WellCell Holdings Co., Limited
經緯天地控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2477)

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

2026 INTERIM RESULTS FINANCIAL HIGHLIGHTS

- Revenue decreased by approximately 8.2% to approximately RMB82.6 million for the six months ended 30 June 2026.

- Loss attributable to the equity holders of the Company for the six months ended 30 June 2026 amounted to approximately RMB41.6 million (six months ended 30 June 2025: profit attributable to the equity holders of the Company approximately RMB7.7 million.)

- Basic loss per share amounted to approximately RMB1.04 cents for the six months ended 30 June 2026 (six months ended 30 June 2025: basic profit per share approximately RMB0.19 cents.)

- The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2026.

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Director(s)**") of WellCell Holdings Co., Limited (the "**Company**") is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**") together with the comparative figures for the corresponding period in 2025 as follows:

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

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		Unaudited	Unaudited
	Notes	***RMB'000***	*RMB'000*
Revenue	*4*	**82,627**	90,068
Other income	*6*	**16**	492
Other (losses)/gains — net	*7*	**(14,225)**	3,522
Employee benefit expenses	*8*	**(14,053)**	(7,685)
Subcontracting charges		**(66,961)**	(62,396)
Materials, supplies and other project costs		**(9,616)**	(8,000)
Depreciation and amortisation	*5*	**(5,632)**	(2,464)
(Net impairment losses)/Reversal of impairment losses on financial and contract assets	*5*	**(2,388)**	39
Other operating expenses		**(11,275)**	(4,799)
Operating (loss)/profit		**(41,507)**	8,777
Finance income	*9*	**41**	94
Finance costs	*9*	**(405)**	(596)
Finance costs, net	*9*	**(364)**	(502)
(Loss)/Profit before tax	*5*	**(41,871)**	8,275
Income tax credit/(expense)	*10*	**49**	(558)
(Loss)/Profit for the period		**(41,822)**	7,717
Attributable to:			
Equity holders of the Company		**(41,623)**	7,717
Non-controlling interests		**(199)**	–
		(41,822)	7,717
			Restated
(Loss)/Earnings per share attributable to equity holders of the Company			
Basic and diluted (RMB cents per share)	*11*	**(1.04)**	0.19

	Notes	Six months ended 30 June **2026** **Unaudited** ***RMB'000***	2025 Unaudited *RMB'000*
(Loss)/Profit for the period		**(41,822)**	7,717
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
– Exchange differences on translation of operations outside the Chinese Mainland		**403**	(170)
Net other comprehensive income for the period, net of tax		**403**	(170)
Total comprehensive income for the period		**(41,419)**	7,547
Attributable to:			
Equity holders of the Company		**(41,220)**	7,547
Non-controlling interests		**(199)**	–
		(41,419)	7,547

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**As at 30 June 2026 Unaudited** ***RMB'000***	As at 31 December 2025 Audited *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**14,705**	14,317
Intangible assets		**17,487**	19,455
Financial assets at fair value through profit or loss	*14*	**44,280**	62,439
Goodwill		**1,069**	1,069
Total non-current assets		**77,541**	97,280
CURRENT ASSETS			
Inventories		**5,994**	2,372
Trade and bills receivables	*13*	**40,078**	51,756
Contract assets		**91,216**	103,997
Prepayments, deposits and other receivables		**23,972**	17,847
Due from a related party	*19(a)*	**1,182**	1,219
Statutory deposit		**1,410**	1,436
Pledged bank deposits		**802**	952
Cash and cash equivalents		**48,934**	53,970
Total current assets		**213,588**	233,549

	Notes	As at 30 June 2026 Unaudited *RMB'000*	As at 31 December 2025 Audited *RMB'000*
CURRENT LIABILITIES			
Trade payables	*15*	**4,532**	7,635
Contract liabilities, other payables and accruals		**62,169**	74,897
Interest-bearing bank borrowings	*16*	**29,700**	29,520
Lease liabilities		**1,098**	1,550
Due to directors	*19(a)*	**1,481**	1,536
Total current liabilities		**98,980**	115,138
NET CURRENT ASSETS		**114,608**	118,411
TOTAL ASSETS LESS CURRENT LIABILITIES		**192,149**	215,691
NON-CURRENT LIABILITIES			
Loan from a related party	*19(a)*	**18,132**	–
Lease liabilities		**356**	562
Deferred tax liabilities		**–**	49
Total non-current liabilities		**18,488**	611
Net assets		**173,661**	215,080
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	*17*	**4,549**	4,549
Reserves		**169,035**	210,255
		173,584	214,804
Non-controlling interests		**77**	276
Total equity		**173,661**	215,080

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

WellCell Holdings Co., Limited (the "**Company**", together with its subsidiaries, collectively, the "**Group**") was incorporated in the Cayman Islands on 14 September 2021 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of its registered office is Suite 210, 2nd Floor Windward III, Regatta Office Park, Grand Cayman, KY1-1106, Cayman Islands. The Company's principal places of business in the Chinese Mainland and Hong Kong are located at (i) 201, Building 8, Xiangzhou Chuanggang Centre, No.199, Weikang Road, Nanping Town, Xiangzhou District, Zhuhai City Guangdong Province, Chinese Mainland; and (ii) Room 704, 7/F, Jubilee Centre, 18 Fenwick Street, Wanchai, Hong Kong, respectively.

The Company is an investment holding company. The principal activities of the Group consisted of the provision of (i) wireless telecommunication network enhancement services, (ii) telecommunication network infrastructure maintenance and engineering services, (iii) information and communication technology ("**ICT**") integration services; (iv) telecommunication network-related software development and related services; (v) sales of software and hardware; (vi) the financial technology (or Fintech) business; and (vii) the computing power service sector of the AI infrastructure business, which was commenced during the period.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**the Stock Exchange**") since 12 January 2024.

These interim condensed consolidated financial statements (the "**Interim Financial Statements**") are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousands, unless otherwise stated. These Interim Financial Statements, which have not been audited, have been reviewed by the audit committee of the Company and approved for issue by the board (the "**Board**") of directors (the "**Directors**") on 31 August 2026.

2 BASIS OF PREPARATION

The Interim Financial Statements have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

The Interim Financial Statements contain interim condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the consolidated financial statements for the year ended 31 December 2025 (the "**2025 Annual Financial Statements**"). The Interim Financial Statements and notes thereon do not include all the information and disclosures required for full set of financial statements prepared in accordance with HKFRS Accounting Standards, and should be read in conjunction with the 2025 Annual Financial Statements.

These Interim Financial Statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss ("**FVTPL**") which is stated at their fair value.

The Interim Financial Statements have been prepared in accordance with the same accounting policies adopted in the 2025 Annual Financial Statements, except for the revised HKFRS Accounting Standards that are required to be adopted in the consolidated financial statements for the year ending 31 December 2026. Details of these revised HKFRS Accounting Standards are set out below.

(a) New and revised HKFRS Accounting Standards adopted by the Group

The Group has adopted the following standard, interpretation or amendment for the first time for the current year's consolidated financial statements.

– 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*
– Annual Improvements to HKFRS Accounting Standards – Volume 11	*Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7*

The nature and the impact of the revised HKFRS Accounting Standards are described below:

(i) Amendments to HKFRS 9 and HKFRS 7 – Classification and Measurement of Financial Instruments

In May 2024, the HKICPA issued Amendments to HKFRS 9 and HKFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date

- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (the "**ESG**") and similar features should be assessed

- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments

- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (the "**OCI**")

The amendments had no impact on the Interim Financial Statements.

