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Qiniu Limited
七牛智能科技有限公司

(Incorporated in the British Virgin Islands and re-domiciled and continued in the Cayman Islands with limited liability)

(Stock code: 2567)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED JUNE 30, 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Qiniu Limited (the “**Company**” or “**Qiniu**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries and consolidated affiliated entities (together, the “**Group**”, “we” or “**our**”) for the six months ended June 30, 2025 (the “**Reporting Period**”) together with the comparative figures for the six months ended June 30, 2024 as follows:

FINANCIAL RESULTS HIGHLIGHTS

Revenue of the Group increased from RMB710.4 million for the six months ended June 30, 2024 to RMB829.4 million for the six months ended June 30, 2025, representing an increase of 16.8% period-on-period.

We recorded loss for the six months ended June 30, 2025 of RMB33.4 million, compared to a loss for the six months ended June 30, 2024 of RMB179.6 million, representing a decrease of 81.4% period-on-period. Such decrease was mainly due to the decrease in loss caused by the fair value changes of convertible redeemable preferred shares and decrease in selling and marketing expenses and administrative expenses due to the effective cost-control.

We recorded an adjusted net loss (non-IFRS Measure) for the six months ended June 30, 2025 of RMB28.6 million, compared to an adjusted net loss (non-IFRS Measure) of RMB39.8 million for the six month ended June 30, 2024. We defines adjusted net loss (non-IFRS measure) as the loss for the period, excluding fair value changes on convertible redeemable preferred shares, share-based payments and listing expenses.

We recorded an adjusted EBITDA (non-IFRS Measure) for the six months ended June 30, 2025 of a loss of RMB3.5 million, compared to an adjusted EBITDA (non-IFRS Measure) of a loss of RMB9.9 million for the six months ended June 30, 2024. We defines adjusted EBITDA as the earning before interest expense, interest income, tax expense, depreciation and amortization, excluding fair value changes on convertible redeemable preferred shares, share-based payments and listing expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Our total revenue for the six months ended June 30, 2025 was RMB829.4 million, representing an increase of 16.8% period-on-period from RMB710.4 million for the six months ended June 30, 2024. Our business growth was attributable to our leading products and solutions that meet our customers' ever-increasing business needs, as well as our use of AI technology to empower our customers' business efficiency and intelligent upgrades. For the six months ended June 30, 2025, our AI-related revenue was RMB184.0 million, representing 22.2% of our total revenue for the same period, which is driven by our role as an enabler of AI technology and developer ecosystem built with our comprehensive product capabilities and solutions encompassing AI computing power resources, AI large-scale model platforms, and audiovisual AI applications that continue to fuel new momentum for our business growth.

We generate our revenue based on our three main business lines, namely MPaaS, APaaS solutions and other services.

For our MPaaS business, we provide (1) integrated QCDN product; (2) Kodo; (3) interactive live streaming products; and (4) Dora, our cloud-based intelligent media data analytics platform.

The Company's technology is the cornerstone of our MPaaS product's competitive advantage. For example, we provide low-latency, high-stability, and high-availability network services to our customers through our extensive global network coverage, comprehensive node monitoring, and real-time intelligent allocation. We are able to achieve highly reliable storage services with minimal redundancy. Thanks to these technological and product competitive advantages, our MPaaS products have effectively met customer needs that drove our revenue growth.

Building upon our MPaaS technologies, the Company has consolidated different scenario-based functionalities into customized solutions for our customers, i.e. our APaaS solutions. Our APaaS solutions allow for quick deployment and easy extension, which significantly improve our customers' agility for scenario-based innovation. In particular, we currently provide five application scenarios of our APaaS solutions, namely social entertainment, video marketing, visual networking, smart new media and metaverse.

Benefiting from increasing business growth of our customers, our APaaS solutions which allow for quick deployment and easy expansion can better meet the demand of our customers and the revenue derived from our APaaS solutions continued to increase.

For our other services, we offer other trustworthy cloud services, primarily including DPaaS, QVM, and internet data hosting services to our customers.

INDUSTRY DEVELOPMENT TRENDS AND BUSINESS OUTLOOK

AI technology is profoundly reshaping the global technology landscape, with its disruptive impacts extending beyond the technical level to the reconstruction of the industry ecosystem. International Data Corporation (IDC) data shows that 63% of enterprises worldwide currently deploy AI workloads in on-premises or hybrid cloud environments, and the inference computing power accounts for 58.5% of cloud-based computing power, it is expected that this proportion will increase to 62.2% by 2026. These trends collectively demonstrate that AI is evolving from a traditional “auxiliary tool” to a “digital partner” with autonomous decision-making capabilities, extending from cloud capabilities to devices and penetrating from the virtual world into the physical world, thereby driving the evolution of cloud computing towards the construction of intelligent computing clusters and the upgrading of edge inference capabilities.

