雲工場科技控股有限公司
Cloud Factory Technology Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2512)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

The Board of the Company is pleased to announce the audited consolidated annual results of the Group for the Reporting Period, together with the comparative figures for the year ended 31 December 2024. The consolidated annual results of the Group for the Reporting Period have been reviewed by the Audit Committee.

FINANCIAL HIGHLIGHTS

	For the year ended 31 December		Change
	2025	2024	
	RMB'000	*RMB'000*	*(%)*
Revenue	**943,497**	707,629	33.3
Gross profit	**96,014**	89,622	7.1
Profit before tax	**13,862**	13,831	0.2
Profit for the year	**11,764**	12,372	(4.9)
Earnings per Share (expressed in RMB per Share)	**0.02**	0.03	(33.3)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
REVENUE	4	**943,497**	707,629
Cost of sales		**(847,483)**	(618,007)
Gross profit		**96,014**	89,622
Other income and gains	4	**9,845**	9,388
Selling and distribution expenses		**(5,714)**	(7,759)
Administrative expenses		**(37,918)**	(44,132)
Research and development expenses		**(33,143)**	(23,815)
Impairment losses on financial assets		**(2,367)**	(689)
Other expenses		**(2,672)**	(235)
Finance costs	6	**(10,183)**	(8,549)
PROFIT BEFORE TAX	5	**13,862**	13,831
Income tax expense	7	**(2,098)**	(1,459)
PROFIT FOR THE YEAR		**11,764**	12,372
Attributable to:			
Owners of the parent		**11,549**	12,091
Non-controlling interests		**215**	281
		11,764	12,372
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	9	**0.02**	0.03

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	2025	2024
	RMB'000	*RMB'000*
PROFIT FOR THE YEAR	**11,764**	12,372
OTHER COMPREHENSIVE (LOSS)/INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**6,605**	842
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**6,605**	842
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(8,242)**	5,507
Net other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods	**(8,242)**	5,507
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR, NET OF TAX	**(1,637)**	6,349
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**10,127**	18,721
Attributable to:		
Owners of the parent	**9,912**	18,440
Non-controlling interests	**215**	281
	10,127	18,721

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Year ended 31 December 2025

	Notes	31 December 2025 RMB'000	31 December 2024 RMB'000
NON-CURRENT ASSETS			
Property and equipment		**60,180**	32,597
Right-of-use assets		**26,060**	641
Other intangible assets		**154**	230
Deferred tax assets		**1,456**	1,836
Long-term receivables	*10*	**29,985**	53,915
Total non-current assets		**117,835**	89,219
CURRENT ASSETS			
Inventories		**34,939**	129
Trade receivables	*11*	**308,149**	235,042
Prepayments, other receivables and other assets	*12*	**318,222**	215,973
Restricted cash		**—**	27
Cash and cash equivalents		**603,792**	371,016
Total current assets		**1,265,102**	822,187
CURRENT LIABILITIES			
Trade payables	*13*	**337,172**	199,598
Other payables and accruals		**51,523**	38,023
Contract liabilities		**54,483**	231
Interest-bearing bank borrowings		**378,101**	262,811
Lease liabilities		**10,380**	485
Current portion of long-term payables		**3,278**	—
Tax payable		**4,016**	4,329
Total current liabilities		**838,953**	505,477
NET CURRENT ASSETS		**426,149**	316,710
TOTAL ASSETS LESS CURRENT LIABILITIES		**543,984**	405,929

	Notes	**31 December 2025** **RMB'000**	31 December 2024 *RMB'000*
NON-CURRENT LIABILITIES			
Lease liabilities		**9,616**	9
Long-term payables		**14,131**	—
Total non-current liabilities		**23,747**	9
Net assets		**520,237**	405,920
EQUITY			
Equity attributable to owners of the parent			
Share capital	*14*	**36**	33
Treasury shares	*14*	**(108,739)**	—
Reserves		**599,000**	402,409
		490,297	402,442
Non-controlling interests		**29,940**	3,478
Total equity		**520,237**	405,920

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2025

1. CORPORATE AND GROUP INFORMATION

Cloud Factory Technology Holdings Limited is a limited liability company incorporated in the Cayman Islands on 10 December 2021. The registered office of the Company is 89 Nexus Way, Camana Bay, Grand Cayman, KY1–9009, Cayman Islands.

The Company is an investment holding company. During the year, the Company and its subsidiaries (collectively referred to as the "Group") were principally engaged in the provision of internet data centre ("IDC") solution services, edge computing services, intelligent computing and other services in the People's Republic of China ("PRC").

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 14 June 2024 (the "Listing Date").

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include International Accounting Standards ("IASs") and Interpretations) issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain financial assets which have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to IAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

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 in and the functional currencies of overseas subsidiaries, joint ventures and associates for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions. They illustrate how entities report the effects of uncertainties in the financial statements by using climate-related scenarios related to impairment testing, credit risk, decommissioning and site restoration provisions, addressing topics such as materiality judgements, significant judgements and estimates, and aggregation and disaggregation. The Group have considered these examples, the amendments to Illustrative Examples did not have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

The Group is principally a provider of IDC solution services, edge computing services, intelligent computing and other services in the Chinese mainland.

Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment. Since this is the only reportable operating segment of the Group, no further operating segment analysis is presented.

Geographical information

During the year, all of the Group's revenue was derived from customers located in the Chinese mainland and all of the Group's non-current assets were located in the Chinese mainland, and therefore no further geographical information is presented in accordance with IFRS 8 *Operating Segments*.

Information about major customers

Revenue from sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue during each of the reporting period is as follows:

	2025	2024
	RMB'000	*RMB'000*
Customer A	**147,376**	156,592
Customer B	**120,851**	74,708
Customer C	**107,584**	136,555
Customer D	**103,486**	93,559

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2025	2024
	RMB'000	*RMB'000*
Revenue from contracts with customers	**943,497**	707,629

Revenue from contracts with customers

(a) ***Disaggregated revenue information***

	2025	2024
	RMB'000	*RMB'000*
Types of goods or services		
IDC solution services	**758,640**	658,663
Edge computing services	**41,599**	48,966
Intelligent computing	**139,810**	—
including: Computing resources services	**54,406**	—
Sales of computing equipment	**85,404**	—
Other services	**3,448**	—
Total revenue from contracts with customers	**943,497**	707,629
Geographical market		
Chinese mainland	**943,497**	707,629
Timing of revenue recognition		
Services transferred over time	**851,612**	705,463
Services transferred at a point in time	**91,885**	2,166
Total	**943,497**	707,629

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2025	2024
	RMB'000	*RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of the reporting year		
IDC solution services	**202**	10
Edge computing services	**29**	66
Total	**231**	76

(b) ***Performance obligations***

Provision of IDC solution services and edge computing services

For the provision of IDC solution services and content delivery network services, the performance obligation is satisfied over time when the services are rendered. For the provision of EdgeAIoT services, revenue is recognised at a point in time. The performance obligation is satisfied upon acceptance of services and products by the customers. The payment is generally due within 10 to 60 days after receipt of invoice.

