Futong 富通

Futong Technology Development Holdings Limited

富通科技發展控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code: 465

中国领先的企业数字化转型服务提供商

2026

INTERIM REPORT

Contents

Financial Summary

RESULTS

	Six-month period ended 30 June	
	2026	2025
	RMB'000	RMB'000
	Unaudited	Unaudited
Revenue	**43,653**	58,280
Loss from operations	**(34,761)**	(32,641)
Finance costs	**(65)**	(38)
Loss before income tax	**(34,826)**	(32,679)
Income tax expense	**(26)**	(36)
Loss for the period	**(34,852)**	(32,715)
	RMB	RMB
Loss per share		
Basic and diluted	**(0.11)**	(0.11)

ASSETS AND LIABILITIES

	At 30 June	At 31 December
	2026	2025
	RMB'000	RMB'000
	Unaudited	Audited
Total assets	**210,455**	238,368
Total liabilities	**(60,963)**	(56,060)
NET ASSETS	**149,492**	182,308

BUSINESS REVIEW

The Group is one of the leading providers of enterprise digital transformation services in China. With extensive industry experience and strong research and development (R&D) and innovation capabilities, it has been able to widely adopt emerging technologies such as cloud computing, big data and AI to provide enterprise customers with digital products, solutions and professional information technology (IT) services. As enterprise customers in China accelerate the digital transformation in their operations and the IT market continues to evolve, the Group has also actively provided customers with enterprise management services through its two major businesses – Cloud Intelligence and Data Intelligence. During the six-month period ended 30 June 2026 (the "**Period**"), the Group further sharpened its focus on cloud computing- and AI-driven digital products and upgrading solutions businesses, while scaling back its traditional integration operations, resulting in a decline of approximately 25% in the Group's overall revenue.

Cloud Intelligence

Cloud Intelligence, which is the main income source of the Group, has been growing with good momentum over the years. Through close collaboration with leading IT companies and cloud resources providers, local and abroad, such as Baidu AI Cloud, H3C, Tencent Cloud and Alibaba Cloud, complemented by its proprietary cloud-computing products including CloudScape (雲境), CloudOne (雲樞), CloudShare (雲享), CloudObs (雲觀) and CloudAtlas (雲圖), the Group has actively provided enterprise customers with "cloud+AI" integrated platform solutions, and strived to offer customers a unified, concise and standardized autonomous multi-cloud+AI platform that not only supports the efficient management of multiple computational powers, models, data and applications, but also enables flexible integration methods and intelligent operating strategies. During the Period, despite increasingly fierce competition in the Chinese IT market, the Group proactively optimized its existing product line and launched new products, further advancing its product portfolio and services optimization strategies to sustain healthy cash flow and enhance profitability.

Data Intelligence

Driven by emerging technologies such as AI and big data, the Group has developed a series of proprietary data intelligence products, including Voice of Customer (客戶之聲), IntelligenceCore Data Workshop (智核數據工坊), IntelligenceCore AI Agent Management Platform (智核智能體管理平台), among others, integrating AI technology deep into the different business scenarios of customers in various industries. The Group has undertaken data analysis to uncover the value of data, enabling customers to fully leverage its potential and maintain a competitive edge in the era of AI driven digital transformation. Among its different products, Futong IntelligenceCore provides an end-to-end workflow encompassing data governance, AI Agent building, delivery and operation, helping enterprises establish an AI capability system that can be "fast to build, stable to deliver, and sustainable to operate", thereby facilitating the efficient deployment of AI Agent across various industry scenarios. During the Period, the Group continued to strengthen the integration of technologies in its intelligent application and invested more resources in improving technologies and marketing, driving further revenue growth in this business segment. The Group will continue to provide services to more customers and actively accumulate industry expertise to lay a solid foundation for future business development.

OUTLOOK

Looking back at the first half of 2026, China's IT market recorded a steady recovery, driven by "AI+" and emerging technologies, marking a shift from technological catch-up to application-led growth. Demand for enterprise digital transformation has evolved from an "optional" initiative into a business imperative, creating structural growth opportunities for the Group. Heeding those situations and to cope with market changes, the Group adjusted its business structure and integrated internal resources, allowing it to reduce operating costs, while further optimizing its proprietary services and products. Yet, despite its efforts, amid fierce market competition, the Group's overall revenue dropped.

Looking ahead to the second half of 2026, China's AI market will move from an intensely competitive phase focused on cost reduction and efficiency gains into a decisive stage of commercial monetization. Industry-level AI applications will also progress from pilot to large-scale deployment, and enterprises' demand for end-to-end solutions spanning computational powers operations, data governance and AI Agent applications will become increasingly urgent. The rapid emergence of refined management needs will create new market opportunities for the Group in the field of AI operations management. The Group will continue to adhere to the core philosophy of "AI + industry + scenario", and build an AI-powered Cloud Intelligence capability system covering the full value chain from "Computational Power, Token to AI Agent".

To address the increasingly complex demands of digital governance and intelligent operations, the Group will further strengthen its AI infrastructure and computational power operations capabilities. It will enhance the synergies between the CloudScape Intelligent Multi-Cloud Management Platform (雲境智能多雲管理平台) and CloudAtlas Intelligent Computing Operation Management Platform (雲圖智算運營管理平台), enabling unified management and efficient scheduling of heterogeneous computing resources, including general-purpose computing, intelligent computing, and supercomputing resources. Building on its proven track record in sectors such as automotive and government services, the Group will continue to expand its operations services for city-level intelligent computing centers, facilitating the transition of computational power infrastructure from construction to service-oriented operations. In addition, Futong iCore Enterprise Intelligent Agent Platform (智核企業級智能體平台) has established an enterprise AI ecosystem covering the three-tier architecture of application, operation, and production, while IntelligenceCore Data Workshop focuses on addressing data-related challenges in enterprise AI deployment. The Group will strengthen collaboration with ecosystem partners such as China Telecom to accelerate the large-scale deployment of AI solutions in key industries such as automotive, healthcare, government affairs and education.

In recent years, the Group has been actively developing innovative proprietary products and intelligent applications. It has established the Genesis AI Innovation Center and assembled a specialized and pioneering research team of professors and holders of relevant doctoral degrees from renowned local and overseas universities, dedicated to improving the R&D and technological service capabilities of AI products. As a key platform for the Group's future AI strategy, the Genesis AI Innovation Center has, since its inception, remained committed to implementing cutting-edge AI technologies in industry applications. Leveraging nearly 30 years of deep industry experience in healthcare, transportation, finance, and manufacturing, the Group has built knowledge graphs with industry insights and proprietary model capabilities, driving the broader adoption of AI technologies and accelerating their commercialization across enterprise scenarios.

At the same time, the Group will actively collaborate with domestic and overseas model companies and computational power infrastructure partners to develop overseas markets. It will fully leverage its full-stack AI capabilities, deeply integrating into key areas such as data platforms and industrial ecosystem clusters, thereby providing AI-enabled services tailored to real-world business scenarios for enterprises seeking international expansion.

Although the Group has effectively controlled operating costs by restructuring its business and consolidating resources, fluctuations in the global economy and uncertainties in the external environment will continue to affect the domestic market. In the coming years, the Group will continuously implement refined resource management solutions to ensure effective utilization of resources and improve operational efficiency. The Group will also strictly implement cost control measures to maintain a healthy financial position.

