KINGDEE INTERNATIONAL SOFTWARE GROUP COMPANY LIMITED

金蝶國際軟件集團有限公司

(*incorporated in the Cayman Islands with limited liability*)

(Stock code: 268)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "Board") of directors (the "Directors") of Kingdee International Software Group Company Limited ("Kingdee" or the "Company") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2026 are as follows:

Financial highlights for the six months ended 30 June 2026

- Revenue increased by approximately 13.6% from the corresponding period in 2025 to approximately RMB3,625,422,000 (corresponding period in 2025: approximately RMB3,192,499,000).

- Gross profit increased by approximately 17.2% from the corresponding period in 2025 to approximately RMB2,455,912,000 (corresponding period in 2025: approximately RMB2,095,341,000). Gross profit margin increased by approximately 2.1 percentage points from the corresponding period in 2025 to approximately 67.7%.

- Profit attributable to Owners of the Company amounted to approximately RMB54,497,000 (corresponding period in 2025: loss of approximately RMB97,738,000); adjusted profit attributable to Owners of the Company amounted to approximately RMB116,090,000 (corresponding period in 2025: loss of approximately RMB51,160,000).

- Net cash inflow generated from operating activities amounted to approximately RMB142,450,000 (corresponding period in 2025: outflow of approximately RMB18,215,000).

- Basic earnings per share attributable to Owners of the Company amounted to approximately RMB1.55 cents (corresponding period in 2025: basic loss per share of approximately RMB2.78 cents).

Business Review and Outlook

I. Financial Performance

For the six months ended 30 June 2026, the Group recorded revenue of approximately RMB3,625,422,000, representing a year-on-year increase of approximately 13.6% (same period in 2025: approximately RMB3,192,499,000), mainly benefited from AI native product revenue increasing approximately 189.0% to approximately RMB296 million. Cloud services revenue amounted to approximately RMB3,116,191,000, representing a year-on-year increase of approximately 16.6% and accounting for 86.0% of total revenue (same period in 2025: approximately RMB2,672,918,000). Subscription revenue amounted to approximately RMB2,028,003,000, representing a year-on-year increase of approximately 20.4%. Subscription annual recurring revenue (ARR) amounted to approximately RMB4,413 million, representing a year-on-year increase of approximately 18.3%, mainly attributable to the growth in new signings driven by Kingdee AI Suite and robust demand from customers in certain industries.

For the six months ended 30 June 2026, the Group recorded gross profit of approximately RMB2,455,912,000 (same period in 2025: approximately RMB2,095,341,000), representing a year-on-year increase of approximately 17.2%. Gross profit margin improved by approximately 2.1 percentage points year on year to approximately 67.7%, mainly attributable to the increased contribution from subscription revenue with a higher gross profit margin, as well as the year-on-year improvement in the gross profit margin of implementation, consulting maintenance services and others.

For the six months ended 30 June 2026, profit attributable to Owners of the Company amounted to approximately RMB54,497,000 (same period in 2025: loss of approximately RMB97,738,000). Adjusted profit attributable to Owners of the Company amounted to approximately RMB116,090,000 (same period in 2025: loss of approximately RMB51,160,000), mainly attributable to the growth of the subscription business, optimisation of the product and customer mix, improved operating efficiency and enhanced cost and expense controls.

Basic earnings per share attributable to Owners of the Company amounted to approximately RMB1.55 cents (same period in 2025: basic loss per share of approximately RMB2.78 cents).

Net cash inflow generated from operating activities amounted to approximately RMB142,450,000 (same period in 2025: outflow of approximately RMB18,215,000), mainly attributable to the continued growth in new subscription signings and additional purchases.

II. Corporate Strategy and Business Highlights

During the Reporting Period, Kingdee pursued its mission of “Empower enterprises, achieve extraordinary” and its vision of becoming “the most trusted enterprise AI partner”, and advanced its business under the strategies of “AI first, Subscription first and Globalisation”. In terms of products, Kingdee combined the Lingee Enterprise Agent Operating System with SaaS solutions to embed AI capabilities into management and business scenarios such as finance, supply chain and manufacturing, helping enterprises shift from “process-driven” to “intelligence-driven” operations.

Kingdee continued to lead the market, having assisted 70 Fortune Global 500 companies, 381 China Top 500 companies and 49% of national-level specialised, sophisticated, distinctive and innovative enterprises in their digital and intelligent transformation, and received broad recognition from authoritative institutions in China and overseas. Kingdee is the only Chinese vendor recognized in the Gartner Peer Insights “Voice of the Customer” for Cloud ERP for Product-Centric Enterprises, with the highest customer willingness-to-recommend rating among global vendors. It is also the only Chinese vendor recognized in the Gartner Magic Quadrant for PLM Applications in Discrete Manufacturing. According to IDC, Kingdee ranked first in China's SaaS EA, SaaS ERM, finance, finance and accounting application cloud, treasury management cloud, EPM and tax markets, while its market share in China's growing enterprise application software market ranked first for 22 consecutive years. In the area of AI, Kingdee was the highest-rated Chinese vendor in IDC's Asia/Pacific AI-Enabled ERP Marketscape, and its revenue and market share in China's AI-enhanced enterprise ERP public cloud (AI-SaaS) market both ranked first. Lingee was included in Gartner's “Innovation Insight: Enterprise Agentic Capabilities”. In recognition of its outstanding performance in sustainable development, Kingdee was included in the global and China editions of S&P Global's Sustainability Yearbook 2026 and was also included in the 2026 Dow Jones Best-in-Class Emerging Markets Index.

(1) AI-native product revenue increased by 189% year on year; Lingee Enterprise Agent Operating System accelerates product iteration

During the Reporting Period, Kingdee's AI-native products focused on the core needs of medium-to-large enterprises, including AI transformation, AI-native ERP and globalisation solutions, and achieved scaled growth in new subscription signings across eight key industries, namely automotive and auto parts, equipment manufacturing, electronics and high-tech, process manufacturing, life sciences, food and beverage, modern services, and wholesale and retail. During the period, AI native products (combination of Lingee and Kingdee AI Suite) recorded revenue of approximately RMB296 million, representing a year-on-year increase of approximately 189.0%, of which subscription revenue amounted to approximately RMB146 million, representing a year-on-year increase of approximately 282.9%. The contract value of AI native products reached RMB605 million, representing a year-on-year increase of 159.2%, with new customers signed, including Hytera, QBoson, Shuanghui Group, China Film Technology, Youlu Robotics, Kunlunxin, ModelBest and Yunsheng Intelligent. Since its launch on 20 May, Lingee has signed 26 customers and deployed more than 40 agents covering general business areas including finance, supply chain, procurement and manufacturing. During the period, Lingee entered into strategic AI co-creation partnerships with pilot customers such as Hytera, Moore Threads, BrianCo and Kunlunxin to jointly build the “Lingee Organisation” integrating industry practices, and also signed new customers including Sunshine Zero Carbon, BWTON, Guolin New Materials, RZBC (Juxian) Co., Ltd and Yazhen Group.

Lingee is the enterprise agent operating system developed by Kingdee and is positioned as a unified enterprise-level AI entry point. It converts business data, management knowledge, organisational memory and business rules accumulated by enterprises into governable and reusable enterprise-level context, and supports cross-module analysis and execution based on unified workforce, operational and financial data. Lingee agents have been deployed in scenarios including finance and supply chain: the expense review agent can release 20% to 30% of the manpower required for expense review; the bank-enterprise reconciliation agent automatically completes reconciliation and variance adjustments on a 24/7 basis; the procurement payment review agent reduces three-way matching processing time from hours to minutes; and the closing agent improves closing efficiency by 30%. On the application development side, Ecolovo Group used Lingee Build to invoke multiple agents through natural language to develop an equipment management system, improving development efficiency by more than 65% and shortening the delivery cycle from weeks to days.

(2) Subscription revenue accounted for 60.3% of total AI+SaaS revenue; operating quality continued to improve

During the Reporting Period, AI+SaaS products (AI Constellation, AI Galaxy, AI Stellar, etc.) recorded revenue of approximately RMB2,770 million, representing a year-on-year increase of approximately 10.3%, of which subscription revenue amounted to approximately RMB1,670 million, representing a year-on-year increase of approximately 13.5% and accounting for approximately 60.3% of total AI+SaaS revenue. AI+SaaS products for the large and medium-sized enterprise market recorded revenue of approximately RMB1,967 million, representing a year-on-year increase of approximately 8.5%, of which subscription revenue amounted to approximately RMB1,029 million, representing a year-on-year increase of approximately 10.1%. AI+SaaS products for the small and micro enterprise market recorded revenue of approximately RMB803 million, representing a year-on-year increase of approximately 15.3%, of which subscription revenue amounted to approximately RMB642 million, representing a year-on-year increase of approximately 19.4%. By enhancing product quality, delivery efficiency and organisational operating efficiency, the Group continued to improve the quality of its operations. Revenue per employee increased by approximately 20.8% year on year, while gross profit margin increased by approximately 2.1 percentage points to approximately 67.7%. Sales and marketing expenses and research and development expenses as percentages of revenue decreased by approximately 2.9 percentage points and 2.0 percentage points year on year, respectively.

For large enterprises, the Group focused on central and state-owned enterprises, Fortune Global 500 companies and industry leaders, while expanding its coverage of high-end manufacturing, consumer and energy industries. The needs of large enterprises are shifting from stand-alone ERP replacement to digital resource management platforms (DRP). Kingdee integrates platforms, data, processes and permissions, connects finance, treasury, procurement, production, sales and human resources, and on this basis provides customers with business analysis and decision support beyond business recording and process control. During the Reporting Period, new customers signed included Sinopharm Group, China Resources Recycling Group, DJI, CR Mixc Lifestyle and Hoshine Silicon Industry.

For medium-sized enterprises, the Group focused on high-growth industries such as specialised, sophisticated, distinctive and innovative enterprises, high-end manufacturing, semiconductors, new energy, automotive and auto parts, and electronics and high-tech, with its market share continuing to increase. Kingdee focused on building capabilities in IPD and R&D project management, production process control, quality and batch traceability, supplier lifecycle management, multi-plant collaboration and end-to-end cost management, and consolidating them into standardised and reusable industry modules to shorten delivery cycles and improve replication efficiency. During the Reporting Period, new customers signed included Zuo Ting You Yuan, TUBAO, Hanzhong Machine Tool, Jiale Electric and Nanen Auto.

For small and micro enterprises, Kingdee increased investment in essential scenarios including financial and tax compliance, bookkeeping, invoicing, tax filing, business analysis and supply chain management. AI Stellar launched eight AI capabilities, including AI order-taking, AI invoicing, invoice authentication and smart printing, and introduced tiered industry solutions for food and beverage, apparel and footwear, 3C electronics, and pharmaceuticals and medical devices. The delivery and deployment efficiency for small and micro enterprise customers improved by more than 50%.