Provision of computing resources services

For the provision of computing resources services the performance obligation is satisfied over time when the services are rendered. The performance obligation is satisfied upon acceptance of services by the customers. The payment is generally due within 60 to 90 days after receipt of invoice.

Sales of computing equipment

For sales of computing equipment, revenue is recognised at a point in time. The performance obligation is satisfied upon acceptance of products by the customers. The timing of payment varies from contract to contract usually within 90 days after receipt of invoice.

Provision of other services

For the provision of other services, revenue is recognised at a point in time. The performance obligation is satisfied upon acceptance of services by the customers. The timing of payment varies from contract to contract usually within 180 days after receipt of invoice.

All provisions of services are satisfied within one year or less.

An analysis of other income and gains is as follows:

	2025	2024
	RMB'000	*RMB'000*
Other income		
Government grants*	**3,493**	3,727
Bank interest income	**556**	2,732
Interest income from long-term receivables	**5,562**	2,920
Others	**225**	—
Total other income	**9,836**	9,379
Gains		
Gain on disposal of items of right-of-use assets	**9**	9
Total other income and gains	**9,845**	9,388

* There are no unfulfilled conditions or contingencies attached to these grants.

5. PROFIT BEFORE TAX

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

	Notes	**2025** **RMB'000**	2024 RMB'000
Cost of services provided*		**847,483**	618,007
Depreciation of property and equipment		**9,119**	5,740
Depreciation of right-of-use assets		**1,053**	541
Amortisation of intangible assets		**261**	298
Research and development expenses*		**33,143**	23,815
Expense relating to short-term leases		**469**	191
Auditor's remuneration		**3,350**	3,350
Employee benefit expense (including directors' and chief executive's remuneration):			
— Wages and salaries		**28,974**	29,467
— Pension scheme contributions and social welfare		**4,228**	4,198
Total		**33,202**	33,665
Impairment losses recognised for financial assets		**2,367**	689
Bank interest income	*4*	**(556)**	(2,732)
Loss on disposal of items of property and equipment		**4**	26
Gain on disposal of items of right-of-use assets	*4*	**(9)**	(9)

* The "cost of sales" and "research and development expenses" above include expenses relating to depreciation of property and equipment, depreciation of right-of-use assets, and employee benefit expenses, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 **RMB'000**	2024 RMB'000
Interest on interest-bearing bank borrowings	**9,719**	8,503
Interest on long-term payables	**265**	—
Interest on lease liabilities	**199**	46
Total	**10,183**	8,549

7. INCOME TAX

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

Cayman Islands

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly is not subject to income tax.

British Virgin Islands

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

Hong Kong

The subsidiaries incorporated in Hong Kong was subject to Hong Kong profits tax at the rate of 8.25% for taxable income not exceeding HK$2,000,000, and 16.5% for taxable income exceeding HK$2,000,000 on any estimated assessable profits arising in Hong Kong during the year ended 31 December 2025. 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 year ended 31 December 2025.

Chinese mainland

Pursuant to the Corporate Income Tax of the Chinese mainland and the respective regulations (the "CIT Law"), the Company's subsidiaries which operate in the Chinese mainland are subject to income tax at a rate of 25% on their respective taxable income.

Jiangsu Cloud Factory Information Technology Co., Ltd. ("Yungongchang") renewed its "High-and-New Technology Enterprise" ("HNTE") qualification in 2024 and is entitled to a preferential tax rate of 15% for a three-year period since 2024. The qualification as a High and New Technology Enterprise will be subject to review by the relevant tax authority in the Chinese mainland for every three years.

Certain of the Group's subsidiaries registered in the Chinese mainland are qualified as small and micro enterprises and were entitled to an effective preferential corporate income tax rate of 5% for the year ended 31 December 2025.

	2025	2024
	RMB'000	*RMB'000*
Current	**1,718**	1,357
Deferred	**380**	102
Total tax charge for the year	**2,098**	1,459

A reconciliation of the tax expense applicable to profit before tax at the statutory tax rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

	2025	2024
	RMB'000	*RMB'000*
Profit before tax	**13,862**	13,831
Tax at the statutory tax rate of 25% in the Chinese mainland	**3,466**	3,458
Preferential tax rates enacted by local authority	**363**	(1,270)
Adjustments in respect of deferred tax of previous periods	**(151)**	—
Additional deduction of research and development expenses	**(2,767)**	(2,048)
Tax losses and deductible temporary differences not recognised	**316**	—
Expenses not deductible for tax	**871**	1,319
Tax charge at the Group's effective rate	**2,098**	1,459

8. DIVIDENDS

No dividend has been declared and paid by the Company during the year ended 31 December 2025.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

Basic

The calculation of the basic earnings per share amount is based on the loss earnings for the year attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 471,011,589 outstanding during the year ended 31 December 2025 (2024: 421,575,342).

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2025 and 2024 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2025 and 2024.

	2025	2024
Earnings		
Profit attributable to ordinary equity holders of the parent (RMB'000)	**11,549**	12,091
Shares		
Weighted average number of ordinary shares outstanding during the year	**471,011,589**	421,575,342
Earnings per share		
Basic and diluted (RMB)	**0.02**	0.03

10. LONG-TERM RECEIVABLES

	2025	2024
	RMB'000	*RMB'000*
Long-term receivables	**56,898**	78,691
Less: Long-term receivables due within one year	**(25,977)**	(23,025)
Less: Impairment	**(936)**	(1,751)
At the end of the year	**29,985**	53,915

The Group, a customer and an independent third party (the "Edge Computing Cooperation Partner") entered into a series of agreements whereby (i) the Group (a) purchased AI computing equipment from the Edge Computing Cooperation Partner who assisted to source the equipment, and the Group leased the equipment back to the Edge Computing Cooperation Partner; and (b) provided Edge Computing Services to the Edge Computing Cooperation Partner; (ii) the Edge Computing Cooperation Partner provided setup services and maintenance services of the AI computing equipment to the customer; and (iii) the customer supported the Edge Computing Cooperation with its own IDC infrastructure. According to the provisions in the agreements, the Group accounted for the sales and lease back as a financing arrangement.