(ii) Amendments to HKFRS 9 and HKFRS 7 – Contracts Referencing Nature-dependent Electricity

In December 2024, the HKICPA issued Amendments to HKFRS 9 and HKFRS 7 – Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the 'own-use' requirements for in-scope contracts

- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts

- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows

The amendments had no impact on the Interim Financial Statements.

(iii) Annual Improvements to HKFRS Accounting Standards – Volume 11

In July 2024, the HKICPA issued nine narrow scope amendments as part of its periodic maintenance of HKFRS Accounting Standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in HKFRS 1 First-time Adoption of International Financial Reporting Standards, HKFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing HKFRS 7, HKFRS 9 Financial Instruments, HKFRS 10 Consolidated Financial Statements and HKAS 7 Statements of Cash Flows.

The amendments had no impact on the Interim Financial Statements.

(b) Issued but not yet effective HKFRS Accounting Standards

		Effective for accounting periods beginning on or after
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures	1 January 2027
HKFRS 20	Regulatory Assets and Regulatory Liabilities	1 January 2029
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group is in the process of making an assessment on the impact of these new standards and amendments to standards and preliminary results showed that except for the adoption of HKFRS 18 as mentioned below, the adoption of these new standards and amendments to standards are not expected to have a material impact on the financial performance and the financial position of the Group.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's consolidated financial statements.

3 ESTIMATES

The preparation of the Interim Financial Statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities. Actual results may differ from these estimates.

In preparing the Interim Financial Statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the 2025 Annual Financial Statements.

4 REVENUE AND SEGMENT INFORMATION

The principal activities of the Group consisted of the provision of (i) wireless telecommunication network enhancement services, (ii) telecommunication network infrastructure maintenance and engineering services, (iii) ICT integration services; (iv) telecommunication network-related software development and related services; (v) sales of software and hardware; (vi) the financial technology (or Fintech) business; and (vii) the computing power service sector of the AI infrastructure business, which was commenced during the period.

The chief operating decision-maker has been identified as the Directors. The Directors review the Group's internal reporting in order to assess performance and allocate resources. The Directors have determined the operating segment based on these reports.

The Directors consider the Group's operation from a business perspective and over 90% of the Group's segment assets and revenue are arising from its provision of services and products for telecommunication network and infrastructure. Therefore, no segment result, segment assets and segment liabilities were further presented.

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
	RMB'000	*RMB'000*
Timing of revenue recognition		
Over time		
– Wireless telecommunication network enhancement services	**32,792**	28,636
– Telecommunication network infrastructure maintenance and engineering services	**29,275**	17,170
– ICT integration services	**14,568**	38,359
– Telecommunication network-related software development and related services	**3,402**	3,683
	80,037	87,848
At a point in time		
– Sales of software and hardware	**2,589**	2,220
– Fintech business services	**1**	–
	82,627	90,068

5 (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax is stated after charging/(crediting) the following:

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
	RMB'000	*RMB'000*
Depreciation and amortisation	**5,632**	2,464
Expenses of short-term lease in respect of offices and staff quarters	**14**	10
Net changes in fair value of financial assets at FVTPL *(note 14)*	**16,577**	(3,442)
Net Impairment losses/(Reversal of impairment losses) on financial and contract assets:		
– trade and bills receivables	**736**	(195)
– contract assets	**1,650**	(125)
– other receivables	**2**	281
	2,388	(39)

6 OTHER INCOME

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
	RMB'000	*RMB'000*
Government subsidies *(note (i))*	**–**	469
Sundry income	**16**	23
	16	492

Note:

(i) During the six months ended 30 June 2025 and 2026, there were no unfulfilled conditions or other contingencies attaching to these subsidies.

7 OTHER (LOSSES)/GAINS — NET

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
	RMB'000	*RMB'000*
Exchange gains	**3,106**	130
Net changes in fair value of financial assets at FVTPL *(note 14)*	**(16,577)**	3,442
Others	**(754)**	(50)
	(14,225)	3,522

8 EMPLOYEE BENEFIT EXPENSES

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
	RMB'000	*RMB'000*
Wages and salaries	**11,944**	6,541
Pension cost – defined contribution plans	**1,747**	983
Other staff welfares	**362**	161
Total employee benefit expenses (including directors' remunerations)	**14,053**	7,685

9 FINANCE COSTS, NET

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
	RMB'000	*RMB'000*
Finance income		
Bank interest income	**41**	94
Finance costs		
Interest expenses on		
– Interest-bearing bank borrowings	**(379)**	(574)
– Leases	**(26)**	(22)
	(405)	(596)
Finance costs, net	**(364)**	(502)

10 INCOME TAX CREDIT/(EXPENSE)

Under the Hong Kong two-tiered profits tax rates regime, the first HK$2,000,000 of profits arising in Hong Kong of one subsidiary of the Group, which is a qualifying group entity operating in Hong Kong, is taxed at 8.25%, and its remaining assessable profits is taxed at 16.5% during the six months ended 30 June 2025 and 2026. No provision for Hong Kong profits tax was provided as the Group did not have assessable profits arising in Hong Kong for the six months ended 30 June 2025 and 2026.

Income tax provision of the Group in respect of operations in the Chinese Mainland has been calculated at the applicable tax rate on the estimated assessable profits for the period, based on the existing legislation, interpretations and practices in respect thereof.

The general corporate income tax (the "**CIT**") rate in the Chinese Mainland is 25%. During the six months ended 30 June 2025 and 2026, the Group's major operating subsidiary in the Chinese Mainland, has been qualified for high and new technology enterprises status and is therefore subject to a preferential income tax rate of 15%.

According to the relevant announcements of income tax relief policy for small low-profit enterprises established in the Chinese Mainland issued by the State Administration of Taxation, a lower CIT rate is applicable to small scale enterprises with low profitability that meet certain conditions, pursuant to which, the subsidiaries qualified as small scale enterprises with assessable profits not over RMB3,000,000 are effectively taxable at 5% (i.e. 20% CIT rate on the 25% of the assessable profits).

According to the relevant tax rules in the Chinese Mainland, qualified research and development costs of certain subsidiaries of the Company are allowed for bonus deduction for income tax purpose, i.e. an additional 100% (six months ended 30 June 2025: 100%) of such expenses could be deemed as deductible expenses for the six months ended 30 June 2026.

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
	RMB'000	*RMB'000*
Current tax		
Charge for the period:		
– Hong Kong profits tax	**–**	–
– The CIT	**–**	–
Overprovision in previous period	**–**	(285)
Deferred tax	**(49)**	843
Income tax (credit)/expense	**(49)**	558

11 (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share amount is based on the (loss)/profit for the period attributable to the equity holders of the Company and the weighted average number of ordinary shares outstanding during the respective periods.

The weighted average number of ordinary shares in issue for the respective periods has been retrospectively adjusted for the 2026-Share Subdivision (as defined in note 17(ii)). Comparative figure has also been adjusted on the assumption that the 2026-Share Subdivision has been effective on 1 January 2025.

