千循科技

Qian Xun Technology Limited
千循科技有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1640)

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

The board (the "**Board**") of directors (the "**Directors**") of Qian Xun Technology Limited (the "**Company**") announces the unaudited consolidated interim results of the Company and its subsidiaries (together, the "**Group**") for the six months ended 30 June 2026 (the "**period under review**"), together with the comparative figures for the corresponding period in 2025 as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	*4*	**243,297**	647,384
Cost of revenue		**(258,440)**	(619,750)
Gross (loss)/profit		**(15,143)**	27,634
Other income, gains and losses	*5*	**758**	46,328
Selling and marketing expenses		**(3,630)**	(4,482)
Administrative expenses		**(11,286)**	(11,512)
Finance costs	*6*	**(2,383)**	(4,637)
Provision for loss allowance of financial assets, net		**(76,793)**	(523)
(Loss)/profit before tax		**(108,477)**	52,808
Income tax expenses	*7*	**(14,875)**	(1,340)
(Loss)/profit and total comprehensive (expense)/income for the period	*8*	**(123,352)**	51,468
(Loss)/profit and total comprehensive (expense)/income attributable to:			
Owners of the Company		**(123,352)**	51,469
Non-controlling interests		**–**	(1)
		(123,352)	51,468
(Loss)/earning per share attributable to the owners of the Company			
Basic (RMB cents)	*9*	**(21.80)**	9.19
Diluted (RMB cents)	*9*	**(21.80)**	8.81

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Non-current assets			
Plant and equipment		**641**	1,505
Right-of-use assets		**3,817**	6,525
Intangible assets		**23,613**	25,076
Deferred tax assets		**–**	15,221
Goodwill		**67,477**	67,477
		95,548	115,804
Current assets			
Inventories		**13,034**	91,451
Trade receivables, prepayments and other receivables	*11*	**171,036**	367,289
Cash and cash equivalents		**52,979**	51,653
		237,049	510,393
Total assets		**332,597**	626,197
Capital and reserves			
Share capital	*15*	**5,389**	5,043
Reserves		**106,485**	174,285
Equity attributable to owners of the Company		**111,874**	179,328
Non-controlling interests		**–**	–
Total equity		**111,874**	179,328

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Current liabilities			
Trade and other payables	*12*	**186,081**	191,255
Contingent consideration payable		**–**	–
Tax payables		**66**	1,944
Contract liabilities		**24,116**	15,682
Bank and other borrowings	*13*	**305**	305
Deferred tax liabilities		**5,902**	6,267
Convertible bonds	*14*	**–**	205,232
Lease liabilities		**2,325**	2,807
		218,795	423,492
Non-current liabilities			
Bank and other borrowings	*13*	**–**	19,000
Lease liabilities		**1,928**	4,377
		1,928	23,377
Total liabilities		**220,723**	446,869
Total equity and liabilities		**332,597**	626,197

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. GENERAL INFORMATION AND BASIS OF PREPARATION AND PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1.1 General information

Qian Xun Technology Limited (the "**Company**") was incorporated and registered as an exempted company in the Cayman Islands with limited liability under Companies Law of the Cayman Islands, on 15 January 2019 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 12 November 2019.

The address of the Company's registered office is 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands and the principal place of business is Unit 25B02 on 25th Floor, Far East Finance Center, 16 Harcourt Road, Hong Kong.

During the period, the Company is an investment holding company and its subsidiaries are principally engaged in the following principal activities:

– Provision of advertising services and other services; and

– Pre-owned E-commerce business of pre-owned electronic products and provision of Software-as-a-Service ("**SaaS**") ("**Pre-owned E-commerce Business**").

The interim condensed consolidated financial statements of the Group are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company. The Company and its subsidiaries are hereinafter collectively referred to as the "**Group**".

These interim condensed consolidated financial statements are unaudited.

1.2 Basis of preparation

The Group's unaudited interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with International Accounting Standard (the "**IAS**") 34 "**Interim Financial Reporting**" issued by the International Accounting Standards Board (the "**IASB**") as well as with the applicable disclosure requirements of Appendix D2 to the Rules of Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

2. APPLICATION OF AMENDMENTS TO IFRS ACCOUNTING STANDARDS

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB, for the first time, which is mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

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

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior period and/or on the disclosures set out in these consolidated financial statements.

3. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

– Advertisement segment – providing advertising services and other services; and

– Pre-owned E-commerce segment – Pre-owned E-commerce business of pre-owned electronic products and provision of SaaS services.

Management monitors the results of the Group's operating segments separately for the purpose of making decision about resources allocations and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before tax except that finance costs, gain on deconsolidation of a subsidiary and corporate and unallocated incomes/expenses are excluded from such measurement.

Segment revenue and segment result

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Six months ended 30 June

	Advertisement		**Pre-owned E-commerce**		**Total**	
	2026	2025	**2026**	2025	**2026**	2025
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Segment revenue	**23,557**	21,714	**219,740**	625,670	**243,297**	647,384
Segment results	**(76,605)**	4,430	**(27,182)**	10,862	**(103,787)**	15,292
Corporate and unallocated incomes					**–**	463
Corporate and unallocated expenses					**(2,307)**	(3,654)
Gain on deconsolidation of a subsidiary					**–**	45,344
Finance costs					**(2,383)**	(4,637)
(Loss)/profit before tax					**(108,477)**	52,808

Geographical information

(a) Revenue from external customers

	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Mainland China	**171,828**	390,935
Other regions/countries	**71,469**	256,449
	243,297	647,384

The revenue information above is based on the locations of the customers.

(b) Non-current assets

As at 30 June 2026 and 31 December 2025, over 90% of the non-current assets were located in the People's Republic of China (the "**PRC**").

4. REVENUE

Types of goods and services

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Advertising and other services	**23,557**	21,714
Pre-owned E-commerce business	**219,740**	625,670
	243,297	647,384

Time of revenue recognition

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Over time	**25,923**	22,214
At a point of time	**217,374**	625,170
	243,297	647,384

5. OTHER INCOME, GAINS AND LOSSES

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest income on bank deposits	**5**	515
Gain on deconsolidation of a subsidiary *(Note (i))*	**–**	45,344
Loss on disposal of plant and equipment	**(18)**	–
Gain on early termination of lease	**82**	–
Others	**689**	469
	758	46,328

Note:

(i) On 19 February 2025, Lingyu (Beijing) Culture Media Co., Ltd.* (領育(北京)文化傳媒有限公司), an indirect wholly owned subsidiary of the Company, was transferred out of the Group without proper authorisation. Following the deconsolidation of Lingyu on 19 February 2025, the Group recognised a gain on deconsolidation of RMB45,344,000.

* *English name is for identification purpose only*

6. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest expenses	**2,383**	4,637

7. INCOME TAX EXPENSES

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current tax expenses/(credit)		
– Current period	**19**	1,492
– Deferred taxation	**14,856**	(152)
Income tax expenses	**14,875**	1,340

Pursuant to the Law of the PRC on EIT ("**EIT Law**") and Implementation Regulation of the EIT Law, certain PRC subsidiaries qualified as Small Low-profit Enterprises are entitled to 5% PRC EIT. The tax rate of other PRC subsidiaries is 25%.

The applicable tax rate of Xizang Wanmei Advertising Co., Ltd.* (西藏萬美廣告有限公司) ("**Xizang Wanmei**"), a wholly owned subsidiary of the Group, is 15% according to Circular Zang Zheng Fa [2018] No. 25 (the "**Circular**"). According to the Circular, enterprises located in Tibet and engaged in specific encouraged industries are qualified for applying a preferential tax rate of 15% for the periods from 2018 to 2020. As such, the EIT rate for Xizang Wanmei is 15% for both years. Subsequent to 31 December 2020, Ministry of Finance in PRC issued 2020 notice no. 23 to extend the tax concession period to 31 December 2030.

Pursuant to the laws and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands as there is no income tax impose in such jurisdiction.

