明源雲

Ming Yuan Cloud Group Holdings Limited
明源雲集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 909)

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

The Board hereby announces the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2026, together with the comparative figures for the six months ended 30 June 2025, as follows:

FINANCIAL HIGHLIGHTS

	Six months ended 30 June		
	2026	2025	Change %
	(RMB'000, unless otherwise specified)		
Revenues	**525,256**	605,807	(13.3)
Gross profit	**416,203**	486,023	(14.4)
Operating loss	**(52,051)**	(65,580)	(20.6)
(Loss)/profit before income tax	**(2,229)**	9,622	N/A
Profit for the period	**503**	13,748	(96.3)
Net profit attributable to owners of the Company	**1,117**	13,748	(91.9)
Adjusted net profit	**12,881**	33,119	(61.1)

Overall financial data

Revenues were RMB525.3 million for the six months ended 30 June 2026, representing a year-on-year decrease of 13.3%.

Total expenses were RMB478.5 million for the six months ended 30 June 2026, representing a year-on-year decrease of 17.9%.

Adjusted net profit was RMB12.9 million for the six months ended 30 June 2026, representing a year-on-year decrease of 61.1%.

BUSINESS REVIEW AND OUTLOOK

I. Industry Status and Trends

1. China's real estate market continues to bottom out, underscoring the importance of corporate lean management for enterprises

In the first half of 2026, China's real estate market continued its bottoming-out trend. According to the data from the National Bureau of Statistics, the cumulative sales area of newly built commercial housing in China was 401.40 million square meters, down by 11.6% year-on-year. The cumulative sales value was RMB3.7945 trillion, down by 13.6% year-on-year. The newly started area of houses was 232.39 million square meters, down by 23.4% year-on-year. Affected by the continued contraction in market supply, the inventory of new homes available for sale declined slightly. As of 30 June 2026, the area of commercial housing for sale in China was 763.15 million square meters, down by 0.9% year-on-year.

The year 2026 marks the first year of the "15th Five-Year Plan" period, and the policy stance on real estate has further shifted towards a more proactive and targeted approach. In March, the Government Work Report shifted the policy focus from "promoting stabilization and recovery" to "working to stabilize the real estate market", while continuing the overall approach of "introducing city-specific policies to control the number of new real estate projects, reduce housing inventory, and improve supply". The Politburo meeting in April further proposed "striving to stabilize the real estate market". Local governments have accelerated the implementation of measures such as redevelopment of urban villages, revitalization of existing housing stock, and optimization of housing provident fund policies. Real estate policy is gradually shifting from directional guidance to more targeted and precise measures, with further room for policy initiatives on both the demand and supply sides.

In addition, the industry is accelerating its shift towards the revitalization and operation of existing stock. The Government Work Report in March proposed for the first time to "encourage the purchase of existing commodity housing for use as affordable housing". According to the data from China Real Estate Information Corporation (CRIC), in the first half of the year, the transaction area of second-hand residential properties in 20 key cities nationwide increased by 2.6% year-on-year, outperforming the new housing market, and the industry is gradually moving towards a new stage in which development, trading and operations are equally emphasised.

Against this backdrop, real estate enterprises are paying more attention to destocking, stabilizing cash flows, controlling costs, and improving efficiency. Digitalization and intelligence have become an important foundation for promoting lean management and enhancing asset operation efficiency. The Company will follow the industry trend, continue to improve its digital and intelligent solutions, and help its customers enhance their operational efficiency and development quality.

2. Real estate technology in developed countries worldwide has significant growth potential, with sustained demand for digitizing existing real estate assets

According to statistics from Fortune Business Insights, the global real estate technology market is expected to reach a size of US$44.59 billion in 2026, of which the North American market will account for approximately US$16.86 billion, holding the largest share. In terms of investment and financing, developed countries such as the United States are home to numerous real estate technology companies and investment institutions. According to statistics from the Center for Real Estate Technology & Innovation (CRETI), total global financing for real estate technology reached US$4.53 billion in the first half of 2026, with financing concentrated mainly in the United States, Europe and other regions. The active capital market provides strong support for industry development.

Behind the market size and capital enthusiasm lies the certain demand brought by the era of existing real estate assets in developed countries. With the continued advancement of global warming mitigation and ESG policies, carbon reduction and energy conservation have become core priorities for asset managers. Digitalization is increasingly focusing on three key areas: existing asset management, facility operations and maintenance, and energy consumption management. Against this backdrop, AI-integrated solutions that can simultaneously enhance operational efficiency, reduce energy consumption, and ensure ESG compliance are emerging as the core driver of the rapid release of real estate technology demand, and represent a key trend for the future development of the industry.

The Company will focus on market opportunities in the real estate operation segment in developed countries. Leveraging its industry experience, product capabilities, and customer service system, and considering the business characteristics, data compliance, and localization requirements of different regions, the Company will explore products and cooperation models tailored to the needs of overseas customers.

3. The era of AI agents is accelerating, empowering the entire lifecycle of real estate

In the first half of 2026, AI technology transitioned from the "industry reasoning" stage to the "autonomous execution by AI agents" stage. New-generation large models such as DeepSeek-V4, GPT-5, and Claude 4 were successively launched, with significant improvements in reasoning and multimodal understanding capabilities, and context windows surpassing the million-token level. The barrier for enterprises to deploy private models and AI agent applications has been further lowered. Open-source AI agent platforms, represented by OpenClaw, have enabled multi-channel delivery and local equipment control. Multi-agent collaboration frameworks are accelerating standardization, and capabilities for tool calling and state management continue to be enhanced.

AI applications in the real estate industry are also accelerating into the "AI agent" stage. According to the Guandian Index Research Institute, despite the overall pressure on digital investment by domestic real estate enterprises due to factors such as tightening cash flows, the willingness to invest in AI remains strong, with a gradual focus on a few high-return scenarios. In the project construction phase, AI agents can identify drawing conflicts, anomalies in the bill of quantities, and the impact of design changes, thereby enhancing the efficiency of design and construction collaboration. In the project marketing phase, they can assist in generating marketing materials and reaching customers, building a coordinated online and offline marketing matrix. In the asset management phase, they can support the full-lifecycle operation of assets and provide decision-making support for asset pricing and lease risk management.

Leveraging its long-accumulated real estate industry knowledge and data assets, the Company has successfully deployed AI products across multiple business scenarios. In 2026, the Company will continue to advance its dual-driven strategy of "AI-Native + AI-Enabled", accelerate the large-scale application of AI, and drive continuous business growth.

II. Business Review

1. Products and Services

We specialize in providing Cloud Services and On-premise Software and Services for major participants in the real estate ecological chain, helping customers to better achieve their strategic goals through digital upgrades.

1.1 Cloud Services

Our Cloud Services consist of four product lines, namely Customer Relationship Management SaaS (CRM SaaS), Construction Management SaaS, Property Management & Operation SaaS and Skyline PaaS Platform, which fully cover real estate development, construction, operation, services and other core business areas.

During the Reporting Period, China's real estate industry was still in a bottoming-out and recovery stage, and the performance of commercial housing sales and new construction starts continued to be under pressure. As the Company's current revenue is primarily derived from customers that are residential developers in China, the industry downturn has had a negative impact on the Company's current project contract signings and revenue. In the first half of 2026, all product lines except for Property Management & Operation SaaS experienced varying degrees of revenue decline. For the six months ended 30 June 2026, revenue from Cloud Services was RMB450.6 million, representing a year-on-year decrease of 14.1% (same period in 2025: RMB524.7 million), accounting for 85.8% of the total revenue.

