THE OIC GROUP

HKG GROUP 5

Monthly Report

February 2026



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Director: Karson Shi **Analysts**: Ashley Liao , Joe Liu, Marvin Salim, Mitchell Ang February 2026

MiniMax Group Inc (0100.HK)

Transaction Summary

Announcement Date	January 9, 2026
Issuance Type	Initial Public Offering
Issuance Platform	HKEX
Over-allotment	313,635,308 shares
Opening Price	HK$235.40
Closing Price	HK$345 (+42.7%)
Current Price	HK $461 (02/06/2026)
Cornerstone Investors (if any)	ADIA, Alibaba Group Holdings Ltd., Alisoft China, Boyu Capital, Janchor Funds ,Perseverance Asset Management,
Bookrunners	CICC, UBS, GS, MS

Deal Rationale

- **Advance AI through R&D Leadership** The company will continue to invest heavily in core research and development to strengthen and expand its leadership in foundation model development. The proceeds was the fund the ongoing R&D for its "Mixture of Experts" Models, R&D growing by 169.69% YOY, underscoring the company's commitment to advancing model performance, efficiency, and scalability.
- **Capitalizing on the "AI Dragon" Trend.** The IPO leveraged strong investor enthusiasm for Chinese AI companies developing indigenous, self-reliant alternatives to U.S. models driven by heightened U.S.–China technology tensions and strategic demand for domestic AI capabilities.
- **Navigating Geopolitical Risks:** Listing in Hong Kong enables MiniMax to access international capital markets while mitigating heightened regulatory and geopolitical risks Hong Kong provides a supportive listing framework for capital-intensive, loss-making specialist technology companies under Chapter 18C.

Use of Proceeds

- **Approximately 90% of the net proceeds (HK$3,436.4 million)** will be allocated to research and development over the next five years, primarily to advance the company's foundation models and AI-native products.
- **10% of the net proceeds (HK$381.8 million)** will be used to support the company's working capital requirements and for general corporate purposes.

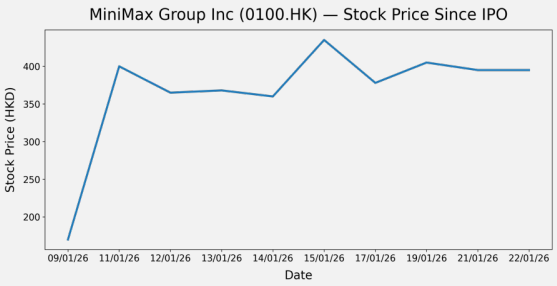
Company Overview

MiniMax Group (0100.HK)

MiniMax is a global AI foundation model company focused on developing large-scale multimodal models and AI-native products. Founded in 2022, the company builds proprietary models capable of understanding and generating text, audio, images, video, and music. These technologies power consumer, enterprise, and developer-facing products delivered through applications and open platforms, enabling intelligent solutions that enhance productivity, creativity, and user experiences across global markets

Founded Year	2022
HQ	Shanghai, China
Sector	Artificial Intelligence (Global Foundation Models)
Market Cap / Closing Price	HK$ 1.08bn (January 9, 2026)
FY24 Revenue	HK$ 237,996,987M
FY24 EBIT or EBITDA	(HK$ 3.623 bn)
TTM EV/sales	289.8x
TTM EV/ Gross Profit	1,191x
TTM EV/ EBIT	n.m

(HK$)