In the rapidly evolving AI landscape, the Group, as an innovative technology enterprise, remains committed to advancing its core product technologies and providing products and services that can effectively address the key concerns of users. Looking ahead, the Group will build an enterprise-level AI resource operations management system to help customers achieve cost-efficient and value-driven large-scale AI deployment. Through the combined drivers of technological innovation, product iteration, and ecosystem collaboration, the Group will be able to capture structural opportunities arising from the wave of AI industrialization, create greater value for customers, and deliver long-term sustainable returns to shareholders.

FINANCIAL REVIEW

Revenue

For the Period, revenue of the Group decreased by approximately RMB14.6 million or 25.1% as compared with the corresponding period of 2025, to approximately RMB43.7 million (2025: approximately RMB58.3 million). The decrease was primarily due to increasingly intense competition in the mainland China information technology market, coupled with the Group's strategic reduction the sales of traditional low profit margin products, leading to an overall decrease in the Group's revenue.

Gross profit

Gross profit of the Group decreased by approximately RMB3.1 million or 51.1% to approximately RMB2.9 million for the Period (2025: approximately RMB6.0 million), while the gross profit ratio decreased from 10.3% for the corresponding period of 2025 to 6.7% for the Period. The decline in gross profit margin was mainly due to intense competition in the mainland China information technology market, prompting the Group to adjust prices to maintain market competitiveness.

Other income and other gains and losses, net

Other income and other gains and losses, net consist mainly of interest income from bank deposits, foreign exchange gain or loss and government grants. During the Period, net gains from other income and other gains and losses amounted to approximately RMB0.8 million (2025: approximately RMB1.3 million), representing an decrease of approximately RMB0.5 million. This decrease was mainly due to the combined effect of (i) a decrease in interest income of approximately RMB0.8 million; (ii) an increase in government grants of approximately RMB0.3 million; and (iii) the fair value losses on financial assets at FVTPL of approximately of RMB0.5 million.

Loss allowance recognised on financial assets

For the Period, the loss allowance recognised on financial assets amounted to approximately RMB0.2 million (2025: approximately RMB2.8 million). The loss allowance recognised on financial assets was mainly due to the loss allowance recognised for the trade receivable of an aged debtor by the Group.

Research and development costs

For the Period, research and development costs of the Group amounted to approximately RMB5.9 million (2025: approximately RMB6.4 million), representing a decrease of approximately RMB0.5 million or 7.1% compared with the corresponding period in 2025. The decrease was mainly due to the Group has increased its use of artificial intelligence technology in research and development, thereby reducing related R&D personnel costs.

Provision of impairment loss on intangible assets

For the Period, the provision of impairment loss on intangible assets amounted to approximately RMB3.4 million (2025: Nil). The impairment loss on intangible assets for the Period was recognised based on the recoverable amounts as compared to the carrying amounts.

Selling expenses

For the Period, selling expenses of the Group amounted to approximately RMB17.2 million (2025: approximately RMB18.5 million), representing a decrease of approximately RMB1.3 million or 7.1% when compared with the corresponding period of 2025. The decrease was mainly due to the continuing adjustment of business structure, which optimized staff and other related expenses.

Administrative expenses

Administrative expenses of the Group for the Period amounted to approximately RMB11.7 million (2025: approximately RMB12.2 million), representing a decrease of approximately RMB0.5 million or 3.7% when compared with the corresponding period of 2025. The administrative expenses were maintained at a stable level.

Finance costs

Finance costs represented the interest portion derived from the lease liabilities. It was maintained at a low level as limited number of premises were leased by the Group.

Income tax expense

Income tax arises from changes in deferred tax assets. The Group's income tax has remained at a generally low level.

Loss and total comprehensive income for the period attributable to owners of the Company

For the Period, the loss and total comprehensive income attributable to owners of the Company amounted to approximately RMB34.8 million (2025: approximately RMB32.7 million), representing an increase of approximately RMB2.1 million as compared with the corresponding period of 2025. The increase was mainly due to the provision for impairment losses on intangible assets and the impact of the decline in overall revenue.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group generally finances its daily operations with internally generated cash flows. As at 30 June 2026, the Group had total assets of approximately RMB210.5 million and net assets of approximately RMB149.5 million (31 December 2025: approximately RMB238.4 million and approximately RMB182.3 million, respectively). In respect of the trade receivables and contract assets of the Group amounted to approximately RMB20.2 million (31 December 2025: approximately RMB26.0 million), net of loss allowance of approximately RMB10.1 million (31 December 2025: approximately RMB9.9 million). The management will perform a regular review and implement stringent control measures on trade receivables with a view to ensuring the recovery of trade receivables on the due dates and closely monitoring the Group's liquidity. The Group's bank balances and cash amounted to approximately RMB126.4 million as at 30 June 2026 (31 December 2025: approximately RMB148.0 million).

The Group had no bank borrowings or change on its assets as at 30 June 2026 and 31 December 2025. Taking into account the cash on hand and recurring cash flow from its business, the Group's financial position remained healthy and was sufficient to achieve its business objectives.

As at 30 June 2026, the cash and cash equivalents were held in RMB, USD and Hong Kong dollars.

NET DEBT-TO-CAPITAL RATIO

Since the Group does not have any bank borrowings, the net debt-to-capital ratios as at 30 June 2026 and 31 December 2025 were zero. This ratio was calculated as total borrowings less bank balances and cash divided by total equity.

FOREIGN EXCHANGE EXPOSURE

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in foreign currencies, i.e. currencies other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily USD and Hong Kong dollars.

During the Period, the Group did not enter into any hedging arrangement. The management will continue to monitor closely the Group's foreign currency exposure and requirements and arrange for hedging facilities when necessary.

INTERIM DIVIDENDS

The Board resolved not to declare any interim dividends for the Period (2025: Nil).

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2026, the Group had in total 225 (31 December 2025: 247) employees in the PRC and Hong Kong. Total staff costs amounted to approximately RMB35.3 million (six-month period ended 30 June 2025: approximately RMB41.9 million).

The Group's employees are remunerated by reference to industry practices and performance and the experience of individual employees. Our main focus is to ensure that the Group remains competitive within the market it operates in, to ensure we attract and retain the right talent necessary to grow the business and maximise shareholders' value. We place great emphasis on the development of our people as we firmly believe they are the core of the Group. Through our ongoing training programme, we encourage them to develop their talents and to move up the organisation. We believe these efforts are mutually beneficial to the Group and its employees.

Emoluments of the Directors of the Company are decided by the remuneration committee of the Company, having regard to the Company's operating results, individual performance and/or comparable market statistics.

The Company has adopted share option schemes in place as an incentive to Directors and eligible employees for their contribution to the growth and development of the Group.

PURCHASE, SALE AND REDEMPTION OF THE SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Period.

CONTINGENT LIABILITIES

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

SIGNIFICANT INVESTMENTS

The Group did not hold any significant investments with a value of 5% or more of the Group's total assets during the Period.

As at the date of this report, the Group does not have any plans for material investment or capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not make any material acquisitions or disposals of subsidiaries or affiliated companies during the Period.

IMPORTANT EVENTS SUBSEQUENT TO THE FINANCIAL PERIOD

The Directors are not aware of any important events affecting the Company that have occurred since the end of the Period.

CORPORATE GOVERNANCE

During the Period, the Board considered that the Company had applied the principles of and had complied with the code provisions set out in the Corporate Governance Code as stipulated in Part 2 of Appendix C1 to the Rules (the "**Listing Rules**") Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

CODE OF CONDUCT REGARDING DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Director's securities transactions. Having made specific enquiry of all Directors of the Company, all Directors have confirmed their compliance with the required standard set out in the Model Code during the Period.

