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Dmall Inc.

多点数智有限公司

(Incorporated in the British Virgin Islands with limited liability)

(Stock Code: 2586)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2026

The board (the "**Board**") of directors (the "**Director(s)**") of Dmall Inc. (the "**Company**") hereby announces the unaudited interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") under IFRS Accounting Standards for the six months ended June 30, 2026 (the "**Reporting Period**"), together with the comparative figures for the six months ended June 30, 2025. These interim results have been reviewed by the audit committee of the Board (the "**Audit Committee**") and discussed with our management.

FINANCIAL HIGHLIGHTS

	Six months ended June 30,		
	2026	2025	Change (%)
	(RMB in thousands, except percentages)		
Revenue	**1,154,500**	1,078,425	7.1
Cost of revenue	**(724,838)**	(664,496)	9.1
Gross profit	**429,662**	413,929	3.8
Profit for the period	**103,325**	62,174	66.2
Non-IFRS measure:			
Adjusted profit for the period	**117,628**	77,012	52.7

GENERAL NOTES

In this announcement: (i) "we", "us", and "our" refer to the Company and where the context otherwise requires, the Group; (ii) numbers may be subject to rounding and approximations to one or two decimal places; (iii) unless otherwise stated, the exchange rates used are Renminbi ("**RMB**") 1 to Hong Kong Dollars ("**HK$**") 1.15.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended June 30, 2026 – unaudited
(Expressed in Renminbi)

		Six months ended June 30,	
	Notes	**2026**	2025
		RMB'000	*RMB'000*
Revenue	*3*	**1,154,500**	1,078,425
Cost of revenue		**(724,838)**	(664,496)
Gross profit		**429,662**	413,929
Other net (loss)/income		**(6,912)**	42,337
Research and development expenses		**(143,273)**	(190,342)
Selling and marketing expenses		**(77,168)**	(63,443)
General and administration expenses		**(121,111)**	(139,116)
Impairment loss on trade and other receivables		**(2,961)**	(3,220)
Profit from operations		**78,237**	60,145
Net finance (costs)/income		**(3,786)**	1,834
Share of losses of associates		**–**	(30)
Profit before taxation		**74,451**	61,949
Income tax benefit	*4*	**28,874**	225
Profit for the period		**103,325**	62,174

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended June 30, 2026 – unaudited (continued)
(Expressed in Renminbi)

		Six months ended June 30,	
	Notes	**2026**	2025
		RMB'000	*RMB'000*
Attributable to:			
Equity shareholders of the Company		**108,613**	67,526
Non-controlling interests		**(5,288)**	(5,352)
Profit for the period		**103,325**	62,174
Earnings per share *(RMB)*	*5*		
Basic		**0.12**	0.08
Diluted		**0.12**	0.08

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the six months ended June 30, 2026 – unaudited
(Expressed in Renminbi)

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Profit for the period	**103,325**	62,174
Other comprehensive income for the period (after tax and reclassification adjustments):		
Item that will not be reclassified to profit or loss:		
Exchange difference on translation of financial statements of the Company	**(7,569)**	(641)
Item that may be reclassified subsequently to profit or loss:		
Exchange difference on translation of financial statements of subsidiaries with functional currencies other than RMB	**(5,931)**	(62)
Other comprehensive income for the period	**(13,500)**	(703)
Total comprehensive income for the period	**89,825**	61,471
Attributable to:		
Equity shareholders of the Company	**95,113**	66,823
Non-controlling interests	**(5,288)**	(5,352)
Total comprehensive income for the period	**89,825**	61,471

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
at June 30, 2026 – unaudited
(Expressed in Renminbi)

	Notes	**At June 30, 2026** *RMB'000*	At December 31, 2025 *RMB'000*
Non-current assets			
Property and equipment		**67,551**	72,064
Intangible assets		**117,826**	114,328
Goodwill		**106,304**	106,304
Prepayments, deposits and other receivables		**17,612**	5,429
Deferred tax assets		**69,545**	41,315
		378,838	339,440
Current assets			
Other financial assets		**105,954**	82,150
Inventories and other contract costs		**24,644**	18,821
Contract assets		**6,451**	6,648
Trade receivables	*6*	**312,289**	340,424
Prepayments, deposits and other receivables		**81,977**	86,720
Restricted bank deposits		**618**	–
Cash and cash equivalents		**653,563**	860,026
		1,185,496	1,394,789
Current liabilities			
Trade payables	*7*	**112,816**	110,927
Accrued expenses and other payables		**108,539**	150,281
Bank loans and other borrowings		**380,937**	312,628
Contract liabilities		**132,263**	139,269
Lease liabilities		**23,663**	23,420
Current taxation		**125**	106
		758,343	736,631
Net current assets		**427,153**	658,158
Total assets less current liabilities		**805,991**	997,598

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
at June 30, 2026 – unaudited (continued)
(Expressed in Renminbi)

	Notes	**At June 30, 2026** *RMB'000*	At December 31, 2025 *RMB'000*
Non-current liabilities			
Bank loans and other borrowings		**55,600**	21,000
Lease liabilities		**10,084**	11,280
Deferred tax liabilities		**8,297**	9,139
Other non-current liabilities		**596**	607
		74,577	42,026
NET ASSETS		**731,414**	955,572
CAPITAL AND RESERVES			
Share capital	*9*	**619**	619
Reserves		**664,943**	898,669
Total equity attributable to equity shareholders of the Company		**665,562**	899,288
Non-controlling interests		**65,852**	56,284
TOTAL EQUITY		**731,414**	955,572

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Renminbi unless otherwise indicated)

1 BASIS OF PREPARATION

This preliminary announcement of the company's interim results has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("**IAS**") 34, Interim financial reporting, issued by the International Accounting Standards Board ("**IASB**"). It was authorized for issue on August 12, 2026.

The financial information has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 2.

The preparation of the financial information in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This financial information contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards as issued by the IASB.

2 CHANGES IN ACCOUNTING POLICIES

The IASB has issued a number of amendments to IFRS Accounting Standards that are first effective for the current accounting period. Of these, only the amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments, are relevant to the Group's financial statements. The impacts of adopting these amendments are discussed below.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments.

The amendments cover three main aspects:

- The amendments clarify when a financial asset or a financial liability is recognized and derecognized. They also introduce an optional exception that permits an entity to derecognize a financial liability before the settlement date when the financial liability is settled in cash using an electronic payment system, provided that specific criteria are met.

- For the assessment of whether a financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, the amendments clarify the assessment of interest and introduce an additional test for the financial assets with contingent features, for example environmental, social or governance ("**ESG**")-linked features. The amendments also clarify the difference between financial assets with non-recourse features and contractually linked instruments which may then change the applicable assessments.

- The amendments introduce new disclosures for disposals of investments in equity instruments designated at FVOCI, and for financial instruments not measured at FVPL which contain contractual terms that could change the amount of contractual cash flows based on the occurrence or non-occurrence of a contingent event that does not relate directly to changes in basic lending risks and costs.

Upon adoption of the amendments, the Group has elected to apply the exception for the derecognition of certain trade payables settled in cash using qualifying electronic payment systems. Under the exception, these trade payables are derecognized when the Group initiates a payment instruction through a qualifying electronic payment system and, as a result, no longer has the practical ability to withdraw, stop, or cancel the payment instruction and to access the cash to be used for settlement, and the settlement risk associated with the payment system is insignificant. The Group has applied this election consistently to all settlements made through the same qualifying electronic payment system.

The Group has applied the amendments retrospectively. As permitted by the transition requirements, the Group has not restated prior periods. The application of the exception does not have a material impact on the Group's consolidated financial statements for the periods presented.

The amendments do not have impact on the interim report as the Group has no investments in equity instruments designated at FVOCI and financial instruments not measured at FVPL with specified contingent features.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are the provision of Artificial Intelligence ("**AI**") retail core solution and AI retail value-added service to customers.

The Group positions AI at the core of strategic priorities. Driven by technological iteration and business evolution, we have reorganized its revenue structure into two core segments: AI retail core solution and AI retail value-added service since 2025. Specifically, the E-commerce service cloud business and other business as well as part of the AIoT solutions business have been recategorized into the AI retail value-added service segment and the remaining business has been recategorized into the AI retail core solution segment to better reflect the our current operating model and strategic focus on AI.

Revenue of the Group are all from contracts with customers within the scope of IFRS 15. The amount of each significant category of revenue is as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
– AI retail core solution	**646,979**	521,757
– AI retail value-added service	**507,521**	556,668
	1,154,500	1,078,425

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Disaggregated by timing of revenue recognition		
– Point in time	**276,522**	160,124
– Over time	**877,978**	918,301
	1,154,500	1,078,425

The Group's revenue from customers individually contributing over 10% of the total revenue of the Group during the Reporting Period is as below.

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Customer A*	**695,920**	743,283

* Customer A is considered as a group of entities known to be under common control.

(b) ***Geographic information***

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property and equipment, intangible assets, goodwill, investments in associates, non-current prepayments, deposits and other receivables (the "**Specified non-current assets**"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property and equipment, the location of the operation to which they are allocated, in the case of intangible assets and goodwill, and the location of operations, in the case of investments in associates.