(3) Chinese enterprises going global and overseas localisation progressed in parallel; local service network taking shape

During the Reporting Period, Kingdee continued to advance its globalisation strategy of "Chinese enterprises going global + overseas native customers", establishing local service networks in markets including Malaysia, Thailand, Vietnam, Indonesia, Singapore and Qatar. Kingdee advanced the localised adaptation of its products in terms of multiple languages, multiple currencies, tax compliance in multiple countries and multinational group management. Financial and tax compliance capabilities in six countries are ready for direct delivery, and privacy compliance at the Singapore data centre has been achieved. The international business signed contracts with approximately 140 enterprise customers, including new customers such as Yongqing Group, the Treasury (Hong Kong SAR Government), CUCKOO International and Hailong Singapore from the government, financial, manufacturing and energy sectors.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**Unaudited 30 June 2026 RMB'000**	Audited 31 December 2025 RMB'000
Assets			
Non-current assets			
Property, plant and equipment	6	**1,872,689**	1,873,619
Right-of-use assets	7	**237,352**	224,542
Intangible assets	6	**1,404,384**	1,432,500
Investment properties		**1,941,140**	1,941,140
Investments in associates	8	**538,176**	531,791
Deferred income tax assets		**137,858**	126,202
Contract obtaining costs		**311,733**	233,083
Financial assets at fair value through profit or loss	9	**1,621,877**	847,349
Financial assets at fair value through other comprehensive income		**4,463**	4,463
Trade and other receivables	10	**60,634**	60,373
Loans to third parties	10	**71,627**	98,048
Long-term bank deposits		**710,000**	1,390,000
		8,911,933	8,763,110
Current assets			
Inventories		**65,594**	60,954
Trade and other receivables	10	**427,591**	412,194
Loans to third parties	10	**290,634**	355,721
Contract assets		**455,110**	449,265
Contract obtaining costs		**890,362**	860,530
Financial assets at fair value through profit or loss	9	**615,249**	1,277,481
Pledged bank deposits		**39,154**	44,936
Short-term bank deposits		**644,000**	666,962
Cash and cash equivalents		**1,563,484**	1,694,936
		4,991,178	5,822,979
Total assets		**13,903,111**	14,586,089

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION (Continued)

As at 30 June 2026

	Notes	Unaudited 30 June 2026 RMB'000	Audited 31 December 2025 RMB'000
Liabilities			
Non-current liabilities			
Contract liabilities		**797,810**	571,337
Lease liabilities	7	**37,180**	18,896
Deferred income tax liabilities		**142,658**	149,627
		977,648	739,860
Current liabilities			
Trade and other payables	12	**1,024,984**	1,757,056
Contract liabilities		**3,847,653**	3,815,125
Lease liabilities	7	**23,413**	22,717
Current income tax liabilities		**17,740**	16,380
Deferred income		**28,869**	26,230
		4,942,659	5,637,508
Total liabilities		**5,920,307**	6,377,368
Net assets		**7,982,804**	8,208,721
Equity			
Equity attributable to owners of the Company			
Share capital	11	**85,228**	85,228
Share premium	11	**5,938,442**	5,988,205
Other reserves		**938,511**	1,162,810
Retained earnings		**1,025,749**	971,252
		7,987,930	8,207,495
Non-controlling interests		**(5,126)**	1,226
Total equity		**7,982,804**	8,208,721

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

For the six months ended 30 June 2026

	Notes	Unaudited Six months ended 30 June 2026 RMB'000	2025 RMB'000
Revenue from contracts with customers	13	**3,625,422**	3,192,499
Cost of sales	14	**(1,169,510)**	(1,097,158)
Gross profit		**2,455,912**	2,095,341
Selling and marketing expenses	14	**(1,330,408)**	(1,263,898)
Administrative expenses	14	**(368,132)**	(346,049)
Net impairment losses on financial assets and contract assets	14	**(24,866)**	(20,792)
Research and development costs	14	**(809,206)**	(775,514)
Other income and gains - net	15	**80,902**	136,223
Finance income		**29,854**	36,627
Finance costs		**(2,481)**	(2,627)
Finance income - net		**27,373**	34,000
Share of profits of associates – net	8	**6,385**	7,126
Profit/(loss) before income tax		**37,960**	(133,563)
Income tax credit	16	**10,185**	24,458
Profit/(loss) for the period		**48,145**	(109,105)
Profit/(loss) attributable to:			
Owners of the Company		**54,497**	(97,738)
Non-controlling interests		**(6,352)**	(11,367)
		48,145	(109,105)
Earnings/(losses) per share for profit/(loss) attributable to owners of the Company (expressed in RMB cents per share)			
– Basic	17	**1.55**	(2.78)
– Diluted	17	**1.55**	(2.78)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Unaudited Six months ended 30 June **2026** **RMB'000**	 2025 RMB'000
Profit/(loss) for the period	**48,145**	(109,105)
Items that may be reclassified to profit or loss		
- Currency translation differences	**(2,577)**	4,922
Other comprehensive (loss)/ income for the period	**(2,577)**	4,922
Total comprehensive income/(loss) for the period	**45,568**	(104,183)
Total comprehensive income/(loss) attributable to:		
- Owners of the Company	**51,920**	(92,816)
- Non-controlling interests	**(6,352)**	(11,367)
	45,568	(104,183)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

(All amounts in Renminbi thousands unless otherwise stated)

		Unaudited						
		Attributable to owners of the Company					Non-controlling interests	Total equity
	Notes	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2026		85,228	5,988,205	1,162,810	971,252	8,207,495	1,226	8,208,721
Profit for the period		-	-	-	54,497	54,497	(6,352)	48,145
Other comprehensive loss for the period								
Currency translation differences		-	-	(2,577)	-	(2,577)	-	(2,577)
Total comprehensive income for the period		-	-	(2,577)	54,497	51,920	(6,352)	45,568
Transactions with owners								
Share award plan:								
- Value of employee services received	11	-	34,551	-	-	34,551	-	34,551
- Transfer shares to the awardees upon vesting	11	-	(84,314)	84,275	-	(39)	-	(39)
- Shares purchased for share award plan		-	-	(60,705)	-	(60,705)	-	(60,705)
Buy-back of shares		-	-	(245,292)	-	(245,292)	-	(245,292)
Total transactions with owners		-	(49,763)	(221,722)	-	(271,485)	-	(271,485)
Balance at 30 June 2026		85,228	5,938,442	938,511	1,025,749	7,987,930	(5,126)	7,982,804

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the six months ended 30 June 2025

(All amounts in Renminbi thousands unless otherwise stated)

		Unaudited						
		Attributable to owners of the Company					Non-	
	Notes	Share capital	Share premium	Other reserves	Retained earnings	Total	controlling interests	Total equity
Balance at 1 January 2025		86,068	6,174,163	911,387	878,338	8,049,956	78,825	8,128,781
Loss for the period		-	-	-	(97,738)	(97,738)	(11,367)	(109,105)
Other comprehensive income for the period								
Currency translation differences		-	-	4,922	-	4,922	-	4,922
Total comprehensive loss for the period		-	-	4,922	(97,738)	(92,816)	(11,367)	(104,183)
Transactions with owners								
Employees share option scheme:								
- Proceeds from shares issued	11	56	10,044	-	-	10,100	-	10,100
Share award plan:								
- Value of employee services received	11	-	51,169	-	-	51,169	-	51,169
- Transfer shares to the awardees upon vesting	11	-	(83,659)	82,507	-	(1,152)	-	(1,152)
- Shares purchased for share award plan		-	-	(18,372)	-	(18,372)	-	(18,372)
Buy-back of shares		-	-	(37,100)	-	(37,100)	-	(37,100)
Cancellation of shares	11	(896)	(217,285)	218,181	-	-	-	-
Total transactions with owners		(840)	(239,731)	245,216	-	4,645	-	4,645
Balance at 30 June 2025		85,228	5,934,432	1,161,525	780,600	7,961,785	67,458	8,029,243

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

For the six months ended 30 June 2026

	Unaudited	
	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Cash flows from operating activities:		
Cash generated from operations	**150,713**	(15,899)
Interest paid	**(1,135)**	(1,306)
Income tax paid	**(7,128)**	(1,010)
Net cash inflow/(outflow) from operating activities	**142,450**	(18,215)
Cash flows from investing activities:		
Purchases of property, plant and equipment	**(89,917)**	(54,928)
Proceeds from disposals of property, plant and equipment	**327**	71
Purchases of intangible assets	**(268,503)**	(262,704)
Pledged and short-term bank and long-term bank deposits withdrawn - net	**708,744**	780,418
Interest received	**34,937**	108,088
Purchases of financial assets at fair value through profit or loss	**(3,113,228)**	(2,448,100)
Proceeds from disposal of financial assets at fair value through profit or loss	**2,984,169**	2,333,230
Dividend received	**1,200**	-
Net cash inflow from investing activities	**257,729**	456,075
Cash flows from financing activities:		
Proceeds from share options exercised	**-**	10,100
Capital reduction from non-controlling interests	**(206,000)**	-
Proceeds from borrowings	**420,000**	-
Repayments of borrowings	**(420,000)**	(200,000)
Principal elements of lease payments	**(18,018)**	(47,373)
Payments for purchase of shares for share award plan	**(60,705)**	(18,372)
Payments for buy-back of shares	**(245,292)**	(37,100)
Net cash outflow from financing activities	**(530,015)**	(292,745)
Net (decrease)/increase in cash and cash equivalents	**(129,836)**	145,115
Effects of exchange rate changes on cash and cash equivalents	**(1,616)**	(1,691)
Cash and cash equivalents at beginning of the period	**1,694,936**	1,529,682
Cash and cash equivalents at end of the period	**1,563,484**	1,673,106

Notes to the condensed consolidated interim financial information

1. General information

Kingdee International Software Group Company Limited (the "Company") was incorporated in the Cayman Islands in 1999 as an exempted company with limited liability. The address of its office is Kingdee Software Park, 2 Keji 12th Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen, Guangdong Province, the People's Republic of China (the "PRC").

The Company is an investment holding company. The Company and its subsidiaries (together the " Group ") are principally engaged in the subscription and sales of software and implementation, consulting maintenance services and others.

The Company has its primary listing on the Stock Exchange of Hong Kong Limited since 15 February 2001.

These unaudited condensed consolidated interim financial statements are presented in thousands of Renminbi (RMB'000), unless otherwise stated. These unaudited condensed consolidated interim financial statements have been approved for issue by the Board of Directors on 11 August 2026.

This condensed consolidated interim financial information has not been audited.

2. Basis of preparation

This unaudited condensed consolidated interim financial information for the six months ended 30 June 2026 has been prepared in accordance with IAS 34, 'Interim financial reporting'. The unaudited condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2025 which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

3. Significant accounting policies

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

(a) The Group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2026

- Amendments to the Classification and Measurement of Financial Instruments — Amendments to IFRS 9 and IFRS 7
- Contracts Referencing Nature-dependent Electricity — Amendments to IFRS 9 and IFRS 7
- Annual Improvements to IFRS Accounting Standards–Volume 11 — Annual Improvements

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

Notes to the condensed consolidated interim financial information

3. Significant accounting policies (continued)

(b) New standards and interpretations not yet adopted

		Effective for annual periods beginning on or after
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendment to IAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
IFRS 19	Subsidiaries without Public Accountability Disclosures	1 January 2027
Amendments to IAS 28	Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	1 January 2027
IFRS 20	Regulatory Assets and Regulatory Liabilities	1 January 2029
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate	To be determined

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for the six months ended 30 June 2026 and have not been early adopted by the Group. The Group has concluded on a preliminary basis that adoption of these new and amended standards is not expected to have significant impacts on the financial performance and positions of the Group when they become effective, except for IFRS 18 which will replace IAS 1 Presentation of Financial Statements, introducing new requirements and help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements. Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements.

Taxes on income for the interim period are accrued using the tax rates that would be applicable to expected total annual assessable profits.

