other business from, any issuer.

Within the past year, KFS, including its parent, subsidiaries and/or affiliates, may have acted as market maker or traded on a principal basis in the financial instruments of any issuer discussed herein and may act as underwriter, placement agent, advisor or lender to such issuer.

KFS, including its parent, subsidiaries, affiliates, shareholders, officers, directors, and employees may have long or short positions in, and buy or sell, the securities, commodities or derivatives (including options) or any other financial instruments thereof, of any issuers.

An employee of KFS, including its parent, subsidiaries and/or affiliates, may act as director, or be represented on the boards of directors, of any such entities or issuers.

Copyright 2026 Kingsway Group. All rights reserved.

Head Office

Hong Kong
Kingsway Financial Services Group Limited
7/F, Tower One, Lippo Centre,
89 Queensway, Hong Kong
Tel: 852-2283-7000
Fax: 852-2877-2665

Affiliated & Overseas Offices

Guangdong
廣東新華滙富商業保理有限公司
601-5, Building 3
130 Jiaoxi Road, Nansha District,
Guangzhou, 511455, PRC