Pursuant to the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profit of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

* *English name is for identification purpose only*

8. (LOSS)/PROFIT FOR THE PERIOD

The following items have been included in the (loss)/profit for the period:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Depreciation of plant and equipment	**839**	23
Depreciation of right-of-use assets	**1,129**	–
Amortisation of intangible assets	**1,463**	608
Total depreciation and amortisation	**3,431**	631
Staff costs		
Salaries and allowances	**7,375**	9,884
Retirement benefits contribution	**432**	796
Total staff costs	**7,807**	10,680
Auditor's remuneration	**84**	100
Expenses relating to short-term leases	**33**	450

9. (LOSS)/EARNING PER SHARE

The calculation of the basic and diluted (loss)/earning per share attributable to the owners of the Company is based on the following:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
(Loss)/earning		
(Loss)/earning for the purpose of basic earning per share	**(123,352)**	51,469
Effect of dilutive potential ordinary shares:		
Interest on convertible bonds	**–**	6,585
(Loss)/earning for the purpose of diluted earning per share	**(123,352)**	58,054

Number of shares

	Six months ended 30 June	
	2026	2025
	'000	*'000*
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares for the purpose of basic earning per share	**565,844**	560,000
Effect of dilutive potential ordinary shares:		
Convertible bonds	**–**	98,704
Weighted average number of ordinary shares for the purpose of diluted earning per share	**565,844**	658,704

(Loss)/earning per Share

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Basic (RMB cents)	**(21.80)**	9.19
Diluted (RMB cents)	**(21.80)**	8.81

10. DIVIDENDS

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 June 2026 and 2025.

11. TRADE RECEIVABLES, PREPAYMENTS AND OTHER RECEIVABLES

	As at	
	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade receivables – contracts with customers	**219,138**	310,452
Less: loss allowance for trade receivables	**(192,386)**	(136,518)
	26,752	173,934

	As at	
	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Rental and other deposits	**2,369**	6,461
Deductible value-added tax	**4,300**	9,322
Prepayments and other receivables	**217,815**	236,847
	224,484	252,630
Less: loss allowance for prepayments and other receivables	**(80,200)**	(59,275)
	144,284	193,355
Total	**171,036**	367,289

The Group generally determines the credit period granted to customers with reference to the financial position, credit record, duration of business relationship and the types of services the Group provides. Credit and payment terms may vary for different customers and projects. The Group generally issues billings to customers after performance of advertising services according to the terms set out in the relevant contracts.

The following is an aged analysis of trade receivables net of allowance for credit loss presented based on the date of billing, which approximates the respective revenue recognition dates, at the end of the reporting period:

	As at	
	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
0 – 30 days	**3,212**	23,075
31 – 90 days	**4,194**	94,745
91 – 180 days	**13,709**	89
181 – 360 days	**265**	1,675
Over 360 days	**5,372**	54,350
	26,752	173,934

12. TRADE AND OTHER PAYABLES

	As at	
	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade payables	**81,324**	107,323
Staff cost payables	**4,679**	5,552
Other tax payables	**389**	822
Listing expenses payables	**756**	756
Interest payables	**208**	1,875
Accrued expenses and other payables	**98,725**	74,927
	186,081	191,255

The following is an aged analysis of trade payables based on the date of billing, as at the end of each reporting period:

	As at	
	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
0 to 30 days	**107**	5,801
31 to 90 days	**133**	27
Over 90 days	**81,084**	101,495
Total	**81,324**	107,323

The Group is granted a credit period from 5 to 60 days from its suppliers, unless prepayment to suppliers is specified on the contract. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

13. BANK AND OTHER BORROWINGS

	As at	
	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Bank and other borrowings		
– Unsecured	**305**	19,305
Total	**305**	19,305

The loan agreements do not impose any covenants.