CHANGES IN DIRECTORS' INFORMATION

During the Period, there is no change in the Directors' information required to be disclosed pursuant to Rule 13.51(B)(1) of the Listing Rules.

REVIEW OF ACCOUNTS

The unaudited condensed consolidated interim financial statements of the Group for the Period have been reviewed by the Company's auditor, BDO Limited, in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board. The unaudited condensed consolidated interim financial statements of the Group for the Period have also been reviewed by the audit committee of the Company, with no disagreement of the accounting treatment adopted.

SHARE OPTION SCHEME

On 16 May 2019, the shareholders of the Company approved and adopted a new share option scheme (the "**New Share Option Scheme**") and terminated the share option scheme adopted on 11 November 2009 (the "**Old Share Option Scheme**") (together, the "**Share Option Schemes**"). The Share Option Schemes were adopted for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The participants of the New Share Option Scheme include any employees (whether full-time or part-time, including any executive directors but excluding any non-executive directors) of the Group, any non-executive directors of the Group and any adviser (professional or otherwise) or consultants of the Group who render services that contribute to the success and growth of the Group or that reasonably may be anticipated to contribute to the further success and growth of the Group. The basis of eligibility of any of the eligible persons to the grant of share options shall be determined by the Board from time to time on the basis of their contribution or potential contribution to the development and growth of the Group. The New Share Option Scheme, unless otherwise cancelled or amended, will remain in force for 10 years from 16 May 2019.

An option may be accepted by a participant within 21 days from the date of the offer of grant of the option. A nominal consideration of HK$1 is payable on acceptance of the grant of an option. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as determined by the Board, which must not be more than 10 years from the date of the grant. Unless otherwise determined by the Directors and stated in the offer for the grant of options to a grantee, there is no minimum period required under the Share Option Schemes for the holding of an option before it can be exercised.

The subscription price for the shares under the Share Option Schemes shall be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the shares on the date of the offer for the grant, which must be a business day; (ii) the average closing price of shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of the offer for the grant; and (iii) the nominal value of a share.

The details of the principal terms and conditions of the New Share Option Scheme were summarised in the circular of the Company dated 11 April 2019. The details of the principal terms and conditions of the Old Share Option Scheme were summarised in the section headed "Share Option Scheme" in Appendix VI to the prospectus of the Company dated 24 November 2009.

Details of the movement in outstanding share options, which have been granted under the Old Share Option Scheme, during the Period were as below:

						Number of share options					
Name or category of participants	**Date of grant**	**Vesting period**	**Exercise period**	**Exercise price** (HK$)	**Weighted average share price** (HK$)	**As at 1 January 2026**	**Granted during the Period**	**Exercised during the Period**	**Cancelled during the Period**	**Lapsed during the Period**	**As at 30 June 2026**
Employees	18 January 2016	Note 1	Note 1	1.004	1.004	800,000	–	–	–	(800,000)	–
	14 October 2016	Note 2	Note 2	1.250	3.200	600,000	–	(300,000)	–	–	300,000
	28 March 2019	Note 3	Note 3	0.81	3.714	3,500,000	–	(1,558,000)	–	–	1,942,000
Total						**4,900,000**	**–**	**(1,858,000)**	**–**	**(800,000)**	**2,242,000**

Details of movement in outstanding share options, which have been granted under the New Share Option Scheme, during the Period were as below:

Name or category of participants	Date of grant	Vesting period	Exercise period	Exercise price (HK$)	Weighted average share price (HK$)	Number of share options: As at 1 January 2026	Granted during the Period	Exercised during the Period	Cancelled during the Period	Lapsed during the Period	As at 30 June 2026
Directors											
Mr. Chen Jian	11 November 2020	Note 5	Note 5	0.518	–	2,000,000	–	–	–	–	2,000,000
Mr. Chow Siu Lui	11 November 2020	Note 5	Note 5	0.518	–	2,000,000	–	–	–	–	2,000,000
Mr. Lo Kwok Kwei David	11 November 2020	Note 5	Note 5	0.518	–	500,000	–	–	–	–	500,000
Mr. Yao Yun	11 November 2020	Note 5	Note 5	0.518	–	500,000	–	–	–	–	500,000
Sub-total						5,000,000	–	–	–	–	5,000,000
Employees	1 April 2020	Note 4	Note 4	0.57	3.360	2,730,000	–	(60,000)	–	–	2,670,000
	11 November 2020	Note 5	Note 5	0.518	3.991	2,500,000	–	(1,346,000)	–	–	1,154,000
	7 April 2025	Note 6	Note 6	0.295	3.090	2,500,000	–	(100,000)	–	–	2,400,000
Sub-total						7,730,000	–	(1,506,000)	–	–	6,224,000
Total						**12,730,000**	**-**	**(1,506,000)**	**-**	**-**	**11,224,000**

Save as disclosed above, no share options were granted to other participants.

The number of share options available for grant under the mandate of the Old Share Option Scheme was nil as at both 1 January 2026 and 30 June 2026. The number of share options available for grant under the mandate of the New Share Option Scheme was 18,395,000 as at 1 January 2026 and 30 June 2026. No service provider sublimit was set under the New Share Option Scheme. The Company did not grant any share options during the Period.

Notes:

1. The options are exercisable from 18 January 2016 to 17 January 2026 (both days inclusive) subject to the following vesting periods.

   (1) up to 30% of the options commencing on 18 January 2016;

   (2) up to 60% of the options commencing on 18 January 2017; and

   (3) up to 100% of the options commencing on 18 January 2018.

   The closing price of the shares of the Company immediately before the date of grant was HK$0.990.

2. The options are exercisable from 14 October 2016 to 13 October 2026 (both days inclusive) subject to the following vesting periods:

   (1) up to 30% of the options commencing on 14 October 2016;

   (2) up to 60% of the options commencing on 14 October 2017; and

   (3) up to 100% of the options commencing on 14 October 2018.

   The closing price of the shares of the Company immediately before the date of grant was HK$1.25.

3. The options are exercisable from 28 March 2019 to 27 March 2029 (both days inclusive) subject to the following vesting periods:

   (1) up to 30% of the options commencing on 28 March 2019;

   (2) up to 60% of the options commencing on 28 March 2020; and

   (3) up to 100% of the options commencing on 28 March 2021.

   The closing price of the shares of the Company immediately before the date of grant was HK$0.81.

4. The options are exercisable from 1 April 2021 to 31 March 2030 (both days inclusive) subject to the following vesting periods:

   (1) up to 20% of the options commencing on 1 April 2021;

   (2) up to 40% of the options commencing on 1 April 2022;

   (3) up to 70% of the options commencing on 1 April 2023; and

   (4) up to 100% of the options commencing on 1 April 2024;

   The closing price of the shares of the Company immediately before the date of grant was HK$0.58.

5. The options are exercisable from 11 November 2021 to 10 November 2030 (both days inclusive) subject to the following vesting periods:

   (1) up to 20% of the options commencing on 11 November 2021;

   (2) up to 40% of the options commencing on 11 November 2022;

   (3) up to 70% of the options commencing on 11 November 2023; and

   (4) up to 100% of the options commencing on 11 November 2024.

   The closing price of the shares of the Company immediately before the date of grant was HK$0.51.

6. The options are exercisable from 7 April 2026 to 6 April 2035 (both days inclusive) subject to the following vesting periods:

   (1) up to 20% of the options commencing on 7 April 2026;

   (2) up to 40% of the options commencing on 7 April 2027;

   (3) up to 70% of the options commencing on 7 April 2028; and

   (4) up to 100% of the options commencing on 7 April 2029.

