Putian Communication Group Limited
普天通信集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1720)

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

FINANCIAL HIGHLIGHTS

For the Period, the Group's operating results were summarised as follows:

- Total revenue increased by approximately 79.7% to approximately RMB537.4 million (the Last Period: approximately RMB299.0 million).

- Gross profit increased by approximately 95.9% to approximately RMB118.7 million (the Last Period: approximately RMB60.6 million).

- Gross profit margin increased to 22.1% (the Last Period: approximately 20.3%).

- Profit for the Period attributable to owners of the Company increased by approximately 448.7% to approximately RMB42.8 million (the Last Period: approximately RMB7.8 million).

- Revenue generated from sale of optical fibers and optical fiber cables increased by approximately 279.4% to approximately RMB294.0 million (the Last Period: approximately RMB77.5 million); revenue generated from sale of communications cables increased by approximately 5.1% to approximately RMB141.0 million (the Last Period: approximately RMB134.2 million); revenue from the sale of specialised cables increased by approximately 8.9% to approximately RMB31.8 million (the Last Period: approximately RMB29.2 million); revenue generated from sale of structured cabling system products increased by approximately 20.7% to approximately RMB68.7 million (the Last Period: approximately RMB56.9 million); and revenue from the sale of optical interconnect components increased by approximately 58.3% to approximately RMB1.9 million (the Last Period: approximately RMB1.2 million).

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

The board (the "**Board**") of directors (the "**Directors**") of Putian Communication Group Limited (the "**Company**") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2026 (the "**Period**"), together with the comparative figures for the corresponding period in 2025 (the "**Last Period**") as follows:

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

		Six months ended 30 June	
		2026	2025
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	*5*	**537,371**	298,976
Cost of sales		**(418,627)**	(238,407)
Gross profit		**118,744**	60,569
Other income	*6*	**2,036**	3,741
Selling and distribution expenses		**(24,409)**	(21,852)
Administrative expenses		**(37,301)**	(23,826)
Provision for expected credit losses on financial asset		**(2,001)**	(1,375)
Share of loss of an associate		**(40)**	(134)
Finance costs	*7*	**(10,447)**	(9,069)
Profit before income tax expense	*8*	**46,582**	8,054
Income tax expense	*9*	**(3,795)**	(216)
Profit for the period		**42,787**	7,838
Profit for the Period attributable to owners of the Company		**42,787**	7,838
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**1,128**	372
Other comprehensive income for the Period, net of tax		**1,128**	372
Profit and total comprehensive income for the Period		**43,915**	8,210
Earnings per share	*10*		
Basic and diluted		**RMB0.039**	RMB0.007

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**30 June 2026 *RMB'000* (Unaudited)**	31 December 2025 *RMB'000* (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	*11*	**378,902**	396,800
Intangible assets		**6,321**	6,887
Investment in an associate		**2,058**	2,097
Prepayments for property, plant and equipment	*14*	**4,693**	4,891
Deferred tax assets		**6,975**	6,675
Total non-current assets		**398,949**	417,350
Current assets			
Inventories	*12*	**165,996**	73,532
Trade and bills receivables	*13*	**605,675**	627,730
Deposits, prepayments and other receivables	*14*	**118,256**	120,032
Tax recoverable		**5,483**	5,162
Restricted cash	*15*	**15,532**	37,576
Cash and cash equivalents		**143,412**	34,409
Total current assets		**1,054,354**	898,441
Total assets		**1,453,303**	1,315,791
Current liabilities			
Trade and bills payables	*16*	**186,377**	195,799
Contract liabilities	*17*	**54,030**	34,409
Accruals and other payables		**60,911**	52,718
Bank and other borrowings	*18*	**241,590**	289,942
Lease liabilities		**1,150**	1,073
Deferred income		**790**	790
Total current liabilities		**544,848**	574,731
Net current assets		**509,506**	323,710
Total assets less current liabilities		**908,455**	741,060

	Notes	**30 June 2026** *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Non-current liabilities			
Bank and other borrowings	*18*	**211,900**	88,500
Deferred tax liabilities		**27,469**	27,151
Lease liabilities		**410**	648
Deferred income		**7,110**	7,110
Total non-current liabilities		**246,889**	123,409
Total liabilities		**791,737**	698,140
NET ASSETS		**661,566**	617,651
EQUITY			
Share capital		**9,361**	9,361
Reserves		**652,205**	608,290
TOTAL EQUITY		**661,566**	617,651

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. GENERAL INFORMATION

Putian Communication Group Limited (the "**Company**") is a limited liability company incorporated in the Cayman Islands as an exempted company under the Companies Act (as revised), Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 9 November 2017. The address of its registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company's headquarters and principal place of business is located at the People's Republic of China (the "**PRC**"). The Company is an investment holding company. The principal activities of the Company and its subsidiaries (together referred to as the "**Group**") are production and sales of optical fibers and optical fiber cables, data and communications cables and structured cabling system products in the PRC.