(1) CRM SaaS

The product line of CRM SaaS mainly helps participants along the real estate ecological chain digitalize their marketing business, which can enhance the overall marketing efficiency of customers and reduce marketing expenses. This product line mainly comprises CRM Cloud and other products involving real estate digital marketing sectors.

In the first half of 2026, CRM Cloud accelerated its transformation from a digital service provider for real estate marketing to an AI-driven marketing growth operator. It currently has a mature AI marketing product matrix including “AI Creative Studio (AI創意工廠)”, “AI Salesman (AI銷售員)”, and “AI Live Streaming Player (AI直播機)”, enabling the penetration of AI capabilities into segmented marketing scenarios and terminal touchpoints.

During the Reporting Period, the Qiming Large Model (啟明大模型), independently developed by CRM Cloud, successfully completed its filing. This model is a vertical industry large model tailored for enterprise marketing growth scenarios. The Qiming Large Model deeply integrates CRM Cloud’s data assets, business processes, marketing know-how and customer service capabilities accumulated over years in the real estate industry. It builds an AI capability foundation for the entire marketing chain, covering key areas such as content generation, customer insight, lead conversion, sales assistance, and customer operations. At present, the Qiming Large Model has been fully integrated into Ming Yuan Cloud’s AI marketing product system and has been deployed across various AI products of CRM Cloud.

In the first half of 2026, the terminal contract amount for CRM Cloud AI products for customers in the real estate industry was approximately RMB40.0 million. At the same time, CRM Cloud AI marketing products accelerated their expansion into other industries, successfully signing contracts with benchmark customers in the real economy sector such as Chery Automobile, thereby extending its digital and intelligent marketing capabilities from the real estate industry to other high-value industries.

Affected by the bottoming-out phase of China's residential market, the scale of new construction starts and sales continued to decline, leading to a corresponding decrease in the number of newly contracted sales offices for CRM Cloud. Meanwhile, a number of existing sales office projects contracted during the market peak period exited in a concentrated manner, which collectively had a negative impact on CRM Cloud's revenue and the number of cooperative sales offices during the Reporting Period. During the Reporting Period, the product line of CRM SaaS recorded a total revenue of RMB315.3 million, representing a year-on-year decrease of 17.8% (same period in 2025: RMB383.4 million). In particular, the products of CRM Cloud recorded a total revenue of RMB308.9 million, representing a year-on-year decrease of 18.0% (same period in 2025: RMB376.7 million). The number of property sales offices covered by CRM Cloud products in China was 8,052, representing a year-on-year decrease of 19.5% (same period in 2025: 10,004). The average revenue per unit for CRM Cloud in a single property sales office for the first half of the year was RMB38,400, representing a year-on-year increase of 1.9% (same period in 2025: RMB37,700).

(2) Construction Management SaaS

The product line of Construction Management SaaS mainly helps residential, industrial and infrastructure real estate developers achieve digital management of all processes and scenarios of project construction, achieve efficient management of construction projects in terms of schedule, cost, quality and safety, etc., and enhance the operational efficiency of major upstream and downstream participants through multi-party collaboration to achieve win-win results.

In the first half of 2026, the product line focused on state-owned platform companies in high-value scenarios such as cost management, planning and operation, procurement bidding, as well as safety production, on-site inspections, and treatment of defects in project site management, ensuring the product line's average revenue per unit continues to grow through AI technology empowerment and customer structure optimization. At the product level, the "AI Cost Database (AI成本數據庫)" has been commercially launched. Based on enterprise cost data and industry rules, this product integrates AI agent capabilities such as calculation, review, bid clearing, settlement, and business analysis, upgrading cost management from traditional process recording and post-event analysis to data intelligence and AI-assisted operations.

At the customer level, based on continuously cultivating state-owned platform company customers such as urban investment and urban construction companies, the product line of Construction Management SaaS has accelerated its expansion into non-real estate industries. Services cover scenarios such as the construction of new office and production spaces, production line construction, and space renovation and expansion. These solutions help customers achieve closed-loop management of timelines, costs and quality, and drive the digital and standardized upgrade of construction project management.

For the six months ended 30 June 2026, the development of new projects in China's residential and infrastructure markets was on a downward trend. The contraction of customers' digital budgets for project construction led to a decline in revenue for the Construction Management SaaS product line. During the Reporting Period, the product line of Construction Management SaaS recorded a total revenue of RMB39.9 million, representing a year-on-year decrease of 14.2% (same period in 2025: RMB46.6 million). The number of construction sites covered by Construction Management Products in China was 4,102, representing a year-on-year decrease of 22.1% (same period in 2025: 5,264). By focusing on a strategy of high-quality customers, the Company proactively reduced the number of residential developer customers with weak payment capacity and lower average revenue per unit, thereby maintaining growth in the average revenue per unit in a single construction site. The average revenue per unit in a single construction site for the first half of the year was RMB9,700, representing a year-on-year increase of approximately 9.0% (same period in 2025: RMB8,900).

(3) Property Management & Operation SaaS

The product line of Property Management & Operation SaaS mainly helps holders and operators of existing real estate achieve digital management on their asset and multi-business space operations & services, with products covering business areas of asset management, investment attraction, leasing, space operations, property services, etc., so as to enhance the asset operation efficiency, and promote the value preservation and appreciation of assets.

At the product level, the Property Management & Operation SaaS product line continued to iterate along the two main lines of "digitization of existing assets" and "AI intelligence". During the Reporting Period, the Company launched two new products: in April 2026, it released the "Integrated Platform for Park Investment Promotion, Operation, and Services (園區招運服一體化平台)", which is supported by three core centers of digital and intelligent investment attraction, space operation, and industrial services, to streamline the entire process of multi-channel investment attraction, multi-format asset leasing control, and integrated revenue management; in June 2026, it launched the "Asset Service Center (資產服務中心)", focusing on the exploration and monetization of manageable park resources, with the core principles of assetizing all resources, standardizing service transactions, and making diverse revenues transparent, helping enterprises upgrade from "managing assets" to "operating assets". In addition, the product line has been continuously optimised, with AI capabilities embedded into core processes such as automated reporting and compliance risk control, enhancing the added value of products.

At the customer level, the product line continued to expand its customer base of state-owned platform companies and extend into vertical sectors such as industrial parks and cultural and tourism operations. As of 30 June 2026, 300 state-owned platform companies had deployed Property Management & Operation SaaS products.

For the six months ended 30 June 2026, the product line of Property Management & Operation SaaS recorded a total revenue of RMB49.9 million, representing a year-on-year increase of 5.7% (same period in 2025: RMB47.2 million).

(4) Skyline PaaS Platform

Since its launch in 2020, the Skyline PaaS Platform has focused on establishing five core proprietary capabilities: "aPaaS Capacity, iPaaS Capacity, bpmPaaS Capacity, DaaS Capacity and Technology Innovation". Based on the openness and scalability of the technology platform, it supports the rapid development and integration of all products from Ming Yuan Cloud and ecological applications from third parties, so as to ensure the stable operation of the Company's core business.

In terms of information technology application innovation security, the Skyline PaaS Platform has completed adaptation to mainstream databases and middleware, complies with the relevant security standards of the Ministry of Industry and Information Technology of the PRC, and can meet customers' compliance requirements for independent and controllable information technology security. In terms of AI technology, the Skyline PaaS Platform has built an industry-level AI agent platform. Through the two technical routes of "AI-Enabled" and "AI-Native", it promotes the upgrade of the entire product line towards command-line tooling, data ontology, and AI agent integration, providing underlying technical support for the implementation of the Company's AI strategy.

For the six months ended 30 June 2026, the demand from existing customers for the operation and maintenance services of the Skyline PaaS Platform remained stable, and the revenue decline of the Skyline PaaS Platform gradually narrowed. The product line of Skyline PaaS Platform recorded a total revenue of RMB45.4 million, representing a year-on-year decrease of 4.4% (same period in 2025: RMB47.5 million).