4. Estimates

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

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

5. Segment information

The chief operating decision-maker (the “CODM”) has been identified as the executive directors of the Company. The executive directors review the Group’s internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

Notes to the condensed consolidated interim financial information

5. Segment information (continued)

Starting from 1 September 2025, the Group has revised its internal reporting structure to separately measure and review the performance of "Subscription and software" and "Implementation, consulting maintenance services and others" as independent segments. Previously, software were included within the "Products, Implementation and Others" for segment results measurement. Accordingly, the Group has identified the following operating segments and has recast the comparative segment information to align with the updated segment structure.

Subscription and software	—	Including subscriptions and sales of software
Implementation, consulting maintenance services and others	—	Including provision of subscription and software implementation services, software solution consulting, maintenance, upgrade and other supporting services, and others

The CODM assesses the performance of the operating segments based on the revenue and gross profit for the period of each segment. There were no segment assets and segment liabilities information provided to the CODM, as the CODM does not use this information to allocate resources or to evaluate the performance of the operating segments.

The unaudited segment information for the six months ended 30 June 2026 is as follows:

	Subscription and software RMB'000	**Implementation, consulting maintenance services and others RMB'000**	**The Group Total RMB'000**
Revenue	**2,300,590**	**1,324,832**	**3,625,422**
Cost of sales	**(81,161)**	**(1,088,349)**	**(1,169,510)**
Gross profit	**2,219,429**	**236,483**	**2,455,912**

The unaudited segment information for the six months ended 30 June 2025 is as follows (recast):

	Subscription and software RMB'000	Implementation, consulting maintenance services and others RMB'000	The Group Total RMB'000
Revenue	1,999,487	1,193,012	3,192,499
Cost of sales	(70,077)	(1,027,081)	(1,097,158)
Gross profit	1,929,410	165,931	2,095,341

Notes to the condensed consolidated interim financial information

5. Segment information (continued)

Revenue from external customers from the PRC and other locations is RMB3,568,248,000 (the same period in 2025: RMB3,150,889,000) and RMB57,174,000 (the same period in 2025: RMB41,610,000), respectively for the six months period ended 30 June 2026.

There is no single customer that contributed to over 10% of the Group's revenue for the six months period ended 30 June 2026 and 30 June 2025.

6. Property, plant, equipment and intangible assets

(a) Property, plant and equipment

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Opening net book amount at 1 January	**1,873,619**	1,744,118
Additions	**57,143**	39,464
Disposals	**(2,946)**	(2,693)
Depreciation	**(55,127)**	(50,748)
Closing net book amount at 30 June	**1,872,689**	1,730,141

(b) Intangible assets

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Opening net book amount at 1 January	**1,432,500**	1,231,892
Additions	**268,600**	262,863
Amortisation	**(296,716)**	(267,458)
Closing net book amount at 30 June	**1,404,384**	1,227,297

Notes to the condensed consolidated interim financial information

7. Leases

This note provides information for leases where the Group is a lessee.

(a) Amounts recognised in the statement of financial position

The statement of financial position shows the following amounts relating to leases:

	Unaudited 30 June 2026 RMB'000	Audited 31 December 2025 RMB'000
Right-of-use assets		
Land use rights (i)	**161,369**	162,689
Buildings	**57,911**	39,067
Equipment	**18,072**	22,786
	237,352	224,542
Lease liabilities		
Current	**23,413**	22,717
Non-current	**37,180**	18,896
	60,593	41,613

Additions to the right-of-use assets during the six months ended 30 June 2026 were RMB36,912,000 (the six months ended 30 June 2025: RMB40,791,000).

(i) The Group has land lease arrangement with Chinese Mainland government. The land use rights are located in the PRC and held on remaining leases of between 26 to 37 years, and for self-use.

(b) Amounts recognised in the statement of profit or loss

The income statement shows the following amounts relating to leases:

	Unaudited Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Depreciation charge of right-of-use assets		
Land	**3,586**	2,777
Buildings	**17,132**	16,108
Equipment	**4,714**	786
	25,432	19,671
Interest expense (included in finance cost)	**1,090**	1,315
Expense relating to short-term leases	**2,003**	2,566

The total cash outflow for leases in six months ended 30 June 2026 was RMB20,121,000 (the six months ended 30 June 2025: RMB50,067,000).

Notes to the condensed consolidated interim financial information

7. Leases (continued)

(c) The Group's leasing activities and how these are accounted for

The Group leases various offices and equipment. Rental contracts are typically made for fixed periods of 1 to 6 years, but may have extension options as described in (d) below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

(d) Extension and termination options

Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessors.

8. Investments in associates

The carrying amount of equity-accounted investments has changed as follows for the six months ended 30 June 2026:

	Unaudited Six months ended 30 June 2026 RMB'000
At 1 January	**531,791**
Additions	**-**
Disposal	**-**
Share of profit of associates - net	**6,385**
At 30 June	**538,176**

All the associates of the Group are unlisted and operate in Mainland China. There are no significant contingent liabilities relating to liabilities of the associates for which the Group is severally liable.

Notes to the condensed consolidated interim financial information

9. Financial assets at fair value through profit or loss

(a) Classification of financial assets at fair value through profit or loss

For the six months ended 30 June 2026, the Group classifies the following financial assets at fair value through profit or loss (FVPL):

- Debt investments that do not qualify for measurement at either amortised cost or FVOCI
- Equity investments that are held for trading, and
- Equity investments for which the entity has not elected to recognise fair value gains and losses through OCI

Financial assets measured at FVPL include the following:

	Unaudited			
At 30 June 2026	**Level 1(i) RMB'000**	**Level 2(i) RMB'000**	**Level 3(i) RMB'000**	**Total RMB'000**
Financial assets at fair value through profit or loss				
Wealth management products(ii)	**-**	**-**	**550,891**	**550,891**
Listed equity securities	**64,358**	**-**	**-**	**64,358**
Unlisted equity investment	**-**	**-**	**1,621,877**	**1,621,877**
	64,358	**-**	**2,172,768**	**2,237,126**
Less: non-current portion	**-**	**-**	**(1,621,877)**	**(1,621,877)**
Current portion	**64,358**	**-**	**550,891**	**615,249**

	Audited			
At 31 December 2025	Level 1(i) RMB'000	Level 2(i) RMB'000	Level 3(i) RMB'000	Total RMB'000
Financial assets at fair value through profit or loss				
Wealth management products(ii)	-	-	1,190,215	1,190,215
Listed equity securities	87,266	-	-	87,266
Unlisted equity investment	-	-	847,349	847,349
	87,266	-	2,037,564	2,124,830
Less: non-current portion	-	-	(847,349)	(847,349)
Current portion	87,266	-	1,190,215	1,277,481

Notes to the condensed consolidated interim financial information

9. Financial assets at fair value through profit or loss (continued)

(a) Classification of financial assets at fair value through profit or loss(continued)

(i) The table analyses the Group's financial instruments carried at fair value as at 30 June 2026 and 31 December 2025 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

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

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- Discounted cash flow analysis.

(ii) This represented the Group's investments in various wealth management products issued by commercial banks and state-owned financial institutions. These products have a term ranging from 1 month to 12 months. They have an expected return rate ranging from 1.10% to 2.20%. No single wealth management product investment accounted for over 5% of the Group's total assets. The fair values of these investments were determined based on income approach.

(b) The following table presents the changes in level 3 instruments for the six months ended 30 June 2026:

	Unaudited Financial assets at fair value through profit or loss RMB'000
At 1 January 2026	**2,037,564**
Additions	**3,113,228**
Disposals	**(2,984,169)**
Gains recognised in profit or loss	**6,145**
At 30 June 2026	**2,172,768**
Changes in unrealised gains for the period included in profit or loss at the end of the period	**6,145**

Notes to the condensed consolidated interim financial information

9. Financial assets at fair value through profit or loss (continued)

(b) The following table presents the changes in level 3 instruments for the six months ended 30 June 2026: (continued)

	Unaudited Financial assets at fair value through profit or loss RMB'000
At 1 January 2025	1,352,775
Additions	2,448,100
Disposals	(2,333,230)
Losses recognised in profit or loss	(2,794)
At 30 June 2025	1,464,851
Changes in unrealised losses for the period included in profit or loss at the end of the period	(2,794)

10. Trade and other receivables and loans to third parties

	Unaudited 30 June 2026 RMB'000	Audited 31 December 2025 RMB'000
Trade receivables (a)	**303,519**	284,594
Less: allowance for impairment of trade receivables	**(113,146)**	(116,540)
Trade receivables - net	**190,373**	168,054
Notes receivable	**72,924**	64,068
Other receivables		
-Advances to employees	**8,047**	4,651
-Prepayments	**65,076**	71,481
-VAT recoverable	**14,691**	20,034
-Interest receivables	**108,670**	109,336
-Receivables from related parties	**254**	303
-Receivables from non-controlling shareholders	**40,403**	40,403
-Others	**16,517**	18,934
Less: allowance for impairment of other receivables (excluding prepayments)	**(28,730)**	(24,697)
	488,225	472,567
Less: non-current portion	**(60,634)**	(60,373)
Current portion	**427,591**	412,194
Loans to third parties (b)		
- Current portion	**290,634**	355,721
-Non-current portion	**71,627**	98,048
	362,261	453,769

Notes to the condensed consolidated interim financial information

10. Trade and other receivables and loans to third parties (Continued)

(a) Sales are generally made without prescribed credit terms in the sales contracts but customers usually take one to three months to settle the receivables. The aging analysis of trade receivables were as follows:

	Unaudited 30 June 2026 RMB'000	Audited 31 December 2025 RMB'000
0-90 days	**127,851**	128,762
91-180 days	**5,658**	1,977
181- 360 days	**35,470**	21,153
Over 360 days	**134,540**	132,702
	303,519	284,594

(b) The loans to third parties

	Unaudited 30 June 2026 RMB'000	Audited 31 December 2025 RMB'000
Loans to third parties	**365,935**	458,353
Less: Provisions for collective impairment assessment of the loans	**(3,674)**	(4,584)
Loans to third parties, net of provision	**362,261**	453,769
Less: non-current portion	**(71,627)**	(98,048)
Current portion	**290,634**	355,721

The loans to third parties represented loans made under the micro-credit business, which bear interest from 8.00% to 24.00% (31 December 2025: 8.00% to 24.00%) per annum and are repayable with fixed terms agreed with the customers, and all denominated in RMB.

The fair values of the loans to third parties approximated their carrying amounts. The interest accrued was due within 12 months and presented in interest receivables.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

The Group performed expected credit loss assessment of loans to third parties collectively by grouping loans with similar credit risk characteristics. During the six months ended 30 June 2026 and 2025, the majority of the loans were in stage 1 and there was no significant change in credit quality for loans for both periods.

Notes to the condensed consolidated interim financial information

11. Share capital and share premium

	Unaudited			
	Number of shares (thousands)	Share capital RMB'000	Share premium RMB'000	Total RMB'000
At 1 January 2026	**3,549,469**	**85,228**	**5,988,205**	**6,073,433**
Share award plan				
- Value of services received	**-**	**-**	**34,551**	**34,551**
- Transfer shares to the awardees upon vesting	**-**	**-**	**(84,314)**	**(84,314)**
At 30 June 2026	**3,549,469**	**85,228**	**5,938,442**	**6,023,670**
At 1 January 2025	3,586,015	86,068	6,174,163	6,260,231
Employee share option scheme				
- Proceeds from shares issued	2,343	56	10,044	10,100
Share award plan				
- Value of services received	-	-	51,169	51,169
- Transfer shares to the awardees upon vesting	-	-	(83,659)	(83,659)
Cancellation of shares	(38,889)	(896)	(217,285)	(218,181)
At 30 June 2025	3,549,469	85,228	5,934,432	6,019,660

12. Trade and other payables

	Unaudited 30 June 2026 RMB'000	Audited 31 December 2025 RMB'000
Trade payables ((a) and (b))	**88,335**	110,423
Note payables	**39,052**	33,364
Salary and staff welfare payables	**201,086**	418,014
Deposits payable	**181,809**	243,455
Accrual for expenses	**232,545**	396,347
Construction payables (c)	**226,648**	263,862
Unpaid business acquisition consideration	**4,000**	4,000
Tax payables	**10,183**	43,453
Payable to non-controlling interests for capital reduction	**-**	206,000
Others	**41,326**	38,138
	1,024,984	1,757,056

(a) The fair values of trade and other payables approximate their carrying amounts. The carrying amounts of the Group’s trade and other payables are mainly denominated in RMB.

