



Zhonggan Communication (Group) Holdings Limited **中赣通信(集團)控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 2545

Interim Report
2026

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Liu Haoqiong (*Chairman*)
Mr. Peng Shengqian
Ms. Xie Xiaolan
Mr. Liu Dingli
Mr. Liu Dingyi
Mr. Zhou Zhiqiang

Independent Non-executive Directors

Mr. Yu Shiyong
Mr. Zhu Yugang
Mr. Zhao Hezhen

AUDIT COMMITTEE

Mr. Yu Shiyong (*Chairman*)
Mr. Zhu Yugang
Mr. Zhao Hezhen

NOMINATION COMMITTEE

Mr. Zhu Yugang (*Chairman*)
Mr. Yu Shiyong
Ms. Xie Xiaolan

REMUNERATION COMMITTEE

Mr. Zhao Hezhen (*Chairman*)
Mr. Peng Shengqian
Mr. Yu Shiyong

EXECUTIVE COMMITTEE

Mr. Liu Dingyi (*Chairman*)
Mr. Zhou Zhiqiang

JOINT COMPANY SECRETARIES

Mr. Liu Dingyi
Mr. Zhang Senquan

AUTHORIZED REPRESENTATIVES FOR THE PURPOSE OF THE LISTING RULES

Mr. Liu Dingyi
Mr. Zhang Senquan

AUDITOR

KPMG
Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road, Central, Hong Kong

LEGAL ADVISER (AS TO HONG KONG LAW)

Li & Partners
22nd Floor
World-Wide House
19 Des Voeux Road Central
Hong Kong

Corporate Information (Continued)

REGISTERED OFFICE

89 Nexus Way, Camana Bay
Grand Cayman, KY1-9009
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN PRC

Room 101, Block 99
2799 Tianxiang Avenue
Nanchang Jiahai Industrial Park
Nanchang High-tech Industrial Development Zone
Nanchang City
Jiangxi Province, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 02, 8/F
Tung Che Commercial Centre
246 Des Voeux Road West
Hong Kong

PRINCIPAL BANKS

China Construction Bank Corporation, Nanchang Xihu Branch
Bank of Communication Co., Ltd, Jiangxi Provincial Branch

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ogier Global (Cayman) Limited
89 Nexus Way, Camana Bay
Grand Cayman, KY1-9009
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

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

WEBSITE OF THE COMPANY

www.gantongjt.com

STOCK CODE

2545

Management Discussion and Analysis

COMPANY OVERVIEW

Zhonggan Communication (Group) Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) was successfully listed (the “**Listing**”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 3 July 2024 (the “**Listing Date**”). The Group is a reputable integrated service provider and software developer headquartered in Jiangxi Province of the People’s Republic of China (the “**PRC**”) and focuses on the provision of Telecommunications Infrastructure Services and Digitalisation Solution Services in the PRC.

TELECOMMUNICATIONS INFRASTRUCTURE SERVICES

The customers of the Group’s Telecommunications Infrastructure Services mainly include telecommunications network operators, telecommunications infrastructure service providers, local governments, quasi-government institutions and state-owned enterprises. The Group’s main business models for Telecommunications Infrastructure Services are:

1. Infrastructure Construction Services mainly involve the construction, adaptation and installation works of network infrastructure along the entire telecommunications network, such as base stations and auxiliary facilities engineering services, power grid connection services, cable installation services, access network related services and wireless network equipment installation services.
2. Infrastructure Maintenance Services mainly involve carrying out routine basic maintenance, repairs and restoration works and emergency trouble-shooting to the telecommunications infrastructure located across rural and urban areas in the PRC.

DIGITALISATION SOLUTION SERVICES

The Digitalisation Solution Services consist of Integrated Solution Services, System Maintenance Services and Software Solution Services, and aim to improve the operational efficiency and productivity of its customers through incorporating digital technologies such as IoT, cloud computing, big data, discriminative AI and blockchain to enable the integration of various hardware and software systems under a unified platform. The Group’s main business models for Digitalisation Solution Services are:

1. Integrated Solution Services generally provide turnkey solutions through (i) system design planning; (ii) supply of hardware and software and installation and integration services; and (iii) provision of after-sale services such as technical support services, which primarily involve the provision of a comprehensive digitalisation solution that includes all the necessary hardware and software components in a single package.