1.2 On-premise Software and Services

Our on-premise ERP software and services mainly provide residential property developers with real estate products covering sales, cost, procurement, planning, expenses and budgeting. Apart from the sales of software licensing, we also offer related implementation services, product support services and value-added services.

In the first half of 2026, China's real estate market remained under pressure, with the contract value of new software licensing and implementation contracts both declining year-on-year. However, the contract value of operation and maintenance services for existing customers remained stable, offsetting part of the impact from the decline in new contracts and causing the revenue decline from On-premise Software and Services to gradually narrow. For the six months ended 30 June 2026, revenue from On-premise Software and Services was RMB74.7 million, representing a year-on-year decrease of 7.9% (same period in 2025: RMB81.1 million).

1.3 Overseas Operations

In the first half of 2026, the Company's overseas business transitioned from market exploration to a strategic focus phase, further clarifying its direction of key markets and core products, and simultaneously optimizing its organizational and operational systems. During the Reporting Period, the contract value of overseas products was approximately RMB20.0 million.

In terms of market presence, the Company has established developed countries and regions as the key markets for its future overseas business and, in principle, will no longer enter new markets in developing countries. Currently, the Company has commenced operations in Japan, Hong Kong (China), Singapore, Malaysia and Indonesia, and has initially established local teams and partnership channels in the United States, South Korea and the United Kingdom, laying the foundation for subsequent market expansion.

In terms of product presence, the Company rebranded the smart meter reading product "A Smart" from the acquired Japanese enterprise ASIOT to "VeriReader", positioning it as a standardized "AI+IoT+SaaS" product. Following preliminary market research and validation, the Company believes the product has good market potential and competitiveness in developed markets outside of Japan, such as Europe and the United States, and is actively promoting its expansion and replication from Japan to other developed countries. Meanwhile, the real estate marketing product "AI Virtual Tour" has built a customer base in Southeast Asia and has begun expanding into the United Kingdom and other European countries.

In terms of ecosystem cooperation, during the Reporting Period, the Company entered into strategic partnerships with institutions such as North American Turing AI and JLL Residential (UK), leveraging the local resources, channels and industry experience of its partners to accelerate the implementation and promotion of relevant products and solutions in overseas markets.

In terms of branding, the Company actively participated in events such as the Build4Asia exhibition in Hong Kong, the ULI Asia Pacific Summit and real estate industry exhibitions in Japan, to deepen communication and cooperation with overseas customers and ecosystem partners, continuously enhance its international brand influence, and promote its global development.

2. Management and Operation

In the first half of 2026, the Company continued to promote cost reduction and efficiency improvement centered on the goal of lean operations, with a focus on embedding AI tools into daily operational processes to enhance organizational effectiveness and operational resilience.

In terms of customer service, the self-developed AI customer service can now independently handle product inquiry issues. In scenarios where customer intent is clear, the AI's response accuracy reaches 92%. Work orders handled end-to-end by the AI customer service account for nearly 40% of the total resolved volume, effectively alleviating the pressure on human agents and reducing customer waiting times.

In terms of R&D, the Company continued to promote the deep integration of AI with the R&D process and built an AI DevOps production line. During the Reporting Period, AI-assisted coding improved efficiency by 30%. At the same time, the Company actively carried out AI capability building for internal R&D personnel, increasing the proportion of R&D staff who have mastered AI-Native development to 30%. Driven by the above measures, all costs and expenses of the Company decreased during the Reporting Period compared to the same period last year.

In the first half of 2026, the Company's selling and marketing expenses were approximately RMB253.0 million, representing a year-on-year decrease of 20.2% (same period in 2025: RMB317.2 million). Our general and administrative expenses were approximately RMB52.9 million, representing a year-on-year decrease of 13.7% (same period in 2025: RMB61.3 million). Our research and development expenses were approximately RMB172.6 million, representing a year-on-year decrease of 15.7% (same period in 2025: RMB204.7 million).

III. Business Outlook

1. Strategic focus in domestic market to achieve sustained profit growth

The Company will adhere to the strategy of "focusing on core products and cultivating high-quality customer groups" in the domestic market to ensure sustained profit growth. Specific development strategies for each product line are as follows:

Product line of CRM SaaS: Continuously iterate CRM Cloud AI products and perfect the full-chain capabilities for the real estate industry, from content production and media placement to lead conversion and private domain operations. Strengthen cooperation with mainstream content and media platforms and ecosystem partners to enhance multi-channel operational capabilities, customer acquisition efficiency, conversion effectiveness, and cost-effectiveness management. Extend mature digital marketing and AI capabilities to high-value lead-based industries such as the automotive sector. Through benchmark customers and standardized product validation, refine the channel, delivery and customer success systems to expand growth opportunities.

Product line of Construction Management SaaS: Focus on state-owned platform company customers, strengthen core product capabilities in planning, cost, schedule, quality, and safety, and promote the implementation of AI in scenarios such as investment estimation, contract fulfillment management, cost collaboration, schedule warnings, and business analysis. At the same time, accelerate the extension from residential construction to real industries such as new energy and logistics, providing an integrated solution for investment, construction period, cost, quality, and safety. Through benchmark projects and ecosystem cooperation, enhance the replicability and promotion capability of the solutions.

Product line of Property Management & Operation SaaS: Focus on state-owned platform company customers, perfect the product system of "Asset Management – tenant acquisition and leasing – leasing and property operations – business analysis", and enhance customers' asset management and operational decision-making capabilities. Accelerate the application of AI in segments such as industrial investment attraction, business analysis, risk warning, and operational decision-making to form standardized product and service portfolios, and lower the threshold for application and delivery through standard interfaces and ecosystem integration to expand market coverage.

2. Focusing on developed countries and regional markets overseas and building a "2+X" product portfolio to drive global operations

In the second half of 2026, the Company will further focus on developed countries and regions. In addition to deepening its presence in existing markets such as Japan, Hong Kong (China) and Southeast Asia, the Company will accelerate its expansion into South Korea, the United States and the United Kingdom, while actively exploring development opportunities in Australia and other European countries. The Company will fully leverage the favourable factors of developed markets, including large market size, high customer sophistication, strong willingness to pay, and a well-developed digital ecosystem, to accelerate breakthroughs in its global business.

At the product level, the Company will continue the "AI+IoT+SaaS" approach and build a "2+X" product portfolio. With the smart meter reading product "VeriReader" and the real estate marketing product "AI Virtual Tour" as the two core offerings, the Company will prioritize the replication and expansion of "VeriReader" in developed markets globally. Meanwhile, using Hong Kong (China) as a base for the incubation and validation of other products, the Company will continuously improve its overseas product portfolio.

At the organizational and capability level, the Company will build end-to-end global operational capabilities around its core products. The product teams will focus on continuous iteration, standardization, and multi-market adaptation; while the regional teams will leverage local talent and ecosystem partners to stay close to customers, strengthening their marketing, delivery, and service capabilities. Through the synergy between the product teams and the regional teams, the Company will form a virtuous cycle of "market feedback - product adaptation - scaled rollout".

At the capital and ecosystem level, the Company will continue to leverage the catalytic role of capital, and, where opportunities arise, will pursue investments, mergers and acquisitions, and ecosystem collaboration in developed markets to complement local product, channel and operational capabilities, thereby enhancing the efficiency of its overseas market entry and its long-term growth potential.