Specifically, the latest advances in AI technology bring new growth opportunities to our business in the following application scenarios:

– AI Audiovisual Application Scenarios

As AI audiovisual applications shifted from a parameter race to commercial implementation, real-time interaction and multi-modal AI processing place higher demands on low latency and high concurrency capabilities of the underlying technology platform. We continue to invest in three core capabilities: ultra-low latency transmission, global node coverage, and intelligent processing. We also introduce multi-model capabilities and the MCP ecosystem, focusing on achieving the core logics by a closed loop of “technology-scenario-business”. The release of our latest edge AI solutions, “Ling Xi AI” (靈矽 AI), can build a rapidly deliverable product portfolio.

– AI Inference Computing Power Scenarios

With the large-scale implementation of generative AI applications and the popularization of edge devices, AI inference computing power is embracing structural growth driven by both explosive demand and technological iteration. The hybrid model of “centralized inference in cloud + distributed inference at the edge” provides us with significant market opportunities in inference computing power services field. According to IDC and TIRIAS Research, China’s inference computing power will see a compound annual growth rate of 190% from 2024 to 2028, and its share will surpass training computing power to reach over 95% by 2028. The fragmentation and real-time challenges of inference scenarios are driving rapid innovation in algorithm optimization and hardware adaptation technologies. In order to balance computing power demand with cost control, optimization methods such as heterogeneous computing power scheduling have now become a core direction. We continue to transform from providing computing power to full-process inference services, building a full-stack AI inference service system to meet different needs. Thanks to our early launch of multi-model capabilities and the MCP interface deployment services in the industry, as well as providing application comparisons of multiple models to meet user demand, we have made significant progress and achieved breakthroughs in our AI large-model inference business. As of early August 2025, the number of users who have activated our AI large-model service has exceeded 10,000.

– Embodied Intelligence Application Scenarios

The commercial potential of embodied intelligence is on the verge of a massive explosion, and a trillion-dollar market is gradually emerging. Goldman Sachs predicts that the global humanoid robot market will exceed US\$150 billion by 2035, while Canalys predicts that global shipments of personal smart audio devices will reach 533 million units in 2025, indicating a clear trend of AI penetrating from cloud to end-users.

However, problems such as insufficient end-to-end interaction capabilities, slow responses, mechanical voice, and disconnected multi-modal perception and feedback are still prevalent. Leveraging Ling Xi AI’s core technological advantages in the interaction layer, we are able to provide integrated AI application solutions for embodied intelligence, becoming a key node in the human-computer interaction value chain.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2025

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Unaudited)
REVENUE	5	829,381	710,395
Cost of sales		<u>(671,936)</u>	<u>(557,984)</u>
Gross profit		157,445	152,411
Other income and gains		10,835	2,742
Selling and marketing expenses		(49,890)	(56,018)
Administrative expenses		(44,997)	(56,957)
Research and development costs		(75,639)	(70,744)
Fair value gains/(losses) on financial assets at fair value through profit or loss, net		708	(12,812)
Fair value losses on convertible redeemable preferred shares		–	(121,689)
Impairment losses on financial assets		(24,787)	(10,466)
Other expenses		(2,671)	(2,009)
Finance costs		<u>(4,324)</u>	<u>(4,097)</u>
LOSS BEFORE TAX	6	<u>(33,320)</u>	<u>(179,639)</u>
Income tax expense	7	<u>(102)</u>	<u>–</u>
LOSS FOR THE PERIOD		<u>(33,422)</u>	<u>(179,639)</u>
Attributable to:			
Owners of the parent		<u>(33,422)</u>	<u>(179,639)</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	8		
Basic and diluted (<i>RMB</i>)		<u>(0.02)</u>	<u>(0.41)</u>
LOSS FOR THE PERIOD		<u>(33,422)</u>	<u>(179,639)</u>

	2025	2024
<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
OTHER COMPREHENSIVE LOSS		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation	<u>6,987</u>	<u>(8,123)</u>
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation	<u>(8,230)</u>	<u>(10,823)</u>
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	<u>(1,243)</u>	<u>(18,946)</u>
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>(34,665)</u>	<u>(198,585)</u>
Attributable to:		
Owners of the parent	<u>(34,665)</u>	<u>(198,585)</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at June 30, 2025

		30 June 2025	31 December 2024
	Notes	RMB'000 (Unaudited)	RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	9	87,687	90,977
Right-of-use assets		15,548	26,398
Other intangible assets		380	–
Financial assets at fair value through profit or loss	10	86,966	86,258
Total non-current assets		190,581	203,633
CURRENT ASSETS			
Inventories		5,048	7,831
Trade receivables	11	407,268	430,955
Contract assets	11	42,954	–
Prepayments, deposits and other receivables		25,139	32,979
Amounts due from related parties		7,405	7,440
Time deposits	12	192,787	59,677
Restricted cash	12	2,232	7,857
Cash and cash equivalents	12	205,605	451,928
Total current assets		888,438	998,667
CURRENT LIABILITIES			
Tax payable		24	31
Lease liabilities		7,476	12,891
Trade and bills payables	13	262,038	311,322
Other payables and accruals		82,435	111,596
Contract liabilities		85,064	95,181
Interest-bearing bank and other borrowings	14	199,972	196,104
Deferred revenue		1,359	90
Amounts due to related parties		24,082	24,981
Total current liabilities		662,450	752,196