   The closing price of the shares of the Company immediately before the date of grant was HK$0.295.

Details of the value of share options granted are set out in Note 19 to the condensed consolidated interim financial statements.

DISCLOSURE OF INTERESTS

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company in shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("**SFO**")) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(i) Long positions in the shares of the Company:

Name of Director	Capacity/nature of interest	Number of ordinary shares held	Approximate percentage of the Company's issued share capital (%)
Chen Jian	Beneficial owner/interest in controlled corporations	217,410,000 (Notes 1, 2, 3, 4 and 5)	69.10

(ii) Long positions in the underlying shares of the Company:

Name of Director	Capacity/nature of interest	Number of underlying shares held	Approximate percentage of the Company's issued share capital (%)
Chen Jian	Beneficial owner	2,000,000 (Note 6)	0.64
Chow Siu Lui	Beneficial owner	2,000,000 (Note 6)	0.64
Lo Kwok Kwei David	Beneficial owner	500,000 (Note 6)	0.16
Yao Yun	Beneficial owner	500,000 (Note 6)	0.16

Notes:

1. 153,947,250 of these shares are held by China Group Associates Limited, the entire issued share capital of which is wholly and beneficially owned by Mr. Chen Jian. By virtue of the SFO, Mr. Chen Jian is deemed to be interested in the shares held by China Group Associates Limited.

2. 28,421,100 of these shares are held by Rich China Investments And Trading Ltd., the entire issued share capital of which is wholly and beneficially owned by Mr. Chen Jian. By virtue of the SFO, Mr. Chen Jian is deemed to be interested in the shares held by Rich China Investments And Trading Ltd.

3. 21,435,100 of these shares are held by Rich World Development Ltd., the entire issued share capital of which is wholly and beneficially owned by Mr. Chen Jian. By virtue of the SFO, Mr. Chen Jian is deemed to be interested in the shares held by Rich World Development Ltd.

4. 10,710,550 of these shares are held by Long Joy Group Limited, the entire issued share capital of which is wholly and beneficially owned by Mr. Chen Jian. By virtue of the SFO, Mr. Chen Jian is deemed to be interested in the shares held by Long Joy Group Limited.

5. 2,896,000 shares of the Company are held by Mr. Chen Jian as beneficial owner.

6. These shares are derived from the interest in share options granted by the Company, details of which are set out in the above section headed "Share Option Scheme".

Save as disclosed above, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as at 30 June 2026.

Discloseable Interests and Short Positions of Substantial Shareholders and Other Persons Under the SFO

As at 30 June 2026, the following persons or corporations (other than a Director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO and so far as is known to any Director or chief executive of the Company:

Long positions in the shares of the Company:

Name	Capacity/nature of interest	Number of ordinary shares held	Approximate percentage of the Company's issued share capital (%)
China Group Associates Limited (Note 1)	Beneficial owner	153,947,250	48.93
Rich China Investments And Trading Ltd. (Note 2)	Beneficial owner	28,421,100	9.03
Ms. Zhang Xin (Note 3)	Interest of spouse	219,410,000	69.74
Mr. Li Xiaoyong	Beneficial owner	18,666,000	5.93
Rich World Development Ltd. (Note 4)	Beneficial owner	21,435,100	6.81

Notes:

1. China Group Associates Limited is a company incorporated in the British Virgin Islands ("**BVI**") with limited liability which is wholly and beneficially owned by Mr. Chen Jian. Mr. Chen Jian is the sole director of China Group Associates Limited.

2. Rich China Investments And Trading Ltd. is a company incorporated in the BVI with limited liability which is wholly and beneficially owned by Mr. Chen Jian. Mr. Chen Jian is the sole director of Rich China Investments and Trading Ltd.

3. Ms. Zhang Xin is the spouse of Mr. Chen Jian. Under the SFO, Ms. Zhang Xin is taken to be interested in the same number of shares in which Mr. Chen Jian is interested.

4. Rich World Development Ltd. is a company incorporated in the BVI with limited liability which is wholly and beneficially owned by Mr. Chen Jian. Mr. Chen Jian is the sole director of Rich World Development Ltd.

Save as disclosed above, there was no person or corporation, other than a Director or chief executive of the Company whose interests are set out in the section "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, who had an interest or a short position in the shares or underlying shares of the Company as recorded in the register of the Company required to be kept by the Company under Section 336 of the SFO as at 30 June 2026.

Report on Review of Condensed Consolidated Interim Financial Statements

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永安中心25樓

To the Board of Directors of Futong Technology Development Holdings Limited
富通科技發展控股有限公司
(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the condensed consolidated interim financial statements set out on pages 17 to 39, which comprise the condensed consolidated statement of financial position of Futong Technology Development Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") as of 30 June 2026, and the related condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated interim financial statements, including material accounting policy information (the "**condensed consolidated interim financial statements**"). The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") as issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the condensed consolidated interim financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on the condensed consolidated interim financial statements based on our review. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34.

BDO Limited
Certified Public Accountants
Or Ying Ying, Anita
Practising Certificate Number: P07424
Hong Kong, 27 August 2026

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six-month period ended 30 June 2026

	Notes	Six-month period ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	5	**43,653**	58,280
Cost of sales and services		**(40,723)**	(52,292)
Gross profit		**2,930**	5,988
Other income	6	**1,439**	2,031
Other gains and losses, net	7	**(613)**	(771)
Loss allowance recognised on financial assets		**(222)**	(2,825)
Provision for impairment loss on intangible assets		**(3,441)**	–
Research and development costs		**(5,945)**	(6,397)
Selling expenses		**(17,208)**	(18,516)
Administrative expenses		**(11,701)**	(12,151)
Loss from operations		**(34,761)**	(32,641)
Finance costs	8	**(65)**	(38)
Loss before income tax	9	**(34,826)**	(32,679)
Income tax expense	10	**(26)**	(36)
Loss and total comprehensive income for the period		**(34,852)**	(32,715)
Loss and total comprehensive income for the period attributable to:			
Owners of the Company		**(34,836)**	(32,699)
Non-controlling interests		**(16)**	(16)
		(34,852)	(32,715)
		RMB	RMB
Loss per share			
Basic and diluted	12	**(0,11)**	(0.11)

Condensed Consolidated Statement of Financial Position

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	13	**1,414**	1,648
Intangible assets	14	**15,183**	22,776
Right-of-use assets		**16,668**	18,123
Financial assets at fair value through profit or loss ("**FVTPL**")		**711**	1,213
Interest in joint venture		**–**	–
Deferred tax assets		**1,575**	1,601
Total non-current assets		**35,551**	45,361
Current assets			
Trade and other receivables	15	**34,291**	33,633
Contract assets		**14,213**	11,365
Bank balances and cash	16	**126,400**	148,009
Total current assets		**174,904**	193,007
Current liabilities			
Trade and other payables	17	**26,328**	24,572
Contract liabilities		**32,596**	28,620
Lease liabilities		**1,049**	1,383
Total current liabilities		**59,973**	54,575
Net current assets		**114,931**	138,432
Total assets less current liabilities		**150,482**	183,793
Non-current liabilities			
Lease liabilities		**990**	1,485
NET ASSETS		**149,492**	182,308
CAPITAL AND RESERVES			
Share capital	18	**27,707**	27,415
Reserves		**117,268**	150,360
Equity attributable to owners of the Company		**144,975**	177,775
Non-controlling interests		**4,517**	4,533
Total equity		**149,492**	182,308