3. ***Deepening the AI "Native + Enabled" strategy and accelerating the large-scale implementation of industry intelligence***

The Company will continue to deepen its dual-driven strategy of "AI-Native" and "AI-Enabled", relying on the business knowledge, customer scenarios, and data assets accumulated in the real estate industry to extend AI capabilities from auxiliary efficiency improvement to process execution and business decision-making.

On the one hand, the Company will accelerate the scenario deepening and commercial validation of AI-Native products, prioritizing high-value scenarios such as marketing, cost-driven tendering and procurement, and asset operations. It will strengthen the connection of AI agents with business systems, data, and workflows, and explore multi-agent collaboration and human-machine collaboration. Through co-creation with benchmark customers, the Company will develop standardized products and explore models such as independent pricing and usage-based billing to cultivate new revenue streams.

On the other hand, the Company will advance the AI upgrade of its on-premise software, allowing general capabilities such as intelligent search, document and report generation, and data analysis to evolve into scenario-based intelligent assistants integrated into core business processes. Relying on its long-accumulated industry knowledge, business semantics, data relationships, and rule systems, the Company will enhance AI's ability to understand business objects and process relationships, driving the evolution of on-premise software from business recording and process management tools to an "action system" with capabilities for analysis, decision support, and controlled execution, thereby increasing customer stickiness and willingness to renew subscriptions for the product.

At the same time, the Company will continue to improve the unified AI technology and data foundation for the real estate industry, fine-tuning it for the industry based on leading open-source large models and combining it with retrieval-augmented generation technology, to consolidate accumulated business rules, system templates, and best practices into a real estate industry knowledge hub. Through multi-model intelligent routing and inference cost optimization, the Company will improve the input-output efficiency of its products while ensuring their effectiveness, to ensure the stability of the Company's overall gross profit margin.

MANAGEMENT DISCUSSION AND ANALYSIS

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Revenues	**525,256**	605,807
Cost of sales	**(109,053)**	(119,784)
Gross profit	**416,203**	486,023
Selling and marketing expenses	**(252,953)**	(317,159)
General and administrative expenses	**(52,949)**	(61,251)
Research and development expenses	**(172,620)**	(204,738)
Net impairment losses on financial assets and contract assets	**(21,766)**	(33,707)
Other income	**19,469**	55,936
Other gains, net	**12,565**	9,316
Operating loss	**(52,051)**	(65,580)
Finance income	**52,475**	76,809
Finance costs	**(2,653)**	(1,484)
Finance income, net	**49,822**	75,325
Share of losses of investments accounted for using the equity method	**–**	(123)
(Loss)/profit before income tax	**(2,229)**	9,622
Income tax credit	**2,732**	4,126
Profit for the period	**503**	13,748
Profit/(loss) attributable to:		
Owners of the Company	**1,117**	13,748
Non-controlling interests	**(614)**	–
	503	13,748

Revenues

During the Reporting Period, our total revenue was RMB525.3 million, representing a year-on-year decrease of 13.3% (same period in 2025: RMB605.8 million). The following table sets forth a breakdown of our revenue by business segment for the financial periods indicated.

	Six months ended 30 June		
	2026	2025	Change
	RMB	*RMB*	*%*
	(RMB in thousand, except percentage)		
Cloud Services	**450,569**	524,690	(14.1)
– CRM SaaS	**315,288**	383,377	(17.8)
– Construction Management SaaS	**39,927**	46,556	(14.2)
– Property Management & Operation SaaS	**49,935**	47,241	5.7
– Skyline PaaS Platform	**45,419**	47,516	(4.4)
On-premise Software and Services	**74,687**	81,117	(7.9)
Total	**525,256**	605,807	(13.3)

During the Reporting Period, our revenue from Cloud Services was RMB450.6 million, representing a year-on-year decrease of 14.1%, accounting for 85.8% of total revenue (same period in 2025: 86.6%). The decrease in revenue from Cloud Services was mainly because the industry's bottoming-out and recovery process had yet to be completed, leading to a contraction in the scale of new contracts. In addition, the impact of the decline in historical contracts on deferred revenue has gradually become apparent, putting pressure on overall revenue. On the other hand, we continued to expand our customer base and launch new products, driving sustained growth in Property Management & Operation SaaS. During the Reporting Period, the revenue from Property Management & Operation SaaS was RMB49.9 million, representing a year-on-year increase of 5.7%.

Revenue from On-premise Software and Services was RMB74.7 million, representing a year-on-year decrease of 7.9%. This was mainly due to adjustments in real estate market demand, which led to a year-on-year decline in the amount of contracts signed for product license sales and delivery. However, the demand for product support and value-added services from existing customers remained stable, and the continued optimization of the revenue structure led to a narrowing of the overall revenue decline.

Gross Profit

During the Reporting Period, the Group's overall gross profit was RMB416.2 million, representing a year-on-year decrease of 14.4% (same period in 2025: RMB486.0 million). Our overall gross profit margin was 79.2%, representing a year-on-year decrease of 1.0% (same period in 2025: gross profit margin of 80.2%). The decrease in gross profit margin was mainly due to the increased cost of third-party outsourcing for certain contracts.

Selling and Marketing Expenses

During the Reporting Period, our selling and marketing expenses were RMB253.0 million, representing a year-on-year decrease of 20.2% (same period in 2025: RMB317.2 million). Our selling and marketing expenses after excluding share-based compensation were RMB244.5 million, representing a year-on-year decrease of 20.5% (same period in 2025: RMB307.6 million).

General and Administrative Expenses

During the Reporting Period, our general and administrative expenses were RMB52.9 million, representing a year-on-year decrease of 13.7% (same period in 2025: RMB61.3 million). Our general and administrative expenses after excluding share-based compensation were RMB51.6 million, representing a year-on-year decrease of 11.5% (same period in 2025: RMB58.3 million).

Research and Development Expenses

During the Reporting Period, our research and development expenses were RMB172.6 million, representing a year-on-year decrease of 15.7% (same period in 2025: RMB204.7 million). Our research and development expenses after excluding share-based compensation were RMB170.0 million, representing a year-on-year decrease of 14.1% (same period in 2025: RMB197.9 million).

Net Impairment Losses on Financial Assets and Contract Assets

During the Reporting Period, our net impairment losses were RMB21.8 million, representing a year-on-year decrease of 35.3% (same period in 2025: RMB33.7 million).

Other Income

During the Reporting Period, our other income was RMB19.5 million, representing a year-on-year decrease of 65.1% (same period in 2025: RMB55.9 million), mainly due to a decrease in government subsidies.

Other Gains, Net

During the Reporting Period, our other gains, net were RMB12.6 million, representing a year-on-year increase of 35.5% (net gains for the same period in 2025: RMB9.3 million). This was primarily attributable to the impairment losses of investments in an associate recognised in the same period last year, which did not recur in the current period (impairment losses of investments in an associate for the same period in 2025: RMB8.7 million).

Operating Loss

During the Reporting Period, our operating loss was RMB52.1 million, representing a year-on-year decrease of 20.6% (operating loss for the same period in 2025: RMB65.6 million).

Finance Income

During the Reporting Period, our finance income was RMB52.5 million, representing a year-on-year decrease of 31.6% (same period in 2025: RMB76.8 million), primarily due to a decrease in interest income from bank deposits.

Finance Costs

During the Reporting Period, our finance costs were RMB2.7 million, representing a year-on-year increase of 80.0% (same period in 2025: RMB1.5 million), mainly due to an increase in interest on short-term borrowings.

(Loss)/profit Before Income Tax

As a result of the foregoing, we had a loss before income tax of RMB2.2 million for the six months ended 30 June 2026 (profit before income tax for the same period in 2025: RMB9.6 million).

Income Tax Credit

During the Reporting Period, our income tax credit was RMB2.7 million, representing a year-on-year decrease of 34.1% (income tax credit for the same period in 2025: RMB4.1 million).