This interim condensed consolidated financial statements are presented in Chinese Renminbi ("**RMB**"), unless otherwise stated.

This interim condensed consolidated financial statements have been approved and authorised for issue by the Board of Directors of the Company on 31 August 2026.

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements for the Period have neither been audited nor reviewed by the Company's auditors, but have been reviewed by the Company's audit committee, which have been prepared in accordance with HKAS 34, Interim Financial Reporting. The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2025 (the "**2025 Financial Statements**"), which have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**").

3. ADOPTION OF NEW OR REVISED HKFRSs

Amendments to HKFRSs that are mandatorily effective for the current period

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time in the current period:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

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

4. ESTIMATES

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing this interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the 2025 Financial Statements.

5. SEGMENT REPORTING

The following summary describes the operations in each of the Group's reportable segments:

(i) Business Segments

	Six months ended 30 June 2026 (Unaudited)					
	Optical fibers and optical fiber cables *RMB'000*	**Communications cables** *RMB'000*	**Specialised cables** *RMB'000*	**Structured cabling system products** *RMB'000*	**Optical interconnect components** *RMB'000*	**Total** *RMB'000*
Reportable segment revenue	**294,018**	**140,967**	**31,764**	**68,746**	**1,876**	**537,371**
Reportable segment profit	**34,883**	**15,443**	**3,880**	**19,173**	**727**	**74,106**

	Six months ended 30 June 2025 (Unaudited)					
	Optical fibers and optical fiber cables *RMB'000*	Communications cables *RMB'000*	Specialised cables *RMB'000*	Structured cabling system products *RMB'000*	Optical interconnect components *RMB'000*	Total *RMB'000*
Reportable segment revenue	77,528	134,157	29,191	56,894	1,206	298,976
Reportable segment profit	2,148	11,185	3,787	15,949	437	33,506

(ii) Reconciliation of profit or loss:

	Six months ended 30 June	
	2026 *RMB'000* **(Unaudited)**	2025 *RMB'000* (Unaudited)
Segment results	**74,106**	33,506
Other income	**2,036**	3,741
Unallocated expenses	**(19,113)**	(20,124)
Finance costs	**(10,447)**	(9,069)
	46,582	8,054
Income tax expense	**(3,795)**	(216)
Profit after taxation	**42,787**	7,838

(iii) Geographic information

The following table provides an analysis of the Group's revenue generated from external customers by geographical location of the customers. The geographical location of customers is based on the principal place of business of the customers.

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
The PRC	**366,305**	294,299
Overseas	**171,066**	4,677
	537,371	298,976

6. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Bank interest income and others	**207**	208
Government grants	**1,200**	677
Gains on sale of scrap materials	**975**	2,152
Others	**(346)**	704
	2,036	3,741

7. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest charge on bank and other borrowings	**10,415**	9,048
Interest charge on lease liabilities	**32**	21
	10,447	9,069

8. PROFIT BEFORE INCOME TAX EXPENSE

Profit before income tax expense is arrived at after charging:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of inventories recognised as cost of sales	**418,627**	238,407
Research and development expenditure	**20,371**	8,379
Depreciation of property, plant equipment and right-of-use assets	**20,028**	19,105
Amortisation of intangible assets	**566**	670
Short-term lease	**871**	1,450
Interest charge on lease liabilities	**32**	21
Expected credit losses on financial assets	**2,001**	1,375
Staff costs (including directors' emoluments):		
– Salaries and wages	**23,228**	21,084
– Defined contribution scheme	**3,855**	3,092
	27,083	24,176

9. INCOME TAX EXPENSE

The amount of taxation in the condensed consolidated financial statement of comprehensive income represents:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current tax – PRC Enterprise Income Tax (the "**EIT**")	**4,095**	109
Deferred income tax (credit)/charge to profit or loss for the period	**(300)**	107
Income tax expenses	**3,795**	216

No provision for Hong Kong Profits Tax has been made as the Group had no assessable profits arising in Hong Kong for the Period (the Last Period: Nil).

No provision for income tax in the Cayman Islands and the British Virgin Islands (the "**BVI**") has been made as the Company's subsidiaries had no assessable income in these jurisdictions during the Period (the Last Period: Nil).

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulations of the EIT Law, the EIT rate of the Company's PRC subsidiaries is 25% (the Last Period: 25%) except as described below. Provision for the EIT for the six months ended was made based on the estimated assessable profits calculated in accordance with the relevant income tax laws, and regulations applicable to the subsidiaries operated in the PRC.