	Revenues from external customers	
	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
The Chinese Mainland	**1,013,595**	1,002,180
Overseas*	**140,905**	76,245
	1,154,500	1,078,425

	Specified non-current assets	
	At June 30, 2026	At December 31, 2025
	RMB'000	*RMB'000*
The Chinese Mainland	**305,943**	296,707
Overseas*	**3,350**	1,418
	309,293	298,125

* Overseas including the Asia-Pacific region (excluding the Chinese Mainland).

(c) ***Segment reporting***

Driven by technological iteration and business evolution since 2025, the Group reorganized revenue structure and changed its reportable segments into the following two core segments. No operating segments have been aggregated to form the following reportable segments.

- AI retail core solution
- AI retail value-added service

These reportable segments are determined based on the nature of the business. This change does not affect the financial statement data and presentation, and it only affects the presentation of segment reporting. Prior period segment disclosures have been represented to conform with the current period's presentation.

Segment results

For the purposes of assessing segment performance and allocating resources among segments, the Group's senior executive management monitors the revenue and gross profit attributable to each reportable segment. Other items in profit or loss are not allocated to reportable segments.

Revenue and costs are allocated to the reportable segments with reference to sales generated by those segments and the costs incurred by those segments.

The measure used for reporting segment profit is gross profit. No inter-segment sales have occurred during the Reporting Period. The Group's other net (loss)/income and expense items, such as other net (loss)/income, selling and marketing expenses, general and administration expenses, research and development expenses, and assets and liabilities are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning capital expenditure, operating expenses, interest income and interest expenses is presented.

Information regarding the Group's reportable segments as provided to the Group's senior executive management for the purposes of resource allocation and assessment of segment performance for the Reporting Period is set out below.

	Six months ended June 30, 2026		
	AI retail core solution	**AI retail value added service**	**Total**
	RMB'000	***RMB'000***	***RMB'000***
Segment revenue	**646,979**	**507,521**	**1,154,500**
Segment gross profit	**364,460**	**65,202**	**429,662**

	Six months ended June 30, 2025		
	AI retail core solution	AI retail value added service	Total
	RMB'000	*RMB'000*	*RMB'000*
Segment revenue	521,757	556,668	1,078,425
Segment gross profit	356,126	57,803	413,929

4 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Current tax		
Provision for the period	**258**	432
Deferred tax		
Origination and reversal of temporary differences	**(29,132)**	(657)
	(28,874)	(225)

5 EARNINGS PER SHARE

(a) Basic earnings per share

The following table sets forth the basic earnings per share computation and the numerator and denominator for the periods presented:

	Six months ended June 30,	
	2026	2025
Net profit attributable to equity shareholders of the Company *(RMB'000)*	**108,613**	67,526
Weighted average number of ordinary shares	**917,097,415**	892,749,239
Basic earnings per share *(RMB)*	**0.12**	0.08

Basic earnings per share is calculated by dividing the net profit attributable to equity shareholders of the Company by weighted average number of ordinary shares in issue during the Reporting Period.

(b) Weighted average number of shares

Weighted average number of ordinary shares outstanding:

	Six months ended June 30,	
	2026	2025
Ordinary shares at January 1	**937,400,986**	899,257,733
Effect of exercise of options and restricted share units ("**RSUs**")	**136,531**	367,284
Repurchase of ordinary shares	**(20,440,102)**	(6,875,778)
Weighted average number of ordinary shares outstanding	**917,097,415**	892,749,239

(c) *Diluted earnings per share*

The Company has two categories of dilutive potential ordinary shares during the Reporting Period: share options and RSUs. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares (denominator) outstanding to assume conversion of all potential dilutive ordinary shares arising from share options and RSUs granted by the Company.

The following table sets forth the diluted earnings per share computation and the numerator and denominator for the periods presented:

	Six months ended June 30,	
	2026	2025
Net profit attributable to equity shareholders of the Company *(RMB'000)*	**108,613**	67,526
Weighted average number of ordinary shares	**917,097,415**	892,749,239
Adjustments for share options and share award scheme	**4,664,631**	3,677,850
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share	**921,762,046**	896,427,089
Diluted earnings per share *(RMB)*	**0.12**	0.08

6 TRADE RECEIVABLES

	At June 30, 2026	At December 31, 2025
	RMB'000	*RMB'000*
Trade receivables	**316,860**	343,409
Less: loss allowance	**(4,571)**	(2,985)
	312,289	340,424

All of the trade receivables are expected to be recovered within one year.

Aging analysis

As of the end of the Reporting Period, the aging analysis of the trade receivables, based on the invoice date and net of loss allowance, is as follows:

	At June 30, 2026 *RMB'000*	At December 31, 2025 *RMB'000*
Within 3 months	**261,864**	275,891
3 to 6 months	**16,782**	36,465
7 to 12 months	**20,218**	25,330
More than 1 year but less than 3 years	**17,212**	4,439
Over 3 years	**784**	1,284
Less: loss allowance	**(4,571)**	(2,985)
	312,289	340,424

7 TRADE PAYABLES

	At June 30, 2026 *RMB'000*	At December 31, 2025 *RMB'000*
Intelligent product and service fee payable	**109,784**	107,329
Procurement cost payable relating to operating system and others	**3,032**	3,598
	112,816	110,927

The aging analysis of the trade payables, based on the invoice date, is as follows:

	At June 30, 2026 *RMB'000*	At December 31, 2025 *RMB'000*
Within 3 months	**106,716**	104,863
3 to 6 months	**3,166**	7
7 to 12 months	**141**	46
Over 1 year	**2,793**	6,011
	112,816	110,927

All trade payables are expected to be settled within one year or are repayable on demand.

8 DIVIDENDS

No dividends have been paid or declared by the Company during each of the six months ended June 30, 2026 and June 30, 2025. There is no interim dividend proposed after the end of the Reporting Period.

9 SHARE CAPITAL

Authorized share capital

The Company was incorporated in the British Virgin Islands in 2015 with authorized share capital of USD250,000 divided into 2,500,000,000 ordinary shares with par value of USD0.0001 each.

Issued share capital

	No. of shares	**Share capital**
		RMB'000
Ordinary shares, issued and fully paid:		
At January 1, 2026	937,400,986	619
Exercise of share options and vesting of RSUs	109,825	*
At June 30, 2026	937,510,811	619

* The balance represents amount less than RMB100.

10 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

In July 2026, the Group repurchased 4,072,200 ordinary shares, representing approximately 0.43% of the total number of issued shares of the Group as at June 30, 2026. The total amounts paid were approximately HKD24.6 million (equivalent to approximately RMB21.4 million).

11 COMPARATIVE FIGURES

As a result of reorganizing revenue structure and changing of reportable segment since 2025, the Group's financial statements has provided comparative amounts in respect of items disclosed for the six months ended June 30, 2026, which have been adjusted to conform to current period's presentation. Further details are disclosed in Note 3.

MANAGEMENT DISCUSSION AND ANALYSIS

1. Business Review

2026 Interim Business Highlights

In the first half of 2026, the global artificial intelligence ("**AI**") industry entered a new stage marked by an accelerated shift from competition over model capabilities to competition in industrial deployment. AI is no longer evaluated on basic text generation or generic Q&A capabilities, but rather on industry-level agent systems that embed into real business workflows, deliver measurable operational outcomes, and enable scalable reuse. Following the 2026 *Government Work Report's* inaugural call to "develop new forms of smart economy," AI is rapidly evolving from a digital support tool into next-generation infrastructure that is reshaping how industries organize, operate, and deliver. On July 9, 2026, the Ministry of Commerce, together with eight other government departments, released the *Opinions on Accelerating the Innovative Development of the Retail Industry*. Anchored in boosting domestic demand, the document aims to guide the integration and transformation of retail formats, and speed up digital and intelligent upgrading and supply chain optimization. In the retail sector, AI application priorities are likewise shifting from point solutions for efficiency enhancement toward building end-to-end closed-loop operational capabilities across merchandising, store operations, supply chain, fulfillment, and customer engagement.

Building on years of deep expertise in retail digitalization, and the resulting foundation of fully digitized operations, data infrastructure, and workflows, the Group is systematically accelerating the real-world deployment of AI agents across retail scenarios. This marks our strategic transition from a provider of retail digitalization solutions to a provider of retail AI agent services. Unlike general-purpose AI applications, our AI capabilities are natively embedded within retail business processes and systems rather than operate in isolation, upgrading AI from an auxiliary tool to an in-house operational capability of the Group.

In the first half of 2026, the Group delivered high-quality growth by focusing on its core business segments. Total revenue reached RMB1,154.5 million, representing a year-on-year increase of 7.1%. Notably, revenue from its core business AI retail core solution, amounted to RMB647.0 million, growing 24.0% year on year. In the first half of the year, we recorded revenue of RMB36.8 million from AI-related services. Its operating efficiency continued to improve, with profit for the period surging 66.2% year on year to RMB103.3 million, and adjusted net profit rising 52.7% year on year to RMB117.6 million. In the first half of 2026, the Group continued to deepen its engagement with benchmark customers while driving new customer acquisition. During this period, it served 415 customers and achieved a net revenue retention rate of 112%.

