PACIFIC ONLINE LIMITED
太 平 洋 網 絡 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 543)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board of directors (the "Board") of Pacific Online Limited (the "Company") announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2026 together with the comparative figures for the corresponding period of last year, as follows:

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
For the six months ended 30 June 2026

		Unaudited Six months ended 30 June	
		2026	2025
	Note	***RMB'000***	*RMB'000*
Revenue	4	**264,694**	272,860
Cost of revenue		**(216,982)**	(192,464)
Gross profit		**47,712**	80,396
Selling and marketing costs		**(45,350)**	(51,819)
Administrative expenses		**(25,978)**	(29,469)
Product development expenses		**(16,959)**	(19,745)
(Charges)/net reversal of impairment losses on financial assets		**(4,702)**	3,455
Other income	5	**3,875**	5,581
Other gains — net		**4,119**	3,174
Operating loss		**(37,283)**	(8,427)
Finance income		**906**	1,161
Finance cost		**(8)**	(192)
Finance income — net	6	**898**	969

		Unaudited	
		Six months ended 30 June	
		2026	2025
	Note	***RMB'000***	*RMB'000*
Loss before income tax		**(36,385)**	(7,458)
Income tax expense	7	**—**	(1,113)
Loss for the period		**(36,385)**	(8,571)
Attributable to:			
— Equity holders of the Company		**(36,385)**	(8,571)
— Non-controlling interests		**—**	—
		(36,385)	(8,571)
Losses per share for loss attributable to equity holders of the Company for the period	8		
— Basic and diluted *(RMB)*		**(3.20) cents**	(0.76) cents

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Unaudited	
	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Loss for the period	**(36,385)**	(8,571)
Other comprehensive income	**—**	—
Total comprehensive loss for the period	**(36,385)**	(8,571)
Attributable to:		
— Equity holders of the Company	**(36,385)**	(8,571)
— Non-controlling interests	**—**	—
	(36,385)	(8,571)

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

As at 30 June 2026

	Note	**Unaudited 30 June 2026** *RMB'000*	Audited 31 December 2025 *RMB'000*
ASSETS			
Non-current assets			
Right-of-use assets	10	**9,503**	9,816
Property and equipment	10	**147,348**	150,892
Investment property	10	**49,753**	50,692
Intangible assets	10	**8,307**	8,540
Deferred income tax assets	11	**19,278**	19,278
Investment in financial assets	13	**22,236**	25,403
		256,425	264,621
Current assets			
Trade and notes receivables, other receivables and prepayments	12	**356,970**	430,239
Restricted cash		**1,800**	—
Cash and cash equivalents		**155,543**	202,735
		514,313	632,974
Total assets		**770,738**	897,595

	Note	Unaudited 30 June 2026 *RMB'000*	Audited 31 December 2025 *RMB'000*
EQUITY			
Equity attributable to equity holders of the Company			
Ordinary shares	14	**10,504**	10,504
Other Reserves		**441,497**	441,497
Retained earnings		**122,590**	198,714
Total equity		**574,591**	650,715
LIABILITIES			
Non-current liabilities			
Lease liabilities		**63**	175
Current liabilities			
Accruals and other payables	15	**170,287**	214,588
Contract liabilities		**3,428**	7,213
Current income tax liabilities		**22,060**	24,500
Lease liabilities		**309**	404
		196,084	246,705
Total liabilities		**196,147**	246,880
Total equity and liabilities		**770,738**	897,595

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

		Unaudited			
		Attributable to equity holders of the Company			
	Note	**Ordinary shares** *RMB'000*	**Other reserves** *RMB'000*	**Retained earnings** *RMB'000*	**Total** *RMB'000*
Six months ended 30 June 2026					
Balance at 1 January 2026		**10,504**	**441,497**	**198,714**	**650,715**
Comprehensive loss					
Loss for the period		**—**	**—**	**(36,385)**	**(36,385)**
Total comprehensive loss		**—**	**—**	**(36,385)**	**(36,385)**
Transactions with equity holders					
Cash dividends relating to 2025	9	**—**	**—**	**(39,739)**	**(39,739)**
Balance at 30 June 2026		**10,504**	**441,497**	**122,590**	**574,591**
Six months ended 30 June 2025					
Balance at 1 January 2025		10,504	440,442	244,886	695,832
Comprehensive loss					
Loss for the period		—	—	(8,571)	(8,571)
Total comprehensive loss		—	—	(8,571)	(8,571)
Transactions with equity holders					
Cash dividends relating to 2024	9	—	—	(51,095)	(51,095)
Share Award Scheme					
— value of employee services		—	—	1,358	1,358
— purchase of shares held for share award scheme		—	—	(321)	(321)
Balance at 30 June 2025		10,504	440,442	186,257	637,203