Notes to the condensed consolidated interim financial information

12. Trade and other payables (continued)

(b) As at 30 June 2026 and 31 December 2025, the aging analysis of trade payables is as follows:

	Unaudited 30 June 2026 RMB'000	Audited 31 December 2025 RMB'000
0-180 days	**55,482**	97,604
181- 360 days	**24,462**	9,652
Over 360 days	**8,391**	3,167
	88,335	110,423

(c) It mainly represents the Group's payables to the construction company for the construction costs incurred relating to Kingdee Cloud Building.

13. Revenue from contracts with customers

	Unaudited Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Subscription and software	**2,300,590**	1,999,487
- Subscription	**2,028,003**	1,684,262
- Software	**272,587**	315,225
Implementation, consulting maintenance services and others	**1,324,832**	1,193,012
- Implementation services	**859,195**	787,801
- Consulting maintenance and other services	**465,637**	405,211
	3,625,422	3,192,499

Notes to the condensed consolidated interim financial information

14. Expenses by nature

Significant expense items are analysed as follows:

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Research and development costs		
Amounts incurred	**797,766**	778,822
Less: development costs capitalised	**(267,386)**	(260,865)
Add: amortisation	**278,826**	257,557
	809,206	775,514
Employee benefit expenses (excluding research and development costs)	**1,395,622**	1,395,342
Outsourcing services	**333,111**	261,134
Cost of inventories consumed and rental cost of cloud server	**78,861**	115,098
Depreciation of property, plant and equipment (Note 6(a))	**55,127**	50,748
Depreciation of right-of-use assets (Note 7(b))	**25,432**	19,671
Amortisation of trademarks, computer software, licenses, copyrights and customer relationship	**17,890**	9,901
Net impairment losses on financial assets and contract assets	**24,866**	20,792

15. Other income and gains – net

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Other income		
VAT refund and Program research income	**41,672**	82,859
Rental income - net	**50,834**	39,604
	92,506	122,463
Other gains		
Realised and unrealised net (losses)/gains on financial assets at FVPL	**(13,047)**	9,697
Net foreign exchange losses	**(4,278)**	(1,842)
Others	**5,721**	5,905
	(11,604)	13,760
	80,902	136,223

Notes to the condensed consolidated interim financial information

16. Income tax credit

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Current income tax	**8,440**	130
Deferred income tax	**(18,625)**	(24,588)
	(10,185)	(24,458)

(a) No provision for profits tax in Hong Kong has been made as the Group has no assessable profits for the period in those jurisdictions.

(b) According to regulation (Fa Gai Gao Ji [2026] No.487) issued by the National Development and Reform Commission, the entity can register for the National Important Software Enterprise ("NISE") in tax bureau if the entity complies with relevant requirements with a tax rate of 10%. Based on management's assessment, it is highly probable that Kingdee Software (China) Co., Ltd. ("Kingdee China") will meet those requirements. Therefore, Kingdee China used a preferential deferred income tax rate of 10% for the six months ended 30 June 2026. The application of preferential tax rate stated above is subject to critical estimates of the management of the Group.

(c) Kingdee Deeking Cloud Computing Co., Ltd., Kingdee Apusic Cloud Computing Co.,Ltd., Shanghai Guanyi Cloud Computing Software Co., Ltd., Beijing Kingdee Yunji Technology Co., Ltd. , CloudHub Network (Chongqing) Co., Ltd. were each qualified as a High-tech Enterprise and were entitled to a preferential tax rate of 15% for the period ended 30 June 2026.

(d) Due to the uncertainty of the announcement of the legislation in some countries and regions and the complexities in applying the legislation and calculating global income, the Group is in the process of assessing its exposure to the Pillar Two legislation. The Group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12.

Notes to the condensed consolidated interim financial information

17. Earnings/(losses) per share

(a) Basic

Basic earnings/(losses) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased and held for share award plan.

	Unaudited Six months ended 30 June	
	2026	2025
Profit/(loss) attributable to owners of the Company (RMB'000)	**54,497**	(97,738)
Weighted average number of ordinary shares in issue (thousands)	**3,510,860**	3,512,972
Basic earnings/(losses) per share (RMB cents per share)	**1.55**	(2.78)

(b) Diluted

Diluted earnings/(losses) 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: share options and share awards. For the share options and share awards, the number of shares that could have been issued upon the exercise of all dilutive share options and share awards less the number of shares that could have been issued at fair value (determined as the average annual market share price of the Company's shares) for the same total proceeds is added to the denominator as the number of ordinary shares issued for no consideration.

As the Group incurred losses for the six months ended 30 June 2025, the potential share options and share awards were not included in the calculation of dilutive losses per share, as their inclusion would be anti-dilutive. Accordingly, diluted losses per share for the six months ended 30 June 2025 was the same as basic losses per share of the respective period.

	Unaudited Six months ended 30 June	
	2026	2025
Profit/(loss) attributable to owners of the Company (RMB'000)	**54,497**	(97,738)
Profit/(loss) used to determine diluted earnings/(losses) per share (RMB'000)	**54,497**	(97,738)
Weighted average number of ordinary shares in issue (thousands)	**3,510,860**	3,512,972
Adjustment for:		
- share awards (thousands)	**2,915**	-
Weighted average number of ordinary shares for diluted earnings/(losses) per share (thousands)	**3,513,775**	3,512,972
Diluted earnings/(losses) per share(RMB cents per share)	**1.55**	(2.78)

Notes to the condensed consolidated interim financial information

18. Dividends

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

19. Related party transactions

The Group had transactions with related parties for the period ended 30 June 2026 as follows:

(a) Transactions with related parties

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Sales of products		
– Associates	**146**	-
– Companies controlled by Directors	**195**	521
	341	521
Sales of services		
– Associates	**1,746**	1,452
– Companies controlled by Directors	**563**	194
	2,309	1,646
Rental income		
– Associates	**-**	1,035
– Companies controlled by Directors	**1,119**	1,119
	1,119	2,154

Products and services are sold based on terms agreed with the counterparties in the ordinary course of business, and the rental rates and interest rates are determined in the same way.

(b) Purchase of products and services

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Purchase of products		
– Associates	**-**	1,154
– Companies controlled by Directors	**17**	11
	17	1,165
Purchase of services		
– Associates	**3,212**	26,504
– Companies controlled by Directors	**677**	41
	3,889	26,545

Products and services purchased from associates and companies controlled by Directors are carried out on terms agreed with the counterparties in the ordinary course of business.

Notes to the condensed consolidated interim financial information

19. Related party transactions (continued)

(c) Balances with related parties

	Unaudited 30 June 2026 RMB'000	Audited 31 December 2025 RMB'000
Receivables from related parties		
– Associates	**281**	390
– Companies controlled by Directors	**640**	723
	921	1,113
Payable to related parties recorded in "Contract Liabilities"		
– Associates	**2,349**	2,471
– Companies controlled by Directors	**1,890**	1,499
	4,239	3,970
Payable to related parties recorded in "Trade payables"		
– Associates	**544**	779
– Companies controlled by Directors	**128**	141
	672	920

The above balances with related parties were interest free, unsecured and repayable on demand.

MANAGEMENT DISCUSSION AND ANALYSIS

1. Key Financial Information

Revenue

For the six months ended 30 June 2026, the Group recorded a total revenue of approximately RMB3,625,422,000, representing a year-on-year increase of approximately 13.6% (for the same period in 2025: approximately RMB3,192,499,000). Revenue from subscription and software grew by approximately 15.1% to RMB2,300,590,000 (for the same period in 2025: approximately RMB1,999,487,000). Revenue from implementation, consulting maintenance services and others amounted to approximately RMB1,324,832,000 (for the same period in 2025: approximately RMB1,193,012,000), reflecting a year-on-year increase of approximately 11.0%.

The unaudited segment information for the six months ended 30 June 2026 is as follows:

	Subscription and software RMB'000	Implementation, consulting maintenance services and others RMB'000	The Group total RMB'000
Revenue	**2,300,590**	**1,324,832**	**3,625,422**
Cost of sales	**(81,161)**	**(1,088,349)**	**(1,169,510)**
Gross profit	**2,219,429**	**236,483**	**2,455,912**

The unaudited segment information for the six months ended 30 June 2025 is as follows (recast):

	Subscription and software RMB'000	Implementation, consulting maintenance services and others RMB'000	The Group total RMB'000
Revenue	1,999,487	1,193,012	3,192,499
Cost of sales	(70,077)	(1,027,081)	(1,097,158)
Gross profit	1,929,410	165,931	2,095,341

Gross Profit

The Group recorded a gross profit of approximately RMB2,455,912,000 (for the same period in 2025: approximately RMB2,095,341,000), representing a year-on-year increase of approximately 17.2%. The gross profit margin increased by 2.1 percentage points compared to 2025, reaching approximately 67.7% (for the same period in 2025: approximately 65.6%). The improvement in gross profit margin was primarily benefiting from a higher proportion of subscription revenue—which commands a high gross profit margin—as well as year-on-year improvements in gross profit margins for Implementation, consulting maintenance services and others.

Selling and Marketing Expenses

During the Reporting Period, the total selling and marketing expenses amounted to approximately RMB1,330,408,000 (for the same period in 2025: approximately RMB1,263,898,000), reflecting a year-on-year increase of approximately 5.3%. The percentage of selling and marketing expenses relative to total revenue decreased from 39.6% in 2025 to 36.7% in 2026.

Administrative Expenses

During the Reporting Period, administrative expenses amounted to approximately RMB368,132,000 (for the same period in 2025: approximately RMB346,049,000), representing a year-on-year increase of approximately 6.4%. The percentage of administrative expenses relative to total revenue decreased from 10.8% in 2025 to 10.2% in 2026.

Research And Development Expenses

During the Reporting Period, the total R&D costs amounted to approximately RMB797,766,000, representing a year-on-year increase of approximately 2.4% (for the same period in 2025: approximately RMB778,822,000). The R&D capitalization rate was approximately 33.5% (for the same period in 2025: 33.5%), with the capitalized amount reaching approximately RMB267,386,000, a year-on-year increase of approximately 2.5% (for the same period in 2025: approximately RMB260,865,000). The amortization of R&D costs during the reporting period amounted to approximately RMB278,826,000, reflecting a year-on-year increase of approximately 8.3% (for the same period in 2025: approximately RMB257,557,000), while the R&D expenses recognized in the consolidated income statement amounted to approximately RMB809,206,000, representing a year-on-year increase of approximately 4.3% (for the same period in 2025: approximately RMB775,514,000). The percentage of R&D expenses relative to total revenue decreased from 24.3% in 2025 to 22.3% in 2026.

Other Income and Gains – Net

During the Reporting Period, other income and gains – net amounted to approximately RMB80,902,000, representing a year-on-year decrease of 40.6% (for the same period in 2025: approximately RMB136,223,000).