Management Discussion and Analysis (Continued)

2. System Maintenance Services mainly include commissioned technical support and maintenance services for the hardware and software systems delivered under its Integrated Solution Services projects. System Maintenance Services generally include (i) day-to-day system and network maintenance and data back-up support services; (ii) 24/7 technical support and consulting services; (iii) system migration solution services; and (iv) emergency trouble shooting services.
3. Software Solution Services focus on (i) sale of self-developed software; and (ii) delivering customised software development services.

BUSINESS REVIEW AND OUTLOOK

In the first half of 2026, profitability across the industry was generally under pressure due to the macroeconomic environment, compounded by adjustments to operators' capital expenditure schedules; intensifying market competition and fluctuations in the Group's procurement cycle further increased operational pressure. The Group's telecommunications construction business expanded steadily, with the revenue increasing by 12.3% year-on-year and the gross profit margin remaining stable compared with that of 2025. Subject to essential fixed operating expenses, the Group's profits came under pressure in the first half of the year, resulting in a loss. In terms of market expansion, the Group consolidated its existing customer base, and continued to optimise its business portfolio and broaden the scope and scale of collaborations with customers; during the six months ended 30 June 2026 (the **"Reporting Period"**), the newly bid-winning projects of the Group amounted to RMB170 million; during the Reporting Period, the Group newly expanded into the telecommunications market in the Tibet Autonomous Region, expanding its business footprint to 30 provinces, autonomous regions and municipalities. In terms of operational management, there were no major work safety incidents during the Reporting Period, and the Group continued to maintain an excellent reputation among customers and suppliers; various internal control systems were strictly implemented to ensure the Group's compliant and sound operations.

Looking ahead to the second half of the year, although uncertainties remain in the macroeconomic and industry environments, the long-term positive fundamentals of the telecommunications industry remain unchanged. With the in-depth advancement of 5G network construction by operators, the accelerated layout of computing power networks, and the continuous release of demands for digital transformation, the telecommunications technology services and construction sectors still hold vast potential for growth. The Company will adhere to a prudent operating strategy, continue to tap into core customer resources among telecom operators, seize business opportunities related to computing power networks and telecommunications infrastructure construction, and ensure project implementation by leveraging its existing bid-winning orders. The Company will prioritize refined cost control, optimise resource allocation, offset fixed-cost pressures and improve profitability.

At the same time, the Company will continue to reinforce its primary responsibility for work safety to solidify its reputation for market service; and continue to refine its internal control and risk management systems to flexibly adapt to industry cyclical changes. The Company will actively expand into diversified business sectors and optimise its business structure to make every effort to reverse losses and strive to improve operational performance.

Management Discussion and Analysis (Continued)

FINANCIAL OVERVIEW

Revenue

The Group derives revenue from Telecommunications Infrastructure Services and Digitalisation Solution Services.

The following table sets out a breakdown of revenue by business scope for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Revenue from Telecommunications				
Infrastructure Services	176,874	98.7	151,268	94.7
– Infrastructure Construction Services	167,774	93.6	137,308	86.0
– Infrastructure Maintenance Services	9,100	5.1	13,960	8.7
Revenue from Digitalisation				
Solution Services	1,504	0.8	8,421	5.3
– Integrated Solution Services	1,294	0.7	7,402	4.6
– System Maintenance Services	210	0.1	283	0.2
– Software Solution Services	–	–	736	0.5
Revenue from other sources	922	0.5	–	–
Revenue	179,300	100.0	159,689	100.0

The Group's revenue increased by RMB19.6 million from RMB159.7 million for the six months ended 30 June 2025 to RMB179.3 million for the six months ended 30 June 2026, mainly due to an increase of RMB25.6 million in revenue from Telecommunications Infrastructure Services and a decrease of RMB6.9 million in revenue from Digitalisation Solution Services.

The Group's revenue from Telecommunications Infrastructure Services increased by RMB25.6 million or 16.9% from RMB151.3 million for the six months ended 30 June 2025 to RMB176.9 million for the six months ended 30 June 2026. The main reason was that the Company continued to expand its business, leading to growth in its contracts in hand; consequently, the number of orders placed by customers in the newly awarded telecommunications infrastructure services projects has increased in tandem, resulting in higher service revenue from the corresponding business.

The Group's revenue from Digitalisation Solution Services decreased by RMB6.9 million from RMB8.4 million for the six months ended 30 June 2025 to RMB1.5 million for the six months ended 30 June 2026, mainly due to market changes, which led to the decrease in the number of contracts undertaken for Integrated Solution Services and Software Solution Services projects.