		30 June 2025	31 December 2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Audited)
NET CURRENT ASSETS		225,988	246,471
TOTAL ASSETS LESS CURRENT LIABILITIES		416,569	450,104
NON-CURRENT LIABILITIES			
Lease liabilities		9,280	14,378
Deferred revenue		1,628	247
Total non-current liabilities		10,908	14,625
NET ASSETS		405,661	435,479
EQUITY			
Equity attributable to owners of the parent			
Share capital	15	1,418	1,418
Reserves		404,243	434,061
Total equity		405,661	435,479

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the six months ended June 30, 2025

	Attributable to owners of the parent					
	Share capital <i>RMB'000</i> <i>(Note 15)</i>	Share premium <i>RMB'000</i>	Share option reserve <i>RMB'000</i>	Foreign currency translation reserve <i>RMB'000</i>	Accumulated losses <i>RMB'000</i>	Total equity <i>RMB'000</i>
At 1 January 2025 (audited)	1,418	3,905,261	186,411	(218,268)	(3,439,343)	435,479
Loss for the period	-	-	-	-	(33,422)	(33,422)
Other comprehensive loss for the period:						
Exchange differences on translation	-	-	-	(1,243)	-	(1,243)
Total comprehensive loss for the period	-	-	-	(1,243)	(33,422)	(34,665)
Equity-settled share option arrangements	-	-	4,847	-	-	4,847
At 30 June 2025 (unaudited)	1,418	3,905,261	191,258	(219,511)	(3,472,765)	405,661

	Attributable to owners of the parent				
	Share capital <i>RMB'000</i> <i>(Note 15)</i>	Share option reserve <i>RMB'000</i>	Foreign currency translation reserve <i>RMB'000</i>	Accumulated losses <i>RMB'000</i>	Total equity <i>RMB'000</i>
At 1 January 2024 (audited)	<u>31</u>	<u>170,515</u>	<u>(205,968)</u>	<u>(2,979,976)</u>	<u>(3,015,398)</u>
Loss for the period	–	–	–	(179,639)	(179,639)
Other comprehensive loss for the period:					
Exchange differences on translation	<u>–</u>	<u>–</u>	<u>(18,946)</u>	<u>–</u>	<u>(18,946)</u>
Total comprehensive loss for the period	–	–	(18,946)	(179,639)	(198,585)
Equity-settled share option arrangements	<u>–</u>	<u>8,699</u>	<u>–</u>	<u>–</u>	<u>8,699</u>
At 30 June 2024 (unaudited)	<u><u>31</u></u>	<u><u>179,214</u></u>	<u><u>(224,914)</u></u>	<u><u>(3,159,615)</u></u>	<u><u>(3,205,284)</u></u>

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended June 30, 2025

1. CORPORATE AND GROUP INFORMATION

The Company was incorporated in the British Virgin Islands with limited liability as an offshore holding company on 23 May 2011 and re-domiciled and continued in the Cayman Islands with limited liability on 14 June 2023. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 16 October 2024. The registered address of the Company is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and the principal place of business of the Company in the People's Republic of China ("PRC") is Building 19, Zhangjiang AI Island, No.55 Chuanhe Road, Pudong New District, Shanghai, PRC.

The Company is an investment holding company. During the period, the Company's subsidiaries including controlled structured entities (together, the "**Group**") were principally engaged in the provision of Platform-as-a-Service ("**PaaS**") solutions focusing on one-stop audiovisual cloud services to enterprise customers.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period's financial information.

Amendments to IAS 21

Lack of Exchangeability

The nature and the impact of the amended IFRS Accounting Standard are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

4. OPERATING SEGMENT INFORMATION AND REVENUE

Operating segment information

The Group is principally engaged in providing PaaS services to customers in Mainland China.

The board of directors reviews the consolidated results of the Group when making decisions about resource allocation and assessing the performance of the Group. The board of directors considers that the Group operates in one business segment and the measurement of segment results is based on the profit from operations as presented in the interim condensed consolidated statement of profit or loss and the interim condensed consolidated statement of comprehensive income.

Geographical information

Since almost all of the Group's non-current assets were located in Mainland China and almost all of the revenue of the Group was derived from operations in Mainland China during the reporting period, no geographical information in accordance with IFRS 8 Operating Segments is presented.