Profit for the Period

As a result of the foregoing, during the Reporting Period, we recorded a profit for the period of approximately RMB0.5 million, representing a year-on-year decrease of RMB13.2 million (profit for the same period in 2025: RMB13.7 million).

Non-IFRS Measures

To supplement our consolidated financial statements that are presented in accordance with IFRS, we also use adjusted net profit as an additional financial measure, which is not required by, or presented in accordance with, IFRS. We believe that these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of items that our management does not consider indicative of our operating performance. We believe that these measures 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 the adjusted net profit may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS.

Adjusted Net Profit

We define adjusted net profit as net profit for the period, adjusted by adding back share-based compensation expenses and goodwill impairment.

The following table reconciles our adjusted net profit for the six months presented to the most directly comparable financial measure calculated and presented in accordance with IFRS, which is net profit for the period.

	Six months ended 30 June		
	2026	2025	Change
	RMB'000	*RMB'000*	*%*
Reconciliation of net profit and adjusted net profit			
Net profit for the period	**503**	13,748	(96.3)
Share-based compensation expenses	**12,378**	19,371	(36.1)
Adjusted net profit	**12,881**	33,119	(61.1)

Liquidity and Capital Resources

We have historically funded our cash requirements principally from cash generated from our business operations and shareholder equity contributions. To manage the liquidity risk, we monitor and maintain a level of cash and cash equivalents deemed adequate by our senior management to finance our operations and mitigate the effects of fluctuations in cash flows.

Cash and Cash Equivalents and Term Deposits

As at 30 June 2026, cash and cash equivalents and term deposits of the Group were approximately RMB3,001.4 million (31 December 2025: RMB3,533.9 million). Most of the cash and cash equivalents of the Group were denominated in USD and RMB, while the term deposits were denominated in USD and RMB.

Current Ratio

As at 30 June 2026, net current assets of the Group were approximately RMB2,589.0 million (31 December 2025: RMB2,823.3 million). As at 30 June 2026, the current ratio of current assets to current liabilities was approximately 4.90, up from 4.88 as at 31 December 2025.

Capital Management and Gearing Ratio

In order to maintain or adjust the capital structure, we may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. We monitor capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as current liabilities, which are long-term borrowings due within one year and lease liabilities, less cash and cash equivalents, restricted cash, term deposits and liquid investments which are investments in wealth management products and investments in debt instruments included in financial assets at fair value through profit or loss. Total capital is calculated as "equity" as shown in the consolidated statement of financial position plus net debt. As at 30 June 2026, the Group had a net cash position.

Capital Commitments

As at 30 June 2026, our capital commitments with respect to assets under construction were approximately RMB12.9 million (31 December 2025: RMB0.3 million).

Contingent Liabilities

As at 30 June 2026, we did not have any material contingent liabilities.

Foreign Exchange Risk Management

The Company's functional currency is HK dollars, but some of its assets are denominated in US dollars and fluctuations in the value of HK dollars against such currencies expose us to foreign exchange risk. During the Reporting Period, we did not adopt any long-term contracts, currency borrowings or other means to hedge our foreign currency exposure. However, management of our Group will monitor foreign exchange risks, and hedge the major foreign currency risks when necessary.

Credit Risk

For cash and cash equivalents and restricted cash, management of the Group manages the credit risk by placing deposits in state-owned financial institutions in the PRC or reputable banks and financial institutions with high credit ratings in the PRC and Hong Kong.

For term deposits, our management places the deposits in banks through a reputable financial institution with acceptable credit rating.

For trade receivables and contract assets, the Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group's management divides customers into different categories based on their financial position, the availability of guarantees from third parties, past experience and other factors, and reviews regularly the recoverable amount of each individual receivable to ensure that adequate allowances for impairment losses are made for irrecoverable amounts. The debtors mainly provide buildings as collateral for the Group's trade receivables and contract assets. The credit periods granted to customers in different categories range from 0 to 90 days.

For other receivables, the Group assesses the nature of the financial assets and the financial condition of the counterparties. Management has closely monitored the credit qualities and the collectability of these financial assets.

The carrying amounts of cash and cash equivalents, restricted cash, term deposits, trade and other receivables and contract assets represent the Group's maximum exposure to credit risk in relation to the assets.

Fund and Working Capital Management

Our funds and liquidity management are centrally carried out by our finance department. Our finance department is generally responsible for overall management and implementation of funds, including formulating the capital management policy for our Group, guiding, coordinating and standardizing the fund management of regional companies, making annual funding plans, reviewing and summarizing annual capital budget, overseeing and assessing fund management of each regional company. We have also adopted sophisticated fund management policies and implemented a set of rules and guidelines on fund management to enhance the effectiveness and efficiency of fund management, thereby ensuring our financial security and reducing cost of capital.

To manage our idle cash on hand, we purchase and redeem wealth management products using them as our "cash pool" from which we could readily access cash as needed and generate higher yield than bank deposits. The underlying financial assets of the wealth management products in which we invested primarily consist of the low-risk wealth management products issued by financial institutions. The amount of the purchase will be determined based on our surplus funds. We consistently comply with our treasury policy during the procedures of purchasing the wealth management products and managing the relevant departments, as well as in conducting business, accounting and filing.

We are committed to safeguarding overall financial security and maintaining strong cash position and a healthy debt profile with strong repayment ability. By adopting a full, reasonable and professional assessment mechanism, preparing annual and monthly funding plans, we have established prudent fund management principle, which allows us to effectively manage market risks.

For budget management, we have established a monthly, quarterly and annual budget management system, and then seek approval from our head of budget management committee. The capital budget plans should be made based on the Group's business plans, project schedules and contractual payment terms to ensure that the plan accurately matches the actual business needs.

Pledge of Assets

As at 30 June 2026, we did not pledge any of our assets.

Material Acquisitions, Disposals and Significant Investments

As at 30 June 2026, we did not hold any significant investments.

Investment Policy and Objectives

The financial assets in which we invested mainly include low-risk wealth management products. The purpose of such investments is to effectively utilize short-term idle funds to enhance overall capital returns, while ensuring liquidity and the safety of the principal. The Company does not participate in investments in high-risk or high-leverage financial products, nor does it engage in any speculative transactions.

Risk Management and Control Measures

The Company has established internal investment management policies and clearly defined risk limits, including but not limited to the investment cap for a single product, restrictions on product duration, and minimum credit rating requirements (e.g., issuers must be licensed financial institutions with a credit rating no lower than investment grade). To control counterparty risk, the Company only selects reputable financial institutions with stable financial positions as counterparties. Furthermore, the Company closely monitors the liquidity of investment products to ensure that maturity dates align with cash flow requirements, thereby avoiding any impact on daily working capital.

Approval and Supervision Mechanisms

All investments in wealth management products must be submitted to the Board or authorized management for approval. The Board is responsible for formulating the overall investment policy and periodically reviewing the performance and compliance of the investment portfolio. Should any significant investments be proposed in the future, the Board or its designated investment committee will conduct pre-assessments, approvals, and continuous monitoring to ensure compliance with the Listing Rules and internal risk management requirements.

For the six months ended 30 June 2026, there were no material acquisitions or disposals of subsidiaries, associates or joint ventures.

Future Plans for Material Investments and Capital Assets

For the six months ended and as of 30 June 2026, the Group did not have plans for material investments and capital assets.

Subsequent Event

Since 30 June 2026 and up to the date of this announcement, there were no other significant events affecting the Group.