The Group recorded revenue from other sources of RMB0.9 million for the six months ended 30 June 2026. Such revenue was rental income generated from investment properties.

Management Discussion and Analysis (Continued)

Cost of sales

The Group's cost of sales increased by RMB19.5 million from RMB133.5 million for the six months ended 30 June 2025 to RMB153.0 million for the six months ended 30 June 2026, which was in line with the increase in revenue.

Gross profit and gross profit margin

The following table sets out a breakdown of the gross profit and gross profit margin during the periods indicated by business scope:

	For the six months ended 30 June			
	2026		2025	
	Gross profit RMB'000 (Unaudited)	Gross profit margin %	Gross profit RMB'000 (Unaudited)	Gross profit margin %
From Telecommunications				
Infrastructure Services	25,315	14.3	24,761	16.4
– Infrastructure Construction Services	23,450	14.0	21,246	15.5
– Infrastructure Maintenance Services	1,865	20.5	3,515	25.2
From Digitalisation Solution Services	509	33.8	1,443	17.1
– Integrated Solution Services	383	29.6	1,184	16.0
– System Maintenance Services	126	60.0	137	48.4
– Software Solution Services	–	–	122	16.6
From Other Sources	501	54.3	–	–
Total gross profit and overall gross profit margin	26,325	14.7	26,204	16.4

The Group's gross profit increased by RMB0.1 million from RMB26.2 million for the six months ended 30 June 2025 to RMB26.3 million for the six months ended 30 June 2026, mainly due to (i) an increase in revenue from telecommunications infrastructure services projects as explained above; and (ii) a decrease in revenue from Integrated Solution Services and Software Solution Services, which contributed to lower overall gross profit for Digitalisation Solution Services.

The Group's gross profit margin decreased from 16.4% for the six months ended 30 June 2025 to 14.7% for the six months ended 30 June 2026, mainly because (i) the gross profit margin for Telecommunications Infrastructure Services projects completed in the first half of 2025 was generally high, at 16.4%; and the gross profit margin for projects completed in the first half of 2026 returned to normal operating levels at 14.3%, which was basically in line with the gross profit margin of 14.5% for Telecommunications Infrastructure Services for the year ended 31 December 2025; and (ii) the overall gross profit margin for Digitalisation Solution Services was 33.8%, and period-to-period comparison showed considerable volatility due to significant variations in the gross profit margins of individual projects of Digitalisation Solution Services, however, since the total gross profit from Digitalisation Solution Services contributed relatively little to the Group, its impact on the Group's overall gross profit margin was minimal.

Management Discussion and Analysis (Continued)

Other net income

The Group's other net income decreased by RMB7.7 million from a profit of RMB7.2 million for the six months ended 30 June 2025 to a loss of RMB0.5 million for the six months ended 30 June 2026, mainly due to a decrease of approximately RMB5.5 million in newly received government incentives, an increase of approximately RMB0.9 million in donations, and an increase of approximately RMB0.4 million in exchange losses due to fluctuations in the Renminbi exchange rate.

Selling expenses

The Group's selling expenses experienced a slight change and remained at RMB1.7 million for the six months ended 30 June 2026, which was essentially consistent with the selling expenses of RMB1.7 million for the six months ended 30 June 2025.

Administrative expenses

The Group's administrative expenses decreased by RMB3.0 million from RMB8.9 million for the six months ended 30 June 2025 to RMB5.9 million for the six months ended 30 June 2026, mainly due to (i) a decrease of RMB0.5 million in professional service and consulting fees; (ii) a decrease of approximately RMB2.0 million in business entertainment expenses; and (iii) a decrease of approximately RMB0.7 million in total in financial administrative expenses and depreciation charges.

Research and development expenses

The Group's research and development expenses decreased by RMB1.4 million from RMB2.8 million for the six months ended 30 June 2025 to RMB1.4 million for the six months ended 30 June 2026, mainly due to a decrease in labour costs of research and development personnel.

Impairment losses on trade receivables and contract assets

The Group's impairment losses on trade receivables and contract assets increased by RMB2.5 million from RMB6.6 million for the six months ended 30 June 2025 to RMB9.1 million for the six months ended 30 June 2026, mainly due to a higher overall ageing migration rate of the Group, which led to a further increase in assessed credit impairment losses.