Putian Cable Group Co., Ltd., one of the subsidiaries of the Company, was approved to be a high and new technology enterprise ("**HNTE**") and is entitled to a preferential income tax rate of 15% (the Last Period: 15%) during the Period according to the PRC tax law, as it was awarded high-technology status by tax authority with a validity period of three years expiring in 2028. The HNTE certificate needs to be renewed every three years so as to enable Putian Cable Group Co., Ltd. to enjoy the reduced tax rate and additional 100% (the Last Period: 100%) tax deduction ("**Tax Deduction**") based on the eligible research and development expenses.

10. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of approximately RMB42,787,000 (the Last Period: approximately RMB7,838,000) and the weighted average of 1,100,000,000 shares (the Last Period: 1,100,000,000 shares) in issue during the Period, calculated as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings		
Earnings for the purposes of basic earnings per share	**0.039**	0.007
Number of share		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	**1,100,000,000**	1,100,000,000

There were no potential dilutive ordinary shares during the Period and the Last Period, therefore, diluted earnings per share are the same as the basic earnings per share.

11. PROPERTY, PLANT AND EQUIPMENT

	Unaudited
	RMB'000
Net book value as at 1 January 2026	**396,800**
Additions	**2,018**
Depreciation	**(19,916)**
Net book value as at 30 June 2026	**378,902**

	Audited
	RMB'000
Net book value as at 1 January 2025	401,613
Additions	32,931
Depreciation	(37,744)
Net book value as at 31 December 2025	396,800

The property, plant and equipment, except for construction in progress, are depreciated on a straight-line basis over their estimated useful lives and after taking into account of their estimated residual values.

12. INVENTORIES

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Raw materials	**66,397**	24,190
Finished goods	**99,599**	49,342
	165,996	73,532

13. TRADE AND BILLS RECEIVABLES

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Trade receivables	**625,683**	647,269
Bills receivables *(Note(i))*	**8,118**	6,585
	633,801	653,854
Less: Loss allowances	**(28,126)**	(26,124)
	605,675	627,730

Note:

(i) Bills receivables represented outstanding commercial acceptance bills.

Based on the invoice dates, the ageing analysis of the Group's net amount of trade and bills receivables is as follows:

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Within 1 month	**117,658**	146,072
More than 1 month but within 2 months	**54,504**	55,123
More than 2 months but within 3 months	**30,385**	37,863
More than 3 months but within 6 months	**98,562**	86,946
More than 6 months but within 1 year	**108,372**	96,538
More than 1 year	**196,194**	205,188
	605,675	627,730

The credit term granted by the Group to its trade customers is normally 180 days to 360 days

14. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	30 June 2026 *RMB'000* (Unaudited)	31 December 2025 *RMB'000* (Audited)
Current		
Deposits	**27,703**	28,772
Prepayments to suppliers	**48,401**	56,539
Prepayments	**4,524**	2,370
Valued added tax receivables	**16,316**	14,451
Other receivables	**21,312**	17,900
	118,256	120,032
Non-current		
Prepayments for property, plant and equipment and intangible assets	**4,693**	4,891

15. RESTRICTED CASH

Bank deposits have been pledged as security for other borrowings and bills payables. The restricted cash will be released upon the settlement of relevant other borrowings and bills payables.

16. TRADE AND BILLS PAYABLES

	30 June 2026 *RMB'000* (Unaudited)	31 December 2025 *RMB'000* (Audited)
Trade payables	**105,805**	121,260
Bills payables	**80,572**	74,539
	186,377	195,799

The credit terms of trade payables vary according to the terms agreed with different suppliers, which normally ranging from 30 days to 90 days. Based on the receipt of services and goods, which normally coincided with the invoice dates, the ageing analysis of the Group's trade payables as at the end of each reporting period is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 month	**44,364**	59,336
More than 1 month but within 2 months	**21,236**	24,388
More than 2 months but within 3 months	**11,745**	12,626
More than 3 months but within 6 months	**9,046**	4,218
More than 6 months but within 1 year	**7,212**	3,521
More than 1 year	**12,202**	17,171
	105,805	121,260

The trade and bills payables are short-term and hence the carrying values of the Group's trade and bills payables are considered to be a reasonable approximation of fair value.