Information about a major customer

External customers from which the revenue individually amounted to over 10% of total revenue of the Group during the period were as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Customer A	160,063	106,753
Customer B	112,791	*

* Less than 10% of the Group's revenue

5. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	829,381	710,395

Disaggregated revenue information for revenue from contracts with customers

Types of products/services

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
MPaaS	591,412	508,231
APaaS	221,895	178,342
DPaaS	521	3,137
Other cloud services	15,553	20,685
Total	829,381	710,395

Timing of revenue recognition

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Revenue from services transferred to customers over time	659,629	585,041
Revenue from goods or services transferred to customers at a point in time	169,752	125,354
Total	829,381	710,395

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Cost of sales	671,936	557,984
Depreciation of property, plant and equipment*	20,176	21,222
Depreciation of right-of-use assets*	6,209	6,577
Amortisation of other intangible assets*	20	–
Lease payments not included in the measurement of lease liabilities	174	150
Research and development costs	75,639	70,744
Listing expenses	–	9,436
Fair value (gains)/losses, net:		
Financial instruments at fair value through profit or loss	(708)	12,812
Convertible redeemable preferred shares	–	121,689
Foreign exchange differences, net	256	12
Bank interest income	(5,794)	(1,968)
Impairment losses on financial assets	24,787	10,466
Losses on disposal of items of property, plant and equipment, net	309	–
Employee benefit expense (including directors' and chief executive's remuneration)**:		
Wages, salaries and other allowances	94,062	104,763
Pension scheme contributions and social welfare	19,700	22,773
Share-based payments	4,847	8,699

* The depreciation of property, plant and equipment and right-of-use assets and the amortisation of other intangible assets aggregating to RMB22,733,000 for the six months ended 30 June 2025 (30 June 2024: RMB23,827,000) are included in the cost of sales and research and development costs disclosed above.

** Employee benefit expenses of RMB54,669,000 for the six months ended 30 June 2025 (30 June 2024: RMB61,748,000) are included in the cost of sales and research and development costs disclosed above.

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the countries/ jurisdictions in which members of the Group are domiciled and/or operate.

Cayman Islands

The Company was redomiciled in the Cayman Islands in 2023 as an exempted company with limited liability, and is exempt from Cayman Islands income tax under the current tax laws of the Cayman Islands.

British Virgin Islands

Pursuant to the rules and regulations of the British Virgin Islands, the Group is not subject to any income tax.

Singapore

Pursuant to the relevant laws and regulations in Singapore, the income tax rate of Singapore was 17% during the period.

Hong Kong

The subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the statutory rate of 16.5% on any estimated assessable profits arising in Hong Kong during the period. No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the period.

Vietnam

Pursuant to the relevant laws and regulations in Vietnam, the subsidiary in Vietnam is subject to tax at the statutory rate of 20%.

Mainland China

The subsidiaries established in Mainland China are subject to tax at the statutory rate of 25% on the taxable profits determined in accordance with the PRC Enterprise Income Tax Law which became effective on 1 January 2008, except for Qiniu Information, which was taxed at preferential tax rate.

Qiniu Information obtained its “High and New Technology Enterprise” qualification in 2019 and renewed the qualification on 14 December 2022, so it was entitled to the preferential tax rate of 15% during the period.

The major components of income tax expense of the Group are as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax	102	–
Deferred income tax	–	–
	<hr/>	<hr/>
Total tax charge for the period	102	–
	<hr/> <hr/>	<hr/> <hr/>

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

Basic

The calculation of the basic loss per share amount is based on the loss for the period attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 1,996,644,474 outstanding during the six months ended 30 June 2025 (six months ended 30 June 2024: 437,914,260).

	2025	2024
	(Unaudited)	(Unaudited)
Loss attributable to owners of the company (RMB'000)	(33,422)	(179,639)
Weighted average number of ordinary shares outstanding during the period*	1,996,644,474	437,914,260
	<hr/>	<hr/>
Basic loss per share (expressed in RMB per share)	(0.02)	(0.41)
	<hr/> <hr/>	<hr/> <hr/>

- * On 16 October 2024, 1,632,795,088 ordinary shares were allotted and issued, credited as fully paid at par value to the shareholders on the register of members of the Company at the close of business on the date immediately preceding the date on which the IPO becomes unconditional (or as they may direct) in proportion to their respective shareholdings in the Company (as nearly as possible without fractions) by way of capitalisation of the sum of US\$163,279.5088 standing to the credit of the share premium account of the Company (“**Capitalisation Issue**”), and the shares to be allotted and issued pursuant to the Capitalisation issue shall rank pari passu in all respects with the then existing issued shares. All convertible redeemable preferred shares were automatically converted into ordinary shares on a one-for-one basis upon the successful IPO of the Company on 16 October 2024. For this Capitalisation issue, the additional shares are treated as having been in issue for the whole year ended 31 December 2024 and are also included in the loss per share calculation for the six months ended 30 June 2024 presented so as to give a comparable result.

Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: convertible redeemable preferred shares and share options.

As the Group incurred losses for the six months ended 30 June 2025 and 30 June 2024, the dilutive potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive.