Finance costs

The Group's finance costs increased by RMB2.7 million from RMB9.0 million for the six months ended 30 June 2025 to RMB11.7 million for the six months ended 30 June 2026, due to an increase in bank interest expense as a result of higher average balances on bank borrowings in the first half of 2026.

Income tax expense

The Group incurred income tax expense of RMB0.2 million for the six months ended 30 June 2025 and income tax credit of RMB0.7 million for the six months ended 30 June 2026.

Net profit for the period

As a result of the foregoing, the Group's net profit decreased by RMB7.5 million from RMB4.2 million for the six months ended 30 June 2025 to net loss of RMB3.3 million for the six months ended 30 June 2026.

Management Discussion and Analysis (Continued)

LIQUIDITY AND CAPITAL RESOURCES

Cash Flow from Operating Activities

For the six months ended 30 June 2026, the Group recorded a net cash used in operating activities of RMB33.0 million, primarily attributable to its loss before tax of approximately RMB4.0 million as adjusted for the following items: (i) non-cash and non-operating items of approximately RMB22.7 million in total, mainly including interest expenses of approximately RMB11.7 million, depreciation charges of approximately RMB1.5 million and impairment losses recognised of approximately RMB9.1 million; and (ii) net cash outflows from changes in working capital of approximately RMB50.4 million in total, primarily including an increase of approximately RMB54.8 million in contract assets, an increase of approximately RMB0.8 million in trade and other receivables, a decrease of approximately RMB8.1 million in trade and other payables and an increase of approximately RMB2.7 million in restricted bank deposit; and (iii) income tax paid of approximately RMB1.3 million.

Cash and Bank Balances and Borrowings

The Group's cash and cash equivalents are denominated in RMB, US\$ and HK\$, which totaled approximately RMB35.0 million as at 30 June 2026, representing a decrease of approximately RMB1.8 million from RMB36.8 million as at 31 December 2025. Such decrease was mainly due to the combined effect of the net cash outflow of approximately RMB33.0 million from operating activities and the net cash inflow of RMB31.3 million from financing activities.

As at 30 June 2026, the Group's bank borrowings totaled approximately RMB603.1 million, primarily including: (i) RMB63.1 million bearing interest at 5.44% per annum and repayable within one year; (ii) RMB18.0 million bearing interest at 4.37% per annum and repayable within one year; (iii) RMB249.8 million bearing interest at 4.25% per annum and repayable within one year; (iv) RMB10.0 million bearing interest at 3.8% per annum and repayable within one year; (v) RMB37.1 million bearing interest at 3.5% per annum and repayable within one year; (vi) RMB7.0 million bearing interest at 3.2% per annum and repayable within one year; (vii) RMB30.0 million bearing interest at 3.1% per annum and repayable within one year; (viii) RMB15.0 million bearing interest at 3.0% per annum and repayable within one year; (ix) RMB163.1 million bearing interest at 2.9% per annum and repayable within one year; and (x) RMB10.0 million bearing interest at 2.8% per annum and repayable within one year.

Gearing ratio

As at 30 June 2026, the gearing ratio (total borrowings divided by total equity) of the Group was 1.4 times (31 December 2025: 1.3 times). The increase in gearing ratio was mainly due to an increase in average balances on bank borrowings in the first half of 2026.

Management Discussion and Analysis (Continued)

Capital structure

The share capital of the Company consists of ordinary Shares only. As at the date of this report, the issued share capital of the Company is HK\$64,000,000 comprising 640,000,000 Shares of HK\$0.1 each.

Treasury policies

The Group pursues a prudent treasury management policy and actively manages its liquidity position to cope with daily operation and any demands for capital for future development. Also, the Group actively reviews and manages its capital structure on a regular basis to maintain the advantages and security of a strong capital position and adjust the capital structure in response to changes in economic conditions.

Foreign exchange risk

The Group operates its business primarily in the PRC. RMB is the currency used by the Group for valuation and settlement of all transactions. Any depreciation of RMB would adversely affect the value of any dividends paid by the Group to shareholders outside the PRC. The majority of the Group's cash and cash equivalents are denominated in RMB. The Group is currently not engaged in hedging activities that are designed or intended to manage foreign exchange risk. The Group will continue to monitor foreign exchange activities and make its best efforts to protect the cash value of the Group.

Capital commitments

The Group had no capital commitments as at 31 December 2025 and 30 June 2026.