Condensed Consolidated Statement of Changes in Equity

For the six-month period ended 30 June 2026

	Attributable to owners of the Company								
	Share capital	Share premium	Merger reserve	Share options reserve	Statutory reserves	Retained profits/ Accumulated losses	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025 (audited)	27,415	81,538	219	2,908	81,058	51,137	244,275	4,575	248,850
Loss and total comprehensive income for the period	–	–	–	–	–	(32,699)	(32,699)	(16)	(32,715)
Recognition of equity-settled share-based payments (Note 19)	–	–	–	40	–	–	40	–	40
At 30 June 2025 (unaudited)	27,415	81,538	219	2,948	81,058	18,438	211,616	4,559	216,175
At 1 January 2026 (audited)	**27,415**	**81,538**	**219**	**2,949**	**81,058**	**(15,404)**	**177,775**	**4,533**	**182,308**
Loss and total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**(34,836)**	**(34,836)**	**(16)**	**(34,852)**
Exercise of share options	**292**	**2,408**	**-**	**(726)**	**-**	**-**	**1,974**	**-**	**1,974**
Recognition of equity-settled share-based payments (Note 19)	**-**	**-**	**-**	**62**	**-**	**-**	**62**	**-**	**62**
Lapse of share options	**-**	**-**	**-**	**(273)**	**-**	**273**	**-**	**-**	**-**
At 30 June 2026 (unaudited)	**27,707**	**83,946**	**219**	**2,012**	**81,058**	**(49,967)**	**144,975**	**4,517**	**149,492**

Condensed Consolidated Statement of Cash Flows

For the six-month period ended 30 June 2026

	Six-month period ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Net cash used in operating activities	**(21,784)**	(25,008)
Cash flows from investing activities		
Bank interest received	**1,092**	1,911
Advance to joint venture	**(1,745)**	–
Development costs paid	**–**	(2,421)
Purchase of property, plant and equipment	**(55)**	(114)
Net cash used in investing activities	**(708)**	(624)
Cash flows from financing activities		
Interest paid on lease liabilities	**(65)**	(38)
Repayments on principal portion of lease liabilities	**(747)**	(909)
Proceeds from issuance of ordinary shares upon exercise of share options	**1,974**	–
Net cash generated from/(used in) financing activities	**1,162**	(947)
Net decrease in cash and cash equivalents	**(21,330)**	(26,579)
Cash and cash equivalents at beginning of the period	**148,009**	201,806
Effect of foreign exchange rate changes	**(279)**	295
Cash and cash equivalents at end of the period, represented by bank balances and cash	**126,400**	175,522

1. GENERAL INFORMATION

Futong Technology Development Holdings Limited (the "**Company**") is a limited liability company incorporated in the Cayman Islands as an exempted company. The address of the Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is Rooms 2406-2412, 24th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**SEHK**").

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are mainly engaged in provision of enterprise IT infrastructure products, services and solutions, cloud computing products and intelligent digitalised application products.

The directors of the Company consider that the immediate parent and ultimate holding company of the Company is China Group Associates Limited, a company incorporated in the British Virgin Islands (the "**BVI**").

These condensed consolidated interim financial statements were authorised and approved by the board for issue on 27 August 2026.

2. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" ("**IAS 34**") and the applicable disclosure provisions of Main Board Listing Rules Governing the Listing of Securities on the SEHK.

These condensed consolidated interim financial statements have been prepared under the historical cost except for financial assets at FVTPL, which are stated at fair value.

These condensed consolidated interim financial statements have been prepared with the same accounting policies adopted in the 2025 annual financial statements, except for those that relate to the amended standards or interpretations effective for the first time for periods beginning on or after 1 January 2026. Details of any changes in IFRS Accounting Standards are set out in Note 3.

The preparation of these condensed consolidated interim financial statements in compliance with IAS 34 requires the use of certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates. The significant judgements and estimates were the same as those that applied to the Group's annual consolidated financial statements for the year ended 31 December 2025.

These condensed consolidated interim financial statements are presented in Renminbi ("**RMB**"), unless otherwise stated. These condensed consolidated interim financial statements contain 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 2025 consolidated financial statements. These condensed consolidated interim financial statements and notes do not include all of the information required for a complete set of financial statements prepared in accordance with the IFRS Accounting Standards and should be read in conjunction with the 2025 consolidated financial statements.

These condensed consolidated interim financial statements are unaudited, but has been reviewed by BDO Limited in accordance with International Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the International Auditing and Assurance Standards Board.

3. CHANGES IN IFRS ACCOUNTING STANDARDS

In the current period, the Group has applied for the first time, the following amended IFRS Accounting Standards as issued by International Accounting Standards Board ("**IASB**") that are relevant to and effective for the Group's condensed consolidated interim financial statements for the annual period beginning on 1 January 2026:

Annual Improvements to IFRS Accounting Standards — Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7
Amendments to IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37	Disclosures about Uncertainties in the Financial Statements
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity

The adoption of the above amendments in the current period has no material effect on the amounts reported and/or disclosures set out in these condensed consolidated interim financial statements.

The following new or amended IFRS Accounting Standards, potentially relevant to the Group's condensed consolidated interim financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
IFRS 18	Presentation and Disclosure in Financial Statements[2]
Amendments to IFRS 21	Translation to a Hyperinflationary Presentation Currency[2]

1 No mandatory effective date yet determined but available for adoption
2 Effective for annual periods beginning on or after 1 January 2027

Except as disclosed below, the directors expect that the adoption of the above amended IFRS Accounting Standards will have no material impact on the consolidated financial statements in the year of initial application.

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 *Basis of Preparation of Financial Statements* (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

IFRS 18 is effective for annual periods beginning on or after 1 January 2027. Retrospective application is required and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

4. SEGMENT INFORMATION

IFRS 8 "Operating Segments" requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the senior executive management of the Company, the chief operating decision makers (the "**CODM**"), in order to allocate resources and to assess performance.

The CODM monitors the results of the Group's operating segment for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss.

Segment revenue and results

The Group's revenue and results are substantially derived from operations in the PRC. The following is an analysis of the Group's revenue and results by reportable and operating segment:

	Six-month period ended 30 June	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Segment revenue from external customers	**43,653**	58,280
Segment loss	**(18,894)**	(23,671)
Unallocated income	**1,092**	1,911
Unallocated expenses	**(17,024)**	(10,919)
Loss before income tax	**(34,826)**	(32,679)

4. SEGMENT INFORMATION *(Continued)*

Other segment information is as follows:

	Enterprise Management Business RMB'000 (Unaudited)	**Corporate/ Unallocated RMB'000 (Unaudited)**	**Total RMB'000 (Unaudited)**
Six-month period ended 30 June 2026			
Interest income	**–**	**1,092**	**1,092**
Depreciation of property, plant and equipment	**(285)**	**(3)**	**(288)**
Amortisation of intangible assets	**(4,152)**	**–**	**(4,152)**
Depreciation of right-of-use assets	**(290)**	**(484)**	**(774)**
Fair value losses on financial assets at FVTPL	**–**	**(465)**	**(465)**
Loss allowance recognised on financial assets	**(222)**	**–**	**(222)**
Provision for impairment loss on intangible assets	**(3,441)**	**–**	**(3,441)**

	Enterprise Management Business RMB'000 (Unaudited)	Corporate/ Unallocated RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Six-month period ended 30 June 2025			
Interest income	–	1,911	1,911
Depreciation of property, plant and equipment	(169)	(289)	(458)
Amortisation of intangible assets	(5,544)	–	(5,544)
Depreciation of right-of-use assets	–	(1,139)	(1,139)
Loss allowance recognised on financial assets	(2,325)	(500)	(2,825)

4. SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities

The following table presents the assets and liabilities information of the Group's operating segment as at 30 June 2026 and 31 December 2025:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Segment assets	**61,933**	66,993
Corporate unallocated assets	**148,522**	171,375
Consolidated assets	**210,455**	238,368
Segment liabilities	**48,280**	43,056
Corporate unallocated liabilities	**12,683**	13,004
Consolidated liabilities	**60,963**	56,060

Segment assets primarily consist of all assets excluding interest in joint venture, financial assets at FVTPL, right-of-use assets, deferred tax assets, bank balances and cash and corporate assets which are not allocated to the reportable segment.