2026 Interim Business Progress

I. Clear AI Strategic Blueprint and Continuous Product Enhancement

Building on years of deep expertise in retail digital infrastructure, operating systems, business data and customer scenarios, the Group continued to advance its AI strategy. Across four key pillars – developing self-evolving retail AI agents, strengthening the platform of the unified foundation for the development of all AI capabilities, deepening AI ecosystem partnerships, and restructuring the research and development ("**R&D**") and delivery system, we are establishing a development roadmap for retail intelligence in the AI era.

(i) Building Self-Evolving Retail AI Agents to Empower Retail Better Serving Consumers' Experience

During the Reporting Period, the Group continued developing its retail AI agent offerings systematically. By targeting real operational pain points and high-frequency use cases in the retail sector, we accelerated the shift of AI capabilities from applications as tools toward systematic and productized solutions. Retail demand for AI is evolving beyond early-stage basic capabilities such as general Q&A and text generation, and moving toward industry-grade AI agent systems that embed into workflows, deliver measurable business outcomes, and enable scalable reuse. Accordingly, the Group has been sticking to the development of the retail AI agents as its core product upgrade priority, propelling the Company's strategic evolution from a retail digitalization solution provider to a dedicated retail AI agent service provider.

Unlike general AI applications, the Group's AI capabilities do not operate in isolation from its operational systems. Instead, they are built on online operations, data, and workflows developed through years of deep expertise in retail digitalization, and are deeply integrated with core operational functions such as merchandise management, store operations, inventory, fulfillment, and operational analytics. Leveraging its established digital foundation, proven use case validation, and industry know-how, we are elevating AI from auxiliary tools to operational capabilities, and shifting the value from feature provision to outcome delivery.

The Group currently possesses the capability to deliver integrated AI agent clusters, standalone agents, and customized combinations for key customer scenarios. Meanwhile, we are exploring diverse approaches to advance commercialization, such as compute credits, outcome-based models, platform licensing, and scenario-based subscriptions.

During the Reporting Period, the Group continued advancing the R&D, refinement, and real-world validation of three core clusters – the "**AI Merchandise Agent**", the "**AI Store Agent**", and the "**AI Data Insight Agent**" – grounded in real retail operating scenarios, and completed the pilot launch of the AI Replenishment Agent. The Group will gradually develop a self-evolving retail AI agent system that enables division of labor, cross-agent collaboration, and continuous self-evolving. This allows AI to progress from providing supporting insights within single scenarios to driving collaborative decision-making and closed-loop management across roles, functions, and processes.

Notably, the **AI Merchandise Agent** was the Group's strategic priority during the Reporting Period. Focusing on key merchandise decisions such as product introduction, delisting, assortment selection, and pricing and promotion adjustments, the Group has built capabilities in category performance analysis, merchandise mix optimization, performance root-cause analysis, conversational analytics, and visual dashboards. These efforts are shifting merchandise operations from feeling-based judgment and manual coordination toward data-driven intelligence and closed-loop iteration. The Group's AI Merchandise Agent does not merely generate recommendations. Instead, it is deeply integrated with extensive retail business rules, domain-specific know-how, merchandise logic, and real operational data, enabling structured problem decomposition, dynamic analysis, and continuous learning. Crucially, this foundation positions the agents to autonomously generate action plans, execute tasks with feedback loops, and drive post-action review and optimization.

At present, the Group has carried out scenario pilots and joint validation centering on the AI Merchandise Agent with key retail customers, and has achieved phased progress in areas such as merchandise structure optimization, improvement in operational analysis efficiency, anomaly attribution and decision-making support. Data analysis and operational judgment tasks that previously required repeated collaboration among procurement, category management, operations and stores, as well as manual cross-validation, are gradually being streamlined and restructured by agents, with decision-making and organizational collaboration efficiency continuing improving. In the future, the Group will continue strengthening the iteration of the AI Merchandise Agent in complex corner cases, industry knowledge accumulation, self-learning capabilities and multi-role collaboration, driving its gradual transition from pilot validation to standardized and large-scale delivery.

The **AI Replenishment Agent** is one of the key sub-agents within the AI Merchandise Agent Cluster. Traditional replenishment models often rely on the manual maintenance of a large number of calculation coefficients and business parameters, which not only involve complex configuration and high maintenance costs, but also make it difficult to continuously adapt to dynamic factors such as consumer preferences, promotional schedules, weather changes and market sentiment. The AI Replenishment Agent currently being advanced by the Group is capable of automatically simulating key business parameters under a unified replenishment framework, continuously revising and optimizing the model logic based on business feedback, and progressively incorporating unstructured external information such as seasonal changes, store characteristics and market sentiment, thereby enhancing the responsiveness of the replenishment system to changes in the real operating environment. Replenishment, as one of the core scenarios in the retail industry characterized by high frequency, essential demand and strong result orientation, has strong potential for productization and scalability. It will further drive improvements in inventory turnover, in-store in-stock rates and merchandise sell-through. During the Reporting Period, the AI Replenishment Agent reached preliminary cooperation agreements with multiple customers, with one pilot launch already completed at Xuchang Pangdonglai Commerce & Trade Co., Ltd. ("**Pangdonglai**").

The AI Store Agent achieved breakthroughs in scenarios such as shelf insights, display analysis and loss prevention, driving store management to upgrade from "result inspection" to "process insights + effectiveness verification", no longer being limited to identifying problems, but further forming a closed-loop management system around problem identification, rectification actions and result review.

The AI Data Insight Agent is equipped with core capabilities such as cross-module operational data integration, anomaly attribution analysis, operational early warning, automated report generation and collaborative tracking, providing an analytical hub and decision-making support for the other agent clusters, and driving the evolution of retail operations from merely "identifying problems" to "rapidly explaining problems, clarifying action paths and continuing review and optimization".

Overall, the Group has preliminarily established a product portfolio featuring the parallel advancement of three major agent clusters and multiple specialized sub-agents, and has the capability to deliver on an integrated cluster basis, on a standalone sub-agent basis or on a scenario-based bundled basis, thereby laying the foundation for subsequent commercial expansion and meeting diverse customer needs.

(ii) Self-developed unified foundation for the development of AI capabilities

During the Reporting Period, the Group regarded self-developed platform as the unified foundation for the development of all AI capabilities. All external retail AI agent products, internal AI applications and the intelligent upgrades of Dmall OS were developed, managed, operated, and iterated centrally on the platform. The Group has gradually established a unified framework for platform-based commercialization and pricing system, thereby enhancing product standardization, delivery efficiency, and scalable replication capacity.

(iii) Further deepening our deployment in AI ecosystem collaboration

The Group continued advancing its open AI ecosystem collaboration strategy and built an open and collaborative retail AI ecosystem across multiple dimensions, including leading platforms, model capabilities, transaction capabilities and execution capabilities. The Group believes that competition in the AI era is not competition involving a single model or a single product, but rather comprehensive competition in platform strength, scenario coverage, ecosystem connectivity and delivery capabilities. Accordingly, the Group has continued consolidating its strengths in retail scenarios and system integration, while proactively cooperating with ecosystem partners including leading AI platforms, and cloud service providers to jointly promote the implementation of AI applications in the retail industry.

In terms of co-creation with leading platforms, the Group has completed iterative capability upgrades for the Model Context Protocol ("**Model Context Protocol**") open platform, advancing from the standardized development of underlying protocol standards to the external opening-up of upper-layer business capabilities, thereby establishing a comprehensive consumer shopping full-chain capability foundation that can be directly invoked by AI agents. The platform offers two integration solutions, namely a fully closed-loop solution and a shopping guide redirection solution, covering core transaction processes such as user authorization, merchandise selection, order fulfillment and after-sales refunds, thereby enabling the standardized delivery of technological capabilities for natural language-driven transactions. During the Reporting Period, as one of the first batch of internal testing partners in the "**WeChat AI Agent**" ecosystem, the Group enabled conversation-based one-stop closed-loop consumer transactions, and assisted Pangdonglai in completing the internal testing integration of the WeChat AI Agent, establishing an intelligent interaction adaptation channel across the full online-to-offline ("**O2O**") shopping scenario. Furthermore, we continuously explore ecosystem synergies with leading platforms such as Doubao.

In terms of ecosystem collaboration at the execution layer, the Group has proactively engaged in strategic cooperation with embodied intelligence companies, while simultaneously advancing the establishment of an embodied execution system. The Group's approach to embodied execution is not limited to hardware devices; instead, by centering on retail operating scenarios, it enables the end-to-end intelligent closed loop of "AI decision-making – on-site execution – data feedback – model iteration", thereby gradually realizing intelligent coordination in a large number of on-site operations in warehousing, transportation, stores and other scenarios that are reliant on labour, procedurally complex and highly repetitive. During the Reporting Period, the Group has simultaneously initiated cooperation and validation in the direction of embodied execution across multiple scenarios, including warehousing, transportation between warehouses and stores, and in-store operations: On the warehousing side, robots work in coordination with intelligent scheduling systems to complete high-frequency tasks such as sorting, picking and goods handling. On the side of transportation between warehouses and stores, unmanned delivery vehicles meet the needs of fixed routes, off-peak short-haul shuttle and replenishment transfer. On the side of in-store operations, robots, robotic arms and other equipment further explore practical applications in shelf picking, merchandise handling, store cleaning and others. The core value of the Group in this direction does not lie in single-point equipment sales, but rather in leveraging its understanding of real-world scenarios, system connection capabilities and intelligent scheduling capabilities cultivated through years of serving retail customers, and driving the coordinated delivery and continuous iteration of software and hardware in the role of an "AI brain + retail scenario integrator". At present, the Group has established in-depth strategic cooperation with a number of leading enterprises in the embodied intelligence sector, and is advancing trial operations and joint validation in the aforesaid scenarios.