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
(Loss)/Profit for the period attributable to the equity holders of the Company (RMB'000)	**(41,623)**	7,717
		(Restated)
Weighted average number of ordinary shares in issue (in thousands)	**4,000,000**	4,000,000
		(Restated)
Basic and diluted (loss)/earnings per share (RMB cents per share)	**(1.04)**	0.19

There were no differences between the basic and the diluted (loss)/earnings per share as there were no potential dilutive ordinary shares outstanding during the six months ended 30 June 2025 and 2026.

12 DIVIDEND

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

13 TRADE AND BILL RECEIVABLES

	As at 30 June 2026 Unaudited ***RMB'000***	As at 31 December 2025 Audited *RMB'000*
Trade receivables	**48,545**	60,190
Bills receivables	**1,984**	1,281
	50,529	61,471
Less: Impairment on trade and bills receivables	**(10,451)**	(9,715)
	40,078	51,756

Trade receivables are generally due within 15 days to 180 days from the invoice date.

As at 30 June 2026 and 31 December 2025, the aging analysis of trade and bills receivables, based on invoice date, and net of loss allowance, was as follows:

	As at 30 June 2026 Unaudited ***RMB'000***	As at 31 December 2025 Audited *RMB'000*
Within 180 days	**16,847**	29,846
Between 181 days and 365 days	**3,985**	3,465
Between 1 year and 2 years	**2,985**	3,265
Over 2 years	**16,261**	15,180
	40,078	51,756

Movements of the provision for impairment on trade and bills receivables are as follows:

	As at 30 June 2026 Unaudited ***RMB'000***	As at 31 December 2025 Audited *RMB'000*
At beginning of period/year	**9,715**	6,656
Impairment provided during the period/year	**736**	3,068
Exchange realignment	**–**	(9)
At end of period/year	**10,451**	9,715

14 FINANCIAL ASSETS AT FVTPL

	As at 30 June 2026 Unaudited ***RMB'000***	As at 31 December 2025 Audited *RMB'000*
Investment in equity securities – unlisted, at fair value	**44,280**	62,439

As at 30 June 2026, the unlisted equity investments mainly represented certain equity interests in an unlisted entity established in the Chinese Mainland, an unlisted entity incorporated in the Cayman Islands and an unlisted entity incorporated in Hong Kong, which were classified as financial assets at FVTPL. During the six months ended 30 June 2026, the Group recorded fair value losses of approximately RMB16,577,000 (six months ended 30 June 2025: fair value gains of approximately RMB3,442,000) (notes 5 and 6) from these financial assets at FVTPL.

The financial assets at FVTPL are categorised as Level 3 (31 December 2025: Level 3), valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

During the Reporting Period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (31 December 2025: Nil).

The movements in the Group's financial assets at FVTPL during the period is as follows:

	2026 Unaudited *RMB'000*	2025 Unaudited *RMB'000*
As at 1 January	62,439	11,600
Additions	–	8,967
Fair value (loss)/gain recognised in profit or loss *(note 5 and 6)*	(16,577)	3,442
Exchange realignment	(1,582)	(23)
As at 30 June	44,280	23,986

15 TRADE PAYABLES

	As at 30 June 2026 Unaudited *RMB'000*	As at 31 December 2025 Audited *RMB'000*
Trade payables	**4,532**	7,635

As at 30 June 2026 and 31 December 2025, the aging analysis of trade payables, based on invoice date, was as follows:

	As at 30 June 2026 Unaudited *RMB'000*	As at 31 December 2025 Audited *RMB'000*
Within 180 days	**2,990**	6,365
Between 181 days and 365 days	**1,251**	160
Over 1 year	**291**	1,110
	4,532	7,635

16 INTEREST-BEARING BANK BORROWINGS

	As at 30 June 2026			As at 31 December 2025		
	Effective interest rate	**Maturity**	***RMB'000***	Effective interest rate	Maturity	*RMB'000*
Bank borrowings, unsecured	**2.2% and 2.4%**	**September 2026 to May 2027**	**29,700**	2.3% and 2.6%	March 2026 to October 2026	29,520
Less: Non-current portion			**–**			–
Current portion			**29,700**			29,520

As at 30 June 2026 and 31 December 2025, interest-bearing bank borrowings were repayable as follows:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
Within 1 year	**29,700**	29,520
Between 1 and 2 years	**–**	–
	29,700	29,520

Certain of the Group's bank borrowings as at 30 June 2026 and 31 December 2025 are subject to the fulfillment of certain covenants which primarily relate to, among others, the maintenance of debt-to-assets ratio below certain levels. The Group regularly monitors its compliance with these covenants and none of these covenants had been breached during the six months ended 30 June 2026 and during the year ended 31 December 2025.

17 SHARE CAPITAL

	As at 30 June 2026 Unaudited *RMB'000*	As at 31 December 2025 Audited *RMB'000*
Share capital of the Company		
Authorised *(notes (i) and (ii))*:		
8,000,000,000 ordinary shares of HK$0.00125 each (31 December 2025: 2,000,000,000 ordinary shares of HK$0.005 each)	**9,252**	9,252
Issued and fully paid:		
4,000,000,000 ordinary shares of HK$0.00125 each (31 December 2025: 1,000,000,000 ordinary shares of HK$0.005 each)	**4,549**	4,549

Summary of movements in the Company's issued and fully paid share capital is as follows:

	30 June 2026 (Unaudited)		31 December 2025 (Audited)	
	Number of shares	**Nominal value** ***HK$***	Number of shares	Nominal value *HK$*
Issued and fully paid:				
At beginning of period, ordinary shares of HK$0.005 each (at beginning of year: HK$0.01 each)	**1,000,000,000**	**5,000,000**	500,000,000	5,000,000
Share subdivision:				
-2025-Share Subdivision *(note (i))*	**–**	**–**	500,000,000	–
-2026-Share Subdivision *(note (ii))*	**3,000,000,000**	**–**	–	–
At end of period, ordinary shares of HK$0.00125 each (at the end of year: HK$0.005 each)	**4,000,000,000**	**5,000,000**	1,000,000,000	5,000,000
		RMB'000		*RMB'000*
Equivalent to:		**4,549**		4,549

Notes:

(i) Pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 27 March 2025, the then existing issued and unissued shares of the Company of HK$0.01 each were sub-divided (the "**2025-Share Subdivision**") into two shares of HK$0.005 each (the "**2025-Subdivided Shares**") with effect from 31 March 2025. Upon the 2025-Share Subdivision became effective on 31 March 2025, the authorised share capital of the Company was HK$10,000,000 (equivalent to approximately RMB9,252,000) divided into 2,000,000,000 2025-Subdivided Shares, of which 1,000,000,000 2025-Subdivided Shares were in issue and fully paid.

(ii) Pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 17 April 2026, then existing issued and unissued shares of the Company of HK$0.005 each were further sub-divided (the "**2026-Share Subdivision**") into four shares of HK$0.00125 each (the "**2026-Subdivided Shares**") with effect from 21 April 2026. Upon the 2026-Share Subdivision became effective on 21 April 2026, the authorised share capital of the Company was HK$10,000,000 divided into 8,000,000,000 2026-Subdivided Shares, of which 4,000,000,000 2026-Subdivided Shares were in issue and fully paid.

18 CAPITAL COMMITMENTS

As at 30 June 2026, the Group did not have any material capital commitments (31 December 2025: Nil).