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
For the six months ended 30 June 2026

		Unaudited	
		Six months ended 30 June	
		2026	2025
	Note	***RMB'000***	*RMB'000*
Cash flows from operating activities			
Cash generated from operations		**(12,761)**	30,960
Income tax paid		**(2,440)**	(2,305)
Net cash (used in)/generated from operating activities		**(15,201)**	28,655
Cash flows from investing activities			
Purchase of property and equipment		**(366)**	(1,472)
Disposals of property and equipment		**145**	62
Purchase of intangible assets		**(4)**	(10)
Redemption of investment in financial assets		**7,286**	—
Interest received		**840**	1,248
Net cash generated from/(used in) investing activities		**7,901**	(172)
Cash flows from financing activities			
Cash dividends paid	9	**(39,739)**	(51,095)
Lease payments		**(215)**	(351)
Purchase of shares held for share award scheme		**—**	(321)
Net cash used in financing activities		**(39,954)**	(51,767)
Net decrease in cash and cash equivalents		**(47,254)**	(23,284)
Cash and cash equivalents at beginning of period		**202,735**	263,488
Exchange loss on cash and cash equivalents		**62**	(174)
Cash and cash equivalents at end of period		**155,543**	240,030

NOTES TO THE INTERIM FINANCIAL INFORMATION

1. GENERAL INFORMATION

Pacific Online Limited (the "Company") was incorporated on 27 August 2007 as an exempted company with limited liability under the Company Law, Cap.22 (Law 3 of 1961, as combined and revised) of the Cayman Islands. The address of its registered office is Vistra (Cayman) Limited, P.O.Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The Company and its subsidiaries (together, the "Group") are principally engaged in the provision of internet advertising services in the People's Republic of China (the "PRC").

The Company has its shares listed on The Stock Exchange of Hong Kong Limited since 18 December 2007.

This condensed consolidated interim financial information (the "Interim Financial Information") is presented in Renminbi ("RMB"), unless otherwise stated.

The Interim Financial Information has been approved for issue by the board of directors (the "Board") of the Company on 28 August 2026.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Interim Financial Information has been prepared in accordance with Hong Kong Accounting Standard 34 "Interim financial reporting". The Interim Financial Information does not include all the notes of the type normally included in an annual financial report. Accordingly, the Interim Financial Information is to be read in conjunction with the annual report for the year ended 31 December 2025 and any public announcements made by the Company during the interim reporting period.

3. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2025, as described in those annual financial statements, except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of amendments to Hong Kong Financial Reporting Standards ("HKFRS") effective for the financial year ending 31 December 2026.

New standards, amendments to existing standards and interpretations effective for the financial year beginning on 1 January 2026 do not have a material impact on the Group's financial statements.

4. SEGMENT INFORMATION

The chief operating decision-makers have been identified as the executive directors who make strategic decisions.

The Group is principally engaged in the provision of internet advertising services for different commodities. The chief operating decision-makers review the Group's internal reports in order to assess performance and allocate resources. Management has determined the operating segments based on these internal reports.

The chief operating decision-makers consider the advertising business from the perspective of the different internet portals which it operates. As all revenues of the Group are generated from customers in the PRC, they are not further evaluated on a geographic basis.

The chief operating decision-makers assess the performance of the operating segments based on revenues generated. The reportable operating segments are grouped into PCauto, PConline and others. The Company currently does not allocate cost of revenue, operating costs or assets to its segments, as its chief operating decision-makers do not use this information to allocate resources to or evaluate the performance of the operating segments. Therefore, the Company does not report a measure of profit or total assets for each reportable segment.

Revenues of other segments relate to those generated from other portals, including baby and home products and other services.