Contingent liabilities and pledge of assets

As at 31 December 2025 and 30 June 2026, the Group had no contingent liabilities.

As at 30 June 2026, the carrying value of the Group's property, plant and equipment, investment properties, trade receivables and contract assets, and bank deposits pledged for bank borrowings and bank facilities was approximately RMB1,179.3 million (31 December 2025: RMB1,168.9 million). Please see note 17(b) to the Unaudited Interim Financial Statements.

Significant investments, material acquisitions and disposals of subsidiaries, associates and joint ventures

During the six months ended 30 June 2026, the Group did not make any significant investments and there were no other material acquisitions and disposal of subsidiaries, associates or joint ventures by the Group.

Future plans for material investments

As at the date of this report, save as disclosed below, the Group did not have any other future plans for material investments or acquisition of capital assets.

Management Discussion and Analysis (Continued)

Use of proceeds from the Global Offering

The Group was listed on the Main Board of the Stock Exchange on 3 July 2024. After deducting underwriting fees and related expenses, the total net proceeds from the Global Offering (the “**Net Proceeds**”) amounted to approximately HK\$141.9 million, the originally intended use and allocation of which had been disclosed in the section headed “Future Plans and Use of Proceeds” of the Prospectus. On 12 May 2025, the Company announced the reallocation of the use of the unutilised Net Proceeds of approximately HK\$131.8 million as at 1 January 2025 and the extension of time of the use of Net Proceeds. As at 30 June 2026, the utilised Net Proceeds amounted to approximately HK\$96.5 million, while the unutilised Net Proceeds amounted to approximately HK\$35.3 million. The unutilised Net Proceeds were placed with authorised financial institutions or licensed banks in Hong Kong and the PRC as interest-bearing deposits.

The following table sets out the status of utilisation of the revised allocation of Net Proceeds as of 30 June 2026, and the expected timeline of the use of the unutilised Net Proceeds:

Usage	Revised allocation of the Net Proceeds <i>HK\$ million (approximately)</i>	Percentage of gross proceeds %	Unutilised	Utilised	Unutilised Net Proceeds as at 30 June 2026 <i>HK\$ million (approximately)</i>	Expected timeline for full utilization of the balance
			Net Proceeds as at 1 January 2026 <i>HK\$ million (approximately)</i>	Net Proceeds during the six months ended 30 June 2026 <i>HK\$ million (approximately)</i>		
Payment of upfront costs in respect of prospective Integrated Solution Services projects	32.0	24.3	15.8	17.4	14.6	By the end of 31 December 2026
Strengthen research and development capabilities	45.4	34.4	22.0	24.7	20.7	By the end of 31 December 2026
Repayment of bank borrowings	39.4	29.9	–	39.4	–	N/A
General working capital	15.0	11.4	–	15.0	–	N/A
Total	131.8	100.0	37.8	96.5	35.3	

Management Discussion and Analysis (Continued)

Employee and remuneration policy

As at 30 June 2026, the Group had 157 (30 June 2025: 187) employees. Total staff costs (including Directors' remuneration) for the six months ended 30 June 2026 amounted to RMB8.6 million (six months ended 30 June 2025: RMB10.5 million). The Group recruits personnel from open market, mainly based on a range of factors, including but not limited to their working experience, technical knowledge and educational background. To facilitate the recruitment of employees, the Group strives to offer competitive salaries and benefits to its employees and has policies in place to ensure that the salaries and bonuses of its employees are reviewed periodically and are competitive and in line with their performances. In respect of employee training, the Group provides its new and existing employees with relevant job training from time to time which covers healthy living, work safety and standardized operation and other procedures. Where there are new industry regulations or the Group adopts or amends its policies and operating guidelines which its employees are required to adhere to, it may also provide supplemental training to its employees.

RETIREMENT BENEFITS SCHEME

The employees of the PRC subsidiaries are members of the state-managed retirement benefits scheme operated by the PRC government. The employees of the PRC subsidiaries are required to contribute a certain percentage of their salaries to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contribution under the scheme. The Group had no forfeited contributions which may be used to reduce the existing level of contributions.

Corporate Governance and Other Information

CORPORATE GOVERNANCE

The Company declares that good corporate governance is essential for enhancing the management of the Company as well as preserving the interests of the shareholders as a whole. Save as disclosed in this report, for the six months ended 30 June 2026, the Company has adopted and complied with all applicable code provisions (the “**Code Provisions**”) under the Corporate Governance Code (the “**Corporate Governance Code**”) as contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as its own code to govern its corporate governance practices.