(iv) AI-empowered R&D System

In addition to externally delivering AI products and advancing platform upgrades, the Group also deeply integrates AI into its internal R&D, delivery and operating systems, continuously driving the restructuring of organizational structures, process mechanisms and tool systems so as to build an R&D delivery system that is fit for the AI era.

During the Reporting Period, the Group continued advancing AI-empowered R&D innovation as well as improving the quality and efficiency of its operations, with the digital and intelligent transformation of R&D being further deepened. The Group stepped up the application of AI tools in code generation, design assistance, test support and other processes, significantly enhancing R&D efficiency and delivery speed. Meanwhile, in response to the organizational collaboration needs that are suited to the AI era, the R&D delivery system was continuously optimized and upgraded, gradually evolving from the traditional multi-layer structure of "product – development – testing – delivery" to a more efficient and flatter coordination mechanism, thereby strengthening the linkage efficiency between delivery and R&D. The Group's self-developed Harness Engineering automation test platform also continuously played its role during the Reporting Period, replacing certain traditional manual testing procedures through intelligent processes, and thus improving R&D quality and shortening delivery cycles.

In the meantime, the Group continued exploring software R&D and Forward Deployed Engineer ("**FDE**") delivery model adapted to the AI era, driving the transformation of its R&D system from traditional manpower-intensive processes to a platform-based, automated and intelligent collaborative system. By establishing a unified AI foundation, standardized toolchains and automated collaboration mechanisms across internal R&D delivery links, the Group, on the one hand, enhanced internal R&D delivery efficiency and organizational response speed, and, on the other hand, accumulated reusable engineering capabilities to support the front-end FDE team in externally implementing customer projects, thereby solidifying the internal technical foundation for the ongoing iteration of the Group's AI products and platforms.

In the first half of 2026, the total number of employees of the Group was 1,208, with overall per capita efficiency reaching RMB956,000, representing a year-on-year increase of 18.8%. The effectiveness of AI technology implementation has been fully reflected at the level of operating efficiency enhancement.

II. High-Quality Business Growth and Continuously Improving Core Indicators

(i) Dual-Front Market Expansion with Strong Overseas Growth

In the first half of 2026, the Group continued focusing on the niche segment of retail intelligentization, advancing in parallel the expansion of incremental business and the deep cultivation of existing business in the domestic and overseas market. The overseas business provided strong support for the revenue growth of the Group, with overseas revenue accounting for 12.2% during the Reporting Period. The pace of expansion into the incremental market progressed in an orderly manner, and we successfully secured new contracts with a number of retail customers, including Hua Tang Yokado (華糖洋華堂), continuously enriching our customer matrix and expanding the boundaries of our market coverage. The Group also placed great emphasis on further tapping the value of existing customers. Through new AI products, the latest industry development practices, continuous product innovation and iteration, efficient implementation, operation and maintenance and upgrade services, and comprehensive and timely after-sales response, we continuously reinforced customer stickiness, and the stability of cooperation with existing customers remained at a high level. In the past twelve months, the Group recorded the net revenue retention rate of 112%, which fully demonstrates existing customers' high level of recognition of the Group's solutions and their continued willingness to make repeat purchases.

The Group has remained committed to deepening its engagement with leading overseas benchmark customers, continuously exploring incremental opportunities among existing customers, with customer value continuing to be unleashed. The Group has already engaged in in-depth cooperation with multiple brands under DFI Retail Group Holdings Limited and its subsidiaries ("**DFI Retail Group**"), a key major overseas customer, including Wellcome, Mannings, 7-Eleven and Guardian, and expanded into broader business areas, and focusing on cooperation in core retail systems such as point-of-sale ("**POS**"), store management, warehouse management systems ("**WMS**"), and transportation management systems ("**TMS**"). Additionally, the Group further expanded its cooperation with Cold Storage Singapore (1983) Pte Ltd ("**Cold Storage**") in relation to electronic shelf labels and digital large screens, added new digitalization cooperation projects for convenience stores at petrol stations, and increased the execution of contracts for the Retail Affiliate POS upgrade project with SM Investments Corporation and its subsidiaries ("**SM Group**").

(ii) Enhancing project delivery efficiency and improving the overseas full-stack product matrix

In the first half of 2026, the Group continued strengthening its project delivery efficiency achieving remarkable bulk delivery of domestic and overseas customers. Along with the efficient implementation and delivery of overseas benchmark projects and the continuous enhancement of the Group's overseas product matrix, the Group's comprehensive international service capabilities were further strengthened. The entire-system replacement project for international customer Cold Storage was fully completed and went live in just six months, which optimized the overseas version group-buying module, and set a benchmark for one-stop integrated solutions. The Retail Affiliate POS project of SM Group is being switched over in phases and currently supports 14 business formats, including toy retail, mini department stores and footwear and apparel retail. With the successful system migration and rollout of the store operations and warehouse systems for San Miu Supermarket (新苗超市) in Macau, all of the originally planned construction content of this project has been fully completed. The TMS system for 7-Eleven of DFI Retail Group in Hong Kong was successfully launched, and the multi-brand TMS system in Southeast Asia was progressed and implemented in parallel. Leveraging the convenience store scenarios of a vast store network to establish an efficient warehouse-store coordination system, the overseas version of the TMS product is currently under continuous development for roll-out to the Southeast Asian market. For domestic projects, the Phase I project of Better Life Commercial Chain Co., Ltd. (步步高商業連鎖股份有限公司) (Shenzhen Stock Exchange: 002251) and the system of Shanghai Tangjiu (Group) Co., Ltd. (上海市糖業煙酒(集團)有限公司) were both successfully launched and put into operation, and our excellent implementation service capabilities were highly recognized by customers.

Outlook

Looking ahead, the Group believes that the AI industry is accelerating its transition from competing on general capabilities to competing on industry-specific applications. Concurrently, the market focus is also shifting from model parameters, the scale of computing power and point solutions to whether AI can be truly embedded into industrial processes, continuously drive business results and form a replicable commercial closed loop. Characterized by high-frequency decision-making, multi-scenario collaboration, strong closed-loop execution and complex offline fulfillment, the retail industry stands as one of the first core industries poised to unlock value at scale through the use of AI. Building on its deep-rooted strengths in retail digital infrastructure, operating systems, business data, and customer service scenarios, the Group has established a solid foundation to upgrade from a retail digital solutions provider to a retail AI agent service provider, and is well positioned to drive AI's evolution from an "auxiliary tool" to an "engine of operational productivity", and from "localized efficiency enhancement" to "systematic restructuring".

Going forward, the Group will continue to promote the implementation of the AI strategy.

At the platform level, the Group will continue to upgrade its self-developed platform, strengthening its capabilities in multi-model integration, knowledge management, workflow orchestration, multi-modal interaction, autonomous learning and enterprise agent lifecycle management. By further integrating various retail business systems, the Group aims to enhance the ease of deployment, governance and replication of AI in complex business processes, and gradually drive the evolution of its underlying capabilities toward a platform characterized by standardization, robust product capabilities, and strong commercial viability. So that it will not only serve the Group's internal AI capability building and Dmall OS upgrades, but will also gradually develop the capability to independently provide AI capability building platform solutions to external clients.

At the product level, the Group will continue to iterate its three core clusters, namely, the AI Merchandise Agent, the AI Store Agent, and the AI Data Insight Agent, and upgrade their cross-module collaborative capabilities. The AI Merchandise Agent will continue strengthening merchandise full-life-cycle management, and develop stronger analytical, forecasting and execution capabilities in key operating processes such as product selection, pricing, promotion, replenishment, clearance and merchandise mix optimization; The AI Store Agent will continue expanding its application boundaries around product display, loss prevention, patrol inspection, fresh food operations, space and on-site execution efficiency. The AI Data Insight Agent will serve as a cross-system, cross-scenario operational analytics hub, and strengthen its capabilities in data query, attribution analysis, early warning, reporting and collaborative decision-making support. Through the continued integration of the three major agent clusters, the Group will drive a fundamental shift in retail operations, which is driven by data, model, and closed-loop optimization, rather than feelings.

At the execution level, the Group will further promote the data closed loop between embodied execution and the AI agent clusters, and establish end-to-end closed-loop capabilities spanning "AI decision-making – on-site execution – data feedback – model iteration". Centering on multiple retail key scenarios, the Group will accelerate the advancement of AI from "suggesting actions" to "executing actions", which will become one of the Group's key differentiators in the future.

On the commercialization front, the Group will continue to promote productization and scalable delivery, and gradually establish a diversified commercialization model that incorporates platform licensing, agent subscriptions, scenario packages, compute credits and outcome-based approaches. The Group will further promote the standardization of the mapping relationships among platform capabilities, agent capabilities and business outcomes in the future, enabling customers to procure AI operational capabilities with clearer terms, costs easier to budget for and verifiable deliverables.