19 RELATED PARTY TRANSACTIONS

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

Major related parties that had balances and transactions with the Group during the six months ended 30 June 2025 and 2026 were as follows:

Related parties	**Relationship with the Company**
Qian Fenglei ("**Mr. Qian**")	Director and the controlling shareholder
Mr. Jia Zhengyi ("**Mr. Jia**")	Director and shareholder
Ms. Zheng Li	Spouse of Mr. Jia
WellCell Group Co., Limited# ("**WellCell Group**")	Shareholder
Guangdong Huajun Sports Culture Communication Co., Limited* ("**Huajun**")	Controlled by Mr. Jia and Ms. Zheng Li

WellCell Group ceased as the immediate holding company of the Company upon the completion of certain disposal of the Company's shares by WellCell Group during the six months ended 30 June 2025.

* The English translation is for identification purpose only. This company does not have official English name.

In the opinion of the Directors, the following related party transactions were carried out at terms mutually agreed between the Group and the respective related parties:

(a) Balances with related parties

	As at 30 June 2026	As at 31 December 2025
	Unaudited	Audited
	RMB'000	*RMB'000*
Non-trade nature		
Due from a related party		
WellCell Group	**1,182**	1,219
Loan from a related party		
WellCell Group	**(18,132)**	–
Due to directors:		
Mr. Jia	**(32)**	(32)
Mr. Qian	**(1,449)**	(1,504)
	(1,481)	(1,536)

Note: Except for the loan from a related party, the balances with related parties were unsecured, interest free and repayable on demand.

(b) In March 2024, the Group entered into a tenancy agreement with Huajun for its office for a term of 3 years, pursuant to which, the present value of the right-of-use assets and lease liabilities of approximately RMB2,380,000 were initially recognised. During the period, rental payments amounting to approximately RMB413,000 (excluded VAT) (six months ended 30 June 2025: RMB413,000 (excluded VAT)) were paid by the Group to Huajun.

(c) Key management compensation

Compensation paid or payable to key management for employee services is shown below:

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
	RMB'000	*RMB'000*
Salaries and other short–term employee benefits	**2,124**	1,475
Pension costs – defined contribution plans	**108**	191
	2,232	1,666

20 PLEDGED ASSETS

As at 30 June 2026, the Group has pledged deposits amounting to approximately RMB802,000 (as at 31 December 2025: approximately RMB952,000), which were pledged to banks as securities for issuance of performance bonds as required by certain customer projects.

21 CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any material contingent liabilities (31 December 2025: Nil).

22 EVENTS AFTER THE END OF THE REPORTING PERIOD

Subsequent to the end of reporting period, on 13 July 2026, the Company entered into (i) a placing agreement (the "Placing Agreement") with a placing agent and Hang Feng International Holdings Co., Limited ("Hang Feng") for placing (the "Placing") of up to 796,000,000 shares of the Company beneficially owned by Hang Feng (the "Placing Shares") at a price of HK$0.24 per Placing Share; and (ii) a subscription agreement (the "Subscription Agreement") between the Company and Hang Feng, pursuant to which Hang Feng has conditionally agreed to subscribe for such number of new shares of the Company as is equal to the number of Placing Shares successfully placed under the Placing Agreement (the "Subscription Shares") (the "Top-Up Subscription"). The Placing was completed on 15 July 2026 and the Top-Up Subscription was completed on 16 July 2026, with net proceeds of approximately HK$187.95 million (the "Subscription Net Proceeds") available to the Company. The Subscription Net Proceeds will be allocated (i) as to approximately 34.58% (or approximately HK$65 million) to research and development expenses of the computing power service platform; (ii) as to approximately 32.99% (or approximately HK$62 million) as prepayment funding for computing power and model resources; (iii) as to approximately 26.07% (or approximately HK$49 million) for the establishment of a self-owned computing power pool; and (iv) as to approximately 6.36% (or approximately HK$11.95 million) for general operating and administrative expenses. Immediately before the completion of the Placing and the Top-Up Subscription, Hang Feng was the 29.9% shareholder of the Company and the shareholding of Hang Feng has been changed to 24.94% immediately after the completion of the Placing and the Top-Up Subscription. For details of the Placing and the Top-Up Subscription, please refer to the announcements of the Company dated 13 July 2026 and 16 July 2026.

Save as disclosed above, the Group did not have any material subsequent event after the end of the Reporting Period and up to the date of this announcement.

23 COMPARATIVE FIGURES

As detailed in note 11 to the Interim Financial Statements, the comparative amount of the earnings per share has been retrospectively adjusted. Certain comparative amounts have been reclassified to conform with the current period's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the six months ended 30 June 2026 (the "**Reporting Period**"), WellCell Holdings Co., Limited (the "**Company**") and its subsidiaries (collectively referred to the "**Group**") principally derived its revenue from the provision of wireless telecommunication network enhancement services, telecommunication network infrastructure maintenance and engineering services; information and communication technology ("**ICT**") integration services, telecommunication network-related software development and related services, sales of software and financial technology (or Fintech) business. During the Reporting Period, the Group expanded its business into the computing power service sector of the artificial intelligence ("**AI**") business.

Servicer — provision of telecommunication network support services

The Group's role as a servicer mainly involves the provision of telecommunication network support services which can be sub-categorised as follows: (a) wireless telecommunication network enhancement services: the wireless telecommunication network enhancement services are intended for customers which require an efficient wireless telecommunication network; and (b) telecommunication network infrastructure maintenance and engineering services: over the course of day-to-day usage, certain components of a telecommunication network infrastructure may malfunction to varying extents. Revenue from the provision of telecommunication network support services amounted to approximately 75.1% of the total revenue of the Group during the Reporting Period (six months ended 30 June 2025: approximately 50.9%).

Integrator — ICT integration services

The Group's role as an integrator mainly involves the provision of ICT integration services. In this respect, the Group is typically engaged in (i) customizing customers' computer system design for providing business-specific systems for the customers; (ii) procuring equipment, hardware and software and engaging third-party subcontractors within the customers' budget; (iii) assembling equipment, hardware, software and other equipment to form a functional and inter-connected system according to the integration plan, and ensuring the compatibility of both; and (iv) providing follow-up services such as advising customers on operation and management of the integrated system, which aims to cater for the customers' specific needs or requirements, such as integration of a communication network system for the purposes of e-commerce. Revenue from ICT integration services amounted to approximately 17.6% of the total revenue of the Group during the Reporting Period (six months ended 30 June 2025: approximately 42.6%).

Developer — telecommunication network-related software development

The Group's role as a developer mainly involves (i) development and sales of software and hardware; and (ii) provision of customised software development services. Revenue from telecommunication network-related software development amounted to approximately 7.3% of the total revenue of the Group during the Reporting Period (six months ended 30 June 2025: approximately 6.5%).

Financial technology (or Fintech) businesses

The Company has developed a new business segment which involves payment services (including global payment services utilizing blockchain technology) and financial technology (or fintech) businesses in 2025. Revenue from financial technology (or fintech) businesses was immaterial to the total revenue of the Group during the Reporting Period (six months ended 30 June 2025: nil).