17. CONTRACT LIABILITIES

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Contract liabilities arising from		
Sale of goods	**54,030**	34,409
	54,030	34,409

	RMB'000
Balance as at 1 January 2026	34,409
Decrease in contract liabilities as a result of recognising revenue during the Period that was included in the contract liabilities at the beginning of the Period	(34,409)
Increase in contract liabilities as a result of billing in advance of sale of goods	54,030
Balance as at 30 June 2026	54,030

18. BANK AND OTHER BORROWINGS

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Bank borrowings – Secured *(Notes(i), (ii))*	**245,000**	215,900
Bank borrowings – Unsecured *(Notes(iii))*	**173,500**	158,000
	418,500	373,900

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Other borrowings – Secured *(Notes(i))*	**34,990**	4,542
	453,490	378,442
Less: amount classified as non-current liabilities	**(211,900)**	(88,500)
Current liabilities	**241,590**	289,942
Borrowings fall due:		
– Within one year	**292,870**	289,942
– Between one and two years	**39,321**	31,500
– Between two and five years	**104,799**	35,000
– Over five years	**16,500**	22,000
Total amount of bank and other borrowings	**453,490**	378,442

Notes:

(i) Bank borrowings of approximately RMB99,800,000 (31 December 2025: RMB111,000,000), bearing variable interests at the bank's loan prime rate plus a premium. The effective interest rates of these borrowings are 3.1% to 4.2% (31 December 2025: 3.00% to 5.00%) per annum as at 30 June 2026.

Bank borrowings of approximately RMB318,700,000 (31 December 2025: RMB262,900,000), bearing interest at fixed rates, ranging from 2.95% to 4.7% (31 December 2025: 2.95% to 4.9%) per annum as at 30 June 2026.

Other borrowings bear interests at fixed rates, ranging from 6.5% to 6.7% (31 December 2025: 5.90% to 6.90%) per annum as at 30 June 2026. The weighted average effective interest rate on these bank and other borrowings is 3.96% (31 December 2025: 3.99%) per annum as at 30 June 2026.

(ii) The bank and other borrowings are secured by the assets of the Group, the carrying amounts of these assets are set out as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Property, plant and equipment		
– Land and buildings	**142,715**	147,534
– Machinery	**34,534**	36,528
Trade receivables	**33,419**	–
	210,668	184,062

(iii) As at 30 June 2026 and 31 December 2025, guarantees were provided by the controlling shareholders and the family members of the controlling shareholders for the bank and other borrowings.

19. CAPITAL COMMITMENTS

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Capital expenditure of the Group contracted for but not yet paid for or provided in the consolidated financial statements in respect of:		
– Unpaid capital of an associate	**20,580**	20,580
– Acquisition of property, plant and equipment	**3,310**	3,629

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group has recorded a revenue of approximately RMB537.4 million for the Period which represented an increase of approximately 79.7% as compared with the one for the Last Period. The Group has realised a gross profit of approximately RMB118.7 million for the Period, which represented an increase of approximately 95.9% as compared with the one for the Last Period. Profit for the Period attributable to owners of the Company was approximately RMB42.8 million, which represented an increase of approximately 448.7% as compared with the one for the Last Period.

Sale of optical fibers and optical fiber cables increasedby approximately 279.4% to approximately RMB294.0 million (the Last Period: approximately RMB77.5 million) during the Period, while the sale of communications cables increased by approximately 5.1% to approximately RMB141.0 million (the Last Period: approximately RMB134.2 million); and sale of specialised cables increased by approximately 8.9% to approximately RMB31.8 million (the Last Period: approximately RMB29.2 million); and sale of structured cabling system products increased by approximately 20.7% to approximately RMB68.7 million (the Last Period: approximately RMB56.9 million); and sale of optical interconnect components increased by approximately 58.3% to approximately RMB1.9 million (the Last Period: approximately RMB1.2 million).

I. PERFORMANCE REVIEW: SIMULTANEOUS GROWTH IN INDUSTRY VOLUME AND PRICE, ALL-ROUND GROWTH ACROSS CORE BUSINESSES

In the first half of 2026, the global optical communications industry ushered in a historic transformation driven by AI computing power. As large model training and the coordinated operation of large-scale GPU clusters have become the industry norm, the demand structure for optical fibers and optical fiber cables has undergone a fundamental transformation, shifting comprehensively from traditional “Fiber-to-the-Home” to “Fiber-to-the-GPU”, with optical fiber leaping from a telecommunications transmission medium to key infrastructure for high-density interconnections within intelligent computing centres. In April 2026, the meeting of the Political Bureau of the Central Committee incorporated next-generation communication networks and computing power networks into the national strategic deployment of the “six networks” for the first time, establishing the primary policy tone for the long-term development of the industry. According to a report by Shanghai Securities News on 22 May, the price of G.657.A2 special optical fiber has increased by over 600%, and the price of G.652.D standard single-mode optical fiber has also increased by over 400%; stock shortages, cash-in-advance bookings, and queuing for collection have become widespread phenomena in the industry. According to data from the National Bureau of Statistics, in the first half of the year, profits of the optical fiber manufacturing industry increased by 410.4% year-on-year, and profits of the optical fiber cables manufacturing industry increased by 39.8% year-on-year. According to statistics from market research institution CRU, global total demand for optical fibers and optical fiber cables reached 577 million fiber-kilometres in 2026, while effective supply was only 397 million fiber-kilometres, leaving a supply-demand gap of up to 180 million fiber-kilometres and resulting in a severe imbalance between supply and demand in the industry.