In terms of business expansion and efficiency enhancement, the Group will continue drawing on its scenario-based expertise and proven methodologies accumulated through years of serving top-tier retail customers to advance the replication of AI capabilities in both the Chinese and overseas markets, continuously enhancing the products' industry adaptability and regional application capabilities. Given that the Group has established a presence in multiple countries and regions and served a wide range of retail customers, it will actively explore progressively distilling the AI product capabilities validated in complex retail scenarios in China into standardized solutions with cross-regional transferability, thereby enhancing the Group's influence and competitiveness in the global smart retail market. The Group will also continue advancing the in-depth application of AI across key links such as R&D, delivery and operations, further solidifying its organizational capability base for the AI era and injecting sustained momentum into the Group's long-term high-quality development.

In terms of ecosystem collaboration, the Group will continue to pursue an open cooperation strategy. While maintaining its advantages in its own retail scenarios and system platforms, the Group will proactively introduce external high-quality model capabilities, platform capabilities and execution capabilities, jointly building a more comprehensive and scalable retail AI ecosystem.

In conclusion, the Group remains firmly confident in the long-term value of AI in the retail industry. Moving forward, the Group will continue adhering to the development philosophy of "guided by real-world retail scenarios, anchored in business outcomes, empowered by productization capabilities, and fortified by closed-loop execution". We will continuously advance AI from supporting operations to reshaping operations, and from improving efficiency at individual points to reconstructing the entire retail operating model. As its platform, agent, execution and commercialization capabilities continue to strengthen, the Group will secure an advantageous position in the intelligent transformation of the retail industry and further unlock long-term growth potential.

2. Financial Review

Revenue by Operating Segment

We position AI at the core of our strategic priorities. Through continuous technological advancement and innovation, we are deeply exploring AI's application potential across retail scenarios. This has enabled deep integration of AI technology throughout the entire retail value chain, empowering retailers to build efficient management systems and precise decision-making mechanisms. Driven by technological iteration and business evolution, we have reorganized its revenue structure into two core segments: AI retail core solution and AI retail value-added service since 2025. Specifically, the E-commerce service cloud business and other business as well as part of the AIoT solutions business have been recategorized into the AI retail value-added service segment and the remaining business has been recategorized into the AI retail core solution segment to better reflect the our current operating model and strategic focus on AI.

During the Reporting Period, the Group's revenue increased by 7.1% from RMB1,078.4 million for the six months ended June 30, 2025 to RMB1,154.5 million for the Reporting Period. This increase in our revenue was mainly driven by our continuous business expansion of our AI retail core solution described below.

The following table sets forth a breakdown of our revenue by operating segment both in absolute amount and as a percentage of our revenue for the periods presented. As a result of the recategorization of the Group's operating segment since 2025, its financial statements has provided comparative amounts in respect of items disclosed for the six months ended June 30, 2026, which have been adjusted to conform to current period's presentation:

	Six months ended June 30,			
	2026		2025	
	RMB in thousands	*%*	*RMB in thousands*	*%*
AI retail core solution	**646,979**	**56.0**	521,757	48.4
AI retail value-added service	**507,521**	**44.0**	556,668	51.6
Revenue	**1,154,500**	**100.0**	1,078,425	100.0

AI retail core solution

During the Reporting Period, we primarily provided the advanced AI-powered Dmall OS system under our AI retail core solution business segment. We offer the option to either charge a percentage of the customers' gross merchandise volume (the total value of merchandise sold in a given period, regardless of whether the goods are settled or returned) ("**GMV**") processed by our system or provide a subscription fee tailored to suit customers' individual needs or financial situation. In addition, for customers requiring customization, implementation, software development, and maintenance services, we offer tailored solutions. The Group's revenue from AI retail core solution increased by 24.0% from RMB521.8 million for the six months ended June 30, 2025 to RMB647.0 million for the Reporting Period, primarily due to an increase in business volume from our independent customer base.

The following table sets forth our revenues from our AI retail core solution by pricing model in absolute amount and as a percentage of our revenues from our AI retail core solution for the periods indicated:

	Six months ended June 30,			
	2026		2025	
	RMB in thousands	***%***	*RMB in thousands*	*%*
– Take rate	**91,577**	**14.2**	99,940	19.1
Related Entities	**9,493**	**1.5**	19,037	3.6
Independent Customers	**82,084**	**12.7**	80,903	15.5
– Subscription	**250,091**	**38.6**	243,534	46.7
Related Entities	**227,898**	**35.2**	220,724	42.3
Independent Customers	**22,193**	**3.4**	22,810	4.4
– Customization, implementation, software development and maintenance and others[(1)]	**305,311**	**47.2**	178,283	34.2
Related Entities	**21,193**	**3.3**	32,328	6.2
Independent Customers	**284,118**	**43.9**	145,955	28.0
Total revenue for AI retail core solution	**646,979**	**100.0**	521,757	100.0

Notes:

(1) Our customization, implementation, software development and maintenance and others revenue increased from RMB178.3 million for the six months ended June 30, 2025 to RMB305.3 million for the Reporting Period, mainly attributable to increase in business volume from our independent customer base.

AI retail value-added service

We mainly offer intelligent solutions under AI retail value-added service, with the product matrix encompassing diverse categories such as intelligent loss prevention, self-service night receiving systems, remote duty, intelligent picking, intelligent merchandising, intelligent cashier, intelligent distribution, and intelligent cleaning. Additionally, we provide offline marketing services and products based on retailers' requirement.

The Group's revenue from AI retail value-added service decreased by 8.8% from RMB556.7 million for the six months ended June 30, 2025 to RMB507.5 million for the Reporting Period, primarily due to the decrease from intelligent cleaning solutions, intelligent distribution solutions, intelligent cashier solutions and intelligent package sorting solutions.

	Six months ended June 30,			
	2026		2025	
	RMB in thousands	**%**	*RMB in thousands*	%
– Take rate	**1**	*****	–	–
Related Entities	**1**	*****	–	–
Independent Customers	**–**	**–**	–	–
– Subscription[(1)]	**502,661**	**99.0**	549,930	98.8
Related Entities	**474,535**	**93.5**	509,252	91.5
Independent Customers	**28,126**	**5.5**	40,678	7.3
– Product sales	**4,859**	**1.0**	6,738	1.2
Related Entities	**3,978**	**0.8**	5,845	1.0
Independent Customers	**881**	**0.2**	893	0.2
Total revenue for AI retail value-added service	**507,521**	**100.0**	556,668	100.0

Note:

* less than 0.1%

(1) The decrease in the subscription fees under our AI retail value-added service for the Reporting Period, as compared to the six months ended June 30, 2025, was mainly attributable to the decrease from intelligent cleaning solutions, intelligent distribution solutions, intelligent cashier solutions and intelligent package sorting solutions.

Revenue by Geographic Location

Apart from the Chinese mainland, the Group has successfully expanded its businesses into markets outside the Chinese Mainland, namely Hong Kong, Cambodia, Singapore, Malaysia, Macau, Indonesia, the Philippines, Brunei and Australia.

The following table sets forth the breakdown of our revenue by geographic region, expressed as an absolute amount and as a percentage of our revenue, for the periods presented:

	Six months ended June 30,			
	2026		2025	
	RMB in thousands	***%***	*RMB in thousands*	*%*
The Chinese Mainland	**1,013,595**	**87.8**	1,002,180	92.9
Overseas*	**140,905**	**12.2**	76,245	7.1
Total	**1,154,500**	**100.0**	1,078,425	100.0

* Overseas including the Asia-Pacific region (excluding the Chinese Mainland).

The Chinese Mainland

For the six months ended June 30, 2025 and 2026, revenue generated from the Chinese Mainland were RMB1,002.2 million and RMB1,013.6 million, respectively, representing 92.9% and 87.8% of our revenue in the same period. Our revenue growth in the Chinese Mainland was mainly attributable to the business expansion from independent customer base and the expansion of service scope under the Dmall OS system, its revenue has continued to increase.

Overseas

For the six months ended June 30, 2025 and 2026, revenue generated from overseas markets were RMB76.2 million and RMB140.9 million, respectively, representing 7.1% and 12.2% of our revenue from continued operations in the same period. Our revenue growth in overseas markets was primarily due to an increase in the adoption of our AI retail core solution in Hong Kong, Singapore, the Philippines, Malaysia, Indonesia, Macau and Australia, etc. As we enter into long-term cooperation agreements with leading overseas enterprise retailers, more modules of the Dmall OS system are gradually being launched, and the service scope provided to overseas customers are expanded covering electronic shelf labels, etc.

Cost of revenue

During the Reporting Period, the three largest components of our cost of revenue were outsourcing and other labor costs, cost of inventories sold and employee benefit expenses.