FINANCIAL INFORMATION

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenues	5	**525,256**	605,807
Cost of sales	6	**(109,053)**	(119,784)
Gross profit		**416,203**	486,023
Selling and marketing expenses	6	**(252,953)**	(317,159)
General and administrative expenses	6	**(52,949)**	(61,251)
Research and development expenses	6	**(172,620)**	(204,738)
Net impairment losses on financial assets and contract assets		**(21,766)**	(33,707)
Other income	7	**19,469**	55,936
Other gains, net	8	**12,565**	9,316
Operating loss		**(52,051)**	(65,580)
Finance income		**52,475**	76,809
Finance costs		**(2,653)**	(1,484)
Finance income, net		**49,822**	75,325
Share of losses of investments accounted for using the equity method		**–**	(123)
(Loss)/profit before income tax		**(2,229)**	9,622
Income tax credit	9	**2,732**	4,126
Profit for the period		**503**	13,748
Profit/(loss) attributable to:			
Owners of the Company		**1,117**	13,748
Non-controlling interests		**(614)**	–
		503	13,748
Earnings per share attributable to ordinary equity holders of the Parent (expressed in RMB per share)			
Basic	10	**0.00**	0.01
Diluted	10	**0.00**	0.01

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Profit for the period	**503**	13,748
Other comprehensive loss, net of tax		
Items that may be reclassified to profit or loss		
Currency translation differences from foreign operations	**189,591**	75,502
Items that will not be reclassified to profit or loss		
Currency translation differences	**(292,918)**	(119,634)
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax	**121**	12
Total comprehensive loss for the period	**(102,703)**	(30,372)
Total comprehensive loss attributable to:		
Owners of the Company	**(102,039)**	(30,372)
Non-controlling interests	**(664)**	–
	(102,703)	(30,372)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**103,208**	140,179
Investment properties		**232,718**	205,642
Right-of-use assets		**249,750**	215,955
Goodwill		**19,138**	20,391
Intangible assets		**12,111**	13,521
Financial assets at fair value through profit or loss		**269,920**	63,108
Financial assets at fair value through other comprehensive income		**461**	319
Contract acquisition costs	5	**1,500**	2,230
Prepayments and other receivables	12	**13,322**	13,513
Deferred income tax assets		**40,371**	37,965
Term deposit with original maturity over three months		**353,019**	557,758
Restricted cash		**460**	960
Debt investments at amortised cost		**272,761**	286,473
Total non-current assets		**1,568,739**	1,558,014
Current assets			
Inventories		**12,169**	6,257
Contract assets	5	**100,982**	92,701
Contract acquisition costs	5	**184,046**	188,807
Trade receivables	12	**108,334**	93,529
Prepayments and other receivables	12	**71,723**	61,074
Financial assets at fair value through profit or loss		**120,131**	124,918
Term deposit with original maturity over three months		**1,124,686**	1,311,484
Restricted cash		**568**	751
Cash and cash equivalents		**1,523,731**	1,664,616
		3,246,370	3,544,137
Assets classified as held for sale		**6,787**	7,644
Total current assets		**3,253,157**	3,551,781
Total assets		**4,821,896**	5,109,795

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
EQUITY			
Share capital		**169**	169
Treasury shares		**(190,264)**	(211,645)
Reserves		**6,915,005**	7,191,685
Accumulated losses		**(2,628,566)**	(2,629,683)
		4,096,344	4,350,526
Non-controlling interests		**473**	1,137
Total equity		**4,096,817**	4,351,663
LIABILITIES			
Non-current liabilities			
Contract liabilities	5	**3,449**	11,371
Lease liabilities		**52,268**	12,327
Long-term borrowings		**2,326**	2,582
Deferred income tax liabilities		**2,908**	3,331
Total non-current liabilities		**60,951**	29,611
Current liabilities			
Trade payables	13	**22,508**	29,828
Other payables and accruals	14	**262,811**	190,159
Contract liabilities	5	**351,555**	361,351
Lease liabilities		**27,043**	34,407
Long-term borrowings – current		**211**	238
Short-term borrowings		**–**	112,538
Total current liabilities		**664,128**	728,521
Total liabilities		**725,079**	758,132
Total equity and liabilities		**4,821,896**	5,109,795

NOTES TO THE INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

Ming Yuan Cloud Group Holdings Limited (the "**Company**") was incorporated in the Cayman Islands on 3 July 2019 as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 25 September 2020.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the "**Group**") are principally engaged in the provision of cloud services, on-premise software and services for property developers and other industry participants along the real estate value chain in the People's Republic of China (the "**PRC**"), which enable property developers and other real estate industry participants to streamline and digitalise their business operations.

The interim condensed consolidated financial information for the six months ended 30 June 2026 ("**Interim Financial Information**") is presented in Renminbi ("**RMB**"), unless otherwise stated, and was approved for issue by the Company on 26 August 2026.

2 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2025 ("**2025 Financial Statements**"), which have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**"), which comprise all standards and interpretations approved by the International Accounting Standards Board ("**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance ("**HKCO**").

3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRSs Accounting Standard for the first time for the current period's financial information.

Amendments to IAS 21	***Lack of Exchangeability***

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

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

4 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company that make strategic decisions. The executive directors review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The executive directors consider the business from product perspective. The Group has identified the following operating segments:

Cloud services	Including software as a service and platform as a service, along with related implementation services, value-added services and other support services.
On-premise software and services	On-premise software and services, a business process management software and related services that allow an organisation to use a system of integrated applications to manage the business and automate back-office functions relating to technology, services, and human resources.

There was no information by segment about total assets, total liabilities, inter-segment revenue, interest revenue, interest expense and other profit and loss items, such as depreciation, amortisation and income tax provided to the CODM, as CODM does not use this information to allocate resources or to evaluate the performance of the operating segments.

Substantially all of the revenue from external customers and the non-current assets (excluding financial instruments and deferred tax assets) of the Group were generated/located in the PRC. The geographical information of revenue from external customers is based on the locations of the customers.

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

	Cloud services *RMB'000* **(Unaudited)**	**On-premise software and services** *RMB'000* **(Unaudited)**	**Total** *RMB'000* **(Unaudited)**
Revenues	**450,569**	**74,687**	**525,256**
Cost of sales	**(61,808)**	**(47,245)**	**(109,053)**
Gross profit	**388,761**	**27,442**	**416,203**

The segment information for the six months ended 30 June 2025 is as follows:

	Cloud services *RMB'000* (Unaudited)	On-premise software and services *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Revenues	524,690	81,117	605,807
Cost of sales	(69,876)	(49,908)	(119,784)
Gross profit	454,814	31,209	486,023

5 REVENUES

The Group's revenues include revenues from cloud services and on-premise software and services. The Group acts as the principal to end customers for sales of cloud services and on-premise product support services. In respect of on-premise software licensing, implementation and value-added services, the Group acts as the principal to end customers in the model of direct sales whereas the Group acts as the principal to regional channel partners in the model of sales through them. Revenue is stated net of value added tax ("**VAT**") in the PRC and comprises the following:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cloud services	**450,569**	524,690
On-premise software and services	**74,687**	81,117
	525,256	605,807

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cloud services		
– Revenues over time	**405,056**	478,147
– Revenues at a point in time	**45,513**	46,543
On-premise software and services		
– Revenues over time	**68,879**	71,214
– Revenues at a point in time	**5,808**	9,903
	525,256	605,807

Revenue from each individual customer is lower than 10% of the Group's total revenue for the six months ended 30 June 2026 and 2025.