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets at a cost of RMB17,259,000 (30 June 2024: RMB1,906,000), and none of the Group's property, plant and equipment was transferred from right-of-use assets (30 June 2024: RMB2,142,000) or transferred to inventories (30 June 2024: RMB131,000).

Assets with a net book value of RMB373,000 were disposed of by the Group during the six months ended 30 June 2025 (30 June 2024: Nil), resulting in a net loss on disposal of RMB309,000 (30 June 2024: Nil).

As at 30 June 2025, none of the Group's property, plant and equipment was pledged to secure bank and other borrowings of the Group (31 December 2024: Nil).

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Investments in unlisted entities	86,966	86,258
Analysed into:		
Non-current portion	86,966	86,258

As at 30 June 2025, certain investments amounting to RMB84,544,000 (31 December 2024: RMB83,836,000) in associates which were managed through a venture capital investment organisation were measured as financial assets at fair value through profit or loss in accordance with IFRS 9.

11. TRADE RECEIVABLES AND CONTRACT ASSETS

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
Trade receivables	479,192	480,111
Contract assets	44,973	—
Subtotal	524,165	480,111
Impairment	(73,943)	(49,156)
Total	450,222	430,955

An ageing analysis of the trade receivables and contract assets as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
Within 90 days	354,061	346,270
90 days to 6 months	63,077	49,837
6 to 12 months	29,446	31,972
1 to 2 years	3,638	2,876
Total	450,222	430,955

12. CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND TIME DEPOSITS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Cash and bank balances	400,624	519,462
Less: Non-pledged time deposits with original maturity of more than three months when acquired*	(192,787)	(59,677)
Restricted cash**	<u>(2,232)</u>	<u>(7,857)</u>
Cash and cash equivalents	<u>205,605</u>	<u>451,928</u>
Denominated in:		
RMB	88,691	99,728
US\$	76,623	88,138
HK\$	39,897	262,162
SG\$	389	1,891
VND\$	<u>5</u>	<u>9</u>
Total	<u>205,605</u>	<u>451,928</u>

* Short-term bank deposits were deposits with original maturities over three months and less than one year.

** As at 30 June 2025, the restricted cash of RMB2,232,000 primarily represented guarantee deposits (31 December 2024: RMB7,857,000).

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB and for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between one day and twelve months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no history of default.

13. TRADE AND BILLS PAYABLES

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
Trade payables	220,387	263,658
Bills payable	41,651	47,664
Total	<u>262,038</u>	<u>311,322</u>

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
Within 6 months	231,158	288,715
6 to 12 months	11,520	16,615
Over 1 year	19,360	5,992
Total	<u>262,038</u>	<u>311,322</u>

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 90 days.

The Group has established supplier finance arrangements that are offered to some of the Group's key suppliers in Mainland China. Participation in the arrangements is at the suppliers' own discretion. Suppliers that participate in the supplier finance arrangements will receive early payments or payments at the original due dates on invoices sent to the Group from the Group's external finance provider. In order for the finance provider to pay the invoices, the goods must have been received or supplied and the invoices must have been approved by the Group. Payments to suppliers ahead of the invoice due date are processed by the finance provider and the Group settles the original invoice by paying the finance provider in line with the original invoice maturity date. Payment terms with suppliers have not been renegotiated in conjunction with the arrangements.

14. INTEREST-BEARING BANK AND OTHER BORROWINGS

	30 June 2025 (unaudited)			31 December 2024 (audited)		
	Effective	Maturity	RMB'000	Effective	Maturity	RMB'000
	interest rate (%)			interest rate (%)		
Current						
Bank loans – secured	2.70–3.40	2025–2026	<u>199,972</u>	3.00–3.40	2025	<u>196,104</u>
				30 June	31 December	
				2025	2024	
				RMB'000	RMB'000	
				(Unaudited)	(Audited)	
Analysed into:						
Bank loans repayable						
Within one year				<u>199,972</u>	<u>196,104</u>	

As at 30 June 2025, none of the Group's bank and other borrowings are secured by pledges of the Group's property, plant and equipment (31 December 2024: Nil).

15. SHARE CAPITAL

Shares

	30 June	31 December
	2025	2024
	US\$'000	US\$'000
	(Unaudited)	(Audited)
Issued and fully paid:		
1,996,644,474 (2024: 1,996,644,474)		
ordinary shares of US\$0.0001 each	<u>200</u>	<u>200</u>

FINANCIAL REVIEW

Results of Operations

Our total revenue increased by 16.8% from RMB710.4 million for the six months ended June 30, 2024 to RMB829.4 million for the six months ended June 30, 2025. Our loss for the period decreased by 81.4% from RMB179.6 million in 2024 to RMB33.4 million in 2025, mainly due to the decrease in loss caused by the fair value changes of convertible redeemable preferred shares, and effective cost control that led to the decrease in selling and marketing expenses and administrative expenses.

Components of Results of Operations

Revenue

MPaaS

Revenue from our MPaaS products are primarily derived from our QCDN, Kodo, interactive live streaming products and Dora.