The movements in the loss allowance for impairment of other non-current assets are as follows:

	2025	2024
	RMB'000	*RMB'000*
At the beginning of the year	**1,751**	2,464
Reversal of impairment losses, net	**(815)**	(713)
At the end of the year	**936**	1,751

Set out below is the information about the credit risk exposure on the Group's long-term receivables and long-term receivables due within one year using estimated loss rate:

As at 31 December 2025:

	Long-term receivables credit-rating
Individually assessed:	
Expected credit loss rate	**3.03%**
Gross carrying amount	**56,898**
Expected credit losses	**1,723**

As at 31 December 2024:

	Long-term receivables credit-rating
Individually assessed:	
Expected credit loss rate	3.15%
Gross carrying amount	78,691
Expected credit losses	2,475

11. TRADE RECEIVABLES

	2025	2024
	RMB'000	*RMB'000*
Trade receivables	**315,718**	239,564
Impairment	**(7,569)**	(4,522)
At the end of the year	**308,149**	235,042

The Group's trading terms with its customers are mainly on credit, except for small customers of IDC solution services, where payment in advance is normally required. The credit periods are generally 10 to 90 days after receipt of invoice for major customers. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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

	2025	2024
	RMB'000	*RMB'000*
Within 1 year	**285,307**	191,579
1 to 2 years	**524**	43,463
2 to 3 years	**22,318**	—
Total	**308,149**	235,042

The movements in the loss allowance for impairment of trade receivables are as follows:

	2025	2024
	RMB'000	*RMB'000*
At the beginning of the year	**4,522**	3,364
Impairment losses recognised	**3,047**	1,158
At the end of the year	**7,569**	4,522

An impairment analysis is performed at each reporting date using estimated loss rate to measure expected credit losses. The estimated loss rates are based on historical observable default rates over the expected life of the debts, the creditworthiness of counterparties and macroeconomic influences. The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables.

Set out below is the information about the credit risk exposure on the Group's trade receivables using estimated loss rate:

As at 31 December 2025:

	Trade receivables credit-rating				
	A	**Baa**	**Ba**	**Unrated**	**Total**
Individually assessed:					
Expected credit loss rate	**—**	**—**	**—**	**100.00%**	**100.00%**
Gross carrying amount (RMB'000)	**—**	**—**	**—**	**787**	**787**
Expected credit losses (RMB'000)	**—**	**—**	**—**	**787**	**787**
Collectively assessed:					
Expected credit loss rate	**0.05%**	**0.15%**	**0.84%**	**3.44%**	**2.15%**
Gross carrying amount (RMB'000)	**112,603**	**3,259**	**4,858**	**194,211**	**314,931**
Expected credit losses (RMB'000)	**54**	**5**	**41**	**6,682**	**6,782**

As at 31 December 2024:

	Trade receivables credit-rating				
	A	Baa	Ba	Unrated	Total
Individually assessed:					
Expected credit loss rate	—	—	—	100.00%	100.00%
Gross carrying amount (RMB'000)	—	—	—	787	787
Expected credit losses (RMB'000)	—	—	—	787	787
Collectively assessed:					
Expected credit loss rate	0.05%	—	—	3.14%	1.56%
Gross carrying amount (RMB'000)	121,986	—	—	116,791	238,777
Expected credit losses (RMB'000)	62	—	—	3,673	3,735

12. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2025	2024
	RMB'000	*RMB'000*
Current portion of long-term receivables	**25,977**	23,025
Less: Impairment	**(787)**	(724)
	25,190	22,301
Prepayments	**170,504**	121,716
Suppliers' rebate receivable	**47,121**	54,112
Other receivables	**28,089**	13,812
Deposits	**43,148**	863
Others	**4,335**	3,262
	293,197	193,765
Less: Impairment	**(165)**	(93)
	293,032	193,672
Total	**318,222**	215,973

Prepayments, other receivables and other assets are unsecured, non-interest-bearing and have no fixed terms of repayment.

Prepayments primarily consist of advance payments for intelligent computing equipments and IDC resources.

The movements in provision for impairment of receivables are as follows:

	2025	2024
	RMB'000	*RMB'000*
At the beginning of the year	**817**	573
Impairment losses recognised	**135**	244
At the end of the year	**952**	817

An impairment analysis is performed at each reporting date using estimated loss rate to measure expected credit losses. As at each reporting date, financial assets included in prepayments, other receivables and other assets are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition, and thus the Group has assessed the expected credit losses under the 12-month expected credit loss method.

The impairment analysis of long-term receivables due within one year are disclosed in note 10.

13. TRADE PAYABLES

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

	2025	2024
	RMB'000	*RMB'000*
Within 1 year	**331,301**	199,048
1 to 2 years	**5,871**	550
Total	**337,172**	199,598

The trade payables are non-interest-bearing and are normally settled within 90 to 150 days.

14. SHARE CAPITAL AND TREASURY SHARES

	Number of ordinary shares	**Nominal value of ordinary shares**
	'000	*US$'000*
Authorised		
As at 31 December 2024 and 2025	5,000,000	50

	2025		2024	
	Number of shares	**Amount**	Number of shares	Amount
		RMB'000		*RMB'000*
Issued and fully paid:				
Ordinary shares of US$0.00001 each	**505,985,000**	**36**	460,000,000	33
Treasury shares held	**(26,617,000)**	**(108,739)**	—	—

A summary of movements in the Company's share capital is as follows:

	Number of ordinary shares	Amount	Number of treasury shares	Amount
		RMB'000		*RMB'000*
At 1 January 2024	1,000,000	—	—	—
Capitalisation issue *(Note (a))*	374,000,000	27	—	—
Issue of shares from initial public offering *(Note (b))*	85,000,000	6	—	—
At 31 December 2024 and 1 January 2025	460,000,000	33	—	—
Issue of ordinary shares *(Note (c))*	45,985,000	3	—	—
Share repurchased *(Note (d))*	—	—	(26,617,000)	(108,739)
At 31 December 2025	505,985,000	36	(26,617,000)	(108,739)

Notes:

(a) A total of 374,000,000 shares of US$0.00001 each were issued and credited as fully paid at par by the capitalisation of RMB27,000 in the share capital upon the public offer of the Company's share.

(b) On 14 June 2024, the Company issued a total of 85,000,000 ordinary shares 1 at the price of HK$4.60 per share for a total consideration of HK$391,000,000 (equivalent to RMB344,480,000) approximately, before share issue expenses. The difference between the consideration received and the par value of the Company's share amounting to RMB332,265,000 was credited to the share premium account, net of share issuance expenses.

(c) In August 2025, 45,985,000 shares of US$0.00001 each were issued to at the subscription price of HK$4.98 per share. An aggregate cash consideration of HK$229,005,300 (equivalent to RMB208,397,000), before share issuance expenses, was received and the difference with the par value amounting to RMB207,926,000, net of share issuance expenses, was credited to the share premium account.

(d) The Company repurchased 26,617,000 shares for a total consideration of approximately HK$118,890,170 (equivalent to approximately RMB108,739,000) for share option scheme.

15. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 26 March 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

During the Reporting Period, with the significant growth in AI and large model applications, coupled with the continuous acceleration of computing power network construction, computing resources are gradually becoming one of the key production factors driving the development of the digital economy. During the year, the Group has built a four-tier integrated technology stack centred around the core strategy of "Edge Cloud + AI Services (邊緣雲 + AI服務)", encompassing "infrastructure — edge nodes — computing power — applications". It has continuously promoted the development of core businesses such as intelligent computing, edge computing, and AI applications, and has made breakthrough progress in technical capability building, product system improvement, and industry application implementation.

IDC Solutions Services

During the Reporting Period, the Group continued to enhance IDC Solutions Services by optimising resource allocation and improving operational efficiency, in order to better meet clients' demands for stable, secure, and efficient data centre infrastructure services. During the year, the Group continuously improved its data centre operation management and security protection capabilities, perfecting network traffic monitoring and risk identification mechanisms to enhance overall service stability and security assurance levels.

During the Reporting Period, IDC Solutions Services remained the primary source of revenue for the Group, generating approximately RMB758.6 million in revenue, accounting for 80.4% of the total revenue of the Group. Compared to the same period last year, the IDC business continued to maintain a steady growth trend, with revenue increasing by approximately 15.2% year-on-year. The Group continued to expand its high-value customer base centred around internet platform companies, cloud service providers, and AI model companies, adding 16 new IDC customers during the year, and continuously expanding the geographical coverage of IDC Solutions Services to further enhance market penetration and service capabilities.

Edge Computing Services

During the Reporting Period, leveraging the "Lingjing Cloud" platform, the Group has continuously promoted the construction of Edge Computing Service capabilities, achieving significant progress in product upgrades, technical platform improvements, and the implementation of industry scenarios, thereby driving the in-depth application of AI technology in multiple fields.

In terms of product upgrades, the Group has completed multiple version upgrades for the "Lingjing Cloud Intelligent AI Road Inspection and Maintenance Solution (靈境雲智慧AI道路巡查養護解決方案)". Based on the original platform, user client, and mini-program, new functional modules such as asset inventory, electronic fencing, and disease traceability have been added. The platform has extended its functionality from single disease inspection and disposal to digital archiving of road assets, dynamic updating, and intelligent control of inspection areas. At the same time, the system has introduced an "automatic dispatch" mechanism, which can intelligently allocate tasks based on the level of disease and the location of inspection personnel, further improving the efficiency of inspection and operation and maintenance work.

In addition, the Group officially launched the "Lingjing Cloud Model Fine-tuning Service System (靈境雲模型微調服務系統)". Based on cloud computing architecture, this system integrates model repositories and libraries, data repositories, and computing resources, providing AI full-process service process covering model fine-tuning, training monitoring, effect evaluation, and deployment and launch. Through this platform, users can efficiently complete model tuning and application deployment, further enhancing the capabilities of the Group's edge computing platform in AI application services, and supporting the application and development of large model technology in business scenarios.

The application scenarios of the "Lingjing Cloud Edge Intelligence Internet of Things (EdgeAIoT) (靈境雲邊緣智能萬物互聯)" platform have been further expanded, with multiple benchmark projects successfully implemented in areas such as intelligent parks, intelligent education, and intelligent government affairs. By deeply integrating edge AI capabilities with specific businesses, the Group assists clients in creating intelligent solutions, significantly enhancing their operational efficiency and management standards.

During the Reporting Period, the revenue from Edge Computing Services was approximately RMB41.6 million (2024: RMB49.0 million), representing a year-on-year decrease of approximately 15.1% and accounting for approximately 4.4% of the total revenue of the Group. The change in revenue was primarily due to periodic fluctuations in service usage by large internet enterprise customers.

Intelligent Computing

During the Reporting Period, the Group officially expanded its intelligent computing. Intelligent Computing primarily encompasses the construction and operation of intelligent computing centres, the "Lingjing Cloud" Computing Power Scheduling Platform, and Computing Power Mall services. By integrating computing power resources and platform capabilities, the Group offered customers more comprehensive and scalable computing power solutions. As a new business segment, Intelligent Computing contributed over 10% of the Group's total revenue during the Reporting Period, gradually becoming an important source driving the Group's business growth.

In terms of computing cluster construction and operation, the Group has continuously deepened its layout of intelligent computing centres. During the Reporting Period, the Advanced Micro Devices Intelligent Computing Centre (新威智算中心), which the Group participated in jointly building, officially commenced operations in Wuxi. This project is the first large-scale intelligent computing centre in China based on the AMD ROCm on Radeon open-source ecosystem, and has completed its initial deployment on the Mashan Computing Island in Wuxi, thus providing significant support for the development of a diversified computing ecosystem and computing infrastructure. In addition to the above projects, the Group has also deployed and operated intelligent computing clusters in multiple regions across the country, continuously enhancing the supply capacity of computing resources to support the development of AI applications and related industries. This further enhances the Group's competitiveness in the field of intelligent computing.

During the Reporting Period, the Group officially launched the "Lingjing Cloud" Intelligent Computing Power Scheduling Service Solution, targeting private deployment platforms of governments, enterprises, and institutions that possess idle general-purpose computing or intelligent computing resources, and providing one-stop computing resource integration and scheduling services. This platform supports unified access and management of computing power resources from multiple brands both domestically and internationally, and offers various computing power service forms such as bare metal, containers, and virtual machines to meet the computing power needs of different application scenarios. Additionally, the platform possesses fine-grained computing power scheduling capabilities down to the single card level, enabling full-process management of computing power resource application, review, allocation, and recovery, and is equipped with real-time monitoring and tiered account management mechanisms. Through the integration and unified scheduling of existing computing power resources, the Group further enhanced the utilisation efficiency of computing power resources, providing customers with more flexible and efficient intelligent computing service support.

During the Reporting Period, the Group made substantial progress in the practical application of intelligent computing. In the Wuhan Computing Power Voucher Platform project, the Group, as the technical support provider and operator of the computing power scheduling platform, was responsible for the unified access, scheduling management, and delivery of computing power services for heterogeneous computing resources. It facilitated the entire process of computing power voucher issuance, utilisation, and verification, and supported the issuance and utilisation of approximately RMB10 million in computing power subsidy funds, further enhancing the management and service capabilities of computing resources. Simultaneously, the Group collaborated with "Whale Intelligence Community (鯨智社區)" (a national-level large model public service platform) to launch computing power market functions, providing users with diversified computing power supply services.

Through the continuous enhancement of our intelligent computing system and technological platform capabilities, the Group is gradually forming an intelligent computing service system encompassing computing resources, platform capabilities, and industry applications. This system provides stable and efficient AI computing service support for enterprise customers, further consolidating the Group's market position in the field of intelligent computing.