Segment liabilities primarily consist of all liabilities excluding corporate liabilities which are not allocated to the reportable segment.

The information disclosed above represented the segments to be identified on the basis of interim reports about components of the Group that are regularly reviewed by the CODM for the purpose of assessing its performance and allocating resources to segment.

4. SEGMENT INFORMATION *(Continued)*

Information about geographical areas

Information about the Group's non-current assets, excluding interest in joint venture, financial assets at FVTPL and deferred tax assets, determined based on the geographical location of the assets, is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Hong Kong	**1,846**	2,619
The PRC	**31,419**	39,928
	33,265	42,547

5. REVENUE

All the Group's revenue is derived from contracts with customers for the provision of enterprise IT services and products.

Revenue is disaggregated by primary geographical markets and timing of revenue recognition as follows.

	Six-month period ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Primary geographical markets		
Hong Kong	**–**	404
The PRC	**43,653**	57,876
	43,653	58,280
Timing of revenue recognition		
Point in time	**35,255**	28,439
Over time	**8,398**	29,841
	43,653	58,280

5. REVENUE *(Continued)*

The following table provides information about trade receivables, contract assets and contract liabilities from contracts with customers.

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables (Note 15)	**5,957**	14,682
Contract assets	**14,213**	11,365
Contract liabilities	**32,596**	28,620

Contract assets primarily relate to the Group's rights to consideration for work completed but not certified the receipt by customers at the reporting date on revenue related to the provision of enterprise IT services and products. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the delivery is certified and the Group provides the invoice to customers.

Contract liabilities mainly relate to the advance consideration received from customers. Balance of RMB12,410,000 as of 1 January 2026 has been recognised as revenue for the six-month period ended 30 June 2026 from performance obligations satisfied due to the completion of services.

The Group has applied the practical expedient to its sales contracts for provision of enterprise IT services and products and therefore the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for provision of enterprise IT services and products that had an original expected duration of one year or less.

6. OTHER INCOME

	Six-month period ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Interest income	**1,092**	1,911
Government grants (Note)	**322**	3
Others	**25**	117
	1,439	2,031

Note: These grants are unconditional and received by the Group from relevant government bodies for the purpose of giving immediate financial support to the Group's operation.

7. OTHER GAINS AND LOSSES, NET

	Six-month period ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Fair value losses on financial assets at FVTPL	**(465)**	–
Foreign exchange losses, net	**(467)**	(635)
Recovery of trade receivables previously written off	**–**	335
Write-off of trade payable	**325**	–
Write-off of property, plant and equipment	**–**	(136)
Others	**(6)**	(335)
	(613)	(771)

8. FINANCE COSTS

	Six-month period ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on lease liabilities	**65**	38

9. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging:

	Six-month period ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Staff costs (including directors' emoluments):		
Salaries and allowances	**30,673**	37,207
Contributions to defined contribution retirement plans	**3,519**	4,166
Equity-settled share-based payments	**62**	40
Redundancy expense	**1,074**	446
	35,328	41,859
Less: capitalised as intangible assets	**–**	(2,122)
	35,328	39,737
Other items:		
Cost of sales and services	**36,571**	46,890
Amortisation of intangible assets (Note)	**4,152**	5,544
Depreciation of right-of-use assets	**774**	1,139
Depreciation of property, plant and equipment	**288**	458
Short-term lease expenses	**196**	248

Note: Amortisation of RMB4,152,000 been included in cost of sales and services (six-month period ended 30 June 2025: amortisation of RMB5,402,000 and RMB142,000 were included in cost of sales and services and administrative expenses, respectively).

10. INCOME TAX EXPENSE

	Six-month period ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Deferred tax		
Origination and reversal of temporary difference	**(26)**	(36)

10. INCOME TAX EXPENSE *(Continued)*

Notes:

(i) Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

(ii) No Hong Kong Profits Tax has been provided as the Group had no assessable profits arising in Hong Kong during the six-month periods ended 30 June 2026 and 2025.

(iii) Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate for the Company's subsidiaries in the PRC is 25% for the six-month period ended 30 June 2026, except for one (six-month period ended 30 June 2025: two) subsidiary has been granted continuously on a three years interval with a qualification of high-tech enterprise which entitles it to a preferential income tax rate of 15%.

At 30 June 2026, the Group had unused tax losses of approximately RMB545,040,000 (31 December 2025: RMB530,827,000), available to offset against future profits. No deferred tax asset has been recognised in respect of those tax losses due to the unpredictability of future profit streams.

The unrecognised tax losses related to Hong Kong subsidiaries amounting to RMB48,556,000 (31 December 2025: RMB48,916,000) can be carried forward indefinitely until utilisation and subject to the approval from Inland Revenue Department.

The unrecognised tax losses related to PRC subsidiaries amounting to RMB496,484,000 (31 December 2025: RMB481,911,000), under the EIT Law and Implementation Regulation of the EIT Law, except for one subsidiary has been granted with a qualification of high-tech enterprise which entitles to carry forward the unrecognised tax loss for ten years, the unrecognised tax loss for the Company's subsidiaries in the PRC would expire in five years from the respective dates of incurrence.

11. DIVIDENDS

During the six-month period ended 30 June 2026, no final dividends in respect of the year ended 31 December 2025 was declared and paid to the owners of the Company (six-month period ended 30 June 2025: Nil).

The directors have determined that no dividends will be paid in respect of the current interim period (six-month period ended 30 June 2025: Nil).

12. LOSS PER SHARE

The calculation of basic and diluted loss per share for the six-month period ended 30 June 2026 is based on the loss for the period attributable to owners of the Company of RMB34,836,000 (six-month period ended 30 June 2025: RMB32,699,000) and the weighted average of 311,572,000 ordinary shares (six-month period ended 30 June 2025: 311,250,000 ordinary shares) in issue during the interim period.

The computation of diluted loss per share attributable to owners of the Company are the same as basic loss per share as the impact of the exercise of share options was anti-dilutive for the six-month periods ended 30 June 2026 and 30 June 2025.

13. PROPERTY, PLANT AND EQUIPMENT

During the six-month period ended 30 June 2026, the Group paid RMB55,000 (six-month period ended 30 June 2025: RMB114,000) for acquisition of furniture, fixtures and equipment and leasehold improvement.