Optical Fibers and Optical Fiber Cables Business: Full Utilisation of Optical Fiber Production Capacity, Leapfrog Growth in Overseas Markets

During the Period, the Group's optical fiber industry segment achieved explosive growth. 6 optical fiber drawing towers and 12 optical fiber production lines operated at full capacity, with an annual production capacity being fully utilised. Since the commencement of production, the production capacity of the Phase II project has achieved full production and sales, closely capitalising the incremental strategic window of the industry and validating the effectiveness of the Company's forward-looking capacity deployment.

In overseas markets, the Group's optical fiber exports achieved leapfrog growth. Simultaneous efforts were made in the Southeast Asian market, where the initial delivery verification for core customers in Southeast Asia was successfully completed, and negotiations on a normalised procurement mechanism progressed smoothly, laying a solid foundation for deepening market presence in Southeast Asia. Meanwhile, innovative products such as optical guidance cable for UAVs, leveraging their advantage of efficient deployment, continued to see rapid volume growth in overseas markets, becoming a new growth engine.

International Business: In-depth Expansion of Strategic Footprint

During the Period, the Group's international business made significant progress in the markets along the "Belt and Road". In the African market, the Group entered into an exclusive agency agreement for its full line of products with an Egyptian customer, covering the complete series of products including communication optical fibers, communication optical fiber cables, data and communications cables and structured cabling system, laying a solid foothold for the Group to deepen its presence in the African market. Meanwhile, the Group actively advanced its business presence in the Middle East, entered into the stage of in-depth cooperation negotiations with several core customers in the region, and achieved milestone breakthroughs in market expansion.

Domestic Business: Structural Optimisation and Steady Growth

In terms of domestic business, the Group continued to deepen its cooperation with operators, stably fulfilled the annual supply contracts for optical fiber cables and data cables with China Telecom and China Unicom, and maintained high-quality delivery under the VBP framework. In the data centre and intelligent building markets, with the accelerated deployment of AI computing power and the continuous release of demand for high-density cabling, the structured cabling system business, particularly the data centre business segment, achieved a steady increase in sales revenue. OM4 and OM5 multi-mode fiber patch cords have achieved large-scale deployment and application in high-speed data centre interconnection scenarios.

The Group's structured cabling system products were widely applied in multiple core nodes of the national "East Data, West Computing" project: the Qingyang data centre cluster of the Gansu hub, the Wuhu data centre cluster and Demonstration Zone data centre cluster of the Yangtze River Delta hub, and the Horinger data centre cluster of the Inner Mongolia hub, and deeply served major nodes of the national computing power network such as the Tianjin data centre covered by the Beijing-Tianjin-Hebei hub, fully supporting the construction of domestic mainstream computing power infrastructure. In terms of customer expansion, on the basis of consolidating its cooperation with leading internet technology enterprises such as Huawei, Tencent, Alibaba, and ByteDance, the Group completed the supply chain integration with third-party data centre operators such as Volcano Engine and GDS, further consolidating its domestic advantages in the field of supporting products and services for AI computing power physical layer infrastructure.

II. OUTLOOK: POLICY-DRIVEN GROWTH CONTINUES AND AI COMPUTING POWER RESHAPES INDUSTRY LOGIC

In the first half of 2026, national policies and technological innovation served as dual growth drivers, ushering in structural transformation across the optical fibers and optical fiber cables industry.

For the policy, next-generation communication networks and computing power networks have been incorporated into the national strategic deployment of the "Six Major Infrastructure Networks". On 28 April, the meeting of the Political Bureau of the Central Committee set out the full list of the "Six Major Infrastructure Networks" comprising "Water Network, New Power Grid, Computing Power Network, Next-generation Communication Network, Urban Underground Pipeline Network, and Logistics Network", and thereafter Premier Li Qiang of the State Council chaired executive meetings of the State Council on multiple occasions to advance their implementation. According to the estimates of the National Development and Reform Commission, the amount of investment in the construction of the "Six Major Infrastructure Networks" and relevant key areas will exceed RMB7 trillion this year. On 10 June, the Ministry of Industry and Information Technology issued the "Implementation Opinions on the Innovative Development of "Artificial Intelligence +

Information and Communications" (2026-2028)", setting out clearly to accelerate the construction of backbone transmission networks such as 400Gbps/800Gbps networks, and to build metropolitan-area low-latency compute access capabilities at the millisecond level. Policy benefits continue to be released, charting a clear growth path for the optical communications industry.