PROSPECT

Based on the business development achievements of 2025 and industry trends, the Group will continue to seize the opportunities presented by the development of AI and computing power industries. Focusing on the core strategy of "Edge Cloud + AI Services", we will persistently refine the four-tier integrated technical architecture, encompassing "infrastructure — edge Nodes — computing Power — applications", drive the coordinated development of intelligent computing systems, platform services, and industry applications, and further expand our business into higher-value domains.

In terms of business expansion, the Group will continue to deepen its intelligent computing service layout, with an overall development direction of "low-cost green computing capacity supply in the west + high-density application needs in the east and central regions(西部綠色低成本算力供給+東中部高密度應用需求)", gradually building a nationwide intelligent computing resource network. Meanwhile, the Group will actively participate in the construction and operation of the computing power network system, integrate computing power, models, and data resources, and continuously improve the computing power service ecosystem.

In terms of industry applications, the Group will rely on the "Lingjing Cloud" platform to continuously promote the expansion of AI technology applications in vertical industries such as education, transportation, government affairs, and industry. Furthermore, based on existing application achievements, it will further deepen its industry solution capabilities, facilitate the implementation of "AI + Industry" applications in more scenarios, and support the digitalisation and intelligent upgrading of industries.

In terms of technology research and development, the Group will continue to enhance its computing power platform and AI service capabilities. This includes further developing the heterogeneous computing power scheduling platform and improving the unified management and intelligent scheduling capabilities of multi-architecture GPU computing power resources. Furthermore, the Group will further optimise AI task scheduling and resource management mechanisms to enhance the utilisation efficiency of computing power resources. Meanwhile, leveraging its own computing power resources and the open-source large model ecosystem, the Group will develop standardised large model API services and an "OPC Zone (OPC專區)", offering out-of-the-box model inference, a one-stop development environment, and precise billing services. This aims to establish an integrated business ecosystem encompassing "computing power + models + services", thereby lowering the barriers to industry application and fostering an open and mutually beneficial AI ecosystem. This provides clients with more flexible and efficient computing power and AI services.

Looking ahead, the Group will continue to prioritise technological innovation as its core driving force, continuously enhance its service capabilities and industry application levels, further consolidate its competitive edge in the market, and create long-term value for customers and shareholders.

FINANCIAL REVIEW

Revenue

The Group generated revenue from four operating segments, (i) IDC Solution Services; (ii) Edge Computing Services; (iii) Intelligent Computing, and (iv) Other Services. For the Reporting Period, the Group recorded a total revenue of approximately RMB943.5 million when compared with approximately RMB707.6 million for the year of 2024, representing an increase in its total revenue of approximately 33.3%. Such increase was primarily attributable to the continuous expansion of the Group's business scale and the commencement of revenue contributions from new business areas, particularly the rapid development of the IDC Solution Services segment and the Intelligent Computing segment, which drove the overall revenue increase.

The following table sets forth the Group's segment revenue for the periods presented:

	For the year ended 31 December			
	2025		2024	
	RMB'000	*%*	*RMB'000*	*%*
IDC Solution Services	**758,640**	**80.4**	658,663	93.1
Edge Computing Services	**41,599**	**4.4**	48,966	6.9
Intelligent Computing	**139,810**	**14.8**	—	—
including: Computing Resources Services	**54,406**	**5.8**	—	—
Sales of Computing Equipment	**85,404**	**9.0**	—	—
Other Services	**3,448**	**0.4**	—	—
	943,497	**100.0**	707,629	100.0

IDC Solution Services

The Group's revenue from IDC Solution Services increased by approximately 15.2% to approximately RMB758.6 million for the Reporting Period (31 December 2024: RMB658.7 million). The increase in revenue was primarily attributable to the accelerated progress of digital transformation and AI application among enterprise customers, which drove a steady and continuous growth in storage and computing demand. Simultaneously, the Group successfully expanded its customer base in high-value industries and promoted the expansion and upgrade of existing customer data volumes, driving robust growth in revenue of IDC Solution Services.

Edge Computing Services

The Group's revenue from Edge Computing Services decreased by 15.1% to RMB41.6 million for the Reporting Period (31 December 2024: RMB49.0 million), which was primarily attributable to periodic fluctuations in service usage by large internet enterprise customers.

Intelligent Computing

The Group generated revenue of approximately RMB139.8 million from Intelligent Computing for the Reporting Period (31 December 2024: Nil), which was attributable to the Group's official launch of its Intelligent Computing include computing resources services and sales of computing equipment during the Reporting Period, which benefited from the continuous growth in demand for high-performance computing infrastructure and AI applications from corporate and government clients, thereby driving an increase in revenue from this segment.

Other Services

The Group generated revenue of approximately RMB3.4 million from Other Services for the Reporting Period (31 December 2024: Nil). Such revenue primarily derived from the Group's provision of technical services such as software installation and debugging, as well as equipment and infrastructure deployment services to its clients.

Cost of Sales

The Group's cost of sales increased by approximately 37.1% to approximately RMB847.5 million for the Reporting Period (31 December 2024: RMB618.0 million). Such increase was generally in line with the growth of the Group's revenue and business.

IDC Solution Services

The cost of sales from IDC Solution Services increased by approximately 18.7% to approximately RMB691.5 million for the Reporting Period (31 December 2024: RMB582.4 million), which was primarily attributable to the expansion of business scale driven by additional new customers with enhanced market penetration and service capabilities, resulting in a corresponding rise in the procurement costs of related bandwidth and data centre resources.

Edge Computing Services

The cost of sales from Edge Computing Services decreased by approximately 24.2% to approximately RMB27.0 million for the Reporting Period (31 December 2024: RMB35.6 million). Such decrease was primarily attributable to the decline in revenue from Edge Computing Services, which led to a corresponding reduction in the procurement costs of related resources.

Intelligent Computing

The cost of sales from Intelligent Computing were RMB128.9 million for the Reporting Period (31 December 2024: Nil), which was primarily attributable to the Group's newly launched Intelligent Computing during the Reporting Period, which have begun to incur computing resource costs and related operational expenses.

Gross Profit and Gross Profit Margin

As a result of the foregoing, the Group's overall gross profit increased by approximately 7.1% to approximately RMB96.0 million for the Reporting Period (31 December 2024: RMB89.6 million), which was primarily driven by the continuous expansion of the Group's business scale and the development of new businesses. However, due to the large base of IDC Solution Services business and the new expansion of Intelligent Computing during the Reporting Period, the related procurement costs for computing power resources and data centre resources rose, resulting in a higher increase in sales costs than in revenue. Consequently, the overall gross profit margin decreased from approximately 12.7% for the year ended 31 December 2024 to approximately 10.2% for the year ended 31 December 2025.