Computing power service sector of the AI infrastructure businesses

During the Reporting Period, the Company has extended its business into the computing power service sector of the AI infrastructure business. In particular, at the end of June 2026, the Company has officially launched its AI and computing power service platform, "Novax AI", with the official website address www.novaxinno.ai. Novax AI is an infrastructure service platform for enterprise-grade AI applications, focusing on cloud GPU computing resource leasing and dispatching services, compute optimization services, model gateway and AI intelligent operations. By integrating global computing resources, unified access and AI-driven operations capabilities, it helps enterprises and developers to conduct model training, deploy inference tasks, schedule cross-regional computing resources, and achieve reliable and scalable operation of applications.

In parallel, Novax AI's PaaS products, including the computing power dispatch engine and the Token Router product, are progressing as planned and are expected to be launched in the third quarter of 2026.

The management of the Group believes that this new platform aligns with the Group's existing businesses and will unlock further commercial opportunities as AI demand accelerates.

OUTLOOK

Facing prolonged saturation, intense competition, and rising operational costs in the telecommunication sector, the Group recorded a loss for its core telecommunication business. In response to these persistent industry headwinds, the Group maintained operational resilience by optimizing processes, enforcing stringent cost controls, and safeguarding service quality for core clients. Meanwhile, previous exploratory initiatives in fintech and innovative payment solutions are being prudently reviewed to ensure strategic alignment and full regulatory compliance.

To drive long-term growth, the Group is strategically pivoting towards the high-potential AI sector by expanding into AI infrastructure and computing power services. Leveraging on its established technical foundation, the Group launched ‘Novax AI’ (www.novaxinno.ai) in June 2026, providing enterprise-grade GPU leasing, intelligent compute scheduling, and unified token aggregation APIs. Further PaaS solutions – including an advanced computing power dispatch engine and Token Router – are slated for release in the third quarter of 2026. Looking ahead, the Group remains committed to disciplined resource allocation and exploring value-accretive opportunities to deliver sustainable returns to the shareholders.

FINANCIAL REVIEW

Revenue

The Group principally derived its revenue from the provision of (i) wireless telecommunication network enhancement services, (ii) telecommunication network infrastructure maintenance and engineering services, (iii) ICT integration services; (iv) telecommunication network-related software development and related services; (v) sales of software and hardware; (vi) the financial technology (or Fintech) business; and (vii) the computing power service sector of the AI infrastructure business, which was commenced during the Reporting Period. The following table sets out a breakdown of the Group’s revenue by nature.

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
	RMB’000	*RMB’000*
Wireless telecommunication network enhancement services	**32,792**	28,636
Telecommunication network infrastructure maintenance and engineering services	**29,275**	17,170
ICT integration services	**14,568**	38,359
Software-related business *(Note)*	**5,991**	5,903
Fintech business services	**1**	–

Note: Software-related business represents the revenue derived from sales of software and hardware and the provision of software development and related services.

Wireless telecommunication network enhancement services

The revenue derived from the wireless telecommunication network enhancement services increased by approximately RMB4.2 million or approximately 14.7% from approximately RMB28.6 million for the six months ended 30 June 2026 to approximately RMB32.8 million for the six months ended 30 June 2026. The increase was mainly due to the growth in the contract value of newly signed contracts during the Reporting Period, coupled with the Group's enhancement of delivery efficiency through automated tools, which led to a significant increase in the workload completed under the same labor cost.

Telecommunication network infrastructure maintenance and engineering services

The revenue derived from the telecommunication network infrastructure maintenance and engineering services increased by approximately RMB12.1 million or approximately 70.3% from approximately RMB17.2 million for the six months ended 30 June 2025 to approximately RMB29.3 million for the six months ended 30 June 2026. The increase was mainly due to the Group's successful bids for a number of large-scale annual comprehensive maintenance and rectification engineering projects of telecommunications operators in South China during the Reporting Period. The relevant contracts entered the full implementation phase during the Reporting Period, driving a significant increase in revenue.

ICT integration services

The revenue derived from the ICT integration services decreased by approximately RMB23.8 million or approximately 62.0% from approximately RMB38.4 million for the six months ended 30 June 2025 to approximately RMB14.6 million for the six months ended 30 June 2026. The decrease was mainly due to the lower gross profit margin of ICT integration services, as a result of which the Group concentrated its resources on higher-margin businesses during the Reporting Period.

Software-related business

The revenue derived from the software-related business increased slightly by approximately RMB0.1 million or approximately 1.7% from approximately RMB5.9 million for the six months ended 30 June 2025 to approximately RMB6.0 million for the six months ended 30 June 2026. The slight increase was mainly due to the delivery and revenue recognition of a number of customized system platform development projects during the Reporting Period, coupled with steady revenue from software maintenance and technical support services, which led to a slight period-on-period growth in revenue from software-related business.

Fintech business services

The revenue derived from the Fintech Business was approximately RMB1,000 for the six months ended 30 June 2026 (2025: nil).

Other income

The Group's other income decreased by approximately RMB476,000 or approximately 96.7% from approximately RMB492,000 for the six months ended 30 June 2025 to approximately RMB16,000 for the six months ended 30 June 2026.

Other (loss)/gains – net

The Group's other loss, net was approximately RMB14.2 million for the Reporting Period (for the six months ended 30 June 2025: other gains, net of approximately RMB3.5 million). The loss was mainly due to the fair value loss of financial assets at fair value through profit or loss ("**FVTPL**") of approximately RMB16.6 million (for the six months ended 30 June 2025: fair value gain of approximately RMB3.4 million).

Employee benefit expenses

The Group's employee benefit expenses increased by approximately RMB6.4 million or approximately 83.1% from approximately RMB7.7 million for the six months ended 30 June 2025 to approximately RMB14.1 million for six months ended 30 June 2026. The increase was mainly due to the launching of the fintech business in the second half of last year, and the commencement of an AI strategy upgrade during the Reporting Period in order to extend its business into the computing power service sector of AI infrastructure.

Subcontracting charges

The Group's subcontracting charges increased by approximately RMB4.6 million or approximately 7.4% from approximately RMB62.4 million for the six months ended 30 June 2025 to approximately RMB67.0 million for the six months ended 30 June 2026. The subcontracting charges increased slightly only mainly due to the business expansion of telecommunications network infrastructure maintenance and engineering services, which drove up the demand for subcontracting. However, the Group effectively controlled costs by optimizing its subcontractor selection and pricing mechanisms, combined with a reduction in the relevant subcontracting expenses due to the scaled-down operations of ICT integration services, thereby resulting in only a slight overall increase in subcontracting fees.

Materials, supplies and other project costs

The Group's materials, supplies and other project costs increased by approximately RMB1.6 million or approximately 20.0% from approximately RMB8.0 million for the six months ended 30 June 2025 to approximately RMB9.6 million for the six months ended 30 June 2026. The increase was mainly due to the rise in procurement of engineering materials and spare parts driven by the business expansion of telecommunications network infrastructure maintenance and engineering services, coupled with external procurement requirements for third-party hardware and software involved in certain system platform development projects, which together increased the costs of materials, supplies and other items.

Depreciation and amortisation

The Group's depreciation and amortisation expenses increased by approximately RMB3.1 million or approximately 124.0% from approximately RMB2.5 million for the six months ended 30 June 2025 to approximately RMB5.6 million for the six months ended 30 June 2026. The increase was mainly due to the increase in intangible assets in the second half of last year.