On the demand side, AI computing power is reshaping the growth logic of the optical fiber and optical fiber cable industry. According to CRU data, optical fiber demand from global data centre is expected to reach 91.60 million fiber-kilometres in 2026, representing a year-on-year increase of 32%; by 2027, the proportion of AI-driven data centre optical fiber cable demand will surge from less than 5% in 2024 to 35%. On the supply side, the release of optical fiber production capacity is constrained by the lengthy processes involved in equipment procurement, installation and commissioning, and ramp-up cycles, making it difficult to respond swiftly to explosive demand in the short term. Against this backdrop, enterprises possessing scaled production capacity, a global distribution network, and a pipeline of high-end products will fully benefit from this growth cycle.

III. BUSINESS PLAN: BUILD ON THE MOMENTUM AND EXPAND ADVANTAGES

In the second half of 2026, the Group will focus its efforts on three major directions:

First, expand the advantage in optical fiber production capacity and consolidate market position. The Group will give full play to the economies of scale from an annual production capacity and full-capacity operation, seize the market window of continuous upward momentum in optical fiber prices, continuously increase the output proportion of high-end optical fiber products such as G.657.A2, and consolidate its supply position among operators and industry customers.

Second, deepen the international business layout and expand the global footprint. Leveraging the demonstrative effect of agents in Egypt and other regions, the Group will accelerate channel development and customer expansion in markets across Africa, the Middle East, and Southeast Asia, capitalize on the industry trend of high growth in China's optical fiber and optical fiber cable exports, and strive to achieve a larger-scale breakthrough in optical fiber exports to the European market.

Third, strategically position ourselves in computing power infrastructure and seize the strategic opportunities in AI interconnection. The Group will closely follow the construction pace of next-generation communication networks and computing power networks under the national "six networks" strategy, deeply cultivate the domestic computing power hub and data centre cluster markets, promote the large-scale deployment of high-speed interconnect products such as MPO/MTP pre-terminated systems, and facilitate the construction of intelligent computing centres with high-density, high-speed structured cabling products. Simultaneously, the Group will advance the market promotion of industrial specialised cables in sectors such as new energy and industrial manufacturing.

FINANCIAL REVIEW

Revenue

Revenue of the Group is mainly derived from sales of optical fibers and optical fiber cables, data and communications cables and specialised cables and structured cabling system and optical interconnect components products, which are five reportable segments. Revenue of the Group increased by approximately 79.7% from approximately RMB299.0 million for the Last Period to approximately RMB537.4 million for the Period. Revenue generated from sale of optical fibers and optical fiber cables increased by approximately 279.4% to approximately RMB294.0 million (the Last Period: approximately RMB77.5 million); revenue generated from sale of communications cables increased by approximately 5.1% to approximately RMB141.0 million (the Last Period: approximately RMB134.2 million); revenue from the sale of specialised cables increased by approximately 8.9% to approximately RMB31.8 million (the Last Period: approximately RMB29.2 million); revenue generated from sale of structured cabling system products increased by approximately 20.7% to approximately RMB68.7 million (the Last Period: approximately RMB56.9 million); and revenue from the sale of optical interconnect components increased by approximately 58.3% to approximately RMB1.9 million (the Last Period: approximately RMB1.2 million).

Gross profit and margin

Gross profit increased by approximately 95.9% to approximately RMB118.7 million for the Period from approximately RMB60.6 million for the Last Period. While the Group's gross profit margin increased to approximately 22.1% for the Period as compared to the one of approximately 20.3% for the Last Period, primarily attributable to the sustained increase in both the selling prices and sales of optical fibers.

Selling and distribution expenses

Selling and distribution expenses increased by approximately 11.9% from approximately RMB21.8 million for the Last Period to approximately RMB24.4 million for the Period, mainly due to the increase in transportation expenses arising from the significant growth in sales.

Administrative expenses

Administrative expenses increased by approximately 56.7% from approximately RMB23.8 million for the Last Period to approximately RMB37.3 million for the Period, mainly due to the surge in market demand for optical fibers during the Period, which prompted the Company to ramp up research and development efforts to expand its product portfolio, particularly in optical fiber and optical communication interconnect components.

Finance costs

Finance costs increased by approximately 14.3% from approximately RMB9.1 million for the Last Period to approximately RMB10.4 million for the Period, mainly due to the increase in expenses of interest on borrowings.

Income tax expense

Income tax expense increased by approximately 1,800.0% from approximately RMB0.2 million for the Last Period to approximately RMB3.8 million for the Period, primarily due to the significant growth in profit following the substantial increase in revenue.

Profit for the Period

As a result of the foregoing, profit for the Period increased by approximately 448.7% from approximately RMB7.8 million for the Last Period to approximately RMB42.8 million for the Period.