5 REVENUES (CONTINUED)

(a) Assets and liabilities related to contracts with customers

The Group has recognised the following assets and liabilities related to contracts with customers:

	As at 30 June 2026 *RMB'000* **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
Contract assets	**168,516**	152,333
Less: Loss allowance	**(67,534)**	(59,632)
Total contract assets	**100,982**	92,701
Contract acquisition costs	**185,546**	191,037
Less: non-current portion	**(1,500)**	(2,230)
	184,046	188,807
Contract liabilities	**355,004**	372,722
Less: non-current portion	**(3,449)**	(11,371)
	(351,555)	361,351

(i) Significant changes in contract assets, contract acquisition costs and contract liabilities

Contract assets are the Group's right to consideration in exchange for goods and services that the Group has transferred to a customer. Such assets increased as a result of the increase of non-completed contracts.

Contract acquisition costs represent the differences between the gross amount billed to the end customers by the regional channel partners and the amount billed to regional channel partners by the Group, where the regional channel partners are the agents of the Group. Such assets decreased as a result of the decline of contracts earned by the regional channel partners.

Contract liabilities of the Group mainly arise from the non-refundable advance payments made by customers while the underlying services are yet to be provided. Such liabilities are primarily attributable to the decrease in contracts and the decrease in customer prepayments.

6 EXPENSES BY NATURES

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**305,359**	382,781
Commission expenses	**123,865**	139,395
Outsourcing expenses	**28,093**	38,674
Professional and technical service fees	**22,373**	20,298
IT and communication charges	**20,275**	19,608
Depreciation of right-of-use assets	**15,228**	16,392
Costs of inventories sold	**14,705**	16,555
Share-based compensation	**12,378**	19,371
Depreciation of property, plant and equipment	**10,628**	13,929
Traveling and entertainment expenses	**6,968**	8,024
Exhibition and promotion charges	**6,938**	8,836
Office expenses	**6,846**	4,978
Utilities expenses	**5,807**	5,830
Taxes and surcharges	**3,666**	4,722
Depreciation of investment properties	**2,423**	2,207
Amortisation of intangible assets	**889**	270
Auditor's remuneration	**477**	453
Others	**657**	609
	587,575	702,932

No research and development expenses were capitalised for the six months ended 30 June 2026 and 2025.

7 OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Income from wealth management products (a)	**9,004**	11,429
VAT refund (b)	**4,894**	4,833
Rental income	**3,797**	5,842
Government grants	**1,774**	33,832
	19,469	55,936

(a) It represented realised income and unrealised fair value changes from wealth management products that are measured at fair value through profit or loss.

(b) According to the circular "Announcement of the Ministry of Finance, the General Administration of Taxation and the General Administration of Customs on deepening policies related to VAT reformation" (Announcement of the Ministry of Finance, the General Administration of Taxation and the General Administration of Customs [2019] No.39財政部稅務總局海關總署公告2019年第39號), the application VAT rate for sales of computer software was 13%.

According to the circular Cai Shui [2011] No.100, software enterprises which engage in the sales of self-developed software in the PRC are entitled to VAT refund to the extent that the effective VAT amount as a percentage of the sales of the software in the PRC exceeds 3%.

8 OTHER GAINS, NET

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Foreign exchange gains	**12,206**	31,782
Termination of leases	**2,058**	(97)
Net losses on disposal of property, plant and equipment	**(1)**	(227)
Impairment of assets held for sale	**(1,595)**	(1,243)
Net losses on disposal of assets held for sale	**(653)**	(1,712)
Provision for decline in inventory value	**(1,083)**	(3,025)
Fair value gains/(losses) on investments in financial assets at FVPL	**1,534**	(7,435)
Impairment of investments in an associate	**–**	(8,684)
Others	**99**	(43)
	12,565	9,316

9 INCOME TAX

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax	**(53)**	3,446
Deferred income tax	**(2,679)**	(7,572)
Income tax	**(2,732)**	(4,126)

10 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares outstanding during the six months ended 30 June 2026 and 2025.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings per share calculation, and the number of ordinary shares assumed to have been issued at no consideration on the deemed conversion of all dilutive potential ordinary shares into ordinary shares.

10 EARNINGS PER SHARE (CONTINUED)

The calculations of basic and diluted earnings per share are based on:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the Parent, used in the basic and diluted earnings per share calculation	**1,117**	13,748
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic earnings per share calculation ('000)	**1,763,952**	1,827,352
Effect of dilution – weighted average number of ordinary shares:		
Share Award Scheme	**6,269**	33,039
Total	**1,770,221**	1,860,391

11 DIVIDENDS

A special dividend of HKD0.1 (equivalent to approximately RMB0.087) per ordinary share, amounting to RMB154,599,000, was approved by the shareholders of the Company at the 2025 annual general meeting of the Company held on 20 May 2026, and was paid on 8 July 2026.

The board of directors of the Company did not propose any interim dividend for the six months ended 30 June 2026.

12 TRADE RECEIVABLES, PREPAYMENTS AND OTHER RECEIVABLES

	As at 30 June 2026 *RMB'000* **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
Trade receivables from contracts with customers	**216,976**	201,776
Less: Loss allowance	**(108,642)**	(108,247)
Trade receivables – net	**108,334**	93,529
Prepayments to suppliers	**23,698**	10,850
Prepayments for employee benefits	**3,043**	4,461
Total prepayments	**26,741**	15,311
Rental and other deposits	**16,407**	16,501
Others	**41,925**	42,793
Less: Loss allowance	**(28)**	(18)
Other receivables – net	**58,304**	59,276
Trade receivables, prepayments and other receivables	**193,379**	168,116
Less: Non-current deposits and prepayments	**(13,322)**	(13,513)
Current portion	**180,057**	154,603

(a) Trade receivables

The Group normally allows credit periods of 0 to 90 days to its customers. An ageing analysis of the trade receivables as at 30 June 2026 and 31 December 2025, based on the date of recognition, is as follows:

	As at 30 June 2026 *RMB'000* **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
Ageing		
Up to 3 months	**69,368**	94,899
3 to 6 months	**14,221**	15,286
6 months to 1 year	**41,468**	19,214
1 to 2 years	**40,622**	30,036
Over 2 years	**51,297**	42,341
	216,976	201,776

13 TRADE PAYABLES

	As at 30 June 2026 *RMB'000* (Unaudited)	As at 31 December 2025 *RMB'000* (Audited)
Trade payables to third parties	**22,508**	29,828

As at 30 June 2026 and 31 December 2025, the ageing analysis of the trade payables based on the date of recognition is as follows:

	As at 30 June 2026 *RMB'000* (Unaudited)	As at 31 December 2025 *RMB'000* (Audited)
Ageing		
Up to 3 months	**20,685**	25,715
3 to 6 months	**333**	2,737
6 months to 1 year	**879**	43
Over 1 year	**611**	1,333
	22,508	29,828

14 OTHER PAYABLES AND ACCRUALS

	As at 30 June 2026 *RMB'000* (Unaudited)	As at 31 December 2025 *RMB'000* (Audited)
Dividend payable	**153,801**	–
Accrued payroll and employee benefit expenses	**68,429**	141,661
VAT and surcharges payable	**27,240**	28,404
Commissions payable to regional channel partners	**3,161**	5,391
Deposits from regional channel partners	**2,696**	2,347
Accrued auditor's remuneration	**750**	3,130
Others	**6,734**	9,226
	262,811	190,159

OTHER INFORMATION

Interim Dividend

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

Corporate Governance

The Board is committed to achieving good corporate governance standards to safeguard the interests of the Shareholders and to enhance corporate value, formulate our business strategies and policies, and enhance its transparency and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules as its own code of corporate governance. During the Reporting Period, the Board is of the opinion that the Company has complied with all the code provisions set out in the CG Code.