The following table sets forth our revenue by business segments for the periods indicated:

	Six months ended June 30,			
	2025		2024	
	<i>(RMB'000)</i>	<i>Percentage</i>	<i>(RMB'000)</i>	<i>Percentage</i>
	<i>(unaudited)</i>	<i>of total</i>	<i>(unaudited)</i>	<i>of total</i>
QCDN	375,772	64%	344,565	68%
Kodo	165,761	28%	143,350	28%
Dora	37,295	6%	13,741	3%
Interactive live streaming products	12,584	2%	6,575	1%
Total	591,412	100%	508,231	100%

Our total revenue from MPaaS products increased by 16.4% in the six months ended June 30, 2025, which was primarily driven by growth in our three core products: QCDN, Kodo, and Dora. This growth fully demonstrates our ongoing ability to meet the diverse needs of our customers and our competitive edge in the market through our technology and product matrix.

APaaS

The following table sets forth a breakdown of our revenue from APaaS solutions by application scenarios, categorized according to the scenario-based solutions provided to our APaaS customers, in absolute amounts and as a percentage of our revenue from APaaS solutions for the periods indicated.

	Six months ended June 30,			
	2025		2024	
	(RMB'000)	% of the total	(RMB'000)	% of the total
	(unaudited)		(unaudited)	
Video marketing	154,378	70%	92,272	52%
Social entertainment	53,684	24%	63,515	36%
Visual Networking	9,385	4%	19,610	11%
Smart new media	4,078	2%	2,655	1%
Metaverse	370	0%	290	0%
Total	221,895	100%	178,342	100%

Our total revenue from APaaS solutions increased by 24.4% in the six months ended June 30, 2025, which was attributed to the significant increase in revenue from video marketing. Driven by the development of AI technology, we are able to provide more intelligent functions and attract customers to use more services with scenario-based solutions.

Key Operating Metrics

Set out below are some key operating metrics we take into account of when managing our business.

	Six months ended June 30, 2025	Six months ended June 30, 2024
Number of MPaaS paying customers	70,125	70,205
Number of APaaS paying customers	2,675	2,528
Average contribution of MPaaS paying customers (RMB)	8,434	7,239
Average contribution of APaaS paying customers (RMB)	82,952	70,547

Notes:

- (1) Calculated based on total revenue from MPaaS in the period divided by the number of MPaaS customers in the period.
- (2) Calculated based on the total revenue from APaaS in the period divided by the number of APaaS customers in the period.

Other services

For the six months ended June 30, 2024 and 2025, revenue from our other services were RMB23.8 million and RMB16.1 million, respectively, representing approximately 3.4% and 1.9% of our total revenue in the same periods.

Cost of Sales

The principal components of our cost of sales include: (i) network and bandwidth purchased from network operators and cloud providers, (ii) server and storage costs in relation to hardware procured for customers, virtual machine services acquired and storage related services, (iii) depreciation and amortization mainly in relation to servers and network equipment, (iv) Internet data center rack costs, (v) technical service fees in relation to software development kit (“**SDK**”), artificial intelligence and other services or software purchased from third-parties, (vi) staff cost in relation to salaries, bonuses, benefits and share-based payments for our project operation and maintenance team, and (vii) other miscellaneous expenses such as equipment accessories and logistics expenses.

We recorded an increase of 20.4% in cost of sales from RMB558.0 million for the six months ended June 30, 2024 to RMB671.9 million for the six months ended June 30, 2025, which was in line with our increase in revenue.

Gross Profit and Gross Profit Margin

The following table sets forth a breakdown of our gross profit in absolute amounts and as a percentage of revenue, i.e. gross margins, for the periods indicated:

	Six months ended June 30,			
	2025		2024	
	Gross Profit	Gross profit	Gross Profit	Gross profit
	(RMB'000)	margin	(RMB'000)	margin
	(unaudited)	%	(unaudited)	%
MPaaS	94,714	16.0	95,962	18.9
APaaS	61,133	27.6	53,854	30.2
Others	1,598	9.9	2,595	10.9
Total	157,445	19.0	152,411	21.5

We recorded a drop in our gross margin due to (1) gross profit margin was pressured by increased revenue contribution from larger customers with stronger bargaining power; (2) some customers requesting price adjustments due to changes in the macroeconomic and market environment; and (3) increased network and bandwidth costs in the market.

Other income and gains

Other income and gains consists primarily of government grants relating to our research and development and operation activities, and bank interest income.

We recorded an increase in other income and gains from RMB2.7 million for the six months ended June 30, 2024 to RMB10.8 million for the six months ended June 30, 2025, which was mainly due to increase in government grant and bank interest income.

Research and development costs

Research and development costs consists primarily of personnel costs, depreciation and amortisation, outsourcing of non-essential research and development expenses and others.

We recorded a 6.9% increase in research and development costs from RMB70.7 million for the six months ended June 30, 2024 to RMB75.6 million for the six months ended June 30, 2025, which was mainly due to increased investment in research and development projects related to APaaS and artificial intelligence.