There were no inter-segment sales for the six months ended 30 June 2026 (six months ended 30 June 2025: same). The revenue from external parties reported to the chief operating decision-makers is measured in a manner consistent with that in the condensed consolidated interim income statement.

	PCauto	**PConline**	**Others**	**Group**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
For the six months ended 30 June 2026				
Timing of revenue recognition				
— Over time	**167,507**	**23,021**	**3,626**	**194,154**
— At a point in time	**58,500**	**11,745**	**295**	**70,540**
Revenue	**226,007**	**34,766**	**3,921**	**264,694**
For the six months ended 30 June 2025				
Timing of revenue recognition				
— Over time	163,697	38,059	5,200	206,956
— At a point in time	60,384	5,520	—	65,904
Revenue	224,081	43,579	5,200	272,860

Though the Company is domiciled in the Cayman Islands. For the six months ended 30 June 2026, all revenues of the Group were derived from external customers and they were all generated from the PRC (six months ended 30 June 2025: same).

As at 30 June 2026, other than club membership included in the intangible assets and investment in financial assets, majority of the other non-current assets of the Group were located in the PRC (31 December 2025: same).

During the six months ended 30 June 2026 and 2025, revenue derived from customers who accounted for more than 10% of total revenue were set out below.

	Unaudited Six months ended 30 June	
	2026	2025
Customer A	**18%**	*
Customer B	**11%**	*
Customer C	*	20%
	29%	20%

Note:* The revenue of the customer was less than 10% of the Group's revenue for the respective period.

5. OTHER INCOME

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Rental income	**3,555**	3,145
Government grants	**320**	196
Dividend income on investment in financial assets	**—**	2,240
	3,875	5,581

6. FINANCE INCOME — NET

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Finance income		
— Interest income	**844**	1,161
— Net foreign exchange gains	**62**	—
	906	1,161
Finance cost		
— Interest expense related to lease liabilities	**(8)**	(18)
— Net foreign exchange losses	**—**	(174)
	(8)	(192)
	898	969

7. INCOME TAX EXPENSE

	Unaudited	
	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
PRC current tax	—	2
Deferred taxation	—	1,111
	—	1,113

Income tax expense is recognised based on management's best estimate of the projected full year annual effective income tax rate.

The Company, which is a Cayman Islands corporation, is not subject to any profits tax. The subsidiaries of the Group incorporated in Hong Kong were not subject to Hong Kong profits tax as they had no assessable income arising in or derived from Hong Kong during the six months ended 30 June 2026 (six months ended 30 June 2025: same).

Current taxation primarily represented the provision for the PRC Corporate Income Tax ("CIT") for subsidiaries operating in the PRC. These subsidiaries are subject to CIT on their taxable income as reported in their respective statutory financial statements adjusted in accordance with the relevant tax laws and regulations in the PRC.

Pursuant to the PRC Corporate Income Tax Law ("CIT Law"), the CIT rate for domestic enterprises and foreign invested enterprises is 25%. In addition, the CIT Law provides for, among others, a preferential tax rate of 15% for enterprises qualified as High and New Technology Enterprises ("HNTE").

GZP Computer, a PRC operating subsidiary of the Company, was in the process of application for renewal of the certificate. Guangzhou Yurui Information Technology Co., Ltd. (廣州裕睿信息科技有限公司, "GZ Yurui"), a PRC operating subsidiary of the Company, was successfully renewed as HNTE in 2025 and the applicable income tax rate is 15% for the three years from 2025 to 2027. All the other PRC entities of the Group are subject to CIT at a rate of 25% in accordance with CIT Law.

Assuming that there is no change to the relevant laws and regulations, the directors consider two subsidiaries, including GZP Computer and GZ Yurui, will be granted the preferential tax treatment through an application of renewal. Accordingly, tax rate of 15% has been applied when considering the deferred income tax of GZP Computer and GZ Yurui.

According to CIT Law, a withholding income tax of 10% will be levied on the immediate holding companies outside the PRC when their PRC subsidiaries declare dividends out of profits earned after 1 January 2008. A lower 5% withholding income tax rate may be applied when the immediate holding companies of the PRC subsidiaries are established in Hong Kong and fulfil requirements under the tax treaty agreements between the relevant authorities of the PRC and Hong Kong. Hence, the Group used 5% as its withholding tax rate for certain Hong Kong intermediate holding companies which are expected to fulfill the aforesaid conditions.