Finance Income – Net

During the Reporting Period, net finance income amounted to approximately RMB27,373,000, compared to net finance income of approximately RMB34,000,000 in the same period of 2025.

Income Tax Credit

During the Reporting Period, there was an income tax credit of approximately RMB10,185,000 (for the same period in 2025: approximately RMB24,458,000).

Profit/(Loss) and Basic Earnings/(Loss) per Share

For the six months ended 30 June 2026, the profit attributable to Owners of the Company was approximately RMB54,497,000 (for the same period in 2025: loss of approximately RMB97,738,000), representing a net profit margin of approximately 1.5% (for the same period in 2025: net loss margin of approximately 3.1%). The basic earnings per share were approximately RMB1.55 cents (for the same period in 2025: basic loss per share of approximately RMB2.78 cents).

Non-IFRS Financial Measures

To supplement the consolidated results of the Group prepared in accordance with IFRS, non-IFRS financial measure adjusted profit attributable to equity holders of the Company have been presented in this announcement. These unaudited non-IFRS financial measures should be considered in addition to, not as a substitute for, measures of the Group's financial performance prepared in accordance with IFRS. In addition, these non-IFRS financial measures may be defined differently from similar terms used by other companies.

The Company's management believes that the non-IFRS financial measures provide investors with useful supplementary information to assess the performance of the Group's core operations by excluding certain non-cash items and certain impact of investment-related transactions.

The following tables set forth the reconciliations of the Group's non-IFRS financial measures for the six months ended 30 June 2026 and 2025 to the nearest measures prepared in accordance with IFRS:

	Unaudited 30 June 2026 RMB'000	Unaudited 30 June 2025 RMB'000
Profit/(Loss) attributable to Owners of the Company	**54,497**	(97, 738)
Adjustment items:		
Share-based compensation	**34,551**	51,169
Net (gains)/losses from associates	**(6,385)**	(7,126)
Amortization of acquisition-related intangible assets	**14,140**	4,885
Fair value changes of investments and impairment of goodwill	**21,107**	(1,918)
Income tax effects	**(1,820)**	(432)
Adjusted profit/(Loss) attributable to Owners of the Company (a non-IFRS measure)	**116,090**	(51,160)

Financial Assets at Fair Value through Profit or Loss

As of 30 June 2026, the Group's financial assets at fair value through profit or loss amounted to approximately RMB2,237,126,000, an increase of RMB112,296,000 compared to 31 December 2025. This includes a non-current portion of approximately RMB1,621,877,000 (31 December 2025: approximately RMB847,349,000) and a current portion of approximately RMB615,249,000 (31 December 2025: approximately RMB1,277,481,000).

Financial Assets Measured at FVPL Include the Following:

	Unaudited 30 June 2026 RMB'000	Audited 31 December 2025 RMB'000
Financial assets at fair value through profit or loss		
Wealth management products (i)	**550,891**	1,190,215
Listed equity securities	**64,358**	87,266
Unlisted equity investments	**1,621,877**	847,349
	2,237,126	2,124,830
Less: non-current portion	**(1,621,877)**	(847,349)
	615,249	1,277,481

(i) This represented the Group's investments in various wealth management products issued by commercial banks and state-owned financial institutions. These products have a term ranging from 1 month to 12 months with an expected annual return rate ranging from 1.10% to 2.20%. No single wealth management product investment accounted for over 5% of the Group's total assets. The fair value of these investments is determined based on the income approach.

Investments in Associates

As of 30 June 2026, the book value of investments in associates changed as follows:

	Unaudited Six months ended 30 June 2026 RMB'000
At 1 January	**531,791**
Additions	
Disposals	-
Share of profits of associates – net	**6,385**
At 30 June	**538,176**

All the associates of the Group are unlisted and operate in Chinese Mainland. There are no significant contingent liabilities relating to liabilities of the associates for which the Group is severally liable.

Contract Assets

As of 30 June 2026, the Group's contract assets amounted to approximately RMB455,110,000, compared with approximately RMB449,265,000 as at 31 December 2025.

Loans to Third Parties

	Unaudited 30 June 2026 RMB'000	Audited 31 December 2025 RMB'000
Loans to third parties	**365,935**	458,353
Less: Provision for collective impairment assessment of the loans	**(3,674)**	(4,584)
Loans to third parties, net of provision	**362,261**	453,769
Less: non-current portion	**(71,627)**	(98,048)
Current portion	**290,634**	355,721

The loans to third parties represented loans made under the micro-credit business, which bear interest from 8.00% to 24.00% (31 December 2025: 8.00% to 24.00%) per annum and are repayable with fixed terms agreed with the customers, and all denominated in RMB.

The fair values of the loans to third parties approximated their carrying amounts. The interest accrued was due within 12 months and presented in interest receivables.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

The Group performed an expected credit loss assessment of loans to third parties collectively by grouping loans with similar credit risk characteristics. During the six months ended 30 June 2026 and 30 June 2025, the majority of the loans were in stage 1 and there was no significant change in credit quality for loans for both periods.

Contract Liabilities

As of 30 June 2026, the Group's contract liabilities amounted to approximately RMB4,645,463,000. The corresponding contract liabilities as of 31 December 2025 were approximately RMB4,386,462,000. The increase in contract liabilities during the reporting period was primarily due to the growth in the Group's subscription business.

Cash Flows, Financial, and Capital Resources

As of 30 June 2026, the Group recorded total cash and bank deposits of RMB2,956,638,000 (31 December 2025: RMB3,796,834,000). As of 30 June 2026, the Group held wealth management products amounting to RMB550,891,000 (31 December 2025: RMB1,190,215,000). The majority of the Group's cash, bank deposits, and asset management products are denominated in RMB, while the portion denominated in foreign currencies had an RMB equivalent of approximately RMB85,645,000 as of 30 June 2026 (31 December 2025: approximately RMB170,174,000), primarily denominated in USD and HKD.

As of 30 June 2026, the Group's net current assets amounted to approximately RMB48,519,000 (31 December 2025: approximately RMB185,471,000). The current ratio of current assets to current liabilities as of 30 June 2026 was approximately 1.01.

As of 30 June 2026, the Group had no outstanding bank borrowings (31 December 2025: Nil).

Cash Flow and Fair Value Interest Rate Risk

The Group's exposure to interest rate fluctuations primarily arises from borrowings. Borrowings at floating interest rates expose the Group to cash flow interest rate risk, while borrowings at fixed interest rates expose the Group to fair value interest rate risk.

The Group currently does not use any interest rate swaps to hedge its interest rate exposure. However, if necessary, the Group will consider hedging significant interest rate exposure.

Foreign Exchange Risk

The functional currency of the Company and its major subsidiaries is RMB. The majority of the revenues of the Group are derived from operations in the PRC.

Foreign exchange risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between RMB and other currencies in which the Group conducts business may affect its financial position and results of operations. The foreign exchange risk facing the Group mainly comes from movements in the US dollars ("USD")/RMB and Hong Kong dollars ("HKD")/RMB exchange rates.

The Group does not currently adopt a formal foreign currency hedging policy. Nevertheless, management monitors foreign exchange risk and will implement hedging strategies for material foreign currency exposures as and when appropriate.

Credit Risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at amortised cost, at fair value through profit or loss (FVPL) and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

The management manages the credit risk of cash and cash equivalents, pledged and short-term and long-term bank deposits and wealth management products (classified as financial assets at FVPL) by transacting with state-owned financial institutions and reputable commercial banks which are all high-credit-quality financial institutions in Chinese mainland and Hong Kong.

In relation to trade receivables and contract assets, the Group has two kinds of distribution channels, one is sales to distributors and the other is sales to end customers.

For sales to distributors, the Group has assessed the credit quality of the distributors, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by management. The compliance with credit limits by distributors is regularly monitored by management.

For sales to end customers, the Group has no significant concentration of credit risk in trade receivables since the balance of trade receivables is composed of numerous individual small items and the exposure spreads over a large number of customers.

The Group's investments in debt instruments, including loans to third parties, are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

For other receivables, management considers the probability of default upon initial recognition of asset and whether there has been significant increase in credit risk on an on-going basis. The directors of the Company believe that there is no material credit risk inherent in the Group’s outstanding balances of other receivables.

Funds and Working Capital Management

The management of funds and liquidity is centrally handled by the Treasury Department. The Treasury Department is generally responsible for the overall management and implementation of funds, which includes formulating the Group’s fund management policies, guiding, coordinating, and standardizing the fund management of regional companies, establishing annual fund plans, reviewing and summarizing annual capital budgets, as well as supervising and evaluating the fund management of regional companies. The finance departments of regional companies are committed to implementing the fund management policies established by the headquarters and are responsible for formulating fund plans and executing fund operations at the subsidiary level. The Group also adopts a meticulous fund management policy and implements a set of fund management rules and guidelines, such as the “Group Fund Basic Internal Control Management Measures” and the “Branch Fund Settlement Management Measures,” to enhance the effectiveness and efficiency of fund management. This ensures financial security and reduces funding costs.

To manage idle cash in inventory, the Group purchases and redeems wealth management products to create a "cash pool," from which cash can be obtained when needed, yielding higher returns than bank deposits. The financial assets related to the wealth management products invested in by the Group mainly include low-risk wealth management products issued by financial institutions. The purchase amount will be determined based on surplus funds. The Group uses the “Fund Wealth Management Measures” as the primary financial policy for fund management. The Group’s process of purchasing wealth management products and managing related departments consistently adheres to financial policies in conducting business, accounting, and filing procedures.

The Group possesses sufficient solvency. Through a comprehensive, reasonable, and professional evaluation mechanism, the Group has established annual and monthly fund planning, along with a set of rigorous fund management principles, enabling effective management of market risks.

In terms of budget management, the Group has established monthly, quarterly, and annual budget management systems, which are subject to approval by the Chief Financial Officer. Capital budget plans should be formulated based on the Group’s business plans, project timelines, and contract payment terms to ensure accurate alignment with actual business needs.

Principal Properties

The table below provides a breakdown of the Group's properties for the six months ended 30 June 2026

Property Name	Location	Current Usage	Lease Term	Total Appraised Value
				RMB'000
Beijing Kingdee Software Park.	Fuxing 4th Street, Mapo Town, Shunyi District, Beijing, China.	Office	Long term	615,540
Shanghai Kingdee Software Park.	No. 88, Chenhui Road, Zhangjiang Hi-Tech Park, Pudong, Shanghai, China.	Office	Long term	356,480
Shenzhen Kingdee Software Park.	No. 2, 12th Road, Keji South Road, Nanshan District, Shenzhen, Guangdong Province, China.	Office	Long term	121,440
Shenzhen Kingdee Cloud Building.	No. 2, 12th Road, Keji South Road, Nanshan District, Shenzhen, Guangdong Province, China.	Office	Long term	802,920
Shenzhen W1-B	B1, 4th Floor, W1 Building, Gaoxing Industrial Village, Keji South 1st Road, Nanshan District, Shenzhen, Guangdong Province, China.	Office	Long term	44,760
				1,941,140

2. Employees and Remuneration Policies

As at the end of the Reporting Period, the Group had 10,517 employees. The Group continued to uphold the principles of "customer-centricity and long-term commitment to quality excellence", continued to encourage product innovation and quality enhancement, and implemented initiatives relating to organisation, talent, culture and leadership development. The Group also upheld the principles of "putting strivers first and maintaining clarity and integrity over the long term", recruited leading talent in AI transformation and outstanding fresh graduates, encouraged managers and key employees to rotate across positions, and developed management-oriented and innovation-oriented talent. The Group provided employees with training courses in AI-related professional skills, leadership and other areas, and adopted several share schemes to incentivise and reward the contributions of relevant employees.