14. INTANGIBLE ASSETS

	Software copyright RMB'000	Intellectual property rights RMB'000	Capitalised development costs RMB'000 (Note)	Total RMB'000
COST				
1 January 2025 (audited)	4,716	2,832	102,125	109,673
Additions				
– Internally developed	–	–	4,462	4,462
– Write off	–	–	(1,283)	(1,283)
At 31 December 2025 (audited), 1 January 2026 (audited) and 30 June 2026 (unaudited)	4,716	2,832	105,304	112,852
ACCUMULATED AMORTISATION AND IMPAIRMENT				
At 1 January 2025 (audited)	4,715	1,464	70,092	76,271
Amortisation	–	915	10,879	11,794
Write off	–	–	(1,283)	(1,283)
Impairment	–	453	2,841	3,294
At 31 December 2025 and 1 January 2026 (audited)	4,715	2,832	82,529	90,076
Amortisation	–	–	4,152	4,152
Impairment	–	–	3,441	3,441
At 30 June 2026 (unaudited)	4,715	2,832	90,122	97,669
NET BOOK VALUE				
At 30 June 2026 (unaudited)	1	–	15,182	15,183
At 31 December 2025 (audited)	1	–	22,775	22,776

14. INTANGIBLE ASSETS *(Continued)*

Note:

During the six-month period ended 30 June 2026, the Group incurred RMB5,945,000 (six-month period ended 30 June 2025: RMB8,818,000) to research, develop and enhance its enterprise management product for enterprise management business. No internally generated costs have been recognised as intangible assets (six-month period ended 30 June 2025: RMB2,421,000). The Group's capitalised development costs are amortised on straight-line method over its estimated useful life of 5 years.

For the purpose of impairment assessment, intangible assets and property, plant and equipment have been allocated to CGUs, which individually represents a business operation.

The recoverable amounts have been determined based on value-in-use calculation, which derived from the income approach. The calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period, and pre-tax discount rate at 15.2%. The growth rate used to extrapolate the cash flows beyond the five-year period is 2.0%. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted revenue and gross margin, such estimation is based on the unit's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate net carry amount to exceed the aggregate recoverable amount.

During the six-month period ended 30 June 2026, a provision for impairment of intangible assets of RMB3,441,000 (six-month period ended 30 June 2025: Nil) was recognised to reduce the carrying amounts of the intangible assets to their recoverable amounts as a result of unsatisfactory market demand for the corresponding products in the enterprise management business.

15. TRADE AND OTHER RECEIVABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables	**15,966**	24,503
Less: loss allowance	**(10,009)**	(9,821)
Trade receivables, net	**5,957**	14,682
Prepayments	**24,309**	16,341
Deposits	**1,187**	1,133
VAT receivables	**860**	1,217
Other receivables	**1,978**	260
	34,291	33,633

The Group allows credit period of 30 to 90 days (31 December 2025: 30 to 90 days) to its trade customers.

15. TRADE AND OTHER RECEIVABLES *(Continued)*

Based on invoice date, the ageing analysis of trade receivables, net of loss allowance, as at the end of each reporting period is as follows.

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
0 – 30 days	**2,248**	2,678
31 – 60 days	**125**	211
61 – 90 days	**467**	189
More than 90 days	**3,117**	11,604
	5,957	14,682

16. BANK BALANCES AND CASH

At 30 June 2026, included in bank balances and cash are guaranteed deposits for customers, amounting to RMB2,815,000 (31 December 2025: RMB2,378,000).

17. TRADE AND OTHER PAYABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade payables	**14,765**	14,620
Other payables and accruals	**8,106**	9,772
Other tax payables	**3,457**	180
	26,328	24,572

17. TRADE AND OTHER PAYABLES *(Continued)*

The credit period on purchases of goods was 30 to 90 days (31 December 2025: 30 to 90 days). The following is the ageing analysis of trade payables, based on the invoice date, as of the end of reporting period:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Less than 1 month	**3,631**	5,625
1 to 3 months	**471**	167
More than 3 months	**10,663**	8,828
	14,765	14,620

18. SHARE CAPITAL

	Number of shares '000	**HK$'000**
Authorised:		
At 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026		
Ordinary shares of HK$0.1 each	**2,000,000**	**200,000**
Issued and fully paid:		
At 1 January 2025, 31 December 2025 and 1 January 2026	**311,250**	31,125
Issuance of ordinary shares as a result of exercise of share options	**3,364**	336
At 30 June 2026	**314,614**	31,461

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Presented as	**27,707**	27,415

19. SHARE-BASED PAYMENTS

On 16 May 2019, the shareholders of the Company approved and adopted a new share option scheme (the "**New Share Option Scheme**") and terminated the share option scheme adopted on 11 November 2009 (the "**Old Share Option Scheme**") (together, the "**Share Option Schemes**"). The share option schemes were adopted for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The maximum number of shares that may be granted under the Share Option Scheme and other share option schemes shall not exceed 30% of the number of issued shares of the Company from time to time. Unless approved by the shareholders of the Company in general meeting in the manner prescribed in the Listing Rules, the board of directors shall not grant options to any grantee if the acceptance of those options would result in the total number of shares issued and to be issued to that grantee on exercise of his options during any 12-month period exceeding 1% of the total shares of the Company (or its subsidiary) then in issue.

On 18 January 2016, the Company announced that a total of 2,200,000 share options (the "**Share Options A**") to subscribe for ordinary shares of HK$0.10 each in the capital of the Company (the "**Shares**") were granted by the Company to a non-executive director and the eligible employees of the Group (the "**Share Options A Grantees**"), subject to acceptance of the Share Options A Grantees, under the Old Share Option Scheme. A summary of this grant is set out below:

Exercise price of Share Options A	HK$1.004 per Share
Closing price of the Shares on the date of grant	HK$0.990
Validity period of the Share Options A	10 years, commencing on 18 January 2016
Vesting date of Share Options A	All Share Options A were vested in 2018

On 14 October 2016, the Company announced that a total of 1,200,000 share options (the "**Share Options B**") to subscribe for Shares were granted by the Company to the eligible employees of the Group (the "**Share Options B Grantees**"), subject to acceptance of the Share Options B Grantees, under the Old Share Option Scheme. A summary of the grant is set out below:

Exercise price of Share Options B	HK$1.25 per Share
Closing price of the Shares on the date of grant	HK$1.25
Validity period of the Share Options B	10 years, commencing on 14 October 2016
Vesting date of Share Options B	All Share Options B were vested in 2018

On 28 March 2019, the Company announced that a total of 7,700,000 share options (the "**Share Options C**") to subscribe for Shares were granted by the Company to a non-executive director and the eligible employees of the Group (the "**Share Options C Grantees**"), subject to acceptance of the Share Options C Grantees, under the Old Share Option Scheme. A summary of the grant is set out below:

Exercise price of Share Options C	HK$0.81 per Share
Closing price of the Shares on the date of grant	HK$0.81
Validity period of the Share Options C	10 years, commencing on 28 March 2019
Vesting date of Share Options C	30%, 30% and 40% of the Share Options C were vested on 28 March 2019, 28 March 2020 and 28 March 2021, respectively

19. SHARE-BASED PAYMENTS *(Continued)*

On 1 April 2020, the Company announced that a total of 3,000,000 share options (the "**Share Options D**") to subscribe for Shares were granted by the Company to the eligible employees of the Group (the "**Share Options D Grantees**"), subject to acceptance of the Share Options D Grantees, under the under the New Share Option Scheme. A summary of the grant is set out below:

Exercise price of Share Options D	HK$0.57 per Share
Closing price of the Shares on the date of grant	HK$0.57
Validity period of the Share Options D	10 years, commencing on 1 April 2020
Vesting date of Share Options D	20%, 20%, 30% and 30% of the Share Options D were vested on 1 April 2021, 1 April 2022, 1 April 2023 and 1 April 2024, respectively