The board (the “**Board**”) of the directors (the “**Directors**”) of the Company will continue to review and monitor the Company’s practices to maintain a high standard of corporate governance, and our compliance with the Corporate Governance Code will be disclosed in future announcements and financial reports.

Deviation from Paragraph C.2.1 of the Code Provisions

Mr. Liu Haoqiong is currently both the Chief Executive Officer and the Chairman of the Company. Paragraph C.2.1 of the Code Provisions stipulates that the roles of chairman and chief executive officer should be segregated and should not be performed by the same individual.

The Board believes that vesting the roles of both Chief Executive Officer and Chairman in the same person has the benefit of ensuring consistent leadership and efficient discharge of executive functions within the Group. The Group considers that the balance of power and authority of the present arrangement will not be impaired as the Board comprises eight other experienced and high-calibre individuals who would be able to offer advice from various perspectives. In addition, for major decisions of the Group, the Board will make consultations with appropriate Board committees and senior management. Despite the deviation from paragraph C.2.1 of the Code Provisions for Mr. Liu Haoqiong, the Chairman of the Board, to concurrently serve as the Chief Executive Officer, the Board believes that Mr. Liu Haoqiong, being the chairman of the Board, is familiar with the Company’s business operation and has excellent knowledge and experience of the Company’s business which will be conducive to improving the efficiency of the Company’s overall strategic planning. The Board believes that such management structure layout will be more beneficial to the future development of the Company and will improve the Company’s operating conditions. Under the supervision of the Board, it is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and its shareholders. Therefore, the Directors consider that the present arrangement is beneficial to and in the interest of the Company and the shareholders as a whole.

Corporate Governance and Other Information (Continued)

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its code of conduct regarding dealings in the securities of the Company by the Directors and the Company’s relevant employees who, because of his/her office or employment, is likely to possess inside information in relation to the Company’s securities.

Upon specific enquiry, all Directors confirmed that they have complied with the required standards of dealing as set out in the Model Code for the six months ended 30 June 2026.

CHANGE OF DIRECTORS’ INFORMATION PURSUANT TO THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, there is no information of the Directors that is required to be disclosed under Rule 13.51B(1) of the Listing Rules since the date of the annual report for the year ended 31 December 2025 and up to the date of this report.

CONTINUING DISCLOSURE OBLIGATION PURSUANT TO THE LISTING RULES

Save as disclosed in this report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

Corporate Governance and Other Information (Continued)

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2026, the Directors or chief executives of the Company had interests in the Shares, underlying Shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)), which were 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 or short positions which they were taken or deemed to have 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 under the Model Code.

Name of Director	Nature of interest	Number of Shares interested ⁽¹⁾	Approximate percentage of interest (%)
Mr. Liu Haoqiong	Interest in controlled corporation ⁽²⁾	359,444,530 (L)	56.16
Mr. Liu Dingyi	Interest in controlled corporation ⁽³⁾	39,439,467 (L)	6.16
Mr. Liu Dingli	Interest in controlled corporation ⁽⁴⁾	34,099,071 (L)	5.33

Notes:

- The letter “L” denotes the person’s long position in the shares of the Company.
- GT & Yangtze Limited is owned as to 70.0% by Mr. Liu Haoqiong and 30.0% by Ms. Tao Xiulan, the spouse of Mr. Liu Haoqiong. By virtue of the SFO, Mr. Liu Haoqiong and Ms. Tao Xiulan are deemed to be interested in the Shares held by GT & Yangtze Limited.
- Octuple Hills Limited is wholly-owned by Mr. Liu Dingyi. By virtue of the SFO, Mr. Liu Dingyi is deemed to be interested in the Shares held by Octuple Hills Limited.
- Huat Huat Limited is wholly-owned by Mr. Liu Dingli. By virtue of the SFO, Mr. Liu Dingli is deemed to be interested in the Shares held by Huat Huat Limited.

Save as disclosed above and to the best knowledge of the Directors, as at 30 June 2026, none of the Directors or chief executives of the Company has any interests and/or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were 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 or short positions which they were taken or deemed to have 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 under the Model Code.