The following table sets forth a breakdown of our cost of revenue by nature in amounts and as percentages of our revenue for the periods presented:

	Six months ended June 30,			
	2026		2025	
	RMB in thousands	**%**	*RMB in thousands*	%
Outsourcing and other labor costs	**419,882**	**36.4**	478,035	44.3
Cost of inventories sold	**202,812**	**17.6**	91,064	8.4
Employee benefit expenses	**43,202**	**3.7**	39,380	3.7
Cloud services, bandwidth and server custody fees	**9,692**	**0.8**	10,358	1.0
Text messaging cost	**5,810**	**0.5**	12,607	1.2
Others	**43,440**	**3.8**	33,052	3.0
Total	**724,838**	**62.8**	664,496	61.6

The Group's cost of revenue increased by 9.1% from RMB664.5 million for the six months ended June 30, 2025 to RMB724.8 million for the Reporting Period. This increase in our cost of revenue was primarily driven by increase in cost of inventories sold from RMB91.1 million for the six months ended June 30, 2025 to RMB202.8 million in the Reporting Period, primarily due to the cost incurred for procurement of the products related to integrated solutions the Group delivered to customers in need, but was partially offset by a decrease in outsourcing and other labor costs due to maturing operations of our AI retail value-added services.

Gross Profit and Gross Margin

As a result of the foregoing, the Group's gross profit increased by 3.8% from RMB413.9 million for the six months ended June 30, 2025 to RMB429.7 million for the Reporting Period, and the gross profit margin decreased from 38.4% for the six months ended June 30, 2025 to 37.2% for the Reporting Period.

The following table sets forth our gross profit in absolute amounts and as percentages of relevant segment revenue, or gross margin, for the periods indicated:

	Six months ended June 30,			
	2026		2025	
	Gross Profit	**Gross Margin**	Gross Profit	Gross Margin
	RMB in thousands	*%*	*RMB in thousands*	*%*
AI retail core solution	**364,460**	**56.3**	356,126	68.3
AI retail value-added service	**65,202**	**12.8**	57,803	10.4
Total	**429,662**	**37.2**	413,929	38.4

The AI retail core solution segment had gross margins of 68.3% and 56.3% for the six months ended June 30, 2025 and the Reporting Period, respectively. The decline in gross margin for our AI retail core solution was attributed to the relatively low gross profit margin in the initial phase of the implementation and delivery of Dmall OS projects, and increase in revenue from certain new customer in demand of selected product and service scope which has a relatively low gross profit margin. The AI retail value-added service saw an increase in gross profit margin for the Reporting Period as compared to the six months ended June 30, 2025, which was primarily driven by the Company's continuous improvement in business operations. Our AI retail value-added service initially incurred higher costs due to outsourcing and labor needs, which led to relatively lower gross margin. As these solutions mature, the need for outsourcing decreases, leading to a gradual reduction in costs until they stabilize at a lower level.

Other Net (Loss)/Income

The Group's other net (loss)/income primarily consists of (i) government grants and tax preference, (ii) fair value change in financial assets measured at fair value through profit or loss ("**FVPL**"), (iii) investment income from wealth management products and disposal of an equity investment, and (iv) others. There were no unfulfilled conditions or contingencies relating to the government grants income recorded during the Reporting Period. The Group recorded other net income of RMB42.3 million for the six months ended June 30, 2025 and other net loss of RMB6.9 million for the Reporting Period. The decrease was primarily due to the decrease in government grants and tax preference.

Selling and Marketing Expenses

The Group's selling and marketing expenses primarily consist of (i) employee benefit expenses for our selling and marketing personnel, (ii) promotion and marketing expenses, which primarily represent marketing incentives and branding and business promotion to enhance our brand recognition, (iii) professional service fees, which primarily represent fees paid to third parties for professional service they provided, and (iv) others, which primarily represent expenses relating to short-term leases and lease of low-value assets, travel and entertainment expenses and depreciation and amortization. The Group's selling and marketing expenses increased by 21.8% from RMB63.4 million for the six months ended June 30, 2025 to RMB77.2 million for the Reporting Period. The increase was primarily due to increases in promotion and market expenses attributable to the business development for overseas markets.

General and Administration Expenses

The Group's general and administration expenses primarily consist of (i) employee benefit expenses for our administrative personnel, (ii) outsourcing and other labor costs, (iii) depreciation and amortization, (iv) professional service fees, which primarily represent fees paid to third parties for professional services they provided, (v) expenses relating to short-term leases and leases of low-value assets, incurred primarily for office leases with lease terms no more than 12 months, property management services fees, and leases for low-value assets representing leases of printers for general office use, and (vi) others, which primarily represent travel and entertainment expenses as well as general office expenses. The Group's general and administration expenses decreased by 12.9% from RMB139.1 million for the six months ended June 30, 2025 to RMB121.1 million for the Reporting Period. The decrease was primarily due to decrease in employee benefit expenses along with our structure optimization progress.

Research and Development Expenses

The Group's research and development expenses primarily consist of (i) employee benefit expenses for our research and development personnel, (ii) cloud service, bandwidth and server custody fees, which are internally allocated cost, incurred when we purchase cloud and bandwidth services and rent service from third party service suppliers for the purpose of ramping up and maintaining sufficient technological capacity for our research and development efforts, (iii) depreciation and amortization, (iv) expenses relating to short-term leases and leases of low-value assets, incurred primarily for office leases with lease terms no more than 12 months, property management services fees, and leases for low-value assets representing leases of printers for general office use by our research and development function, among which leases for low-value assets account for less than 4% of the total short-term leases and leases of low-value assets, (v) outsourcing and other labor costs, and (vi) other expenses, which include travel expenses for research and development activities. The Group's research and development expenses decreased by 24.7% from RMB190.3 million for the six months ended June 30, 2025 to RMB143.3 million for the Reporting Period. The decrease was primarily due to decrease in employee benefit expenses driven by our cost control measures, the use of AI tools to enhance employees' work efficiency and reduce labor costs, and the accumulation of technological capabilities, which enabled us to replicate and upgrade our product offerings without significant further investments. Starting from 2026, the Group assessed the research and development expenses and capitalized part of such expenses into development cost under intangible assets according to relevant accounting policy under IAS 38. The expenses capitalized into intangible assets were RMB18.4 million for the Reporting Period, as compared to nil for the six months ended June 30, 2025. The amortization of research and development expenses was RMB0.06 million during the Reporting Period and nil for the six months ended June 30, 2025.

Net Finance (Costs)/Income

The Group's finance income and costs primarily consist of (i) interest income from bank deposits; (ii) foreign currency exchange loss; (iii) interest on bank loans and other borrowings; (iv) interest on lease liabilities. The Group recorded net finance income of RMB1.8 million for the six months ended June 30, 2025 and net finance costs of RMB3.8 million for the Reporting Period. The decrease was primarily due to the increase in foreign currency exchange losses.

Income Tax Benefit

The Group's income tax benefit comprised primarily of deferred tax benefit and current tax expense attributable to withholding income tax pertaining to our income generated from overseas. We recorded tax benefits of RMB0.2 million and RMB28.9 million in the six months ended June 30, 2025 and the Reporting Period, respectively. For the six months ended June 30, 2025 and the Reporting Period, our tax benefits primarily resulted from the recognition of deferred tax assets in respect of unused tax losses, for which future taxable profits are probable to be generated and reversal of deferred tax liabilities arising from the amortization of customer relationships and technological know-how recognized due to the acquisition of Shenzhen Enjoy Information Technology Co., Ltd.

Profit for the Period

As a result of the foregoing, the Group recorded profit for the period of RMB103.3 million in the Reporting Period, as compared to profit for the period of RMB62.2 million in the six months ended June 30, 2025.

Non-IFRS Measure

To supplement our consolidated financial statements, which are presented in accordance with IFRS Accounting Standards, we also use adjusted profit (non-IFRS measure) and adjusted net margin (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with, the IFRS Accounting Standards.

The Group believes adjusted profit (non-IFRS measure) and adjusted net margin (non-IFRS measure) provide useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of adjusted profit (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of adjusted profit (non-IFRS measure) has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

The Group defines adjusted profit (non-IFRS measure) as profit for the period adjusted by adding back equity-settled share-based payment expenses, fair value change of an equity investment, gains arising from the sale of an equity investment. The Group excludes equity-settled share-based payment expenses because they are non-cash in nature, and do not result in cash outflow. For the six months ended June 30, 2025, fair value change of an equity investment and gains arising from the sale of equity investment represent fair value changes and sale of our investment in Guoquan.

The following table reconciles adjusted profit (non-IFRS measure) for the periods presented in accordance with IFRS Accounting Standards:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Profit for the period	**103,325**	62,174
Add:		
Equity-settled share-based payment expenses	**14,303**	15,720
Fair value changes of an equity investment	**–**	2,433
Gains arising from the sale of an equity investment	**–**	(3,315)
Adjusted profit for the period	**117,628**	77,012

Foreign Exchange Risk

The functional currency of the Company is United States Dollars ("**USD**" or "**US$**"). The consolidated financial statements are presented in RMB as the majority of the Group's operations are conducted by the Company's subsidiaries established in the PRC and the functional currency of which is RMB. Fluctuations in exchange rates between other currencies in which the Group conducts its business may affect the Group's financial position and operation results and the Group's foreign currency risk is mainly due to exchange rate fluctuations between USD and RMB. As at the date of this announcement, the Group has not entered into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risk. However, the Group's management will manage foreign currency exchange risk through regular reviews and consider to enter into hedging transactions in the future.