IDC Solution Services

The gross profit margin in IDC Solution Services decreased to approximately 8.8% for the Reporting Period (31 December 2024: 11.6%). This was mainly due to the Group's proactive business expansion strategy adopted in response to market competition and to enlarge its market share, which resulted in a higher revenue contribution from certain business lines within the IDC segment with relatively lower gross profit margins. As a result of such change in business mix, the overall gross profit margin of the IDC segment decreased as compared with the same period last year.

Edge Computing Services

The gross profit margin in Edge Computing Services increased to approximately 35.0% for the Reporting Period (31 December 2024: 27.3%). Such increase was primarily attributable to the enhancement of resource utilisation at edge nodes and the optimisation of operational cost structure.

Intelligent Computing

The gross profit margin in Intelligent Computing was approximately 7.8% for the Reporting Period (31 December 2024: Nil).

Other Income and Gains

The Group's other income and gains remained relatively stable at approximately RMB9.8 million for the Reporting Period (31 December 2024: RMB9.4 million).

Selling and Distribution Expenses

The Group's selling and distribution expenses decreased by approximately 26.9% to approximately RMB5.7 million for the Reporting Period (31 December 2024: RMB7.8 million). Such decrease was primarily due to the Group's enhanced control over personnel costs and optimised management of business entertainment expenses.

Administrative Expenses

The Group's administrative expenses decreased by approximately 14.1% to approximately RMB37.9 million for the Reporting Period (31 December 2024: RMB44.1 million), which was primary attributable to the Group's enhanced control over personnel costs and the Group did not incur listing expense during the Reporting Period.

Research and Development Expenses

The Group's research and development expenses increased by approximately 39.1% to approximately RMB33.1 million for the Reporting Period (31 December 2024: RMB23.8 million). Such increase was mainly attributable to the continuous expansion of the Group's business, which has led to a corresponding increase in investment in research and development projects to support the development of new business and technological capabilities.

Impairment Losses on Financial Assets

The Group's impairment losses on financial assets substantially increased by approximately 242.9% to approximately RMB2.4 million for the Reporting Period (31 December 2024: RMB0.7 million), which was mainly attributable to the increase in the scale of accounts receivable during the Reporting Period, resulting in a corresponding increase in the provision for impairment.

Other Expenses

The Group's other expenses increased significantly by approximately 1,250.0% to approximately RMB2.7 million for the Reporting Period (31 December 2024: RMB0.2 million), which was primary attributable to the Group's charitable donations made during the Reporting Period in response to the fire disaster in Taipo Wang Fuk Court.

Finance Costs

The Group's finance costs increased by approximately 20.0% to approximately RMB10.2 million for the Reporting Period (31 December 2024: RMB8.5 million), which was primary attributable to the expansion of the Group's financing scale, resulting in a corresponding increase in related interest expenses.

Income Tax Expense

The Group's income tax expense increased by approximately 40.0% to approximately RMB2.1 million for the Reporting Period (31 December 2024: RMB1.5million), which was primary attributable to the expansion of our business, some of our subsidiaries have ceased to be qualified for the relevant tax incentives applicable to small and micro enterprises, which has led to a corresponding adjustment in the applicable tax rate, resulting in an increase in tax expenses.

Profit for the Year

As a result of the foregoing, the Group recorded a profit for the year of RMB11.8 million for the Reporting Period, compared with profit of approximately RMB12.4 million for the year ended 31 December 2024. Such decrease was mainly attributable to the increase in the Group's research and development expenses, other expenses, impairment loss on financial assets and finance costs.

Trade Receivables

As at 31 December 2025, the Group's trade receivables amounted to RMB308.1 million, representing an increase of 31.1% as compared with RMB235.0 million as at 31 December 2024, which was primary attributable to the increase in the balance of related accounts receivable driven by the growth of the Group's business.

Prepayments, Other Receivables and Other Assets

As at 31 December 2025, the Group's prepayments, other receivables and other assets amounted to approximately RMB318.2 million, representing a substantial increase of approximately 47.3% as compared with approximately RMB216.0 million as at 31 December 2024. Such increase was mainly attributable to the continuous expansion of the Group's business scale, resulting in a corresponding increase in prepayments and business deposits paid to suppliers.

Trade Payables

As at 31 December 2025, the Group's trade payables amounted to approximately RMB337.2 million, representing an increase of approximately 68.9% as compared with approximately RMB199.6 million as at 31 December 2024. Such increase was mainly attributable to the growth of the Group's business and the expansion of new businesses, which have driven an increase in related accounts payable.

LIQUIDITY AND FINANCIAL RESOURCES

Treasury Policies

The Group adopts a prudent treasury management policy to actively monitor its liquidity position and maintain sufficient financial resources for future development. On this basis, the Group regularly reviews and adjusts its financial structure in response to dynamic changes in economic conditions to ensure financial resources are deployed in the best interests of the Group.

Cash and Cash Equivalents

As at 31 December 2025, the Group's cash and cash equivalents were approximately RMB603.8 million, representing an increase of approximately 62.7% from approximately RMB371.0 million as at 31 December 2024.

Indebtedness

	As at 31 December	
	2025	2024
	RMB'000	*RMB'000*
Interest-bearing bank borrowings	**378,101**	262,811
Lease liabilities	**19,996**	494
	398,097	263,305

CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any material contingent liabilities (31 December 2024: Nil).

CAPITAL COMMITMENT

As at 31 December 2025, the Group did not have any material capital commitment (31 December 2024: Nil).

GEARING RATIO

As at 31 December 2025, the Group's gearing ratio (i.e. percentage of total indebtedness divided by total equity, and total indebtedness represents interest-bearing bank borrowings and lease liabilities) was approximately 0.8 times (31 December 2024: 0.6 times).

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group's businesses are principally conducted in RMB. The Group has transactional currency exposures. Such exposures arise from financing and operating activities of the Group's entities conducted in currencies other than the functional currencies. As at 31 December 2025, the major non-RMB assets of the Group are cash and cash equivalents, which are denominated in HK$ or US$. Fluctuations of the exchange rate of RMB against HK$ or US$ could affect the Group's results of operations. The Group has not entered into any forward exchange contracts to hedge its exposure to foreign exchange risk.

EMPLOYEES REMUNERATION AND RELATIONS

As at 31 December 2025, the Group had a total of 109 employees. The Group's total employee benefit expense (including directors' and chief executive's remuneration) for the Reporting Period was RMB33.2 million (31 December 2024: RMB33.7 million). Remuneration packages for employees and directors are structured according to market terms as well as individual performance and experience. The Group has also established comprehensive training programmes that cover topics such as its corporate culture, employees' rights and responsibilities, teambuilding, professional behaviour and job performance to ensure that its employees' skill sets remain up-to-date which enable them to discover and meet its clients' needs.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On 12 August 2025, Wuxi Lingjingyun Information Technology Co., Ltd. ("**Wuxi Lingjingyun**"), an indirect subsidiary of the Company, entered into a joint venture agreement ("**JV Agreement**") with Shannon Semiconductor Technology Co., Ltd. ("**Shannon Semi**"), pursuant to which the parties agreed to establish a joint venture company ("**JV Company**") to develop the intelligent computing market. The registered capital of the JV Company is RMB120 million, of which Wuxi Lingjingyun and Shannon Semi contributed RMB90 million and RMB30 million, respectively. For further details, please refer to the announcement of the Company dated 12 August 2025.