Corporate Governance and Other Information (Continued)

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

So far as is known to any Director or chief executive of the Company, as at 30 June 2026, the following corporations/ persons (other than the Directors or chief executives of the Company) had, or were deemed to have, interests and short positions in the shares or underlying shares of the Company, its group members and/or associated corporations which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded the register of interests required to be kept by the Company under section 336 of the SFO:

Name of corporation/person	Nature of interest	Number of Shares interested ⁽¹⁾	Approximate percentage of interest (%)
GT & Yangtze Limited	Beneficial owner	359,444,530 (L)	56.16
Ms. Tao Xiulan	Interest in controlled corporation; interests held jointly with others; and interests of spouses ⁽²⁾	359,444,530 (L)	56.16

Notes:

1. The letter "L" denotes the corporation/person's long position in the shares of the Company.
2. GT & Yangtze Limited is owned as to 70.0% by Mr. Liu Haoqiong and 30.0% by Ms. Tao Xiulan, the spouse of Mr. Liu Haoqiong. By virtue of the SFO, Mr. Liu Haoqiong and Ms. Tao Xiulan are deemed to be interested in the Shares held by GT & Yangtze Limited.

Save as disclosed above and to the best knowledge of the Directors, as at 30 June 2026, no person (other than the Directors or chief executives of the Company) had registered an interest or a short position in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE OPTION SCHEME

The share option scheme was adopted by the shareholders of the Company by the written resolutions on 17 June 2024 (the **"Share Option Scheme"**) and became effective immediately after the Listing. The Share Option Scheme is subject to the requirements of Chapter 17 of the Listing Rules. The Share Option Scheme shall be effective and valid for a period of 10 years from the Listing Date.

The maximum number of Shares that may be issued upon exercise of all options to be granted under the Share Option Scheme must not in aggregate exceed 10% of the total number of Shares in issue as at the Listing Date, being 64,000,000 Shares (the **"Scheme Mandate Limit"**). For options lapsed in accordance with the terms of the Share Option Scheme and any other scheme of the Company will not be counted for the purpose of calculating the Scheme Mandate Limit.

Corporate Governance and Other Information (Continued)

Subject to the above, within the Scheme Mandate Limit, the total number of Shares that may be issued upon exercise of all options to be granted to service providers shall not exceed 6,400,000 Shares, representing 1% of the total number of Shares in issue on the Listing Date (the **“Service Provider Sublimit”**).

No share options were granted, agreed to be granted, exercised, cancelled or lapsed under the Share Option Scheme during the six months ended 30 June 2026. Accordingly, as at 1 January 2026 and 30 June 2026, the total number of shares available for grant under the Scheme Mandate Limit and the Service Provider Sublimit are 64,000,000 shares and 6,400,000 shares, respectively, representing 10% and 1% of the total number of issued shares of the Company.

For further details of the Share Option Scheme, please refer to the section headed “D. Share Option Scheme” in Appendix V to the Prospectus.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no other significant events that may affect the Group after 30 June 2026 and up to the date of this report.

SUFFICIENCY OF PUBLIC FLOAT

Pursuant to Rule 8.08 of the Listing Rules, there must be an open market in the securities for which listing is sought and a sufficient public float of an issuer’s listed securities to be maintained. This will normally mean that at least 25% of the issuer’s total issued share capital must at all times be held by the public.

Based on the information publicly available to the Company and the knowledge of the Directors, for the six months ended 30 June 2026, the Company has maintained a sufficient public float as required under the Listing Rules.

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

For the six months ended 30 June 2026, neither the Company nor its subsidiaries have purchased, redeemed or sold any of its listed securities.

Corporate Governance and Other Information (Continued)

INTERIM DIVIDENDS

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

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Company has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with Rules 3.21 and 3.22 of the Listing Rules and the paragraphs D.3.3 and D.3.7 of the Code Provisions. Its terms of reference are available on the websites of the Company and the Stock Exchange.

As at the date of this report, the Audit Committee consists of three members and all of them are independent non-executive Directors, namely Mr. Yu Shiyong, Mr. Zhu Yugang and Mr. Zhao Hezhen. Mr. Yu Shiyong is the Audit Committee’s Chairman, who has appropriate professional qualifications, accounting and related financial management expertise as required in Rule 3.10(2) of the Listing Rules. None of the members of the Audit Committee is a former partner of the Company’s existing external auditor.