Capital Structure

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders of the Company (the "**Shareholders**") and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher Shareholders' returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position and makes adjustments to the capital structure in light of changes in economic conditions. There was no significant change in the capital management objectives, policies or procedures for 2025 and the Reporting Period.

Liquidity and Financial Resources

The Group maintains an excellent financial position and sufficient liquidity for the Reporting Period. The Group's current assets amounted to RMB1,185.5 million as of June 30, 2026 (as of December 31, 2025: RMB1,394.8 million), representing a decrease of approximately 15.0% as compared to December 31, 2025, primarily due to the decrease of RMB206.5 million in cash and cash equivalents. As of June 30, 2026, the Group had cash and cash equivalents of RMB653.6 million (as of December 31, 2025: RMB860.0 million), representing a decrease of approximately 24.0% primarily due to repurchases of ordinary shares, purchase of financial assets at FVPL and repayment of bank loans. This was partially offset by cash generated from operations, proceeds from bank loans and from disposal of financial assets at FVPL. Cash and cash equivalents were denominated in USD, HK$, Singapore Dollars, RMB, Hungarian Forints, EUR and Philippine Pesos. The Group had a gearing ratio of 53.2% as of June 30, 2026 (as of December 31, 2025: 44.9%). The gearing ratio is equal to total liabilities divided by total assets.

Capital Expenditures

The Group's capital expenditures during the Reporting Period are primarily incurred for purchase of property and equipment and intangible assets. For the Reporting Period, the Group's capital expenditures amounted to RMB19.2 million (for the year ended December 31, 2025: RMB45.9 million), including the payment for the purchase of property and equipment which amounted to RMB0.8 million (for the year ended December 31, 2025: RMB4.5 million) and the payment for the purchase of intangible assets which amounted to RMB18.4 million (for the year ended December 31, 2025: RMB41.4 million).

The Group intends to fund future capital expenditures with the existing cash balance, cash generated from the operating activities and proceeds from the global offering. The Group may reallocate the fund to be utilized on capital expenditure and long-term investments based on the ongoing business needs.

Bank Loans and Other Borrowings

The Group's total outstanding bank loans and other borrowings increased from RMB333.6 million as at December 31, 2025 to RMB436.5 million as at June 30, 2026, primarily due to additional drawdowns of bank borrowings to meet the Group's general working capital requirements.

As of June 30, 2026, the Group had interest-bearing borrowings of RMB436.5 million, with effective interest rates ranging from 2.45% to 3.0% per annum. RMB380.9 million of bank loans and other borrowings are repayable within one year or on demand; RMB27.6 million of bank loans and other borrowings are repayable after 1 year but within 2 years; and RMB28.0 million of bank loans and other borrowings are repayable after 2 years but within 5 years; and no bank loans and other borrowings are repayable after 5 years. The Group's bank borrowing agreements contain standard terms, conditions and covenants that are customary for commercial bank loans.

Contingent Liabilities and Guarantees

As of June 30, 2026, the Group had no material contingent liabilities or guarantees.

The Group did not have any material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees as of June 30, 2026.

Pledge of Assets

As of June 30, 2026, none of the Group's assets were pledged.

Capital Commitments

As of June 30, 2026, the Group did not have any material capital commitments.

Significant Investments

As of June 30, 2026, the Group did not hold any significant investments.

Future Plans for Material Investments or Capital Assets

The Group had no other plans for material investments or capital assets as of June 30, 2026.

Material Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

Reference is made to the announcement of the Company dated May 12, 2026 and the circular of the Company dated June 30, 2026 (collectively, the "**Announcements**").

On May 12, 2026, Retail Technology Asia Limited (the "**Purchaser**"), a wholly-owned subsidiary of the Company, entered into the Dmall Equity Commitment Letter, the Dmall Limited Guarantee and the Interim Investors Agreement (as defined in the Announcements) (collectively, the "**Agreements**") with the relevant parties in relation to the proposed privatization ("**Proposed Privatization**") of Cloopen Group Holding Limited ("**Cloopen**"), the American depositary shares of which are quoted on the over-the-counter market in the United States.

Pursuant to the Agreements, the Purchaser conditionally agreed to participate in the Proposed Privatization as an equity investor, committing an aggregate cash purchase price of US$36.0 million to purchase equity interests of SpringX Holdings Limited (the "**Parentco**"). The final commitment to be utilized, and therefore the corresponding equity interests in Parentco the Purchaser will acquire, is subject to potential adjustments (downward or upward) in accordance with the Dmall Equity Commitment Letter and the Interim Investors Agreement, as more particularly set out in the Announcements.

Each of the Agreements, and the overall Proposed Privatization, is subject to a number of conditions. Assuming all of the conditions are satisfied or waived according to the terms of the relevant agreement, and based on the expected utilization of the commitment of approximately US$35,472,729, following the completion of the merger between SummerX Holdings Limited and Cloopen (the "**Merger**") and the Merger taking effect, the Purchaser will hold approximately 49.79% of the equity interest in Parentco, which will in turn hold approximately 68.73% of the equity interest in Cloopen; that is, the Purchaser will hold an effective economic interest of approximately 34.22% in Cloopen.

Any upward adjustment of the commitment is subject to the consent of the Purchaser. In the event an upward adjustment is effected, the Purchaser will not consent to any adjusted commitment exceeding US$40.5 million; even if the commitment is adjusted to such maximum amount, the Purchaser's equity interest in Parentco will not exceed 50% (as the other investors' commitments will also increase). As such, none of Parentco, AutumnX Holdings Limited and Cloopen will become a subsidiary of the Company and their financial results will not be consolidated into the accounts of the Group. For details, please refer to the Announcements.

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

Trade Receivables

The Group's trade receivables during the Reporting Period primarily represent outstanding product and service fees associated with our AI retail core solution, service fees associated with our AI retail value-added service. The Group recognizes a loss allowance for expected credit losses on trade receivables measured at amortized cost. The Group's trade receivables decreased from RMB340.4 million as of December 31, 2025 to RMB312.3 million as of June 30, 2026, primarily attributable to a decrease in receivables arising from intelligent replenishment and intelligent merchandising solutions, partially offset by an increase in receivables arising from the expansion of service scope to overseas customers.

Trade Payables

The Group's trade payables during the Reporting Period primarily consist of intelligent product and service fees, procurement cost payable relating to operating system and others. The Group's trade payables increased from RMB110.9 million as of December 31, 2025 to RMB112.8 million as of June 30, 2026, representing a marginal increase arising from procurement cost relating to integrated solutions the Group delivered to customers in need.

EMPLOYEES

As of June 30, 2026, the Group had a total of 1,208 employees, most of them are located in the China. The following table sets forth the number of the Group's employees categorized by function as of June 30, 2026:

	Number of Employees	%
Function		
Sales and marketing	110	9.1
Research and development	591	49.0
Operation	323	26.7
General and administrative	184	15.2
Total	**1,208**	**100.0**

The Group's staff costs decreased from RMB322.0 million in the six months ended June 30, 2025 to RMB262.7 million in the Reporting Period. The remuneration packages of our employees mainly include salaries, allowances, retirement scheme contributions and share-based payment expense, the amount of which is generally determined by their qualifications, industry experience, position and performance. The Group believes it offers its employees competitive remuneration packages and an environment that encourages self-development and creativity. The Group provides training programs for its employees in order to enhance their professional and technical skills and understanding of the industry. The Group designs and offers different training programs for employees at different positions and departments based on their differing needs. As a result, the Group has generally been able to attract and retain qualified personnel. The employees are not currently represented by any labor union. The Group believes that it maintains a good working relationship with its employees, and the Group has not experienced any work stoppages due to labor disputes in the past.

As required by regulations in China, the Group participates in various employee social insurance plans that are organized by applicable municipal and provincial governments for its PRC-based employees, including pension, unemployment insurance, childbirth insurance, work-related injury insurance, medical insurance and housing insurance. The Group is required under PRC law to make contributions from time to time to employee benefit plans for its PRC-based employees at specified percentages of the salaries, bonuses and certain allowances of such employees, up to a maximum amount specified by the local governments in China. Bonuses are generally discretionary and based in part on employee performance and in part on the overall performance of our business. The Group has granted, and plans to continue to grant, share-based incentive awards to its employees in the future to incentivize their contributions to the Group's growth and development. Moreover, the Group also provides insurance coverage for its international employees in compliance with local statutory requirements in overseas jurisdictions.

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

During the Reporting Period, the Company repurchased a total of 56,482,100 ordinary shares (the "**Shares Repurchased**") of the Company on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") at an aggregate consideration of approximately HK$389,844,756. The repurchase of shares was conducted to enhance the value in the shares of the Company (the "**Share(s)**") and for the benefits of the Company and the Shareholders as a whole. Particulars of the Shares Repurchased are as follows:

Month of Repurchase	No. of Shares Repurchased	Highest repurchase price per Share *(HK$)*	Lowest repurchase price per Share *(HK$)*	Aggregate consideration[1] *(HK$)*
January	6,455,700	8.74	7.15	52,049,267
February	2,504,300	9.00	8.15	21,232,463
March	4,927,500	7.80	7.22	36,663,068
April	13,060,600	7.58	7.03	95,043,442
May	11,709,200	7.67	5.93	75,102,197
June	17,824,800	6.60	5.62	109,754,319
Total	**56,482,100**	**–**	**–**	**389,844,756**

Note:

(1) Aggregate consideration exclusive of expenses

The Shares Repurchased during the Reporting Period were subsequently reserved as treasury shares.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities (including any sale of treasury shares (as defined under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"))) listed on the Stock Exchange during the Reporting Period.