(Net impairment losses)/reversal of impairment losses on financial and contract assets

The Group recognised the impairment losses of approximately RMB2.4 million for the six months ended 30 June 2026 (for the six months ended 30 June 2025: reversal of impairment losses of approximately RMB0.04 million). The change was mainly due to the higher expected loss rate, reflecting slower repayment patterns of customers during the Reporting Period.

Other operating expenses

The Group's other operating expenses increased by approximately RMB6.5 million or approximately 135.4% from approximately RMB4.8 million for the six months ended 30 June 2025 to approximately RMB11.3 million for the six months ended 30 June 2026. The increase was mainly due to the launching of the fintech business in the second half of last year, and the commencement of an AI strategy upgrade during the Reporting Period in order to extend its business into the computing power service sector of AI infrastructure.

Finance costs, net

The Group's net finance cost decreased slightly by RMB0.1 million or approximately 20.0% from approximately RMB0.5 million for the six months ended 30 June 2025 to approximately RMB0.4 million for the six months ended 30 June 2026.

Operating (loss)/profit

The Group's operating loss was approximately RMB41.5 million for the Reporting Period (for the six months ended 30 June 2025: operating profit of approximately RMB8.8 million). The operating loss was mainly due to (i) the fair value loss of financial assets at fair value through profit or loss; (ii) a loss recorded by the Group's telecommunications business during the period as compared to a profit in the corresponding period in 2025, due to market saturation, fierce competition and rising operational costs; and (iii) the launching of the fintech business in the second half of last year, and the commencement of an AI strategy upgrade during the Reporting Period in order to extend its business into the computing power service sector of AI infrastructure, and such new businesses increased employee benefit expenses and other operating expenses accordingly.

Income tax credit/(expenses)

The income tax credit was approximately RMB0.05 million for the Reporting Period (for the six months ended 30 June 2025: income tax expenses of approximately RMB0.6 million). The income tax credit was mainly due to the derecognition of deferred tax liabilities as a result of the incurring of operating loss.

Net (loss)/profit

The Group's net loss was approximately RMB41.8 million for the Reporting Period (for the six months ended 30 June 2025: net profit of approximately RMB7.7 million). The net loss was mainly due to (i) the fair value loss of financial assets at fair value through profit or loss; (ii) a loss recorded by the Group's telecommunications business during the period as compared to a profit in the corresponding period in 2025, due to market saturation, fierce competition and rising operational costs; and (iii) the launching of the fintech business in the second half of last year, and the commencement of an AI strategy upgrade during the Reporting Period in order to extend its business into the computing power service sector of AI infrastructure, and such new businesses increased employee benefit expenses and other operating expenses accordingly.

Financial assets at fair value through profit or loss

The financial assets at FVTPL represents certain equity interests in an unlisted entity incorporated in the Cayman Islands, an unlisted entity incorporated in the Chinese Mainland, and an unlisted entity incorporated in Hong Kong. During the Reporting Period, the fair value loss of the financial assets at fair value through profit or loss amounted to approximately RMB16.6 million (six months ended 30 June 2025: fair value gains of approximately RMB3.4 million).

Interim dividend

The board (the "**Board**") of directors (the "**Directors**") did not recommend the payment of an interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

Financial position, liquidity and capital resources

The shares of the Company (the "**Shares**") were successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**Share Offer**") on 12 January 2024 (the "**Listing**"). The Company historically funded its cash requirements principally from cash generated from business operations and bank borrowings. After the Share Offer, the Company financed its capital requirements through cash generated from business operations, the net proceeds from the Share Offer, and other future equity or debt financings.

Cash position

As at 30 June 2026, the cash and cash equivalents of the Group amounted to approximately RMB48.9 million (as at 31 December 2025: approximately RMB54.0 million), which were mainly denominated in RMB and Hong Kong dollar, representing a slightly decrease of approximately 9.4% as compared to that as at 31 December 2025. The slight decrease was primarily attributable to the net cash flows used in operating activities, which was partially offset by borrowings from a related party.

Statutory deposit

As at 30 June 2026, the Group had statutory deposit of approximately RMB1.4 million (31 December 2025: RMB1.4 million), principally representing the capital requirement for registration as a trust company under the Trustee Ordinance.

Borrowings

Interest – bearing bank borrowings

As at 30 June 2026, the total bank borrowings of the Group, all of which were denominated in RMB, amounted to (i) approximately RMB29.7 million (as at 31 December 2025: approximately RMB29.5 million) that bear fixed interest at 2.2% and 2.4% per annum (31 December 2025: 2.3% and 2.6%). No financial instrument was being used for interest rate hedging purpose.

Loan from a related party

As at 30 June 2026, the loan from a related party of the Group of HK$21.0 million (equivalent to approximately RMB18.1 million) (as at 31 December 2025: Nil) is unsecured, bears interest at 1.5% per annum and repayable in June 2028.

Save as disclosed in this announcement, the Group did not have other borrowings as at 30 June 2026.

As at 31 December 2025, the unutilised bank facility amounted to approximately RMB7.5 million (as at 30 June 2026: Nil) which may further be drawn down by the Group depending on the business needs.

Charges over assets of the Group

As at 30 June 2026, the Group has pledged deposits in the aggregate amount of approximately RMB0.8 million as securities for issuance of performance bonds (as at 31 December 2025: approximately RMB1.0 million) issued by the banks.

Current ratio

The current ratio of the Group, calculated by dividing the total current assets by the total current liabilities, was approximately 2.16 times as at 30 June 2026 (31 December 2025: approximately 2.0 times).

Gearing ratio

The gearing ratio of the Group, which is calculated by total bank borrowings divided by total equity, was approximately 17.1% as at 30 June 2026 compared to that of approximately 13.7% as at 31 December 2025. The increase in the Group's gearing ratio was mainly attributable to the decrease in total equity.

Share capital

As at 1 January 2026, the authorised share capital of the Company was HK$10,000,000 divided into 2,000,000,000 Shares of HK$0.005 each, of which 1,000,000,000 Shares have been issued and are fully paid or credited as fully paid. Pursuant to an ordinary resolution passed by the Shareholders at the extraordinary general meeting of the Company held on 17 April 2026, issued and unissued Share of HK$0.005 each has been subdivided into four Shares of HK$0.00125 each (the "**2026 Share Subdivision**"). The 2026 Share Subdivision became effective on 21 April 2026 and from 21 April 2026 and up to the date of this announcement, the authorised share capital of the Company was HK$10,000,000 divided into 8,000,000,000 Shares of HK$0.00125 each, of which 4,000,000,000 Shares of HK$0.00125 each were in issue and fully paid.

As at 30 June 2026, the Company's total number of issued Shares was 4,000,000,000 Shares of HK$0.00125 each (30 June 2025: 1,000,000,000 Shares of HK$0.005 each).

Foreign exchange exposure and treasury policies

The Group's business operations are mainly conducted in the Chinese Mainland and Hong Kong. The transactions, monetary assets and liabilities of the Group are mainly denominated in RMB and Hong Kong dollar. For the six months ended 30 June 2026, there was no material adverse impact to the Group arising from the fluctuation in the foreign exchange rates between currencies.

The Group did not engage in any derivatives agreement and did not commit to any financial instruments to hedge its foreign exchange exposure for the six months ended 30 June 2026.

The Directors will continue to follow a prudent policy in managing the Group's cash and maintaining a strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities.