Particulars of the Group's segment information are set out in note 5 to the Interim Condensed Consolidated Financial Statement.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash position

As at 30 June 2026, the Group had an aggregate of restricted cash and cash and cash equivalents of approximately RMB158.9 million (31 December 2025: approximately RMB72.0 million), representing an increase of approximately 120.7% as compared to that as at 31 December 2025.

BORROWINGS AND CHARGES ON THE GROUP'S ASSETS

As at 30 June 2026, the Group had bank and other borrowings of approximately RMB453.5 million (31 December 2025: approximately RMB378.4 million), which were secured by legal charge over the properties of the Group and the personal properties from the controlling shareholders and their associates. Bank and other borrowings of approximately RMB292.9 million will be repayable within one year.

Gearing ratio

As at 30 June 2026, the gearing ratio of the Group, calculated by having the total liabilities divided by the total equity, was approximately 1.20 (31 December 2025: approximately 1.13).

Total debt to total asset ratio

As at 30 June 2026, the total debt to total asset ratio of the Group, calculated by having the total liabilities divided by the total assets, was approximately 0.54 (31 December 2025: approximately 0.53).

Interest rate risk

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank and other borrowings. The Group does not have an interest rate hedging policy. However, the Directors monitors interest rate exposure from time to time and will consider hedging significant interest rate exposure should the need arise.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of the interest rates quoted by the People's Bank of China arising from the Group's bank borrowings.

The Group's interest rate risk mainly arises from bank and other borrowings. Bank and other borrowings arranged at variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk, respectively. Certain bank and other borrowings of the Group as at 30 June 2026 bore interest at floating rates (31 December 2025: same). The interest rates and repayment terms of bank and other borrowings are disclosed in Note 18 to the Interim Condensed Consolidated Financial Statements.

Credit risk

Other financial assets at amortised cost

Other financial assets at amortised cost include other receivables and deposits, restricted cash and cash and cash equivalents. In order to minimise the credit risk of other receivables, the management would make periodic collective and individual assessment on the recoverability of other receivables based on historical settlement records and past experience as well as current external information. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In these regards, the credit risk of other receivables is considered to be low. It is not the Group's policy to request collateral from its other debtors.

The management is of opinion that there is no significant increase in credit risk on these other receivables since initial recognition as the risk of default is low and, thus, expected credit losses ("**ECL**") recognised is based on 12-month ECL and the impact of ECL is insignificant for the six months ended 30 June 2026 and the year ended 31 December 2025.

The credit risks on bank and restricted cash balances are considered to be insignificant because the counterparties are financial institutions with good reputation and high credit ratings assigned by international credit-rating agencies.

Trade receivables

At the end of the Period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the Directors have delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action are taken to recover overdue debts. In addition, the Directors review the recoverable amount of each individual receivable at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the credit risk of the Group is significantly reduced.

The credit risk of the Group is concentrated on trade and bills receivables from the Group's two largest customers at 30 June 2026, which amounted to approximately RMB276.3 million (31 December 2025: RMB319.6 million), and accounted for approximately 45.6% (31 December 2025: 49.4%) of the Group's trade and bills receivables. In order to minimise the credit risk, the Directors continuously monitor the level of exposure by frequent review of the public financial information and credit quality of its customers to ensure that prompt actions will be taken to lower the exposure. The two largest customers of the Group are listed companies in the PRC and Hong Kong, and both of them have good past credit repayment history and records with the Group.

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

The Group applies the simplified and general approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for trade and bills receivables and 12-month expected credit losses for other receivables, unless there is significant increase in credit risk since initial recognition.

The Group measures expected credit losses for trade and bills receivables at an amount equal to lifetime ECL, which is calculated using a provision matrix. In measuring the expected credit losses, the trade and bills receivables have been assessed on a collective basis and debtors ageing is applied to assess expected credit losses for its customers because these customers consist of a large number of customers which share common risk characteristics that are representative of the customers' ability to pay all amounts due in accordance with the contractual terms. They have been grouped based on the days past due. The estimated ECL loss rates are estimated based on the Group's estimates of the market borrowing rates for each of the groupings, less risk-free rate, which reflect the credit risk of the debtors, over the expected life of the debtors and are adjusted according to forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities.

Capital Commitments

As at 30 June 2026, the Group had capital commitments of capital expenditure contracted but not provided in respect of acquisition of property, plant and equipment amounting to approximately RMB23.90 million (31 December 2025: approximately RMB24.20 million).

Material acquisition and disposals

The Group did not have any material acquisitions and disposals of its subsidiaries, joint ventures and associated companies for the Period.