The remuneration policy of the Group is primarily determined with reference to the responsibilities of each employee's position, work performance, outstanding contributions and length of service, as well as prevailing market conditions. In assessing the remuneration payable to Directors and senior management, the remuneration committee of the Company considers factors including salaries paid by comparable companies, the tenure, commitment, responsibilities and individual performance of the Directors and senior management, as applicable.

3. Social Responsibility

During the Reporting Period, Kingdee was featured in S&P Global's Sustainability Yearbook 2026 (China edition) for the fourth consecutive year and was included in the Sustainability Yearbook 2026 (global edition) for the first time. The Group also promoted the integration of AI innovation and sustainable development through product initiatives including low-carbon supply chains, Invoice Cloud, scrap steel management and ESG agents.

In terms of talent development, Kingdee collaborated with the Ministry of Education and universities on collaborative talent development initiatives. During the Reporting Period, the Group carried out Ministry of Education education programmes, including industry-academia collaboration and employment demand matching programmes, with more than 50 universities; organised more than 30 events, including the National College Student Enterprise Digital Management Innovation Competition and the 2026 BRICS Skills Competition, attracting more than 1,200 participating teams and over 6,000 students; and worked with universities including Nankai University, South China Normal University, Xi'an Jiaotong University and Central University of Finance and Economics to offer more than 30 digital practice-oriented courses. The Group also newly established more than 20 laboratories and practical training bases, providing digital learning and practical teaching services to more than 8,000 students and over 1,000 university teachers.

In terms of corporate management, Kingdee launched the second “Best Practices in Enterprise Management” ranking during the period, with the theme “AI + Management: Forging New Quality Productive Forces”, and jointly provided a series of “AI Management Workshops” with universities and enterprises, covering 560 entrepreneurs and senior executives. In terms of public welfare, Kingdee made a donation to Gonghua Town Central Primary School in Yuanjiang City, Hunan Province to improve school conditions, and established scholarships for outstanding students from underprivileged families.

4. Outlook

“In the AI era, enterprises do not need yet another tool. They need a secure and trusted enterprise agent operating system that can be entrusted with business decision-making. This is precisely why Lingee was created, and the market has responded to this proposition with genuine enthusiasm. The results for the first half of the year have demonstrated that Kingdee’s AI transformation is not merely a slogan, but a proven and effective path. We will accelerate, not slow down, until we achieve our goal: empowering enterprises worldwide to truly enter the AI-native era. By 2030, we aim to build another Kingdee with AI native products.”

REPORT OF DIRECTORS

Share Award Schemes

2015 Share Award Scheme

The 2015 Share Award Scheme was adopted by the Company on 4 December 2015 to provide incentives and reward the contributions of key employees and directors of the Group. The 2015 Share Award Scheme shall be valid and effective for a period of 10 years commencing from the adoption date and it was terminated on 21 January 2025. No further award Shares can be granted under the 2015 Share Award Scheme. Prior to its termination, the Board may, from time to time, in its absolute discretion select the participants, including (i) employees (whether full-time or part-time and including any executive director), consultants or advisers of or to the Group and (ii) any non-executive directors (including independent non-executive directors) of the Group, after taking into account various factors as it deems appropriate and determine the number of award Shares to be awarded to each of the selected participants.

The award Shares comprise Shares subscribed for or purchased by the trustee out of cash arranged by the Company to the trustee and are held on trust for the selected participants until such Shares are vested with the selected participants in accordance with the provisions of the 2015 Share Award Scheme. As at the Latest Practicable Date, the award Shares granted under the 2015 Share Award Scheme involve only existing Shares. No consideration is required to be paid for the acceptance or vesting of the award Shares.

The terms of the 2015 Share Award Scheme do not specify (i) any period for an award to be vested; (ii) any amount required to be paid on acceptance of an award nor the payment period; and (iii) any basis for determining the purchase price (if any) of award Shares. A selected participant shall be entitled to receive the award Shares held by the trustee appointed by the Company for the purpose of the 2015 Share Award Scheme in accordance with the vesting schedule upon satisfaction of the vesting criteria and conditions specified by the Board in the offer of the grant of the relevant award Shares.

The Board shall not make any further award of award Shares which will result in the nominal value of the Shares awarded by the Board under the 2015 Share Award Scheme exceeding 3% of the issued Share capital from time to time. For the avoidance of doubt, the 3% limit provided above shall exclude any Shares which have been vested. The maximum number of Shares which may be awarded to a selected participant under the 2015 Share Award Scheme in any twelve (12)-month period shall not exceed 1% of the issued Share capital from time to time. As disclosed above, the 2015 Share Award Scheme was terminated on 21 January 2025, and thus no new award Shares could be granted thereunder, and the above limitation on the number of grants was no longer applicable after the termination.

For details of the 2015 Share Award Scheme, please refer to the announcement of the Company dated 18 December 2015.

2025 Share Award Scheme

The Company adopted a new share award scheme on 21 January 2025 (the "2025 Share Award Scheme") to provide incentives and reward the contributions of key employees, directors and external professional consultants of the Group. The 2025 Share Award Scheme shall be valid and effective for a period of 10 years commencing from the adoption date. The remaining life of the 2025 Share Award Scheme as at the date of this announcement is approximately 8 years and 5 months. The Board may, from time to time, in its absolute discretion select the participants, including (i) employees (whether full-time or part-time and including any executive directors), (ii) any non-executive directors (including independent non-executive directors) of the Group, and (iii) any external professional consultant who provides strategic planning or guidance to any member of the Group in various areas of business or business development, after taking into account such factors as it deems appropriate and grant such number of award Shares to any selected participant.

The Company may cause to be paid to the trust (from which award Shares may be granted to selected participants) cash from the Group's internal resources for the purchase of award Shares on the market by the trustee, and/or instruct the trustee to accept the transfer of Shares from any Shareholders or any designated party of the Company. Once purchased or transferred, the Shares are to be held by the trustee for the benefit of the selected participants and subject to the terms and conditions of the scheme. The 2025 Share Award Scheme will be funded solely by existing Shares. No consideration is required to be paid for the acceptance or vesting of the award Shares.

The terms of the 2025 Share Award Scheme do not specify (i) any period for an award to be vested; (ii) any amount required to be paid on acceptance of an award nor the payment period; and (iii) any basis of determining the purchase price (if any) of award Shares. A selected participant shall be entitled to receive the award Shares held by the trustee appointed by the Company for the purpose of the 2025 Share Award Scheme in accordance with the vesting schedule upon satisfaction of the vesting criteria and conditions specified by the Board in the offer of the grant of the relevant award Shares.

The Board shall not make any further award of award Shares which will result in the number of Shares awarded by the Board under the 2025 Share Award Scheme exceeding 5% of the total number of Shares in issue (excluding treasury Shares) as at the date of adoption of the scheme (i.e. 179,301,213 Shares). For the avoidance of doubt, the 5% limit provided above shall exclude any award Shares that have lapsed. The maximum number of Shares which may be awarded to a selected participant under the 2025 Share Award Scheme in any twelve (12)-month period shall not exceed 1% of the total number of Shares in issue (excluding treasury Shares).

For details of the 2025 Share Award Scheme, please refer to the announcement of the Company dated 24 January 2025.

The number of award Shares available for grant under the 2015 Share Award Scheme at the beginning and the end of the Reporting Period was nil as the 2015 Share Award Scheme was terminated in January 2025, whereas the number of award Shares available for grant under the 2025 Share Award Scheme at the beginning of the Reporting Period was 166,362,973 and at the end of the Reporting Period was 152,580,898.

During the Reporting Period, the Company had granted 14,020,060 award Shares pursuant to the 2025 Share Award Scheme, with details of the movements of the outstanding award Shares under the two share award schemes during the Reporting Period as follows:

Name or the categories of the grantee	Date of grant	Number of Award Shares not yet vested as at 31 December 2025	Granted during the Reporting Period	Closing price of the Shares immediately before the date of grant *(HKD)*	Vested during the Reporting Period	Lapsed during the Reporting Period	Number of Award Shares not yet vested as at 30 June 2026
Directors							
Xu Shao Chun	*28/3/2022*	*37,500*	-	*16.74*	*37,500*	-	-
	20/3/2023	*50,000*		*16.30*	*25,000*	-	*25,000*
	2/4/2026	-	*2,000,000*	*8.53*	-	-	*2,000,000*
Sub-total		*87,500*	*2,000,000*		*62,500*	-	*2,025,000*
Lin Bo	*28/3/2022*	*37,500*	-	*16.74*	*37,500*	-	-
	20/3/2023	*50,000*	-	*16.30*	*25,000*	-	*25,000*
	8/5/2024	*112,500*	-	*9.21*	*37,500*	-	*75,000*
	16/4/2025	*100,000*	-	*12.30*	*25,000*	-	*75,000*
	2/4/2026	-	*150,000*	*8.53*	-	-	*150,000*
Sub-total		*300,000*	*150,000*		*125,000*	-	*325,000*
Other employees	*21/3/2022*	*1,701,875*	-	*16.38*	*1,487,250*	*214,625*	-
	28/11/2022	*50,000*	-	*12.52*	*10,000*	*40,000*	-
	31/5/2023	*3,348,500*	-	*10.56*	*1,522,500*	*151,750*	*1,674,250*
	5/10/2023	*95,000*	-	*8.92*	*47,500*	-	*47,500*
	19/4/2024	*6,043,460*	-	*7.72*	*1,934,129*	*158,691*	*3,950,640*
	3/6/2024	*330,000*	-	*8.00*	*10,000*	*100,000*	*220,000*
	16/9/2024	*75,000*	-	*5.70*	*25,000*	-	*50,000*
	17/12/2024	*729,729*	-	*9.03*	*319,769*	-	*409,960*
	7/4/2025	*12,403,380*	-	*13.22*	*5,197,917*	*229,942*	*6,975,521*
	21/11/2025	*434,860*	-	*14.14*	*100,673*	*8,043*	*326,144*
	24/6/2026	-	*11,870,060*	*6.20*	-	-	*11,870,060*
Sub-total		*25,211,804*	*11,870,060*		*10,654,738*	*903,051*	*25,524,075*
Total		*25,599,304*	*14,020,060*		*10,842,238*	*903,051*	*27,874,075*

Notes:

(1) The vesting period of the award Shares is four (4) years.

(2) No consideration is required to be paid for the acceptance or vesting of the award shares.

(3) The weighted average fair value of the award Shares granted during the Reporting Period was approximately HK$6.47 per Share. The fair value of the award Shares granted during the Reporting Period was calculated based on the market value of the Shares on the respective grant dates, and expected dividends during the vesting period have been considered in the assessment of the fair value of the award Shares.

(4) The weighted average closing price of the Shares was approximately HK$8.57 immediately before the date (i.e. 31 March 2026) of the vesting of the award Shares onto Mr. Xu Shao Chun, Mr. Lin Bo and other employees during the Reporting Period.

(5) Performance targets for each grant include the Company's financial performance indicators and the individual performance indicators of the selected participants.

(6) During the Reporting Period, no award Share was cancelled.

During the Reporting Period, the number of Shares that may be issued in respect of awards granted under all share schemes of the Company, including the 2015 Share Award Scheme and the 2025 Share Award Scheme, divided by the weighted average number of Shares of the relevant class in issue (excluding treasury Shares) for the Reporting Period is 0%, as the award Shares granted thus far relate to existing Shares only.