8. LOSSES PER SHARE

(a) Basic

Basic losses per share is calculated by dividing the losses attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period (excluding the ordinary shares purchased by the Group and held for the Share Award Scheme) (Note 18).

	Unaudited	
	Six months ended 30 June	
	2026	2025
Loss attributable to equity holders of the Company *(RMB'000)*	**(36,385)**	(8,571)
Weighted average number of ordinary shares for basic losses per share *(thousand shares)*	**1,135,438**	1,133,795
Basic losses per share *(RMB)*	**(3.20) cents**	(0.76) cents

(b) Diluted

Diluted losses per share adjusts the figures used in the determination of basic losses per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Diluted losses per share equals to basic losses per share as there were no potential diluted share options outstanding for the six months ended 30 June 2026 (six months ended 30 June 2025: same).

9. DIVIDENDS

A final dividend in respect of the year ended 31 December 2025 of RMB3.5 cents per ordinary share (2024: RMB4.5 cents per ordinary share) was approved by the shareholders at the annual general meeting on 5 May 2026. Such final dividend for 2025 totalling RMB39,746,000 was paid in 2026 (2024: RMB51,102,000 was paid in 2025), which has already excluded the dividend related to the ordinary shares held for the Share Award Scheme of RMB7,000 (2024: RMB7,000) (Note 18).

The directors did not recommend any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: same).

10. PROPERTY AND EQUIPMENT, INVESTMENT PROPERTY, INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

	Right-of-use assets — land use rights and properties *RMB'000* (Unaudited)	Property and equipment *RMB'000* (Unaudited)	Investment property *RMB'000* (Unaudited)	Intangible assets *RMB'000* (Unaudited)
Six months ended 30 June 2026				
Net book amount as at 1 January 2026	**9,816**	**150,892**	**50,692**	**8,540**
Additions	**—**	**327**	**—**	**4**
Disposals	**—**	**(552)**	**—**	**—**
Depreciation and amortisation	**(313)**	**(3,319)**	**(939)**	**(237)**
Net book amount as at 30 June 2026	**9,503**	**147,348**	**49,753**	**8,307**
Six months ended 30 June 2025				
Net book amount as at 1 January 2025	9,875	160,553	52,552	9,004
Additions	865	1,470	—	10
Disposals	—	(106)	—	—
Depreciation and amortisation	(427)	(3,318)	(930)	(237)
Net book amount as at 30 June 2025	10,313	158,599	51,622	8,777

11. DEFERRED INCOME TAX ASSETS

	Unaudited As at 30 June 2026 ***RMB'000***	Audited As at 31 December 2025 *RMB'000*
Deferred income tax assets:		
— to be recovered within 12 months	**—**	—
— to be recovered after more than 12 months	**19,278**	19,278
	19,278	19,278

The movement of deferred income tax assets during the period is as follows:

	Provision for impairment of financial assets	**Accrued advertising and other expenses**	**Tax losses**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
At 1 January 2026	**18,734**	**—**	**544**	**19,278**
Credited/(charged) to the condensed consolidated interim income statement	**—**	**—**	**—**	**—**
At 30 June 2026	**18,734**	**—**	**544**	**19,278**
At 1 January 2025	25,220	3,530	1,648	30,398
Credited/(charged) to the condensed consolidated interim income statement	(1,220)	(673)	782	(1,111)
At 30 June 2025	24,000	2,857	2,430	29,287

12. TRADE AND NOTES RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

	Unaudited As at 30 June 2026	Audited As at 31 December 2025
	RMB'000	*RMB'000*
Trade receivables, net of impairment provision *(a)*	**336,005**	397,923
Notes receivable, net of impairment provision	**9,086**	14,241
Other receivables, net of impairment provision *(b)*	**8,744**	11,117
Prepaid value-added tax	**2,249**	5,707
Prepayments to suppliers	**886**	1,251
	356,970	430,239

As at 30 June 2026, trade and notes receivables, other receivables and prepayments were all denominated in RMB (31 December 2025: same).