Selling and marketing expenses

We recorded a decrease in selling and marketing expenses from RMB56.0 million for the six months ended June 30, 2024 to RMB49.9 million for the six months ended June 30, 2025 due to our continuous effort in cost control.

Administrative expenses

We recorded a decrease in administrative expenses from RMB57.0 million for the six months ended June 30, 2024 to RMB45.0 million for the six months ended June 30, 2025 due to our continuous effort in cost control. Additionally, we did not incur any listing expenses for the six months ended June 30, 2025.

Fair value losses on convertible redeemable preferred shares

We did not record any fair value losses on convertible redeemable preferred shares during the six months ended June 30, 2025 as convertible redeemable preferred shares of the Company had been converted into ordinary shares of the Company on October 16, 2024 upon listing, compared with the RMB121.7 million in fair value losses on convertible redeemable preferred shares incurred during the six months ended June 30, 2024.

Taxation

We recorded RMB102,000 income tax expenses for the six months ended June 30, 2025, as compared to nil income tax expenses for the six months ended June 30, 2024.

Loss for the period

As a result of the above, our loss for the period decreased by 81.4% from RMB179.6 million for the six months ended June 30, 2024 to RMB33.4 million for the six months ended June 30, 2025, mainly due to the decrease in loss caused by the fair value changes of convertible redeemable preferred shares and decrease in selling and marketing expenses and administrative expenses due to the effective cost-control.

Adjusted Net Loss

We recorded an adjusted net loss (non-IFRS measure) for the six months ended June 30, 2025 of RMB28.6 million, compared to an adjusted net loss (non-IFRS measure) of RMB39.8 million for the six months ended June 30, 2024. We defines adjusted net loss (non-IFRS measure) as the loss for the period, excluding fair value changes on convertible redeemable preferred shares, share-based payments and listing expenses.

Adjusted Earnings Before Interests, Taxes, Depreciation and Amortization (EBITDA)

We recorded an adjusted EBITDA (non-IFRS measure) for the six months ended June 30, 2025 of a loss of RMB3.5 million, compared to an adjusted EBITDA of a loss of RMB9.9 million for the six months ended June 30, 2024. We define adjusted EBITDA (non-IFRS measure) as earnings before interest expense, interest income, tax expense, depreciation and amortization, excluding fair value changes on convertible redeemable preferred shares, share-based payments and listing expenses.

Total Comprehensive Loss for the Period

We recorded total comprehensive loss of RMB198.6 million and RMB34.7 million for the six months ended June 30, 2024 and June 30, 2025, respectively. The difference was primarily due to fair value changes of convertible redeemable preferred shares.

Liquidity and Capital Resources

We fund our operations and strategic investments from cash generated from our operations and through debt and equity financing. As of June 30, 2025, we had cash and cash equivalents, restricted cash and time deposits of a total amount of RMB400.6 million. Short-term bank deposits were deposits with original maturities over three months and less than one year. Time deposits are made for varying periods of between one day and twelve months depending on the immediate cash requirements of our Group, and earn interest at the respective short term time deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no history of default.

As at June 30, 2025, our Group's interest-bearing bank and other borrowings amounted to RMB200.0 million, which were short-term bank loans within one year without any pledge of our Group's property, plant and equipment.

USE OF THE NET PROCEEDS FROM THE GLOBAL OFFERING

The net proceeds received from the Global Offering in October 2024, after deducting the underwriting fees and commissions and expenses payable by the Company in connection with the Global Offering, amounted to approximately HK\$369.7 million. The Company did not exercise the over-allotment option. During the period from the Listing Date to June 30, 2025, the net proceeds from the Global Offering was utilized in the manner as follows:

	Approximate percentage of the total net proceeds	Net proceeds from the Global Offering (HKD in millions)	Net proceeds utilized as of June 30, 2025 (HKD in millions)	Remaining net proceeds as of June 30, 2025 (HKD in millions)	Expected time to utilize the remaining net proceeds in full
Penetrating and deepening our presence in the application scenarios of our APaaS business and developing and expanding our customer base	38.0%	140.5	24.0	116.5	By the end of the year ending December 31, 2028
Purchasing network and bandwidth and servers	15.0%	55.5	15.0	40.5	
Enhancing our sales and marketing function – enhancing our brand awareness through online channels	9.0%	33.2	6.8	26.4	
Recruiting personnel for developing and accumulating more in-depth scenarios in APaaS	14.0%	51.8	2.2	49.6	
Expanding our overseas business	20.0%	73.9	9.5	64.4	By the end of the year ending December 31, 2028
Enhancing our overseas IT infrastructure	8.0%	29.6	9.5	20.1	
Establishing local teams in various regions and countries	12.0%	44.3	–	44.3	
Enhance our research and development capabilities and improve our technical infrastructure	12.0%	44.4	8.6	35.8	By the end of the year ending December 31, 2028
Building our AIGC capabilities	8.0%	29.6	7.4	22.2	
Upgrading and iterating our low-code platform	4.0%	14.8	1.2	13.6	
Selected mergers, acquisitions, and strategic investments	20.0%	73.9	–	73.9	By the end of the year ending December 31, 2028
Working capital and general corporate purposes	10.0%	37.0	8.4	28.6	By the end of the year ending December 31, 2028
Total	100%	369.7	50.5	319.2	