Capital commitments

As at 30 June 2026, the Group did not have any material capital commitments (as at 31 December 2025: Nil).

Employees and remuneration policy

As at 30 June 2026, the Group had 128 (as at 31 December 2025: 120) employees, including the Directors. Total wages and salaries (including Directors' emoluments) were approximately RMB14.1 million for the six months ended 30 June 2026 as compared to approximately RMB7.7 million for the six months ended 30 June 2025.

The Director's fee for each of the Directors is subject to the Board's review from time to time in its discretion after taking into account the recommendation of the remuneration committee of the Company (the "**Remuneration Committee**"). The remuneration package of each of the Directors is determined by reference to the prevailing market rate of comparable companies, time commitment and responsibilities of the Group.

The remuneration packages of the employees and executives are based on their performance, qualifications, competence demonstrated and market comparable remuneration. The Remuneration Committee will review annually the remuneration packages of all the Directors and senior management to ensure that they are competitive enough to attract and retain a competent team of executive members.

Significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies, and plans for material investments or capital assets

As disclosed in the annual report of the Company for the year ended 31 December 2025 ("**2025 Annual Report**"), the Group had a significant investment with a value of 5% or more of the Company's total assets at 31 December 2025. On 20 January 2025, WellCell Tech (HK) Co., Limited, a wholly-owned subsidiary of the Company, entered into a subscription agreement with Beta FinTech Holdings Limited (the "**Investee Company**"), an unlisted entity incorporated in the Cayman Islands and an independent third party to the Group, to subscribe for 1,980,000 shares of the Investee Company, representing approximately 11% of the then issued share capital of the Investee Company at a cash consideration of HK$8,800,000 (the "**Subscription**"). The Investee Company is an investment holding company, which through its subsidiaries engaged in the businesses of securities brokerage, underwriting and placing, and financial advisory services. As none of the applicable percentage ratios set out in Rule 14.07 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") for this transaction is 5% or more, the Subscription did not constitute a discloseable transaction on the part of the Company and is not subject to the reporting and announcement requirements under the Listing Rules.

As at 30 June 2026, the fair value of the investment in the Investee Company was approximately RMB20,800,000, representing 7.1% of the Company's total assets. During the Reporting Period, the unrealized fair value gain on the Subscription was approximately RMB11,377,000, and no realised gain was recognised and no dividend was received from the Investee Company during the Reporting Period.

The Company's investment strategy on equity investment in the Investee Company is aiming to achieving capital appreciation through long-term holding.

During the Reporting Period, save as the update on the fair value of the investment in the Investee Company, there were no significant investments held, nor were there any material acquisitions or disposals of subsidiaries and affiliated companies by the Company. Save as disclosed in this announcement, the Group did not have any other plans for material investments or capital assets as at 30 June 2026.

Contingent liabilities

As at 30 June 2026, the Group did not have any material contingent liability (as at 31 December 2025: Nil).

Purchase, sale or redemption of the Company's listed securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the Reporting Period. As at 30 June 2026, the Company did not hold any treasury shares (as defined under the Listing Rules).

Use of proceeds

As set out in the 2025 Annual Report, the total net proceeds from the Share Offer after deducting underwriting commissions and other related expenses were approximately HK$60.6 million (equivalent to approximately RMB56.0 million) (the "**Net Proceeds**"). As at 31 December 2025, the unutilised Net Proceeds amounted to approximately RMB18.6 million. Pursuant to the Company's announcement dated 11 May 2026, the Board, after considering certain recent developments of the Company and reviewing and evaluating global trends and local economic conditions in relation to the Group's investment in ICT integration projects, resolved to reallocate the remaining Net Proceeds of approximately RMB11.0 million, which was originally intended for expanding manpower in project management to cater for anticipated expansion plans and business growth, to (i) finance the funding needs of ICT integration projects (approximately RMB8 million, expected to be fully utilised by the end of 2027), and (ii) repay part of the bank borrowings (approximately RMB3 million, expected to be fully utilised by the end of 2026). Save as disclosed above, there are no other changes to the intended use of the Net Proceeds. The intended used of the Net Proceeds and the change of the use of Net Proceeds were set out in section headed "Future Plans and Use of Proceeds" in the Prospectus and the annual reports of the Company for the years ended 31 December 2023 and 31 December 2024, 2025 Annual Report and the announcement of the Company dated 11 May 2026 respectively.

The following table sets forth a summary of the intended use of Net Proceeds and their expected timeline of full utilisation as well as the details of the application of the Net Proceeds:

Purpose	**Percentage of net proceeds from the Share Offer**	**Allocation of net proceeds from the Share Offer as set out in the Prospectus**	**Unutilised net proceeds as at 31 December 2024**	**Unutilised net proceeds as at 31 December 2025**	**Unutilised net proceeds as at 11 May 2026**	**Revised allocation as at 11 May 2026**	**Amount utilised from 12 May 2026 to 30 June 2026**	**Unutilised net proceeds as at 30 June 2026**	**Expected timeline of full utilisation of net proceeds**
		RMB million (approximately)	*RMB million (approximately)*	*RMB million (approximately)*	*RMB million (approximately)*	*RMB million (approximately)*	*RMB million (approximately)*	*RMB million (approximately)*	
Finance the initial funding needs of future ICT integration projects	20.5%	11.5	2.8	–	–	8.0	–	8.0	By the end of 2027
Pursue new research and development undertakings	34.6%	19.4	14.4	6.3	5.7	5.7	0.7	5.0	By the end of 2027
Expand manpower in project management to cater for the anticipated expansion plans and business growth	19.8%	11.1	11.0	11.0	11.0	–	–	–	Not applicable
Finance sales and marketing funding needs for expansion of manpower and marketing activities	5.4%	3.0	2.8	1.3	–	–	–	–	Not applicable
Repay part of bank borrowings	12.9%	7.2	–	–	–	3.0	0.3	2.7	By the end of 2026
General working capital	6.8%	3.8	1.9	–	–	–	–	–	Not applicable
	100%	56.0	32.9	18.6	16.7	16.7	1.0	15.7	

The unused Net Proceeds have been placed as bank balances with licensed bank in Chinese Mainland and Hong Kong as at the date of this announcement.

Events after the end of the Reporting Period

On 13 July 2026, the Company entered into (i) a placing agreement (the "**Placing Agreement**") with a placing agent and Hang Feng International Holdings Co., Limited ("**Hang Feng**") for placing (the "**Placing**") of up to 796,000,000 Shares beneficially owned by Hang Feng (the "**Placing Shares**") at a price of HK$0.24 per Placing Share; and (ii) a subscription agreement (the "**Subscription Agreement**") between the Company and Hang Feng, pursuant to which Hang Feng has conditionally agreed to subscribe for such number of new Shares as is equal to the number of Placing Shares successfully placed under the Placing Agreement (the "**Subscription Shares**") (the "**Top-Up Subscription**"). The Placing was completed on 15 July 2026 and the Top-Up Subscription was completed on 16 July 2026, with net proceeds of approximately HK$187.95 million (the "**Subscription Net Proceeds**") available to the Company. The Subscription Net Proceeds will be allocated (i) as to approximately 34.58% (or approximately HK$65 million) to research and development expenses of the computing power service platform; (ii) as to approximately 32.99% (or approximately HK$62 million) as prepayment funding for computing power and model resources; (iii) as to approximately 26.07% (or approximately HK$49 million) for the establishment of a self-owned computing power pool; and (iv) as to approximately 6.36% (or approximately HK$11.95 million) for general operating and administrative expenses. Immediately before the completion of the Placing and the Top-Up Subscription, Hang Feng was the 29.9% shareholder of the Company and the shareholding of Hang Feng has been changed to 24.94% immediately after the completion of the Placing and the Top-Up Subscription. For details of the Placing and the Top-Up Subscription, please refer to the announcements of the Company dated 13 July 2026 and 16 July 2026.