Employees and remuneration policies

As at 30 June 2026, the Group had 446 employees (31 December 2025: 416 employees). For the Period, the Group incurred staff costs of approximately RMB27.1 million (the Last Period: RMB24.2 million). As required by applicable PRC laws and regulations, the Group participates in various employee benefit plans, including pension insurance and medical insurance. The Group adopts a competitive remuneration package for its employees. Remuneration packages are reviewed periodically with reference to the then prevailing market employment practices and legislation.

EVENTS AFTER THE REPORTING PERIOD

There was no significant event relevant to the business or financial performance of the Group that came to the attention of the Directors after the Period.

INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend to shareholders of the Company for the Period (the Last Period: Nil).

CONTINGENT LIABILITIES AND LITIGATION

As at 30 June 2026, there were litigation claims initiated by the Group against various customers of the Group to demand immediate repayment of overdue trading debts in relation to sales of optical fiber cables, data and communications cables and structured cabling system products with an aggregate outstanding amounts (inclusive of interests and late penalty charges) of approximately RMB19,712,000. These litigation cases have been concluded/arbitrated/enforced to execute the repayments. As a result of the foregoing, the Group further recognised the expected credit losses on trade receivables from these customers of approximately RMB882,000 in the interim condensed consolidated financial statement for the six months ended 30 June 2026.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the Period, neither the Company, nor any of its subsidiaries had sold, purchased or redeemed any of the Company's listed securities, (including sale of treasury shares (the "**Treasury Shares**") within the meaning under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")). As at 30 June 2026, the Company did not hold any Treasury Shares.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance and believes that a good corporate governance can (i) enhance management effectiveness and efficiency; (ii) increase the transparency of the Company; (iii) enhance risk management and internal control of the Company; and (iv) safeguard the interests of the shareholders of the Company and the Company as a whole.

The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules as its own code of corporate governance practices. Save for the deviation as disclosed herein below, the Company has complied with the applicable code provisions as set out in the CG Code during the Period.

Chairman of the Board and Chief Executive Officer

Provision C.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and the chief executive should be clearly established and set out in writing.

Ms. Wang Qiuping ("**Ms. Wang**") is the chairlady of the Board and the chief executive officer of the Company. Although this deviates from the practice under provision C.2.1 of the CG Code, where it provides that the two positions should be held by two different individuals, as Ms. Wang has considerable and extensive knowledge and experience in the industry and in enterprise operation and management in general, the Board believes that it is in the best interest of the Company and the shareholders of the Company as a whole to continue to have Ms. Wang as the chairlady of the Board so that the Board can benefit from her knowledge of the business and her capability in leading the Board in the long term development of the Group. From a corporate governance point of view, the decisions of the Board are made collectively by way of voting and therefore the chairman should not be able to monopolise the voting of the Board. The Board considers that the balance of power between the Board and the senior management of the Company can still be maintained under the current structure. The Board shall review the structure from time to time to ensure appropriate action is taken should the need arise.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. The Company has made enquiries to all Directors regarding any non-compliance with the Model Code.

All the Directors confirmed that they have fully complied with the required standard set out in the Model Code during the Period.

AUDIT COMMITTEE

The Company established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the CG Code. The Audit Committee consists of three independent non-executive Directors, namely, Ms. Cheng Shing Yan, Mr. Liu Guodong and Mr. Xie Haidong. Ms. Cheng Shing Yan who possesses the appropriate professional qualifications as required under Rule 3.10(2) and Rule 3.21 of the Listing Rules is the chairlady of the Audit Committee.

The unaudited interim condensed consolidated financial statement of the Group for the Period has been reviewed by the Audit Committee.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors as at the date of this interim announcement, the Company has maintained sufficient public float throughout the Period as required under the Listing Rules.

AUDITOR

Moore CPA Limited (formerly known as Moore Stephens CPA Limited) ("**Moore**") is currently the auditor of the Company. A resolution for the re-appointment of Moore as auditor of the Company has been approved at the annual general meeting of the Company held on 18 June 2026.

COMPLIANCE WITH LAWS AND REGULATIONS

During the Period, the Group was not aware of any non-compliance with any relevant laws and regulations that has a significant impact on it.

PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the Company's website (www.potel-group.com) and the website of the Stock Exchange (www.hkexnews.hk).

The interim report of the Company for the Period will be available at the respective websites of the Company and the Stock Exchange and will be made available to the shareholders of the Company in due course.

By order of the Board
Putian Communication Group Limited
Wang Qiuping
Chairlady

The PRC, 31 August 2026

As at the date of this announcement, the Board comprises Ms. Wang Qiuping, Mr. Zhao Xiaobao and Ms. Zhao Moge as executive directors of the Company; and Ms. Cheng Shing Yan, Mr. Liu Guodong and Mr. Xie Haidong as independent non-executive directors of the Company.