(a) Trade receivables, net of impairment provision

Credit terms granted by the Group are generally within a period of three months to one year. The ageing analysis of the trade receivables (net of impairment provision of RMB90,994,000 (31 December 2025: RMB86,197,000) based on recognition date is as follows:

	Unaudited As at 30 June 2026	Audited As at 31 December 2025
	RMB'000	*RMB'000*
Current to 6 months	**256,900**	334,323
6 months to 1 year	**65,202**	55,673
1 year to 2 years	**13,712**	7,801
Above 2 years	**191**	126
	336,005	397,923

The ending loss allowances for trade receivables reconcile to the opening loss allowances as follows:

	Unaudited As at 30 June 2026	Unaudited As at 30 June 2025
	RMB'000	*RMB'000*
At beginning of the period	**86,197**	109,778
Impairment charge/(reversal)	**4,797**	(1,707)
At end of the period	**90,994**	108,071

(b) Other receivables

	Unaudited As at 30 June 2026	Audited As at 31 December 2025
	RMB'000	*RMB'000*
Advance to employees	**5,800**	7,827
Rental receivables	**268**	268
Others	**2,676**	3,022
	8,744	11,117

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The Group does not hold any collateral as security.

13. INVESTMENT IN FINANCIAL ASSETS

As at 30 June 2026 and 31 December 2025, the Group held investment in a private fund (the "Fund") which invested in shares of companies principally engaged in internet-related industries.

The Group neither have control nor significant influence over the Fund. As at 30 June 2026, the Group classified the investment in the Fund as financial assets at fair value through profit or loss (31 December 2025: same).

Management assessed the fair value of the Group's investment in financial assets as at 30 June 2026 based on the net asset value of the Fund provided by the Fund's administrator and calculated the portion attributable to the Group.

The net asset value of the Fund provided by the Fund's administrator is based on the fair value of underlying investments held by the Fund, which are mainly referenced to the market information of recent transactions, such as recent fundraising transactions undertaken by the investees.

The Group's portion of net asset value of the Fund was denominated in USD.

During the six months ended 30 June 2026 and 2025, movement on investment in financial assets is as follows:

	Unaudited **30 June 2026** ***RMB'000***	Unaudited 30 June 2025 *RMB'000*
At beginning of the period	**25,403**	25,594
Redemption	**(7,286)**	—
Changes in fair value	**4,119**	3,174
At end of the period	**22,236**	28,768

14. ORDINARY SHARES

	Authorised ordinary shares		
	Number of shares ('000)	*HKD'000*	*RMB'000*
At 31 December 2025 and 30 June 2026	100,000,000	1,000,000	969,200

	Issued and fully paid up		
	Number of shares ('000) (Unaudited)	*HKD'000* (Unaudited)	*RMB'000* (Unaudited)
At 1 January 2026 and 30 June 2026	**1,135,597**	**11,356**	**10,504**
At 1 January 2025 and 30 June 2025	1,135,597	11,356	10,504

(a) As at 30 June 2026, the total number of issued ordinary shares of the Company was 1,135,597,667 shares which included 160,000 shares held under the Share Award Scheme (Note 18) (31 December 2025: same).

15. ACCRUALS AND OTHER PAYABLES

	Unaudited As at 30 June 2026 ***RMB'000***	Audited As at 31 December 2025 *RMB'000*
Accrued expenses *(a)*	**125,186**	149,829
Salaries payable	**31,450**	41,117
Other tax payables	**7,540**	17,636
Other payables	**6,111**	6,006
	170,287	214,588

(a) Accrued expenses of the Group mainly represented accruals of service commission fees payable to advertising agencies, outsourcing production costs and advertising expenses.

CHAIRMAN'S STATEMENT

On behalf of the Board, I would like to present the interim results of the Group for the six months ended 30 June 2026 to our shareholders.

The total revenue for the first half of the year came out to about RMB264.7 million, a decrease of 3% from the year before. However, the loss attributable to equity holders was RMB36.4 million, as compared to a net loss attributable to equity holders of RMB8.6 million for the corresponding period in 2025. The increase in loss was mostly attributable to an increase in the Company's outsourced production costs. While service demand remained strong during the period, the Company's profitability was impacted by industry changes. As the prominence of banner advertising continues to decline, the Company has had to shift towards delivering more comprehensive marketing campaigns, which represent an important investment in our long-term capability. Our focus for the second half of the year is to establish clear cost controls and stabilize our outsourced production costs. In the meantime, our focus is continuing to maintain operational stability and consistent delivery as we exercise spending discipline throughout this transition.