On 11 November 2020, the Company announced that a total of 11,800,000 share options (the "**Share Options E**") to subscribe for Shares were granted by the Company to the directors, chief executive officer of the Company and eligible employees of the Group (the "**Share Options E Grantees**"), subject to acceptance of the Share Options E Grantees, under the New Share Option Scheme. A summary of the grant is set out below:

Exercise price of Share Options E	HK$0.518 per Share
Closing price of the Shares on the date of grant	HK$0.510
Validity period of the Share Options E	10 years, commencing on 11 November 2020
Vesting date of Share Options E	20%, 20%, 30% and 30% of the Share Options E were vested on 11 November 2021, 11 November 2022, 11 November 2023 and 11 November 2024, respectively

On 7 April 2025, the Company announced that a total of 2,500,000 share options (the "**Share Options F**") to subscribe for Shares were granted by the Company to the employees of the Company (the "**Share Option F Grantees**"), subject to acceptance of the Share Options F Grantees, under the New Share Option Scheme. A summary of the grant is set out below:

Exercise price of Share Options F	HK$0.295 per Share
Closing price of the Shares on the date of grant	HK$0.280
Validity period of the Share Options F	10 years, commencing on 7 April 2025
Vesting date of Share Options F	20%, 20%, 30% and 30% of the Share Options F were vested on 7 April 2026, and will be vested on 7 April 2027, 7 April 2028 and 7 April 2029, respectively

19. SHARE-BASED PAYMENTS *(Continued)*

The following tables disclose movements of the Share Options during the six-month periods ended 30 June 2026 and 2025:

Category	Outstanding as at 1 January 2026	Granted during the period	Lapsed during the period	Exercised during the period	Outstanding as at 30 June 2026
Share Options A	800,000	–	(800,000)	–	–
Share Options B	600,000	–	–	(300,000)	300,000
Share Options C	3,500,00	–	–	(1,558,000)	1,942,000
Share Options D	2,730,000	–	–	(60,000)	2,670,000
Share Options E	7,500,000	–	–	(1,346,000)	6,154,000
Share Options F	2,500,000	–	–	(100,000)	2,400,000
	17,630,000	–	(800,000)	(3,364,000)	13,466,000

Category	Outstanding as at 1 January 2025	Granted during the period	Lapsed during the period	Exercised during the period	Outstanding as at 30 June 2025
Share Options A	800,000	–	–	–	800,000
Share Options B	600,000	–	–	–	600,000
Share Options C	3,500,000	–	–	–	3,500,000
Share Options D	2,760,000	–	–	–	2,760,000
Share Options E	7,500,000	–	–	–	7,500,000
Share Options F	–	2,500,000	–	–	2,500,000
	15,160,000	2,500,000	–	–	17,660,000

During the six-month period ended 30 June 2026, a total of 3,364,000 share options were exercised (six-month period ended 30 June 2025: Nil).

The fair values of the Share Options A, Share Options B, Share Options C, Share Options D, Share Options E and Share Options F determined at the dates of the grants were RMB712,000 (equivalent to HK$847,000), RMB518,000 (equivalent to HK$598,000), RMB1,227,000 (equivalent to HK$1,435,000), RMB504,000 (equivalent to HK$551,000), RMB2,101,000 (equivalent to HK$2,347,000) and RMB345,000 (equivalent to HK$375,000) respectively. These fair values were calculated using Binomial Model.

The inputs into the model for Share Options F granted during the six-month period ended 30 June 2025 was as follows:

Spot price	HK$0.28
Exercise price	HK$0.295
Expected volatility	49.84%
Expected life	10 years
Suboptimal factor	2.34
Risk-free rate	2.821%
Expected dividend yield	0.00%

The volatility assumption, measured at the standard deviation of expected share price returns, is based on a statistical analysis of weekly share prices over the last ten years.

The Group recognised total expense of RMB62,000 for the six-month period ended 30 June 2026 in relation to the Share Options F (six-month period ended 30 June 2025: RMB40,000 in relation to the Share Options F).

20. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in these condensed consolidated interim financial statements, the Group had the following significant transactions with related parties during the six-month periods ended 30 June 2026 and 2025:

Name of party	Relationships
北京深思軟件股份有限公司 Beijing Deep Thought Software Co., Ltd.*	A company controlled by Mr. Chen Jian, a director of the Company
數普金通數據技術有限公司 Supool Jintong Data Technology Co., Ltd.*	A company controlled by Mr. Chen Jian, a director of the Company
港京應用科技創新中心有限公司 Hong Kong Beijing Applied Science Innovation Center Limited	The joint venture of the Company

* The English translation of the company name is for reference only. The official name of this entity is in Chinese.

(a) Related party transactions

Particulars of related party transactions during the six-month periods ended 30 June 2026 and 2025 were as follows:

	Six-month period ended 30 June	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Purchase of inventories	**–**	370
Provision of services	**24**	141
Short-term lease expenses	**–**	115

(b) Balances with related party

At the end of the reporting period, the Group had the following balances with related companies:

	30 June **2026** **RMB'000** **(Unaudited)**	31 December 2025 RMB'000 (Audited)
Trade receivables	**524**	524
Loan to joint venture	**1,745**	–
Prepayments	**1,325**	1,071

The balances with the related companies are included in the trade receivables and other receivables, as set out in Note 15. Trade receivables and prepayments due from related companies are unsecured, interest free and expected to be recovered/utilised within one year. Loan to joint venture is unsecured, interest free and repayable on demand.

20. RELATED PARTY TRANSACTIONS *(Continued)*

(c) Key management personnel remuneration

The remuneration of directors of the Company and key management personnel during the six-month periods ended 30 June 2026 and 2025 were as follows:

	Six-month period ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Salaries and other benefits	**4,164**	4,459
Contributions to defined contribution retirement plans	**513**	518
Equity-settled share-based payments	**62**	40
	4,739	5,017

Key management personnel remuneration was included under staff costs as set out in Note 9.

21. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	**Level 2**	**Level 3**	**Total**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
At 30 June 2026 (unaudited)				
Financial assets at FVTPL				
Listed equity investment	**711**	**–**	**–**	**711**
At 31 December 2025 (audited)				
Financial assets at FVTPL				
Listed equity investment	1,213	–	–	1,213

The fair value of the listed equity investment included in level 1 is based on the quoted market prices at the reporting date. The quoted market price used for the listed equity investment held by the Group is the current bid price.

There were no transfers between levels 1, 2 and 3 of fair value hierarchy in the reporting periods.

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Chen Jian *(Chairman)*
Ms. Chen Xiaoxuan

Independent Non-executive Directors

Mr. Chow Siu Lui
Mr. Lo Kwok Kwei David
Mr. Yao Yun

COMPANY SECRETARY

Mr. Leung Ka Lung

REGISTERED OFFICE

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Beijing, the PRC

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Wanchai, Hong Kong

PRINCIPAL BANKERS

Nanyang Commercial Bank, Ltd.
The Hong Kong and Shanghai Banking
Corporation Limited
Hang Seng Bank Limited
China CITIC Bank International Limited
HSBC Bank (China) Company Limited
Standard Chartered Bank (China) Limited
China Merchants Bank Co., Ltd.
Bank of Beijing

LEGAL ADVISORS AS TO HONG KONG LAWS

Chiu & Partners

AUDITOR

BDO Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Financial Centre,
16 Harcourt Road, Hong Kong

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