Purchase, Sale or Redemption of the Company's Listed Securities

During the Reporting Period, the Company has repurchased a total of 1,400,000 Shares (the "**Shares Repurchased**") on the Stock Exchange at an aggregate consideration of HK$4,611,980.00 before expenses. As at 30 June 2026, a total of 55,373,000 Shares repurchased remained outstanding and had not been cancelled. Subsequent to the Reporting Period, the Company has repurchased a total of 6,500,000 Shares on the market at the aggregate consideration of approximately HK$8,318,880.00 before expenses in July 2026. On 10 July 2026, the Company has cancelled a total of 13,921,000 Shares repurchased from 10 November 2025 to 28 November 2025. As at the date of this announcement, a total of 47,952,000 repurchased Shares remained outstanding and had not been cancelled.

Details of the Shares Repurchased during the Reporting Period are as follows:

		Purchase price paid per Share		
Month of repurchase	**Total number of Shares Repurchased**	**Highest**	**Lowest**	**Aggregate consideration paid**
		HK$	*HK$*	*HK$*
2026				
January	1,400,000	3.37	3.27	4,611,980.00
Total	1,400,000			4,611,980.00

As at 30 June 2026, a total of 12,316,000 Shares were held as treasury shares by the Company. Subject to compliance with the Listing Rules, the Company may consider applying such treasury shares for resale, consideration of future acquisitions, or funding existing share schemes of the Company.

The Directors were of the view that the Shares Repurchased would reflect the Board and the management team's confidence in the Company's business development prospects. Therefore, the Directors believed that the Shares Repurchased were in the best interests of the Company and the Shareholders as a whole.

Save as disclosed above and except for the on-market purchase by MYC Marvellous Limited of 1,506,000 Shares on the Stock Exchange for the sole purpose of satisfying the awards granted under the Share Award Scheme upon vesting thereof, neither the Company nor any of its subsidiaries or the Consolidated Affiliated Entity had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Reporting Period.

Employees

As at 30 June 2026, we had 1,395 (31 December 2025: 1,663) employees in total, representing a decrease of 16.1% compared with 31 December 2025.

The Group continued to optimize the incentive-based system in line with business development needs and implemented remuneration policies with competitiveness. We provide various incentives and benefits to our employees. We offer competitive salaries, bonuses and share-based compensation to our employees, especially key employees.

As required under PRC regulations, we participate in various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury, maternity, and unemployment benefit plans.

To maintain the quality, knowledge and skill levels of our workforce, we provide continuing education and training programs, including internal and external training, for our employees to improve their technical, professional or management skills. We also provide training programs to our employees from time to time to ensure their awareness and compliance with our policies and procedures in various aspects.

We have granted and planned to continue to grant share-based incentive awards to our employees in the future to incentivize their contributions to our growth and development.

Model Code for Securities Transactions

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions since the Listing Date. Having made specific enquiry with the Directors, all of the Directors confirmed that he/she has complied with the required standards as set out in the Model Code during the Reporting Period.

The Company's employees, who are likely to be in possession of unpublished inside information of the Company, are also subject to the Model Code. No incident of non-compliance of the Model Code by the employees was noted by the Company as at 30 June 2026.

Audit Committee

The Board has established the Audit Committee which comprises three independent non-executive Directors, namely Ms. WEN Hongmei (溫紅梅) (Chairperson), Mr. WEN Xuechen (聞學臣) and Mr. ZHAO Liang (趙亮). Ms. WEN Hongmei, being the chairperson of the Audit Committee, is appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules. The Audit Committee has also adopted written terms of reference which clearly set out its duties and obligations (the terms of reference are available on the websites of the Company and the Stock Exchange).

The Audit Committee has jointly reviewed with the management of the Company the accounting principles and policies adopted by the Company and discussed internal control and financial reporting matters (including the review of the unaudited interim financial information for the six months ended 30 June 2026) of the Group. The Audit Committee considered that the interim financial information is in compliance with the applicable accounting standards, laws and regulations.

Review of Interim Financial Information

The independent auditor of the Company, namely Ernst & Young, has carried out a review of the interim financial information in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". The comparative information for the interim condensed consolidated statement of financial position is based on the audited financial statements as of 31 December 2025. The information for the interim condensed consolidated statements of comprehensive income, changes in equity and cash flows, and the related explanatory notes, for the six months ended 30 June 2026 have been reviewed.

Publication of Interim Results and Interim Report

This interim results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.mingyuanyun.com. The interim report of the Company for the Reporting Period containing all the information required by the Listing Rules will be made electronically available for review on the respective websites of the Stock Exchange and the Company in accordance with the requirements under the Listing Rules.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings. These terms and their definitions may not correspond to any industry standard definitions and may not be directly comparable to similarly titled terms adopted by other companies operating in the same industries as our Company.

"Audit Committee"	the audit committee of the Board
"Board", "our Board" or "Board of Directors"	the board of directors of our Company
"Chairman"	the chairman of the Board
"China" or "PRC"	the People's Republic of China, for the purposes of this announcement only, excluding Hong Kong, Macau Special Administrative Region and Taiwan
"Company", "our Company", or "the Company"	Ming Yuan Cloud Group Holdings Limited (明源雲集團控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands on 3 July 2019
"Consolidated Affiliated Entity"	the entity that we control through contractual arrangements
"Director(s)"	the director(s) of our Company
"Group", "our Group", "the Group", "we", "us", or "our"	our Company and its subsidiaries and Consolidated Affiliated Entity from time to time or, where the context so requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries and Consolidated Affiliated Entity, such subsidiaries and Consolidated Affiliated Entity as if they were subsidiaries and Consolidated Affiliated Entity of our Company at the relevant time
"HKD" or "HK$" or "HK dollars"	Hong Kong Dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"IFRS(s)"	International Financial Reporting Standard(s)

"Listing Date"	25 September 2020, being the date on which the Shares were listed on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
"Reporting Period"	for the six months ended 30 June 2026
"RMB" or "Renminbi"	Renminbi Yuan, the lawful currency of China
"Share(s)"	ordinary share(s) in the share capital of our Company with a nominal value of HK$0.0001 each
"Share Award Scheme"	the share award scheme of the Company approved and adopted by the Board on 11 June 2021 and further amended on 10 May 2024
"Shareholder(s)"	holder(s) of our Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"treasury share(s)"	has the meaning ascribed thereto under the Listing Rules
"U.S."	United States of America
"USD" or "US$" or "US dollars"	United States Dollars, the lawful currency of the U.S.
"%"	per cent.

GLOSSARY OF TECHNICAL TERMS

"AI"	artificial intelligence
"application"	application software designed to run on smartphones and other mobile devices
"CRM"	customer relationship management, a strategy for managing an organization's relationships and interactions with customers and potential customers
"ERP"	enterprise resource planning, a business process management software that allows an organization to use a system of integrated applications to manage the business and digitalize back-office functions relating to technology, services, and human resources
"PaaS"	platform as a service, a category of cloud computing services that provides a platform and environment to allow property developers to build applications over the Internet
"SaaS"	software as a service, a cloud-based software licensing and delivery model in which software and associated data are centrally hosted
"Skyline PaaS Platform"	a low-code PaaS platform launched by the Group for aPaaS Capacity, iPaaS Capacity, bpmPaaS Capacity, DaaS Capacity and Technology Innovation

By order of the Board
Ming Yuan Cloud Group Holdings Limited
GAO Yu
Chairman

Shenzhen, PRC, 26 August 2026

As of the date of this announcement, the Board comprises Mr. GAO Yu, Mr. JIANG Haiyang and Mr. CHEN Xiaohui as executive Directors, Mr. LIANG Guozhi as non-executive Director, and Mr. WEN Xuechen, Mr. ZHAO Liang and Ms. WEN Hongmei as independent non-executive Directors.