14. CONVERTIBLE BONDS

The convertible bonds recognised in the consolidated statement of financial position are bifurcated into two components for accounting purposes, namely the liability component and the equity component, and the movements in these components during the reporting period are as follows:

	Liability Component	**Equity Component**	**Total**
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2026 (audited)	205,232	36,259	241,491
Conversion of convertible bonds	(77,533)	(15,043)	(92,576)
Repayment	(125,551)	(21,216)	(146,767)
Exchange realignment	(4,002)	–	(4,002)
Interest expenses	1,854	–	1,854
At 30 June 2026 (unaudited)	–	–	–

On 28 February 2025, the Company issued convertible bonds with an aggregate principal amount of HK$256,630,000 to not less than six placees. The convertible bonds carry fixed interest at a rate of 5% per annum, payable in arrears on the maturity date, 27 February 2026, which is falling 364 days from the issue date.

The Convertible bonds entitle the holders to convert them into ordinary shares of the Company at any time starting from 25 December 2025 to 27 February 2026, the maturity date, at a conversion price of HK$2.60 per share (subject to adjustment).

In February 2026, the convertible bonds holders exercised the conversion rights attaching to the convertible bonds and an aggregate of 39,230,768 ordinary shares of HK$0.10 each were allotted and issued at the then conversion price of HK$2.6 per share.

15. SHARE CAPITAL

	As at 30 June 2026 *HK'000* (Unaudited)	31 December 2025 *HK'000* (Audited)
Ordinary shares of HK$0.01 each		
Statutory:		
2,000,000,000 shares (31 December 2025: 2,000,000,000 shares)	**2,000,000**	2,000,000
Issued and fully paid:		
As the beginning of the period/year	**5,600**	5,600
Conversion of convertible bonds	**392**	–
As the end of the period/year	**5,992**	5,600

	As at 30 June 2026 *RMB'000* (Unaudited)	31 December 2025 *RMB'000* (Audited)
Shown in the consolidated financial statements	**5,389**	5,043

MANAGEMENT DISCUSSION AND ANALYSIS

Market Overview

The "Purchase Subsidy Implementation Scheme" newly introduced by the Ministry of Commerce of the People's Republic of China, effective from 1 January 2026 (the "**Subsidy Scheme**"), has narrowed the price differential between used and new electronic products, resulting in a sharp drop in the unit selling price of second-hand mobile phones. Concurrently, the outbreak of the US-Iran conflict has led to higher freight costs and weakened demand for used electronic products. The combined impact of these two principal factors has adversely affected the Group's pre-owned E-commerce business, causing a significant downturn in the Group's interim results for 2026.

As the subsidy scheme is one-off in nature and caps the subsidy for electronic products at RMB2,000, and given that the US-Iran war is expected to be resolved in the short term, the Group's management believes that the aforementioned impact will be temporary. Accordingly, the Group anticipates there will be a rebound in its performance of pre-owned E-commerce business in the second half of 2026.

In addition, the Group has been continuously reviewing the operational performance of its subsidiaries and business segments, and will continue to undertake business integration initiatives to enhance operational efficiency and reduce costs.

The Board considers that, leveraging the industry's first AI-driven decision engine for second-hand 3C products, the "Fenhao Cloud AI Assistant" (officially launched in March 2025), and the "Qian Xun Youxuan Urban Operation Center" (commissioned in May 2025), together with the advanced AI technologies and the SaaS platform "Fenhao Cloud", Qianxun Technology provides one-stop services for second-hand digital product transactions, including precision pricing, synchronised smart sales, and inventory management, which have significantly improved transaction efficiency and turnover rates.

In December 2025, the Company officially launched PayKet, a global digital currency financial services platform based on compliant stablecoins. The Board believes that, backed by the Group's existing annual transaction volume of over one million second-hand mobile phones overseas, the promotion and adoption of PayKet can be effectively facilitated through pre-installation and in-store activation guidance. The launch of PayKet marks the Group's strategic upgrade from a pure "circular economy transaction service provider" to a "digital currency fintech service provider", representing a significant step towards realising the Group's vision of "cross-border trade via fintech". The Board is of the view that these new technologies will enable the Group to offer competitive services to its customers and provide substantial support for its performance rebound in the second half of 2026.

Financial review

Revenue

During the period under review (the "**Interim Period**"), the Group recorded revenue of approximately RMB243.3 million, representing a decrease of approximately 62.4% as compared to the Corresponding Period which recorded approximately RMB647.4 million. The significant drop was mainly arise by the drop in revenue from the pre-owned E-commerce business driven by US-Iran conflict and the Subsidy Scheme.