Since 1 January 2023, unless separately approved by the Shareholders in general meeting (with the relevant eligible participant and such eligible participant's close associates (with the meaning ascribed thereto under the Listing Rules) (or such eligible participant's associates if such eligible participant is a connected person of the Company) abstaining from voting), no eligible participant shall be granted a share option or award if such grant will result in the total number of Shares issued and to be issued in respect of all share options and awards granted (excluding any lapsed share options and awards) to such eligible participant in the 12-month period up to and including the date of such grant would in aggregate exceed 1% of the total number of issued Shares. The maximum number of Shares which may be awarded to a Director in any twelve (12)-month period shall not exceed 0.1% of the issued Share capital from time to time. Any award of Shares to a Director in excess of 0.1% of the issued Share capital is subject to the issue of a circular by the Company and the approval of the Shareholders in advance at a general meeting. The Director, his/her associates and all other core connected persons of the Company must abstain from voting at such general meeting.

Equity-linked agreement

2023 subscription of new Shares

On 10 December 2023, the Company and Al-Rayyan Holdings LLC (the "Subscriber") entered into the subscription agreement (the "Subscription Agreement"), pursuant to which the Subscriber subscribed for 154,627,000 new Shares (the "Subscription Shares") at the price of HK$10.10 per Subscription Share (the "Subscription Price") under the general mandate granted to the Board at the AGM held on 18 May 2023 (the "Subscription").

The Company completed the Subscription on 14 December 2023. The Subscription Price was determined on an arm's length basis between the Company and the Subscriber with reference to the then prevailing market price of the Shares. The closing price per Share on 8 December 2023 as quoted on the Stock Exchange was HK$10.38, being the trading day preceding the date of signing of the Subscription Agreement. The aggregate nominal value of the Subscription Shares is HK$3,865,675. The Directors considered the reasons for the Subscription were that the Subscription would further support the Company's international strategy and optimize the capital structure of the Company, and the Subscription was in the interests of the Group and the Shareholders as a whole. The gross proceeds and net proceeds (after deducting all applicable costs and expenses) from the Subscription amounted to approximately HK$1,561,732,700 and approximately HK$1,560,982,700, respectively. The net price per Subscription Share was approximately HK$10.095. The intended and actual use of proceeds from the Subscription up to 30 June 2026 were set out as follows:

	Proceeds from the Subscription HK$'000	Proceeds utilized during the Reporting Period HK$'000	Proceeds utilized up to 30 June 2026 HK$'000	Unutilized funds as at 30 June 2026 HK$'000	Expected timeline for utilizing unutilized funds (Note)
Potential capital market transactions (80.0%)	1,248,786	213,768	1,248,786	0	-
General operation and working capital (20.0%)	312,197	0	312,197	0	-

Note:

As of the end of the Reporting Period, all proceeds from the Subscription have been fully utilised.

Save as disclosed above, there was no equity-linked agreement being entered into during the Reporting Period or subsisting at the end of the Reporting Period.

Directors' and Chief Executive's Interests or Short Positions in the Shares, Underlying Shares or Debentures

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**")), which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which would be required, pursuant to section 352 of the SFO to be entered in the register referred to therein, or which would be required to be notified to the Company and the Stock Exchange pursuant to the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "**Model Code**") as set out in Appendix C3 to The Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), were as follows:

Interests in the Shares/ underlying Shares

Name of Directors	Number of Shares/ underlying Shares (where appropriate)	Capacity	Percentage of total number of issued Shares (approximate)
Xu Shao Chun	682,198,624(L)	Interests of controlled corporation (Note 1)	
	2,025,000(L)	Beneficiary of a trust (Note 2)	
	21,019,555(L)	Beneficial owner	
Aggregate:	**705,243,179**		**19.86%**
Lin Bo	1,442,298(L)	Beneficial owner	
	325,000(L)	Beneficiary of a trust (Note 3)	
Aggregate:	**1,767,298**		**0.05%**
Gary Clark Biddle	1,230,000(L)	Beneficial owner	
Aggregate:	**1,230,000**		**0.03%**
Dong Ming Zhu	280,000(L)	Beneficial owner	
Aggregate:	**280,000**		**0.01%**
Bo Lian Ming	60,000(L)	Beneficial owner	
Aggregate:	**60,000**		**0.00%**

Notes:

The percentage represents the total number of the Shares interested divided by the total number of issued Shares of 3,549,468,771 as at 30 June 2026.

(1) Of the 682,198,624 Shares, 386,312,000 Shares were held through Oriental Tao Limited and 295,886,624 Shares were held through Billion Tao Limited. Oriental Tao Limited and Billion Tao Limited are wholly owned by Easy Key Holdings Limited, which is in turn wholly owned by Mr. Xu Shao Chun. Therefore, Mr. Xu Shao Chun is deemed to be interested in those 682,198,624 Shares.

(2) The 2,025,000 award Shares granted to Mr. Xu Shao Chun under the 2015 Share Award Scheme and 2025 Share Award Scheme, are held by the trustee, BOCI Trustee (Hong Kong) Limited. Details of the award Shares are set out in the section headed "Share Award Schemes" of this announcement.

(3) The 325,000 award Shares granted to Mr. Lin Bo under the 2015 Share Award Scheme and 2025 Share Award Scheme, are held by the trustee, BOCI Trustee (Hong Kong) Limited. Details of the award Shares are set out in the section headed "Share Award Schemes" of this announcement.

(4) (L) denotes long position.

Save as disclosed above, as at 30 June 2026, none of the Directors and chief executive of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which would be required, pursuant to section 352 of the SFO to be entered in the register referred to therein, or which would be required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' Rights to Acquire Shares or Debentures

None of the Directors or their respective associates (as defined under the Listing Rules) was granted by the Company, or any of its subsidiaries, any rights or options to acquire Shares or debentures in the Company during the Reporting Period.

Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares, Underlying Shares and Debentures

As at 30 June 2026, as far as the Directors were aware, the following persons (other than the Directors and chief executive of the Company) had interests and short positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Part XV of the SFO and required to be recorded in the register required to be kept under section 336 of the SFO:

Long positions and short positions in Shares/ underlying Shares

Name	Number of Shares/ underlying Shares (where appropriate)	Capacity	Percentage of total number of issued Shares (approximate)
Easy Key Holdings Limited (Note 1)	682,198,624 (L)	Interests of controlled corporation	
Aggregate:	**682,198,624**		**19.22%**
Oriental Tao Limited (Note 1)	386,312,000 (L)	Beneficial owner	
Aggregate:	**386,312,000**		**10.88%**
Billion Tao Limited (Note 1)	295,886,624(L)	Beneficial owner	
Aggregate:	**295,886,624**		**8.33%**
BlackRock, Inc. (Note 2)	302,049,131(L) 4,023,000(S)	Interests of controlled corporation	
Aggregate:	**306,072,131**		**8.62%**
JPMorgan Chase & Co.(Note 3)	89,806,004(L) 82,091,044(S)	Beneficial owner	
	88,189,207(L) 33,000(S)	Investment Manager	
	7,576,705(L)	Person holding a security interest in the shares	
	50,051,695(L)	Approved Lending Agent	
Aggregate:	**317,747,655**		**8.95%**

Notes:

The percentage represents the total number of the Shares interested or short positions divided by the total number of issued Shares of 3,549,468,771 as at 30 June 2026.

(1) Oriental Tao Limited and Billion Tao Limited are wholly owned by Easy Key Holdings Limited, which is in turn wholly owned by Mr. Xu Shao Chun.

(2) According to the disclosure of interests form filed by BlackRock, Inc. on 3 July 2026 regarding the relevant event which took place on 30 June 2026:

a） BlackRock, Inc. was deemed to be interested in the Shares as follows:

Name of controlled corporation	Name of controlling person	% control	Direct interest (Y/N)	Number of Shares
BlackRock Finance, Inc.	BlackRock, Inc.	100	N	302,049,131(L) 4,023,000(S)
Trident Merger, LLC	BlackRock Finance, Inc.	100	N	322,200(L)
BlackRock Investment Management, LLC	Trident Merger, LLC	100	N	287,200(L)
BlackRock Investment Management, LLC	Trident Merger, LLC	100	Y	35,000(L)
BlackRock Holdco 2, Inc.	BlackRock Finance, Inc.	100	N	301,726,931(L) 4,023,000(S)
BlackRock Financial Management, Inc.	BlackRock Holdco 2, Inc.	100	N	292,624,931(L) 2,219,000(S)
BlackRock Financial Management, Inc.	BlackRock Holdco 2, Inc.	100	Y	9,102,000(L) 1,804,000(S)
BlackRock Holdco 4, LLC	BlackRock Financial Management, Inc.	100	N	93,798,000(L) 2,200,000(S)
BlackRock Holdco 6, LLC	BlackRock Holdco 4, LLC	90	N	93,798,000(L) 2,200,000(S)
BlackRock Delaware Holdings Inc.	BlackRock Holdco 6, LLC	100	N	93,798,000(L) 2,200,000(S)
BlackRock Institutional Trust Company, National Association	BlackRock Delaware Holdings Inc.	100	Y	33,492,000(L) 314,000(S)
BlackRock Fund Advisors	BlackRock Delaware Holdings Inc.	100	Y	60,306,000(L) 1,886,000(S)
BlackRock International Holdings, Inc.	BlackRock Financial Management, Inc.	100	N	198,826,931(L) 19,000(S)
BR Jersey International Holdings L.P.	BlackRock International Holdings, Inc.	86	N	193,402,931(L) 19,000(S)
BlackRock Lux Finco S.à r.l.	BlackRock HK Holdco Limited	100	N	10,590,646(L)
BlackRock Japan Holdings GK	BlackRock Lux Finco S.à r.l.	100	N	10,590,646(L)
BlackRock Japan Co., Ltd.	BlackRock Japan Holdings GK	100	Y	10,590,646(L)
BlackRock Holdco 3, LLC	BR Jersey International Holdings L.P.	100	N	176,387,134(L) 19,000(S)
BlackRock Canada Holdings ULC	BlackRock International Holdings, Inc.	100	N	5,424,000(L)
BlackRock Asset Management Canada Limited	BlackRock Canada Holdings ULC	100	Y	5,424,000(L)
BlackRock Australia Holdco Pty. Ltd.	BR Jersey International Holdings L.P.	100	N	976,400(L)
BlackRock Investment Management (Australia) Limited	BlackRock Australia Holdco Pty. Ltd.	100	Y	976,400(L)
BlackRock (Singapore) Holdco Pte. Ltd.	BR Jersey International Holdings L.P.	100	N	16,039,397(L)
BlackRock HK Holdco Limited	BlackRock (Singapore) Holdco Pte. Ltd.	100	N	15,116,680(L)
BlackRock Asset Management North Asia Limited	BlackRock HK Holdco Limited	100	Y	4,526,034(L)
BlackRock Cayman 1 LP	BlackRock Holdco 3, LLC	100	N	176,387,134(L) 19,000(S)