Products / Services

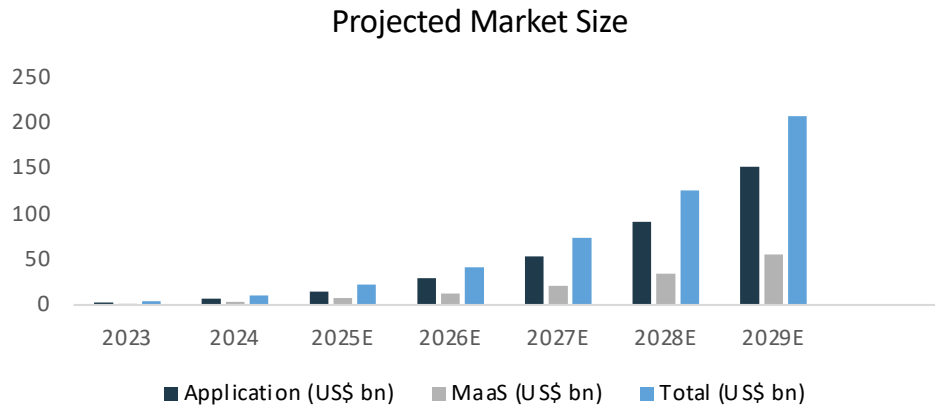


- MiniMax Agent
- Hailuo Video
- MiniMax Audio
- Hailuo Video Agent
- Talkie

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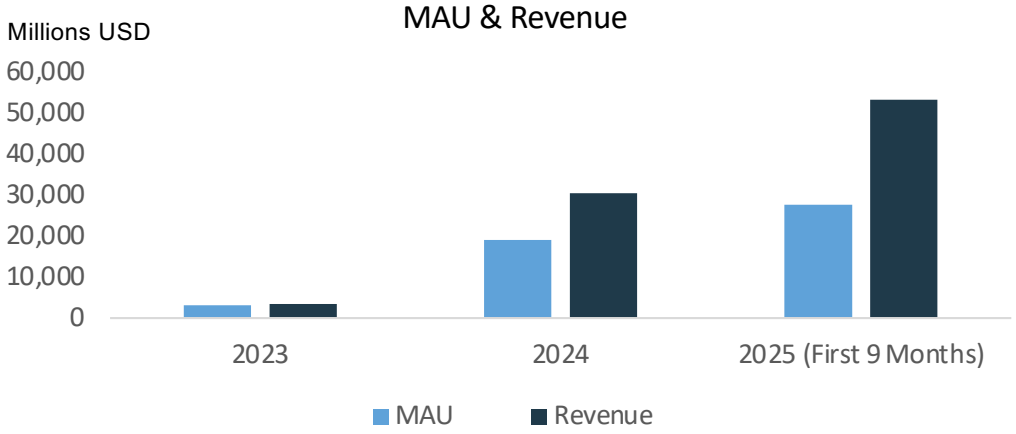
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Industry Overview: Foundation Model Market Poised for Exponential Growth



- The industry is segmented into **model-based revenue**, generated from providing foundation model capabilities via APIs or licensing to developers and enterprises, and **application-based revenue**, derived from end-user AI products built on these models and monetized through subscriptions or usage-based fees.
- The global model-based foundation model market is projected to expand from **US$10.7 billion in 2024 to US$206.5 billion by 2029** (CAGR **80.7%**), driven by rapid growth in **foundation model applications** (US$7.1bn to US$151.5bn, CAGR **84.3%**) and **MaaS** offerings **(US$3.6bn to US$55.0bn, CAGR 72.7%)**
- The foundation of accelerating user growth and revenue momentum model market is driven by rapid **technological breakthroughs** that expand application use cases, supported by the **scalability** of model technology and **declining model and inference costs**.
- **Global Key players (Market Share%) include**: United States - **Open AI** (30.1%), **Google** (16.9%), **Microsoft** (8.2%) China- **Minimax** (0.3%), **Alibaba** (0.3%), **iFlytek** (0.2%)
- Comparable IPO Cases: **SenseTime** (2021), **Zhipu** (2026) , **Pony AI** (2025),

Operational Metrics: Accelerating User Growth and Revenue Momentum



- MiniMax recorded substantial year-over-year growth in Monthly Active Users, representing an approximately fivefold increase. This rapid expansion in MAU was accompanied by strong revenue growth, with total revenue increasing by roughly sevenfold from 2023 to 2024. **AI-native products** drove the majority of **MAU growth**, while **Hailuo AI** emerged as a key contributor to revenue generation during the period.

- R&D investment continued to scale materially, increasing from **US$70,002** in 2023 to **US$188,979** in 2024, representing a **~170%** year-over-year increase. This follows an even more pronounced expansion from **US$10,560** in 2022 to **US$188,979** in 2024, reflecting an approximately **1,690%** increase over the two-year period. The sharp acceleration underscores the company's sustained commitment to product development, model advancement, and long-term innovation.