PCauto's revenue increased by 0.9% compared to the year before and accounted for 85.4% of the total revenue of the Group in the first half of 2026. In the first half of the year, demand in the domestic car market was tempered by limited consumer demand and automakers continue to expect thin margins and fierce competition. As a result, marketing and advertising spending continues to remain relatively limited among automakers. Advertising and marketing continues to be our bread and butter as we shift towards more comprehensive and fully integrated marketing campaigns that combine online with offline grassroots marketing capabilities. Moreover, in 2026 we are continuing the rollout of our suite of niche industry focused AI-SAAS tools marketed towards downstream customers in the automotive space.

PConline's revenue decreased by 20.2% compared to the year before and accounted for 13.1% of the total revenue of the Group. In the first six months of 2026, China's consumer electronics industry continues to innovate with on-device artificial intelligence, robotics and wearable technology driving growth in the sector. We are confident that continued development in these fields will drive demand in consumer electronics and we are well positioned to capitalise on this opportunity.

Looking ahead to the second half of 2026, we acknowledge the difficulties in the coming year. Cost control will be our most important consideration in the second half of the year as we continue to position ourselves for the long-term structural shift in automotive advertising; we believe that in time, we will be able to moderate the production costs.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue

Revenue decreased 3.0% from RMB272.9 million for the six months ended 30 June 2025 to RMB264.7 million for the six months ended 30 June 2026.

Revenue for PCauto, the Group's automobile portal, increased 0.9% from RMB224.1 million for the six months ended 30 June 2025 to RMB226.0 million during the six months ended 30 June 2026. The slight increase in revenue for PCauto was due to the stable advertising spending from automobile manufacturers. As a percentage of revenue, PCauto accounted for 82.1% during the six months ended 30 June 2025 and 85.4% during the six months ended 30 June 2026.

Revenue for PConline, the Group's IT and consumer electronics portal, decreased 20.2% from RMB43.6 million during the six months ended 30 June 2025 to RMB34.8 million during the six months ended 30 June 2026. The decrease was due to fall in demand from consumer electronics manufacturers. As a percentage of revenue, PConline accounted for 16.0% during the six months ended 30 June 2025 and 13.1% during the six months ended 30 June 2026.

Revenue from other operations decreased by 24.6% from RMB5.2 million during the six months ended 30 June 2025 to RMB3.9 million during the six months ended 30 June 2026. The decrease was mainly from the decline in general consumption of home decoration market. As a percentage of revenue, revenue from other operations accounted for 1.9% during the six months ended 30 June 2025 and 1.5% during the six months ended 30 June 2026.

Cost of Revenue

Cost of revenue increased 12.7% from RMB192.5 million during the six months ended 30 June 2025 to RMB217.0 million during the six months ended 30 June 2026, mainly due to the increase in outsourcing production cost which was the majority item of the total cost of revenue. Gross profit margin was 29.5% during the six months ended 30 June 2025 and 18.0% during the six months ended 30 June 2026.

Selling and Marketing Costs

Selling and marketing costs decreased 12.5% from RMB51.8 million during the six months ended 30 June 2025 to RMB45.4 million during the six months ended 30 June 2026. The decrease was mainly due to decrease in advertising expenses during the period.

Administrative Expenses

Administrative expenses decreased by 11.8% from RMB29.6 million during the six months ended 30 June 2025 to RMB26.0 million during the six months ended 30 June 2026, mainly due to decrease in staff costs and general expenses during the period.

Product Development Expenses

Product development expenses decreased by 14.1% from RMB19.7 million during the six months ended 30 June 2025 to RMB17.0 million during the six months ended 30 June 2026, mainly due to decrease in staff costs and general expenses in the Group's research and development team.

(Charges)/Net Reversal of Impairment Losses on Financial Assets

Net reversal of impairment losses on financial assets was RMB3.5 million during the six months ended 30 June 2025 and net charges of impairment losses on financial assets was RMB4.7 million during the six months ended 30 June 2026. The net charges of impairment losses on financial assets was mainly due to longer receivables period.