Name of controlled corporation	Name of controlling person	% control	Direct interest (Y/N)	Number of Shares
BlackRock Cayman West Bay Finco Limited	BlackRock Cayman 1 LP	100	N	176,387,134(L) 19,000(S)
BlackRock Cayman West Bay IV Limited	BlackRock Cayman West Bay Finco Limited	100	N	176,387,134(L) 19,000(S)
BlackRock Group Limited	BlackRock Cayman West Bay IV Limited	90	N	176,387,134(L) 19,000(S)
BlackRock Finance Europe Limited	BlackRock Group Limited	100	N	88,566,362(L)
BlackRock (Netherlands) B.V.	BlackRock Finance Europe Limited	100	Y	11,717,349(L)
BlackRock International Limited	BlackRock Group Limited	100	N	10,225,426(L)
BlackRock Group Limited-Luxembourg Branch	BlackRock Group Limited	100	N	77,595,346(L) 19,000(S)
BlackRock Luxembourg Holdco S.à r.l.	BlackRock Group Limited-Luxembourg Branch	100	N	77,595,346(L) 19,000(S)
BlackRock Investment Management Ireland Holdings Unlimited Company	BlackRock Luxembourg Holdco S.à r.l.	100	N	75,419,346(L)
BlackRock Asset Management Ireland Limited	BlackRock Investment Management Ireland Holdings Unlimited Company	100	Y	75,419,346(L)
BLACKROCK (Luxembourg) S.A.	BlackRock Luxembourg Holdco S.à r.l.	100	Y	2,137,000(L) 19,000(S)
BlackRock Investment Management (UK) Limited	BlackRock Finance Europe Limited	100	N	66,648,639(L)
BlackRock Investment Management (UK) Limited	BlackRock Finance Europe Limited	100	Y	10,200,374(L)
BlackRock Fund Managers Limited	BlackRock Investment Management (UK) Limited	100	Y	66,648,639(L)
BlackRock Life Limited	BlackRock International Limited	100	Y	10,225,426(L)
BlackRock (Singapore) Limited	BlackRock (Singapore) Holdco Pte. Ltd.	100	Y	922,717(L)
BlackRock UK Holdco Limited	BlackRock Luxembourg Holdco S.à r.l.	100	N	39,000(L)
BlackRock Asset Management Schweiz AG	BlackRock UK Holdco Limited	100	Y	39,000(L)
EG Holdings Blocker, LLC	BlackRock Investment Management, LLC	100	N	287,200(L)
Amethyst Intermediate, LLC	BlackRock Investment Management, LLC	100	N	287,200(L)
Aperio Holdings, LLC	Amethyst Intermediate, LLC	60	N	287,200(L)
Aperio Holdings, LLC	EG Holdings Blocker, LLC	40	N	287,200(L)
Aperio Group, LLC	Aperio Holdings, LLC	100	Y	287,200(L)

and b) details of BlackRock, Inc.'s derivatives interests are as follows:

- Unlisted derivatives – Cash settled: 11,774,000 (L) and 4,023,000 (S)

(3) According to the disclosure of interests form filed by JPMorgan Chase & Co. on 15 June 2026 regarding the relevant event which took place on 10 June 2026:

a） JPMorgan Chase & Co. was deemed to be interested in the Shares as follows:

Name of controlled corporation	Name of controlling person	% control	Direct interest (Y/N)	Number of Shares
JPMorgan Asset Management (China) Company Limited	JPMorgan Asset Management Holdings Inc.	100	Y	3,714,000(L) 0(S)
JPMorgan Asset Management (Taiwan) Limited	JPMorgan Asset Management (Asia) Inc.	100	Y	1,562,000(L) 0(S)
J.P. Morgan Securities LLC	J.P. Morgan Broker-Dealer Holdings Inc.	100	Y	5,203,318(L) 4,561,025(S)
J.P. Morgan Investment Management Inc.	JPMorgan Asset Management Holdings Inc.	100	Y	912,979(L) 0(S)
JPMorgan Chase Bank, National Association	JPMorgan Chase & Co.	100	Y	50,580,923(L) 0(S)
J.P. Morgan Alternative Asset Management, Inc.	JPMorgan Asset Management Holdings Inc.	100	Y	0(L) 33,000(S)
JPMorgan Asset Management (Asia Pacific) Limited	JPMorgan Asset Management (Asia) Inc.	100	Y	81,471,000(L) 0(S)
J.P. MORGAN SECURITIES PLC	J.P. MORGAN CAPITAL HOLDINGS LIMITED	100	Y	92,179,391(L) 77,530,019(S)
JPMorgan Asset Management Holdings Inc.	JPMorgan Chase Holdings LLC	100	N	87,659,979(L) 33,000(S)
JPMorgan Chase Holdings LLC	JPMorgan Chase & Co.	100	N	92,863,297(L) 4,594,025(S)
JPMorgan Asset Management (Asia) Inc.	JPMorgan Asset Management Holdings Inc.	100	N	83,033,000(L) 0(S)
J.P. Morgan Broker-Dealer Holdings Inc.	JPMorgan Chase Holdings LLC	100	N	5,203,318(L) 4,561,025(S)
J.P. MORGAN CAPITAL HOLDINGS LIMITED	J.P. Morgan International Finance Limited	100	N	92,179,391(L) 77,530,019(S)
J.P. Morgan International Finance Limited	JPMorgan Chase Bank, National Association	100	N	92,179,391(L) 77,530,019(S)
JPMorgan Chase Bank, National Association	JPMorgan Chase & Co.	100	N	92,179,391(L) 77,530,019(S)

and b) details of JPMorgan Chase & Co.'s derivatives interests are as follows:

- Listed derivatives – physically settled: 7,112,000 (L) and 4,452,000 (S)
- Listed derivatives – cash-settled: 416,000 (S)
- Unlisted derivatives – physically settled: 824,476 (L) and 1,689,492 (S)
- Unlisted derivatives – cash-settled: 20,101,041 (L) and 51,971,010 (S)

(4) (L) denotes long position and (S) denotes short position.

Save as disclosed above, as at 30 June 2026, the Directors were not aware of any other person (other than the Directors and chief executive of the Company) who had an interest and short position in the Shares and underlying Shares as recorded in the register required to be kept under section 336 of the SFO.

Purchase, Sale or Redemption of Shares

Redemption of Shares

During the Reporting Period, the Company had repurchased the following Shares on the Stock Exchange:

Trading day	Number of Shares repurchased	Highest Price Paid (HK$)	Lowest Price Paid (HK$)	Aggregate Price Paid (HK$)
04/02/2026	1,000,000	11.10	11.05	11,059,730.00
06/02/2026	500,000	10.87	10.85	5,432,460.00
20/03/2026	1,000,000	9.70	9.70	9,700,000.00
24/03/2026	1,000,000	9.00	9.00	9,000,000.00
26/03/2026	1,000,000	9.00	9.00	9,000,000.00
27/03/2026	3,000,000	8.60	8.56	25,791,630.00
30/03/2026	2,000,000	8.57	8.45	17,008,790.00
31/03/2026	3,000,000	8.55	8.47	25,562,810.00
01/04/2026	1,000,000	8.57	8.51	8,558,230.00
02/04/2026	1,000,000	8.30	8.27	8,291,250.00
13/04/2026	1,000,000	8.00	7.96	7,982,490.00
23/04/2026	1,000,000	8.90	8.88	8,898,470.00
24/04/2026	1,000,000	8.37	8.35	8,363,580.00
28/04/2026	1,000,000	8.30	8.30	8,300,000.00
21/05/2026	1,492,000	7.59	7.55	11,304,600.00
27/05/2026	2,000,000	7.50	7.45	14,967,060.00
28/05/2026	2,000,000	6.99	6.95	13,931,830.00
04/06/2026	1,000,000	7.67	7.66	7,668,090.00
08/06/2026	1,000,000	7.50	7.48	7,491,550.00
10/06/2026	1,000,000	7.20	7.20	7,200,000.00
11/06/2026	2,000,000	7.40	7.34	14,773,600.00
12/06/2026	1,156,000	7.15	7.00	8,241,870.00
15/06/2026	1,000,000	6.90	6.89	6,898,450.00
16/06/2026	1,000,000	6.70	6.70	6,700,000.00
17/06/2026	306,000	6.55	6.55	2,004,300.00
18/06/2026	238,000	6.45	6.45	1,535,100.00
22/06/2026	1,000,000	6.30	6.30	6,300,000.00
24/06/2026	830,000	6.12	6.12	5,079,600.00
25/06/2026	400,000	5.92	5.91	2,366,760.00
TOTAL	**34,922,000**			**279,412,250.00**

Those 34,922,000 Shares repurchased were cancelled on 24 July 2026.

Save as disclosed above, neither the Company, nor any of its subsidiaries, had repurchased, sold or redeemed any of its listed securities.

Material Acquisitions and Disposals Of Subsidiaries, Significant Investments Held and Future Plans for Material Investments or Capital Assets Acquisitions

Save as otherwise disclosed in this announcement, in particular, the disclosure in relation to the Group's investment properties operating business, (i) during the Reporting Period, the Group had not made any other significant investment, nor material acquisitions or disposals of subsidiaries, associates and joint ventures; and (ii) as at 30 June 2026, the Group did not hold any other significant investments with a value that accounted for more than 5% of the Group's total assets as at 30 June 2026; nor had future plans for material investments or capital assets acquisitions.

Change of Information of Directors

During the Reporting Period, there was no information relating to changes of Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Corporate Governance

The Company had complied with all the code provisions of the Corporate Governance Code (the "**Code**") (applicable to the Reporting Period) as set out in Appendix C1 to the Listing Rules throughout the Reporting Period, except for the deviation in respect of the roles of chairman and chief executive officer under code provision C.2.1 of the Code. During the Reporting Period, Mr. Xu Shao Chun assumed the roles of both the Chairman and the chief executive officer of the Company. The Board considers that Mr. Xu Shao Chun, as one of the main founders of the Company, has abundant knowledge of the information technology industry and possesses a unique strategic perspective. The Board believes that he can lead the Company to formulate effective strategies and react promptly to market changes. His continuous service in both roles is beneficial to the stable and healthy development of the Company. Nevertheless, the Board will review from time to time and make appropriate changes when necessary in order to enhance the level of corporate governance of the Company.

The Board is always committed to improving its level of corporate governance. Besides establishing a series of management systems, the Company also, from time to time, arranges trainings for Directors, senior management, and related employees in relation to duties of the Directors, continuing professional development, and other aspects of compliance with the Listing Rules as well as other relevant laws and regulations, so that the Directors and the employees of the Company will always be equipped with the necessary knowledge and skills to perform their duties in a better way.

The Company will continue to comply with the Listing Rules and other relevant laws and regulations as amended from time to time; further enhance its level of corporate governance; improve and enhance its internal control in respect of disclosure of required information; and enhance its communication with its investors and other stakeholders.

Code of Conduct Regarding Directors' Securities Transactions

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code. Having made specific enquiry to each of the Directors, all the Directors confirmed that they had complied with such code of conduct throughout the Reporting Period.

Audit Committee

The audit committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters. The audit committee has also reviewed the Group's unaudited consolidated results for the Reporting Period and this announcement. The audit committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures were made.

Interim Dividend

The Board did not declare an interim dividend for the Reporting Period (six months ended 30 June 2025: nil).

Appreciation

On behalf of the Board, I would like to express our sincere thanks to all our management and staff for their dedication during the Reporting Period. Also, I would like to thank our Shareholders for their continuous support to the Group.

By order of the Board
Kingdee International Software Group Company Limited
Chairman
Xu Shao Chun

Shenzhen, the People's Republic of China
11 August 2026

As at the date of this announcement, the Board comprises Mr. Xu Shao Chun (Chairman of the Board and Chief Executive Officer) and Mr. Lin Bo (Chief Financial Officer) as executive Directors; Ms. Dong Ming Zhu and Mr. Gary Clark Biddle as non-executive Directors; and Mr. Zhou Jun Xiang, Ms. Katherine Rong Xin and Mr. Bo Lian Ming, as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.