Save as disclosed above, the Group did not have any significant investments, material acquisitions and disposal of subsidiaries, associates and joint ventures during the Reporting Period.

PLEDGE OF ASSETS

As at 31 December 2025, the Group did not pledge any of its assets (31 December 2024: Nil).

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 31 December 2025, save as disclosed herein, the Group did not have any future plans for material investments and capital assets. However, the Group will continue to explore investment opportunities that would benefit the shareholders as a whole.

DIVIDEND

The Board does not recommend the payment of a final dividend for the Reporting Period (year ended 31 December 2024: Nil).

COMPLIANCE WITH THE CG CODE

The Company recognises the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. During the Reporting Period, the Company had applied the principles and complied with all applicable code provisions of the CG Code, save and except the deviation below:

Pursuant to code provision C.2.1 contained in Part 2 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Currently, Mr. Sun is the chairman and chief executive officer of the Company, which deviated from the code provision C.2.1 of the CG Code. The Board believes that it is to the benefit of the business prospect and operational efficiency of the Group to vest the roles of chairman and chief executive officer in the same person due to its unique role, Mr. Sun's experience in the industry, personal profile and roles in the Group. This dual role provides strong and consistent market leadership and is crucial to efficient business planning and decision- making of the Company. As all major decisions of the Group are made in consultation with members of the Board and the relevant Board committees, and there are three independent non- executive Directors on the Board offering independent perspectives, the Board is of the view that adequate safeguards are in place to ensure sufficient balance of powers within the Board.

In order to maintain good corporate governance and to fully comply with code provision C.2.1 contained in Part 2 of the CG Code, the Board will regularly review the need to appoint different individuals to perform the roles of chairman of the Board and chief executive officer separately.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct for securities transactions by the Directors and the Company's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company or its securities. The Company has made specific enquiries to all Directors regarding any non-compliance with the Model Code. All Directors have confirmed that they had strictly complied with the required standard set out in the Model Code for the Reporting Period.

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

During the Period, the Company repurchased 26,617,000 Shares through the Stock Exchange at an aggregate consideration of HK$118,890,170 before expenses and held as Treasury Shares. Details of repurchase are as follows:

	Number of Shares repurchased	**Repurchasing price for each Share**		**Aggregate consideration paid**
		Highest	**Lowest**	
		HK$	*HK$*	*HK$*
September 2025	4,109,000	4.80	4.73	19,661,330
October 2025	22,508,000	4.86	3.84	99,228,840
Total:	26,617,000			118,890,170

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the Listing Rules and the Corporate Governance Code. The Audit Committee consists of Mr. Zheng Qi, Ms. Xu Ronghua and Ms. Zhou Qianqian, with Ms. Xu Ronghua serving as the chairperson. The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting system, internal control and risk management systems of the Group, overseeing the audit process, developing and reviewing the Group's policies, and performing other duties and responsibilities as assigned by the Board. The Audit Committee has reviewed the consolidated annual results of the Group for the Reporting Period and discussed with the management of the Company on the accounting principles and practices adopted by the Group. The Audit Committee is of the opinion that the consolidated annual results of the Group have been prepared in compliance with the applicable accounting standards and the Listing Rules and that adequate disclosures have been made and does not have any disagreement with the accounting treatment adopted by the Company.

USE OF PROCEEDS

The Company was listed on the Main Board of the Stock Exchange on the Listing Date with a total of 115,000,000 ordinary Shares in the share capital of the Company with nominal value of US$0.00001 each being offered under the Global Offering. Such Shares under the Global Offering consisted of 85,000,000 Shares issued by the Company and 30,000,000 Shares offered by the selling shareholder based on the share price of HK$4.6 per Share. The aggregate nominal value of the said offer Shares is US$1,150. The net proceeds from the Global Offering, after deducting the underwriting fees, commissions and estimated expenses paid and payable by the Company in connection with the Global Offering, were approximately HK$336.8 million. The net price per offer Share is approximately HK$3.96 (excluding the Shares offered by the selling shareholder). To the best knowledge, information and belief of the Company, the participants of the Global Offering include, among others, institutional investors and retail investors.

The intended use of the net proceeds were set out in the Prospectus. As of 31 December 2025, such net proceeds from the Global Offering were utilized as follows in accordance with the intended use:

	Approximate allocation of the Net Proceeds *HK$'000*	Approximate percentage of the total Net Proceeds *%*	Utilised amounts as at 31 December 2025 *HK$'000*	Unutilised amounts as at 31 December 2025 *HK$'000*	Estimated completion of utilisation
Existing business improvement and operation development	160,654	47.7	26,903	100,701	By 31 December 2026
Comprehensive implementation and upgrade of our Edge Computing Services	62,308	18.5	23,438	—	By 31 December 2026
Recruitment of talents for IDC Solution Services and Edge Computing Services operations	43,110	12.8	15,849	19,600	By 31 December 2026
Cooperation with universities and research institutes for research and development	37,048	11.0	16,397	9,749	By 31 December 2026
Working capital and general corporate purposes	33,680	10.0	11,364	11,205	By 31 December 2026
Total	336,800	100.0	93,951	141,256	

Reference is made to the clarification announcement of the Company dated 25 October 2024 (the "**Clarification Announcement**"). As set out in the Clarification Announcement, due to the complication in securing a bank loan under the market condition at the material time, the Group utilised part of the net proceeds to settle the costs and prepayments of equipment and internet data centre resources, such as bandwidth and cabinet resources which were necessary for the daily operation of the Group's IDC Solution Services and Edge Computing Services. After the Group had successfully secured the bank loan, the net proceeds had been fully recovered and the Company has ceased to utilise the net proceeds for the purposes mentioned above. The Company intends to utilise the net proceeds for the same purposes as set out in the Prospectus. For further details, please refer to the Clarification Announcement.

USE OF PROCEEDS FROM SUBSCRIPTION OF SHARES

Reference is made to the announcement dated 18 July 2025, the supplemental announcement dated 6 August 2025 and the completion announcement dated 18 August 2025 of the Company (collectively, the "**Announcements**"). Unless otherwise defined, the capitalised terms used herein shall have the same meanings as those defined in the Announcements.