As of June 30, 2025, our Group has utilized HK\$50.4 million of the net proceeds from the Global Offering, and the remaining net proceeds of HK\$319.2 million were deposited with licensed banks in Hong Kong or the PRC. Our Group will further utilize the net proceeds from the Global Offering in the manner as set out in the section headed “Future Plans and Use of Proceeds” of the prospectus of our Company dated September 30, 2024.

INTERIM DIVIDEND

The Board did not declare the payment of any interim dividend for the six months ended June 30, 2025.

SUBSEQUENT EVENTS

The Company’s principal place of business in Shanghai has been changed from Floor 1-4, Building Q, No. 66 Boxia Road, Pudong New District, Shanghai, PRC to Building 19, Zhangjiang AI Island, No. 55 Chuanhe Road, Pudong New District, Shanghai, PRC in August 2025.

Other than above, as of the date of this announcement, the Group had no other material events subsequent to the Reporting Period.

CORPORATE GOVERNANCE CODE

The Group is committed to maintaining a high standard of corporate governance to safeguard the interests of the Shareholders and enhance its value and accountability. The Company has adopted the Corporate Governance Code (the “**Corporate Governance Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) as its governance code.

Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Xu Shiwei is currently the chairman and chief executive officer of our Company. In view of the fact that Mr. Xu established our Company and has been assuming the responsibilities in the overall management and supervision of the daily operations of our Group since May 2011, our Board believes that it is in the best interest of our Group to have Mr. Xu taking up both roles for effective management and operations. Therefore, our Directors consider that the deviation from such code provision is appropriate. Notwithstanding such deviation, our Directors are of the view that our Board is able to work efficiently and perform its responsibilities with all key and appropriate issues discussed in a timely manner. In addition, as all major decisions will be made in consultation with members of our Board and the relevant Board committee, and there are three independent non-executive Directors on our Board offering independent perspective, our Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers within our Board. Our Board shall nevertheless review the structure and composition of our Board and senior management from time to time in light of prevailing circumstances to maintain a high standard of corporate governance practices of our Company.

Save as disclosed above, during the Reporting Period and until the date of this interim results announcement, the Company has always complied with the code provisions set out in Part 2 of the Corporate Governance Code contained in Appendix C1 to the Listing Rules.

The Group will continue to review and monitor its corporate governance practices in order to ensure the compliance with the Corporate Governance Code.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended June 30, 2025, none of the Company or any of its subsidiaries or its consolidated affiliated entities had purchased, sold or redeemed any of the listed securities (including sale of treasury shares (as defined under the Listing Rules)) of the Company.

As of June 30, 2025, there were no treasury shares as defined under the Listing Rules held by our Company.

MODEL CODE FOR SECURITIES TRANSACTION

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors and relevant employees’ securities transactions. Specific enquiry has been made to all the Directors and each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code during the Reporting Period.

AUDIT COMMITTEE

The Board has established an audit committee (the “**Audit Committee**”), consisting of three independent non-executive Directors, namely, Mr. Zhou Zheng (Chairman), Dr. Shi Qing and Mr. Wei Shaojun. Written terms of reference have been adopted for the Audit Committee, which clearly specify its duties and responsibilities and are available for inspection on the websites of the Company and the Stock Exchange.

REVIEW OF INTERIM RESULTS

The interim results for the six months ended June 30, 2025 has been reviewed by the Audit Committee.

The Audit Committee has, together with the senior management, reviewed the accounting policies adopted by the Group. They also discussed risk management, internal controls of the Group and financial reporting matters, including having reviewed and agreed to the unaudited interim condensed consolidated financial statements during the Reporting Period.

The financial information set out in this announcement represents an extract from the interim condensed consolidated financial information for the Reporting Period, which is unaudited but has been reviewed by the auditor of the Company, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410 issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM RESULTS AND 2025 INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.qiniu.ltd). The interim report of the Company for the six months ended June 30, 2025 containing all the information required by the Listing Rules will be dispatched to the Shareholders (if required) and published on the above websites by end of September 2025.

By order of the Board
Qiniu Limited
XU Shiwei
Chairman and Executive Director

Hong Kong, August 26, 2025

As at the date of this announcement, the Board comprises Mr. Xu Shiwei as chairman and executive Director, Ms. Chen Yiling as executive Director; Mr. Lyu Guihua as non-executive Director; and Mr. Wei Shaojun, Mr. Zhou Zheng and Dr. Shi Qing as independent non-executive Directors.