During the Interim Period, the Group's pre-owned E-commerce business generated revenue in the amount of approximately RMB219.7 million, representing a decrease of 64.9% from approximately RMB625.7 million for the Corresponding Period. The revenue from advertising and other services business was approximately RMB23.6 million, representing an increase of 8.8% from approximately RMB21.7 million for the Corresponding Period.

Gross profit and gross profit margin

During the Interim Period, the Group recorded gross loss in the amount of approximately RMB15.1 million, as opposed to a gross profit of approximately RMB27.6 million in the Corresponding Period; The changeover was mainly arise by the drop in unit prices of second-hand mobile phones driven by the Subsidy Scheme.

Other income, gains and losses

During the Interim Period, other income, gains and losses of the Group amounted to approximately RMB0.8 million, as compared to approximately RMB46.3 million for the Corresponding Period which was arisen by a one-off gain on deconsolidation of a subsidiary.

Selling and marketing expenses

During the Interim Period, selling and marketing expenses of the Group amounted to approximately RMB3.6 million, representing an decrease of 20% from approximately RMB4.5 million for the Corresponding Period. This was primarily due to drop in the revenue from the pre-owned E-commerce business in the Interim Period.

Administrative expenses

During the Interim Period, the Group's administrative expenses amounted to approximately RMB11.3 million, which is constant with the Corresponding Period of amount approximately RMB11.5 million.

Finance costs

During the Interim Period, the Group recorded finance costs of approximately RMB2.4 million, reflecting a decrease of 47.8% as compared with approximately RMB4.6 million for the Corresponding Period. The decrease was mainly due to the discontinuation of interest expenses on the Company's convertible bonds, which were fully redeemed or converted on 26 February 2026.

Provision for loss allowance of financial assets

Subsequent to a review of the Group's trade receivables, prepayments and other receivables, an impairment provision of approximately RMB76.8 million was recorded for the Interim Period. (Corresponding Period: RMB0.5 million) In comparison, an impairment provision of approximately RMB54.7 million was recognized for the year ended 31 December 2025.

Income tax expenses

During the Interim Period, the Group's income tax expenses was approximately RMB14.9 million, as compared to an income tax expense of approximately RMB1.3 million for the Corresponding Period.

Loss or profit and total comprehensive expense or income

As a result of the foregoing, during the Interim Period, the Group's loss and total comprehensive expenses amounted to approximately RMB123.4 million (profit and total comprehensive income for the Corresponding Period: approximately RMB51.5 million).

Trade receivables, prepayments and other receivables

As at 30 June 2026, the Group's trade receivables, prepayments and other receivables amounted to approximately RMB171.0 million (as at 31 December 2025: approximately RMB367.3 million), representing an decrease of 53.4% as compared with trade receivables, prepayments and other receivables as at 31 December 2025. The decrease in trade receivables, prepayments and other receivables was mainly arised from the impairment provision of approximately RMB76.8 million was recorded for the Interim Period.

Trade and other payables

As at 30 June 2026, trade and other payables amounted to approximately RMB186.1 million (as at 31 December 2025: approximately RMB191.3 million), representing an decrease of 2.7% as compared with trade and other payables as at 31 December 2025.

Trade payables mainly represent the amount payable by the Group to the vendor of E-commerce business of used electronic products and suppliers for the purchase of advertising resources. Payments are generally made in accordance with the terms specified in the contract with the supplier. The Group is generally required to pay within 60 days of calculating the actual number of exposures or hits per month.

Significant investments, material acquisitions and disposals of subsidiaries and associated companies

Conversion of Convertible Bonds

On 26 February 2026, the Company received various conversion notices from the subscribers of the convertible bonds exercising their right to convert the convertible bonds in the aggregate principal amount of HK$102,000,000 into aggregate 39,230,768 conversion shares of the Company (the "**Conversion Shares**") at the conversion price of HK$2.6 per conversion Share. As a result, 39,230,768 Conversion Shares in aggregate have been allotted and issued which rank pari passu in all respects among themselves and with all other existing ordinary shares of the Company in issue and they represent approximately 7.01% of the total issued share capital of the Company before the conversions and approximately 6.55% of the total issued share capital of the Company as enlarged by the allotment and issue of the 39,230,768 Conversion Shares in aggregate upon the conversions.