Save as disclosed above, the Group did not have any material subsequent event after the end of the Reporting Period and up to the date of this announcement.

Issue of securities

The Company did not issue any of the Company's securities for cash (including securities convertible into equity securities) during the Reporting Period.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, the interests or short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meanings of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**")) which were required to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which any such Director or chief executive is taken or deemed to have under such provisions of the SFO) or which were required pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which were required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**"), were as follows:

(i) Long positions in the Company's Shares

Name of Directors	Capacity/Nature	Number of Shares Held/ Interested	Percentage of shareholding *(Note 1)*
Mr. Qian Fenglei	Interest of a controlled corporation	1,196,000,000 *(Note 2)*	29.9%
Mr. Jia Zhengyi	Interest of a controlled corporation	88,000,000 *(Note 3)*	2.2%

Notes:

1. The percentage of shareholding was calculated based on the Company's total issued Shares of 4,000,000,000 Shares as at 30 June 2026.

2. Such interests are held by Hang Feng of which Mr. Qian Fenglei is interested in it as to 61.11% and therefore Mr. Qian Fenglei was deemed to be interested in the interest of Hang Feng in the Company by virtue of the SFO.

3. Such interests are held by WellCell Group Co. Limited which is owned as to 51.50% by Shine Dynasty Limited which in turn is wholly-owned by Mr. Jia Zhengyi. As such, Mr. Jia Zhengyi is deemed to be interested in the interest of WellCell Group Co., Limited in the Company by virtue of the SFO.

(ii) Long positions in the shares of associated corporations

Name of Director	Name of associated Corporation	Capacity/Nature	Percentage of Shareholding
Mr. Qian Fenglei *(Note 1)*	Hang Feng	Beneficial owner	61.11%
Mr. Jia Zhengyi *(Note 2)*	Shine Dynasty Limited	Beneficial owner	100%

Notes:

1. As at 30 June 2026, Hang Feng was the registered and beneficial owner holding 29.9% of the issued share capital of the Company and the issued share capital of Hang Feng is owned as to 61.11% by Mr. Qian Fenglei.

2. As at 30 June 2026, WellCell Group Co., Limited was the registered and beneficial owner holding 2.2% of the issued share capital of the Company; and the issued share capital of WellCell Group Co., Limited was owned as to 51.50% by Shine Dynasty Limited which is in turn wholly-owned by Mr. Jia Zhengyi.

Save as disclosed above and to the best knowledge of all the Directors, as at 30 June 2026, none of the Directors and chief executive of the Company had any interest or short positions in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have taken under such provisions of the SFO); or (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, so far as the Directors are aware, other than the interests of the Directors and chief executive of the Company as disclosed in the section titled "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" in this announcement, the following persons had interests and short positions in the Shares or underlying Shares which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO or as recorded in the register of the Company required to be kept under Section 336 of the SFO were as follows:

Long Positions in the Company's Shares

Name of Shareholders	Capacity/Nature	Number of Shares	Percentage of Shareholding *(Note 1)*
Hang Feng *(Note 2)*	Beneficial owner	1,196,000,000	29.9%

Notes:

1. The percentage of shareholding was calculated based on Company's total issued Shares of 4,000,000,000 Shares as at 30 June 2026.

2. Hang Feng is owned as to 61.11% by Mr. Qian Fenglei. Accordingly, Mr. Qian Fenglei is deemed to be interested in all the Shares held by Hang Feng under the SFO.

Saved as disclosed above, as at 30 June 2026, the Company had not been notified by any person(s) (other than the Directors and chief executive of the Company, whose interests are set out in the section "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" in this announcement) who had interests or short positions in the Shares or underlying Shares which were required to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register of the Company under Section 336 of the SFO.

DISPOSAL OF SHARES BY A SUBSTANTIAL SHAREHOLDER

On 10 June 2026, WellCell Group Co., Limited, the then substantial shareholder of the Company (as defined in the Listing Rules), entered into three separate sale and purchase agreements with three individuals (the "**Three Purchasers**"), all of whom were independent third parties and were not connected with the Company or any of its connected persons (as defined under the Listing Rules), and pursuant to these three separate sale and purchase agreements, WellCell Group Co., Limited disposed of 192,000,000 Shares to each of these Three Purchasers (collectively, the "**Disposals**"). Completion of the Disposals took place on 11 June 2026 and as a result of which the number of Shares held by WellCell Group Co., Limited has decreased from 664,000,000 Shares to 88,000,000 Shares, representing 2.2% of the issued share capital of the Company and since the completion of Disposals and up to the date of this announcement, WellCell Group Co., Limited has ceased to be the substantial shareholder of the Company (as defined in the Listing Rules).

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "**Share Option Scheme**") which was conditionally approved by a written resolution of the then shareholders of the Company on 15 December 2023 and became effective on 12 January 2024 upon the Listing. Unless otherwise terminated or amended, the Share Option Scheme will remain in force for 7.5 years from the effective date. The Share Option Scheme will enable the Group to eligible participants to subscribe for the Shares subject to the terms and conditions stipulated therein with the purpose to provide incentives or rewards for their contributions to the Group.

No share options has been granted, exercised, cancelled, lapsed, forfeited or subject to any vesting conditions under the Share Option Scheme since the adoption of the Share Option Scheme.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the code provisions in 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 Company had complied with all applicable code provisions set out in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in the Appendix C3 of the Listing Rules as the Company's code of conduct regarding Directors' securities transactions. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard of dealings as set out in the Model Code during the Reporting Period.

AUDIT COMMITTEE

The Company established the audit committee (the "**Audit Committee**") with written terms of reference in compliance with the CG Code. As at the date of this announcement, the Audit Committee comprises three members, namely Mr. Chan Wai Dune, Ms. Dan Xi and Ms. Wu Hung Yuk Anna. Mr. Chan Wai Dune is the chairman of the Audit Committee.

The Group's unaudited interim results for the six months ended 30 June 2026 have been reviewed by the Audit Committee, which was of the opinion that such results have complied with the applicable accounting standards, the requirements under the Listing Rules and other applicable legal requirements and that adequate disclosures have been made.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and to the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules at all times from the Listing Date.

INTERIM DIVIDEND

The Board does not recommend the payment of any dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND DESPATCH OF INTERIM REPORT

This announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.wellcell.com.cn. The interim report for the six months ended 30 June 2026 will be available on the above websites in due course.

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.

By Order of the Board
WellCell Holdings Co., Limited
Qian Fenglei
Chairman and Executive Director

Hong Kong, 31 August 2026

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Qian Fenglei, Mr. Jia Zhengyi and Mr. Zhang Xiaolong; and three independent non-executive Directors, namely Ms. Dan Xi, Mr. Chan Wai Dune and Ms. Wu Hung Yuk Anna.