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November 2025

Comparable Analysis

Trading Comps

- **Valuation Positioning:** MiniMax (0100.HK) demonstrates exceptionally high valuation and aggressive growth expectations in the Chinese AI sector. Priced at HK$165 in its January 2026 IPO, it raised ~$620 million at an initial ~$6.5 billion enterprise value. Shares surged 109% on debut (closing ~HK$345) and continued climbing. The premium valuation—far exceeding global peers like C3.ai—reflects speculative enthusiasm for China's "AI tigers," geopolitical self-reliance narrative.
- **Profitability and expectations**: From $30.5 million in 2024 to $53.4 million in the first nine months of 2025 (175% YoY increase), with strong overseas contribution (>70%). This supports forward projections of 100%+ annual growth into 2026–2027, driven by multimodal models (Hailuo, Talkie) and consumer AI traction.
- **Selection of Comparables:** The following table represents regionally relevant, mature yet growth-oriented providers of cloud, SaaS, system integration, digital transformation, and enterprise software solutions—offering a conservative baseline for valuation in the absence of direct public pure-play generative AI peers in similar Asian markets.

Name	Ticker	Market Cap (HKD Mn)	P/E	EV/EBITDA	EV/EBIT	EV/Revenue	P/BV
Minimax Group Inc	**100 HK**	118680	--	--	--	65.49	--
SHIFT Inc	**3697 JP**	10814	15.96	8.56	9.97	1.27	5.03
Rakus Co Ltd	**3923 JP**	17340	23.37	15.54	16.67	4.89	14.37
Syntec Technology Co Ltd	**7750 TT**	15137	--	--	--	--	5.95
BayCurrent Inc	**6532 JP**	50633	22.15	15.06	15.57	5.60	9.54
Nomura Research Institute Ltd	**4307 JP**	174241	29.47	16.40	21.31	4.29	7.29
NS Solutions Corp	**2327 JP**	40950	25.96	13.39	16.44	1.89	3.12
Simplex Holdings Inc	**4373 JP**	11481	20.13	13.02	14.61	3.65	4.60
Samsung SDS Co Ltd	**018260 KS**	74992	16.43	5.65	8.71	0.62	1.47
Otsuka Corp	**4768 JP**	60355	19.99	10.67	11.70	0.80	3.28
NSD Co Ltd	**9759 JP**	14636	19.39	--	13.51	2.16	3.98
High		174241	29.47	16.40	21.31	5.60	14.37
Low		10814	15.96	5.65	8.71	0.62	1.47
Mean		47058	21.43	12.29	14.28	2.80	5.86
Median		29145	20.13	13.20	14.61	2.16	4.81

Precedent Transaction

- **Valuation inference from precedents**: Chinese AI companies like MiniMax and Zhipu AI, which went public in Hong Kong in early January 2026, exhibit elevated valuations driven by intense investor enthusiasm for China's domestic AI sector amid U.S.-China tech rivalry. MiniMax priced at the top of its range (~$6.5 billion EV), raised $620 million, and doubled on debut (closing ~109% higher), implying a post-IPO value around $13 billion. Zhipu AI debuted more modestly (+13% first day) but still reflected strong demand.
- **Drivers of premium**: 1) Geopolitical narrative: China's push for self-reliant AI (e.g., post-DeepSeek success) fuels "AI tiger" hype; 2) High-growth potential: Multimodal models, consumer apps (e.g., Hailuo), and rapid user traction justify lofty multiples (often 80–150x revenue, far above global peers like C3.ai). However, premiums reflect speculative fervor more than profitability, with heavy R&D burn and losses. Post-debut surges highlight momentum trading, but sustainability depends on execution amid compute costs and competition. Overall, these IPOs trade at significant premiums to Western AI benchmarks, signaling market optimism for China's AI catch-up story.

Company	Transaction Type	Date	Enterprise Value ($M)	Revenue ($M)	EV/Revenue Multiple
Zhipu AI	IPO	Jan 2026	6,500	44 (2024)	147.7x
Moonshot AI	Series C Funding	Dec 2025	4,300	240 (2025)	17.9x
Baichuan AI	Series A-II Funding	Jul 2024	2,770	15 (2025 est.)	184.7x
DeepSeek AI	Series C Funding	Aug 2025	3,400	220 (2025 ARR)	15.5x