For further details, please refer to the announcement of the Company dated 26 February 2026.

Save as disclosed above, there is no plan for material investments, acquisitions or disposals of the Group's assets as at 30 June 2026 and up to the date of this announcement.

Liquidity and financial resources

As at 30 June 2026, cash and cash equivalents was approximately RMB53.0 million (as at 31 December 2025: approximately RMB51.7 million) of which, substantially was in HK$. As at 30 June 2026, the Group's total asset was approximately RMB332.6 million (31 December 2025: RMB626.2 million) of which equity attributable to the owners of the Company was approximately RMB111.9 million (31 December 2025: RMB 179.3 million).

Gearing ratio

The Group's gearing ratio decreased from approximately 125.2% as at 31 December 2025 to approximately 0.3% as at 30 June 2026, which was primarily due to an increase in convertible bonds during the period under review.

The gearing ratio is calculated by dividing the sum of total bank and other borrowings and convertible bonds by total equity as at the end of the respective periods, and multiplied by 100%.

Pledged assets

During the Interim Period, the Company did not charge any fixed assets as security for borrowings.

Capital expenditures

During the Interim Period, the Group did not have any other significant capital expenditure (Corresponding Period: RMB Nil).

Contingent liabilities

As at 30 June 2026, the Group's did not have any contingent liabilities (Corresponding Period: RMB Nil).

Foreign exchange risk

The Group's business activities and operations are mainly carried out in China where core transactions are conducted in RMB. The influence by exchange rate fluctuations on cash flow or liquidity of the Group's operating business is very limited, therefore, the Group currently is not engaged in or intend to manage hedging activities of foreign exchange rate risk. The Group will continue to monitor foreign exchange activities to secure the Group's cash value as far as possible.

Interest rate risk

The Group is exposed to cash flow interest rate risk due to the fluctuations in the prevailing market interest rates on bank balances and cash. The Group does not have an interest rate hedging policy.

The Group's fair value interest rate risk relates primarily to fixed-rate bank and other borrowings and convertible bonds. The Group's policy is to maintain short-term borrowings at prevailing market interest rates so as to minimize the fair value interest rate risk.

EMPLOYEE AND EMOLUMENT POLICIES

To attract and retain outstanding talent of the Group, the Group provides competitive remuneration packages to its executive Directors and senior management. These comprise salaries and allowance, performance related bonuses, retirement benefits contributions and long-term incentive plan which includes the share option scheme. The remuneration package of executive Directors and senior management is taken reference to salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group. The performance related bonuses are calculated based on our employees' respective position, duration of services and performance of our employees. The Group assesses the remuneration package offered to our employees on an annual basis to determine whether any adjustment to the basic salaries and bonus should be made. The remuneration payable to our employees includes salaries and allowance, performance related bonuses and retirement benefits contributions. The salaries of our employees are generally determined by the employees' respective position, qualification, experience and performance. In order to attract and retain our employees, we assess the remuneration package offered to our employees on an annual basis to determine whether any adjustment to the basic salaries and bonus should be made. We provide training programmes for all of our employees to enhance our employees' knowledge, skills and capability relevant to the advertising industry. All of our new hires will be provided with an induction programme to familiarise with the Group, followed by on-the-job training based on departmental needs and the development strategies of the Group. We also provide promotion opportunities for capable employees as we have policies and procedures setting out the assessment criteria for promotion. The independent non-executive Directors' remuneration relates to their time commitment and responsibilities. They receive fees which comprise the following components: (i) Directors' fees, which are usually paid annually; and (ii) share options which are rewarded subject to the discretion of the Board.