Other Income

Other income was RMB5.6 million during the six months ended 30 June 2025 and was RMB3.9 million during the six months ended 30 June 2026. The decrease was due to no dividend income on investment in financial assets during the period.

Other Gains — net

Other gains was RMB4.1 million during the six months ended 30 June 2026 and was RMB3.2 million during the six months ended 30 June 2025. The gains was due to the change in fair value of the Fund.

Finance Income — net

Net finance income was RMB0.9 million during the six months ended 30 June 2026 and was RMB1.0 million during the six months ended 30 June 2025. The decrease was mainly due to less interest income during the period.

Income Tax Expense

Income tax expense was nil during the six months ended 30 June 2026 and was RMB1.1 million during the six months ended 30 June 2025.

Net Loss Attributable to Equity Holders

Net loss attributable to equity holders was RMB36.4 million during the six months ended 30 June 2026 and was RMB8.6 million during the six months ended 30 June 2025.

Liquidity and Financial Resources

As of 30 June 2026, the Group had cash and cash equivalents totalling RMB155.5 million, compared with RMB202.7 million as of 31 December 2025. The decline in cash was primarily due to the payment of a cash dividend totalling RMB39.7 million during the six months ended 30 June 2026. The Company had no external debt as of 31 December 2025 and 30 June 2026.

Bank Borrowings

As of 30 June 2026, the Group did not have any bank borrowings and therefore, its gearing ratio, representing the ratio of total bank borrowings to shareholders' equity, was nil. The Group also did not have any bank borrowings as of 31 December 2025.

Material Acquisitions and Disposal

During the six months ended 30 June 2026, the Group had no material acquisitions and disposals of subsidiaries and associates.

Charges on Assets

As of 30 June 2026, the Group had no bank deposits or other assets pledge to secure its banking facilities.

Foreign Exchange Risk

The Group's operating activities were principally carried out in Mainland China, with most of its transactions denominated and settled in Renminbi. Therefore, the overall foreign currency risk was not considered to be significant.

Employees and Remuneration Information

As of 30 June 2026, the Group had 632 employees (31 December 2025: 705), a decrease of 10.4% from the first half of 2026. The Group continues having its internal restructure and streamlining its support operations. The Group determines staff's remuneration based on factors such as performance and years of experience.

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

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

As of 30 June 2026, there were no treasury shares held by the Company.

AUDIT COMMITTEE

The Audit Committee of the Company, which comprises all the four independent non-executive directors of the Company, namely, Mr. Tsui Yiu Wa, Alec (Chairman of the Audit Committee), Mr. Thaddeus Thomas Beczak, Mr. Lam Wai Hon, Ambrose and Ms. Lee Kit Ying, has reviewed the accounting principles and practices adopted by the Group and discussed auditing, risk management and internal control and financial reporting matters, including the review of these interim results.

CORPORATE GOVERNANCE

The Board is of the view that the Company has met the code provisions set out in the Corporate Governance Code as contained in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange during the six months ended 30 June 2026, except that there is no separation of the role of chairman and chief executive as stipulated in the code provision C.2.1. Dr. Lam Wai Yan currently assumes the role of both the Chairman and the Chief Executive Officer of the Company. As Dr. Lam is a co-founder of the Group and has extensive experience in the internet industry, the Board believes that this structure provides the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long-term business strategies. As such, it is beneficial to the business prospects of the Group.

APPRECIATION

I would like to take this opportunity to express my gratitude, on behalf of the Board, to all our employees for their contribution and to all our shareholders for their continuous support of our Group.

On behalf of the Board
Pacific Online Limited
Lam Wai Yan
Chairman

Hong Kong, 28 August 2026

As at the date of this announcement, the Board comprises 3 executive directors, namely, Dr. Lam Wai Yan, Mr. Ho Kam Wah and Mr. Wang Ta-Hsing; and 4 independent non-executive directors, namely, Mr. Tsui Yiu Wa, Alec, Mr. Thaddeus Thomas Beczak, Mr. Lam Wai Hon, Ambrose and Ms. Lee Kit Ying.