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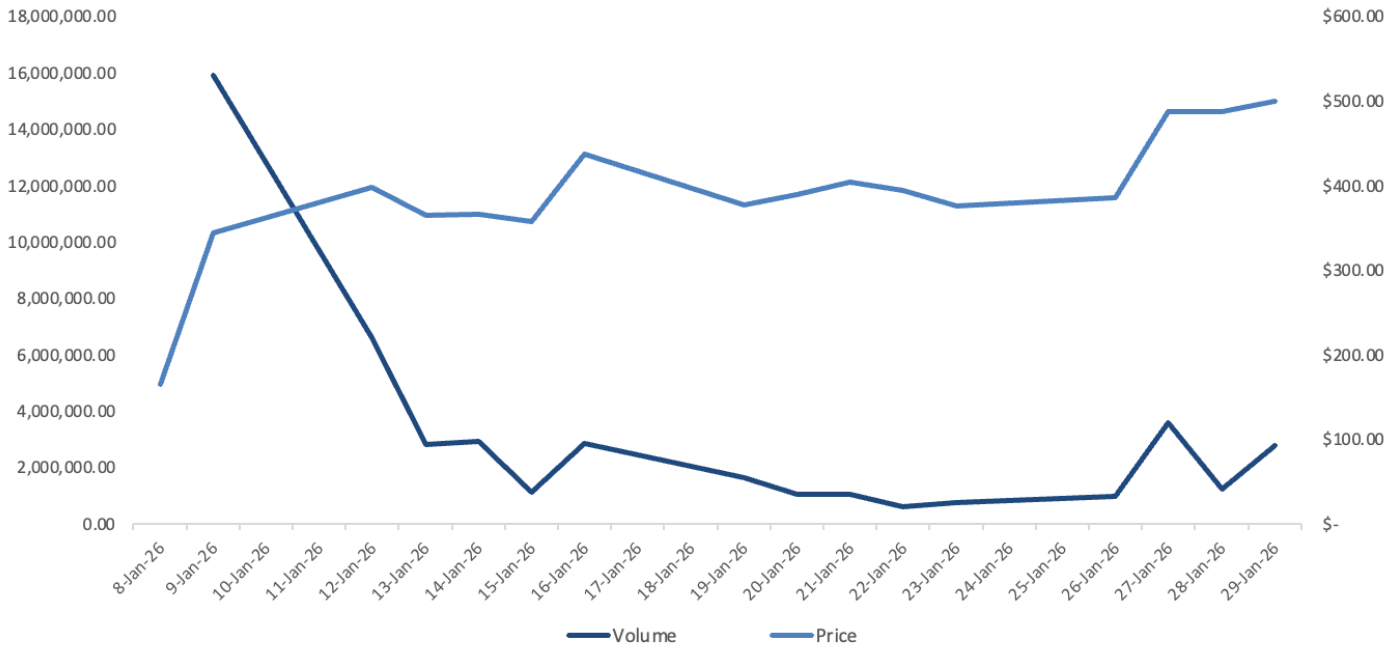
Market Reaction

Pre-Offering: AI market momentum and institutional demand supports

- **Favorable IPO timing amid accelerating AI adoption:** MiniMax launched its IPO amid sustained momentum in **global AI adoption and market growth**. The **global AI market** is projected to generate approximately **$757 billion in revenue in 2025**, with widespread enterprise integration and rising use of **generative AI tools** supporting improving investor sentiment toward the sector. These trends helped create a constructive environment for AI-focused listings with long-term growth potential.
- **Largest AI large language model IPO to date:** The IPO involved the issuance of approximately **29.2 million shares at an offer price of HK$165 per share** and raised around **HK$4.8 billion in gross proceeds**, making it the **largest AI LLM company listing to date** and the largest global AI company IPO in the past four years. MiniMax also became the fastest AI large model company to progress from inception to public listing, highlighting both the pace of its development and strong capital market receptiveness to the sector.
- **Strong pre-IPO demand from long-term capital:** Investor sentiment ahead of the offering was highly constructive, supported by participation from **long-term institutional and sovereign investors**. The international tranche was **oversubscribed by 36.8 times**, underscoring robust demand from both domestic and overseas long-term capital.