As at 30 June 2026, the Group employed a total of 32 full-time employees (as at 30 June 2025: 112 full-time employees). Compared with the total number of employees as at 30 June 2025, the number of employees decreased by 80. During the Interim Period, the relevant staff costs amounted to approximately RMB7.8 million (Corresponding Period: approximately RMB10.7 million), representing a decrease of approximately RMB2.9 million or approximately 27.1% as compared to the Corresponding Period.

SUBSEQUENT EVENTS AFTER THE PERIOD UNDER REVIEW

There is no material subsequent event undertaken by the Group after 30 June 2026, up to the date of this results announcement.

INDUSTRY AND GROUP OUTLOOK

Looking ahead, the uncertain global economic environment continues to pose challenges for our business. The outbreak of the US-Iran war and the launch of the new round of the "Purchase Subsidy Implementation Plan" by the Ministry of Commerce of the PRC effective on 1 January 2026 adversely affecting the Group's pre-owned E-commerce business. Nevertheless, Group's management believes that the aforementioned impact will be temporary. Accordingly, the Group anticipates there will be a rebound in its performance of pre-owned E-commerce business in the second half of 2026.

Benefiting from the improving macroeconomic and market environment, the Group anticipates a more favourable outlook for its advertising and other services business in the second half of 2026. The Group will persist in broadening its collaboration with platforms that offer high-quality traffic. Through the application of AI technology, the Group endeavours to achieve the "Quality and Effectiveness in One" precision advertising effect for its brand partners, addressing advertisers' requirements for both extensive and in-depth advertising coverage.

The Group has been continuously reviewing the operational performance of its subsidiaries and business segments, and will continue to undertake business integration initiatives to enhance operational efficiency and reduce costs.

The Group will continue to explore further business development opportunities, to diversify and strengthen its revenue streams in the second half of the year and beyond. We are confident that we will persistently create outstanding value for enterprises and society with our professional and efficient services and business strategies that keep up with the times. I hereby would like to express my sincere appreciation to our shareholders and respected client partners for their long-term support to and deep trust in the Group. We will move forward with you hand-in-hand, not be afraid of difficulties, forge ahead with determination, and create a brighter future together.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sales of treasury shares) for the six months ended 30 June 2026.

As at 30 June 2026, the Company did not hold any treasury shares.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE PROVISIONS CONTAINED IN APPENDIX C1 TO THE LISTING RULES

The Company is committed to maintaining a high standard of corporate governance practices. The Company has complied with the required code provisions set out in the Corporate Governance Code contained in Part 2 of Appendix C1 to the Listing Rules for the six months ended 30 June 2026.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having been made specific enquiry, the Directors confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 June 2026.

DIVIDENDS

The Board did not recommend the payment of an interim dividend for the Interim Period (Corresponding Period: Nil).

REVIEW OF UNAUDITED INTERIM RESULTS

The Company has established an audit committee (the "**Audit Committee**") with written terms of reference in accordance with the Corporate Governance Code as set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to review and supervise our financial reporting process and internal control system of the Group, oversee the audit process, provide advice and comments to the Board and perform other duties and responsibilities as may be assigned by the Board.

The Group's interim results for the six months ended 30 June 2026 have not been audited by the auditor of the Company. The Audit Committee comprises of three independent non-executive Directors, namely Ms. Lam Hoi Yan Karen (Chairlady), Mr. Wong Sincere and Mr. Niu Zhongjie. The Audit Committee has reviewed the Company's unaudited interim results for the six months ended 30 June 2026 and confirmed that it has complied all applicable accounting principles, standards and requirements, and made sufficient disclosures. The Audit Committee has also discussed the matters of financial reporting.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.fprice.cn).

The interim report of the Company for the six months ended 30 June 2026 containing all information required by the Listing Rules will be available on the above websites in due course.

By Order of the Board
Qian Xun Technology Limited
Sun Changpeng
Chairman and Executive Director

Hong Kong, 18 August 2026

As at the date of this announcement, the executive directors are Mr. Sun Changpeng, Mr. Leng Xuejun and Mr. Li Tianzi, and the independent non-executive directors are Ms. Lam Hoi Yan Karen, Mr. Wong Sincere and Mr. Niu Zhongjie.