On 18 July 2025, the Company entered into two subscription agreements (the "**2025 Subscription Agreements**") with Subscriber A and Subscriber B, respectively (collectively, the "**Subscribers**"), pursuant to which the Company has conditionally agreed to allot and issue to the Subscribers, and the Subscribers has conditionally agreed to subscribe for a total of 45,985,000 Subscription Shares at a Subscription Price of HK$4.98 per subscription share (the "**Subscription**"). The completion of the Subscription (the "**Completion**") took place on 18 August 2025 in accordance with the terms of the 2025 Subscription Agreements. Upon the Completion, an aggregate of 45,985,000 new Shares have been allotted and issued to the Subscribers at the Subscription Price of HK$4.98 per Subscription Share. The net proceeds from the Subscription (after deduction of expenses of the Subscription) are estimated to be approximately HK$228.0 million.

The following table sets forth the status of the use of net proceeds from Subscription of Shares:

	Approximate allocation of the net proceeds	**Approximate percentage of the total net proceeds**	**Utilised amounts as at 31 December 2025**	**Unutilised amounts as at 31 December 2025**	**Estimated completion of utilisation**
	HK$ Million	*%*	*HK$ Million*	*HK$ Million*	
Enhance the IDC solution services and edge computing services	30	13.2	—	30	By 31 December 2026
Expand Group's businesses	84	36.8	74	10	By 31 December 2026
Establishment of the Group's own intelligent computing centre	92	40.4	87	5	By 31 December 2026
Replenish working capital and general corporate purposes	22	9.6	9	13	By 31 December 2026
Total	**228**	**100.0**	**170**	**58**	

EVENTS AFTER THE REPORTING PERIOD

Reference is made to the announcement of the Company dated 20 January 2026 (the "**January Announcement**") and in respect of, among others, the Acquisition. Unless defined otherwise, capitalized terms used herein shall have the same meanings as those defined in the January Announcement.

On 19 January 2026, Wuxi Yunzhan had entered into the Transfer Agreement with Wuxi Xinwu Resources Centre, upon its successful bid for the land use rights of the Land situated at No. 81 Xinmei Road, Wuxi, Jiangsu, the PRC through the Listing-for-sale Bidding. The consideration for the Acquisition is RMB74,111,200. Further details of the aforementioned matter are set out in the January Announcement.

Reference is made to the announcement of the Company dated 2 February 2026 (the "**February Announcement**") and in respect of, among others, the Tender. Unless defined otherwise, capitalized terms used herein shall have the same meanings as those defined in the February Announcement.

In January 2026, Jiangsu Cloud Factory had successfully won a bid for a Project through a tendering platform by Anhui Bidding and Procurement Association* (安徽省招標採購協會). Subsequently, on 30 January 2026, Jiangsu Cloud Factory entered into the Contract with Suzhou Huarui Network, as the tenderee and purchaser, pursuant to which Jiangsu Cloud Factory agreed to supply, and Suzhou Huarui Network agreed to purchase, the hardware devices, software and services solutions for the Project. The contract value of the Contract is RMB519,709,680. Further details of the aforementioned matter are set out in the February Announcement.

Save as disclosed in this announcement, no major subsequent events affecting the Group have occurred since the end of the Reporting Period and up to the date of this announcement.

SCOPE OF WORK OF THE AUDITOR

The figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended December 31, 2025 as set out in this announcement have been agreed by the Company's auditor, Ernst & Young, to the amounts set out in the Group's consolidated financial statements for the year ended December 31, 2025. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on this announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cloudcsp.com). The annual report for the year ended 31 December 2025 containing all the information required by the Listing Rules will be published on the aforementioned websites and despatched to any Shareholder who elected to receive printed version of corporate communication in due course.

DEFINITION

In this annual results announcement, the following expressions shall have the following meanings unless the context requires otherwise:

"AI"	artificial intelligent, an area of computer science that focuses on mimicking human intelligence by machines
"AIoT"	artificial intelligence of things, the combination of the connectivity from the IoT infrastructure with data-driven knowledge obtained from AI to achieve more efficient IoT operations, improve human-machine interactions and enhance data management and analytics
"Audit Committee"	the audit committee of the Company
"Board"	the board of Directors
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"Cayman Islands"	the Cayman Islands, a British Overseas Territory
"CDN" or "content delivery network"	a distributed network of servers that can efficiently deliver web content to users
"Company"	Cloud Factory Technology Holdings Limited (雲工場科技控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands on 10 December 2021
"Director(s)"	the director(s) of the Company
"EdgeAIoT Services"	a form of service which combines AIoT with Edge Computing Services
"Edge Computing Services"	a form of infrastructure and computing service under the brand of *Lingjing Cloud* (靈境雲) provided by our Group, including the provision of content delivery network and other functionality
"Global Offering"	the Hong Kong public offering and the international offering of the offer shares
"GPU"	Graphics Processing Unit
"Group"	the Company, its subsidiaries and consolidated affiliated entities or any of them
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Other Services"	The services provided by the Group, excluding IDC Solution Services, Edge Computing Services, and Intelligent Computing, which include the provision of software installation and debugging services, as well as equipment and infrastructure deployment services
"IDC"	internet data centre(s)
"IDC Solution Services"	IDC solution services provided by our Group, including the provision of colocation services and infrastructure management services
"internet" or "the Internet"	an interconnected system of networks that connects computers around the world and is publicly accessible
"Internet of Things" or "IoT"	the networked interconnection of everyday objects, generally viewed as a self-configuring wireless network of sensor whose purpose would be to interconnect all things. The concept is that if all objects of daily life are equipped with radio tags, they can be identified and managed by computers in the same way humans can. The Internet of Things should encode 50 to 100 trillion objects and follow the movement of those objects
"*Lingjing Cloud* (靈境雲)"	the Group's cloud business which offers Edge Computing Services launched in 2022
"Listing Date"	14 June 2024, being the date on which the Shares became listed and commenced trading on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Mr. Sun"	Mr. Sun Tao (孫濤), the Chairman, chief executive officer, an executive Director and a Controlling Shareholder of the Company
"PRC"	the People's Republic of China, excluding, for the purposes of this announcement, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"Prospectus"	the prospectus of the Company dated 5 June 2024
"Reporting Period"	the year ended 31 December 2025

"RMB"	Renminbi yuan, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of the Company with nominal value of US$0.00001 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"Treasury Shares"	has the meaning ascribed thereto in the Listing Rules
"US$"	US dollars, the lawful currency of the United States of America
"%"	per cent

By order of the Board
Cloud Factory Technology Holdings Limited
Mr. Sun Tao
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 26 March 2026

As at the date of this announcement, the Board comprises Mr. Sun Tao, Mr. Jiang Yanqiu and Mr. Ji Lijun as executive Directors; and Mr. Zheng Qi, Ms. Xu Ronghua and Ms. Zhou Qianqian as independent non-executive Directors.