Post-Offering: Active post-listing price discovery amid strong AI sentiment

- **Active initial trading and rapid price discovery:** Following its listing, MiniMax experienced active initial trading as the **market rapidly priced in its growth prospects**. The share price rose sharply from the IPO level of **HK$165** to trade within a **HK$360–405 range** within the first two weeks, alongside peak trading volume of **15.9 million shares** on the second trading day. While turnover normalized to around **0.6–1.6 million shares** in subsequent sessions, the share price remained well supported, indicating an efficient early price discovery process.
- **Aligned with Hong Kong strong IPO market:** MiniMax's post-listing performance was consistent with broader **enthusiasm for AI and technology IPOs** in Hong Kong. In 2025, the Hong Kong market hosted approximately **114–119 new listings**—a marked increase from 2024 and the **highest total since 2021**. The 2025 listing cycle delivered strong overall IPO activity, with tech and AI names like Biren Technology posting significant gains, suggesting that **MiniMax's buoyant reception reflected broader market appetite** for innovation-led stocks rather than isolated demand.
- **AI growth narrative underpinning market pricing:** Despite initial momentum, **MiniMax's share price volatility underscores valuation sensitivity** to evolving investor expectations. Market surveys show that firms persist with heavy AI investments even without immediate returns, and research indicates that **AI valuations often price future growth potential**, making stock pricing especially responsive to shifting narratives about long-term adoption.



Source: Individual research, Bloomberg

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Catalysts

Multi modal brain:

- AI Companies strategies primarily focuses more on text especially during the ground-up phase then adding several features later after the stable phase. However, Minimax developed a foundational model that **natively processes** and generates text, speech, video, and music since the ground-up. This has led their consumer-facing applications to gain mass popularity such as **Talkie** and **Hailuo AI** that has amassed over **212 million users** by creating interactive AI-generated characters and high quality videos from text.

Powerful Supports:

- Minimax has previously secured fundings from **Alibaba Group** and **Tencent holdings** which may entails future **partnerships** or distribution channels since both Alibaba and Tencent are majorly involved on the AI sector in China from data centers and cloud services to AI based user interface or other consumer facing technology such as in Wechat. Other than Alibaba and Tencent, **Mihoyo** as the founder of Genshin Impact was also one of the key investors alongside **Abu Dhabi** Sovereign wealth fund that allows them to reach a broader audience through different sector and nations.

Potential Downside & Risks

Intellectual Property Lawsuits:

- The ability to generate images, videos, and music are a **core part** of Minimax's business but it also exposes them to potential copyright and intellectual property lawsuits such as the lawsuit that happened on September 2025 by Warner Bros, Disney, and Universal due to **willful and brazen** copyright infringement through its AI-powered image and video generating service Hailuo AI. Other than lawsuits, the Chinese government has begun to draft a new rule to prevent govern **human-like interactive AI services** that influence emotions and requires AI providers to **prevent content** encouraging suicide or self-harm, have human agents take over sensitive conversations, implement strict time limits and guardian consent for minors, and conduct security assessments for large platforms which will require significant **investments** on the compliance department.

Geopolitical Constraint & Third Party Dependency:

- The USA has **restricted exports** on advanced computing chips and semiconductor manufacturing equipment particularly NVIDIA Latest chips that lowers the ceiling for **computing power** against their competitors such as Anthropic and OpenAI. Aside from computing power, MiniMax doesn't own many GPU clusters but instead **rents cloud computing power** from Chinese cloud providers and international hubs like Singapore which could drive **costs to be less stable** especially after the restriction which makes computing to be a **scarce commodity** even though they have plans to increase R&D budget.

Conclusion

Investment Thesis:

- Minimax Achieved strong market validation, raising **HK$ 4.8 billion** on the first day demonstrating immediate aftermarket support. As a pure play, the company benefits from clear strategic identity with **90% of IPO Proceeds** going towards Research & Development and powerful allies with prominent cornerstone investors. The aftermarket support is further boosted by its listing in HK IPO that could appeal to investors seeking exposure towards **China's push for technology** self-reliance amid tensions between US-China.

Key Watchpoints:

- MiniMax should focus on the sustainability of its valuation, given the stark contrast between its explosive market debut—with shares surging up to **109%** and its unprofitable financials, with **net losses of $512 million** on $53.4 million in revenue. Critical risks include the progress of **monetizing** its large consumer user base and enterprise API services, the outcome and potential financial impact of the **major copyright** infringement lawsuit filed by Disney, Warner Bros., and Universal, and its ability to maintain **technological competitiveness** and cost efficiency amid intense market competition and potential U.S. restrictions on advanced computing chips. The company's also warrant close observation of its **capital deployment** and path toward financial sustainability

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