USE OF PROCEEDS

Use of proceeds from the Global Offering

The Shares were listed on the Stock Exchange on December 6, 2024. The net proceeds raised from the global offering, after deduction of the underwriting fees and other related listing expenses paid or payable by the Group in connection with the global offering, amounted to approximately HK$630.4 million (the "**Net Proceeds**").

As of the date of this announcement, there was no change in the intended use of the Net Proceeds as previously disclosed in the section headed "Future Plans and Use of Proceeds – Use of Proceeds" in the Prospectus. The following table illustrates the planned use and utilization of the Net Proceeds:

		Net Proceeds (HK$ million)				
Planned use of the Net Proceeds	**Percentage to total Net Proceeds**	**Net Proceeds incurred from the global offering**	**Unutilized amount as of December 31, 2025**	**Actual amount of Net Proceeds utilized during the Reporting Period**	**Unutilized amount as of June 30, 2026**	**Expected timeline for full utilization of the remaining Net Proceeds**
1. To develop new applications and new service modules	42.1%	265.5	100.5	55.3	45.2	December 31, 2026
2. For talent acquisition associated with the expansion of our operations	30.0%	189.1	44.3	19.9	24.4	December 31, 2026
3. To selectively pursue strategic cooperation, investments and acquisitions that are complementary to our organic growth strategies, particularly those that can complement our product offerings, strengthen our technology capabilities, and solidify our market position	10.0%	63.0	63.0	–	63.0	December 31, 2026
4. To expand our sales network and further strengthen our brand reputation	7.9%	49.8	–	–	–	–
5. For working capital and general corporate purposes	10.0%	63.0	–	–	–	–
Total	**100.0%**	**630.4**	**207.8**	**75.2**	**132.6**	

As of June 30, 2026, we had not utilized approximately HK$132.6 million of the Net Proceeds. The Company expects to utilize the remaining Net Proceeds by the end of December 2026.

Use of proceeds from the Top-up Subscription

On July 16, 2025, the Company entered into a placing and subscription agreement (the "**Placing and Subscription Agreement**") with Odor Nice Limited (the "**Seller**") and China International Capital Corporation Hong Kong Securities Limited and Guotai Junan Securities (Hong Kong) Limited (collectively, the "**Managers**"), pursuant to which (i) the Seller has agreed to sell, and the Managers have severally agreed to act as the agents of the Seller to procure, on a best effort basis, placees to purchase the placing shares at the placing price of HK$11.1 per placing share; and (ii) the Seller has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue to the Seller, 35,400,000 subscription shares at a price which is equivalent to the placing price of HK$11.1 per placing share under the general mandate (the "**Top-up Subscription**").

On July 21, 2025, the completion of the placing took place in accordance with the terms and conditions of the Placing and Subscription Agreement, where an aggregate of 35,400,000 placing shares were successfully placed by the Managers, on a best effort basis, to not less than six placees, at the placing price of HK$11.1 per placing share.

On July 25, 2025, all conditions for the completion of the Top-up Subscription had been fulfilled and the Company allotted and issued 35,400,000 subscription shares to the Seller at HK$11.1 per subscription share in accordance with the terms and conditions of the Placing and Subscription Agreement.

As previously disclosed in the section headed "Use of Proceeds – Use of proceeds from the Top-up Subscription and change in use of proceeds from the Top-up Subscription" in the announcement of the Company dated 18 March, 2026, the Board has resolved to change the use of the unutilized net proceeds from the Top-up Subscription.

The following table illustrates the original allocation, revised allocation and utilization of the net proceeds from the Top-up Subscription:

	Net proceeds from the Top-up Subscription (HK$ million)						
Planned use of the net proceeds from the Top-up Subscription	**Original percentage to total net proceeds from the Top-up Subscription**	**Original net proceeds incurred from the Top-up Subscription**	**Unutilized amount as of December 31, 2025**	**Revised allocation of unutilized net proceeds from the Top-up Subscription**	**Actual amount of net proceeds from the Top-up Subscription utilized during the Reporting Period**	**Unutilized amount as of June 30, 2026**	**Expected timeline for full utilization of the remaining Net Proceeds**
1. For the R&D investment in stablecoins and blockchain and technology advancement, all of which will be used in payment of staff cost of the Company's blockchain experts for developing and maintaining relevant systems and interfaces in relation to the development of the new business (including various systems in the areas of trading, reserve fund management, settlement, clearing, compliance and issuance)	50.0%	194.0	193.9	–	–	–	–
2. For loan repayments	25.0%	97.0	–	–	–	–	–
3. For further expansion of existing business and product upgrades	20.0%	77.6	46.6	46.6	46.6	–	December 31, 2026
4. For other general expenditures	5.0%	19.4	12.9	12.9	12.9	–	December 31, 2026

Planned use of the net proceeds from the Top-up Subscription	Net proceeds from the Top-up Subscription (HK$ million) Original percentage to total net proceeds from the Top-up Subscription	Original net proceeds incurred from the Top-up Subscription	Unutilized amount as of December 31, 2025	Revised allocation of unutilized net proceeds from the Top-up Subscription	Actual amount of net proceeds from the Top-up Subscription utilized during the Reporting Period	Unutilized amount as of June 30, 2026	Expected timeline for full utilization of the remaining Net Proceeds
5. Investments in the AI sector, specifically including but are not limited to: 1) AI talent acquisition and native application R&D: strengthen the recruitment of AI specialists and the development of AI R&D teams, with a focus on developing next-generation AI-native products. We aim to create AI retail agents covering core scenarios such as merchandise management and store operations; 2) AI-driven product evolution and R&D efficiency enhancement: drive the deep integration of AI with existing operations, continuously advance the upgrading of our intelligent OS products, and simultaneously implement an AI-native re-engineering of R&D and delivery processes to comprehensively enhance R&D and delivery efficiency; 3) AI computing power and cloud infrastructure investment: invest in AI computing power, cloud service resources, and related infrastructure operations and maintenance	–	–	–	193.9	42.6	151.3	December 31, 2026
Total	**100.0%**	**388.0**	**253.4**	**253.4**	**102.1**	**151.3**	

As of June 30, 2026, we had utilized approximately HK$102.1 million of the net proceeds from the Top-up Subscription and we had not utilized approximately HK$151.3 million of the net proceeds from the Top-up Subscription. The Company expects to utilize the remaining net proceeds from the Top-up Subscription by the end of December 2026.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

In July 2026, the Group repurchased 4,072,200 ordinary shares, representing approximately 0.43% of the total number of issued shares of the Group as at June 30, 2026. The total amounts paid were approximately HKD24.6 million (equivalent to approximately RMB21.4 million).

Save as disclosed above, subsequent to June 30, 2026 and up to the date of this announcement, so far as the Directors are aware, there have been no significant events that have materially affected the Group.

ROUNDING

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the provisions of the Corporate Governance Code (the "**CG Code**") set out in Part 2 of Appendix C1 to the Listing Rules as its own corporate governance code. During the Reporting Period, the Company has complied with all applicable provisions of the CG Code.

The Company will continue to review and monitor its corporate governance practices on a regular basis to ensure compliance with the CG Code and to maintain the Company's high standard of corporate governance practices.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its own code of conduct regarding the Directors' dealings in the securities of the Company. Specific enquiries have been made of all the Directors and they have confirmed that they have complied with the Model Code during the Reporting Period.

The Company has also adopted written guidelines on terms no less exacting than the Model Code for those relevant employees (including employees of the Company or directors or employees of its subsidiaries who, because of such office or employment, is likely to be in possession of inside information in relation to the Company or its securities) in respect of their dealings in the securities of the Company.

REVIEW OF ACCOUNTS

The unaudited consolidated financial statements of the Group for the Reporting Period have not been audited nor reviewed by the Group's auditor, KPMG. The Audit Committee has reviewed the unaudited consolidated financial statements of the Group for the Reporting Period and discussed with the management of the Group on the accounting principles and practices adopted by the Group, risk management and internal controls and financial reporting.

The Audit Committee considered that the unaudited financial statements of the Group for the Reporting Period are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Reporting Period.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement has been published on the Company's website (www.dmall.com) and the website of the Stock Exchange (www.hkexnews.hk). The interim report of the Group for the Reporting Period, which contains all the information required under the Listing Rules, will be dispatched to the Shareholders who requested for a printed copy and published on the above websites in due course.

By Order of the Board
Dmall Inc.
Mr. Curtis Alan Ferguson
Chairman

Hong Kong, August 12, 2026

As at the date of this announcement, the Board comprises (i) Mr. ZHANG Feng as executive Director; (ii) Mr. Curtis Alan FERGUSON, Mr. CHEN Zhiyu and Mr. WANG Zhenghao as non-executive Directors; and (iii) Dr. HOU Yang, Ms. CAI Lin, Dr. MAO Jiye and Mr. LI Wei as independent non-executive Directors.