The Group’s unaudited condensed consolidated interim results for the six months ended 30 June 2026 and this report have been reviewed by the Audit Committee. The Audit Committee is of the view that such unaudited results complied with the applicable accounting standards, the requirements under the Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

		For the six months ended 30 June	
	Notes	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	4	179,300	159,689
Cost of sales		(152,975)	(133,485)
Gross profit		26,325	26,204
Other net income	5	(528)	7,176
Selling expenses		(1,709)	(1,671)
Administrative expenses		(5,936)	(8,902)
Research and development expenses		(1,431)	(2,797)
Impairment losses on trade receivables and contract assets		(9,093)	(6,619)
Profit from operations		7,628	13,391
Finance costs	6(a)	(11,661)	(9,046)
Profit before taxation	6	(4,033)	4,345
Income tax	7	694	(150)
Profit and total comprehensive income for the period		(3,339)	4,195
Profit for the period/Total comprehensive income for the period		(3,339)	4,195
Earnings per share			
Basic and diluted (RMB)	8	(0.01)	0.01

Interim Condensed Consolidated Statement of Financial Position

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment	9	18,319	22,363
Intangible assets		116	124
Investment property	10	30,212	30,633
Investments in associates		7,774	7,774
Long-term trade receivables	12	5,724	5,903
Deferred tax assets		46,853	41,862
		108,998	108,659
Current assets			
Inventories		534	534
Contract assets	11(a)	1,239,198	1,181,365
Trade and other receivables	12	146,848	154,313
Restricted bank deposits	13	24,713	26,918
Cash and cash equivalents	14	34,984	36,843
		1,446,277	1,399,973
Total assets		1,555,275	1,508,632
Current liabilities			
Trade and other payables	15	485,636	480,464
Contract liabilities	11(b)	8,890	5,591
Lease liabilities	16	188	–
Bank borrowings	17	603,105	565,049
Current taxation		26,868	23,837
		1,124,687	1,074,941
Net current assets		321,590	325,032
Total assets less current liabilities		430,588	433,691

Interim Condensed Consolidated Statement of Financial Position (Continued)

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Non-current liabilities			
Lease liabilities	16	354	–
Deferred income		2,030	2,148
		2,384	2,148
Total liabilities		1,127,071	1,077,089
NET ASSETS		428,204	431,543
CAPITAL AND RESERVES			
Share capital		58,465	58,465
Share premium		111,985	111,985
Reserves	18(a)	257,754	261,093
TOTAL EQUITY		428,204	431,543

Interim Condensed Consolidated Statement of Changes in Equity

	Share capital RMB'000	Share premium RMB'000	Other reserve RMB'000	Statutory reserve RMB'000	Retained profits RMB'000	Total RMB'000
Balance as at 1 January 2025	58,465	111,985	127,718	18,564	107,172	423,904
Changes in equity for the six months ended 30 June 2025						
Profit and total comprehensive income for the period	–	–	–	–	4,195	4,195
Balance as at 30 June 2025 (unaudited)	58,465	111,985	127,718	18,564	111,367	428,099
Balance as at 1 January 2026	58,465	111,985	127,718	23,932	109,443	431,543
Changes in equity for the six months ended 30 June 2026						
Profit and total comprehensive income for the period	–	–	–	–	(3,339)	(3,339)
Balance as at 30 June 2026 (unaudited)	58,465	111,985	127,718	23,932	106,104	428,204

Interim Condensed Consolidated Statement of Cash Flows

	Notes	For the six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Operating activities			
Cash used in operations		(31,731)	(212,538)
Income tax paid		(1,266)	(14,544)
Net cash used in operating activities		(32,997)	(227,082)
Investing activities			
Payment for the purchase of property, plant and equipment		(5)	(907)
Proceeds from disposal of property, plant and equipment		–	181
Interest received		279	221
Net cash generated from/(used in) investing activities		274	(505)
Financing activities			
Capital element of lease rentals paid		–	(62)
Interest element of lease rentals paid		–	(1)
Proceeds from bank borrowings		504,500	476,400
Repayment of bank borrowings		(466,400)	(305,000)
Decrease/(increase) in restricted bank deposit	13	4,932	(22,398)
Interest paid		(11,702)	(8,963)
Net cash generated from financing activities		31,330	139,976
Net decrease in cash and cash equivalents		(1,393)	(87,611)
Cash and cash equivalents as at 1 January		36,843	134,963
Effect of foreign exchange		(466)	(2)
Cash and cash equivalents as at 30 June	14	34,984	47,350

Notes to the Unaudited Interim Financial Statements

1. GENERAL INFORMATION

Zhonggan Communication (Group) Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 20 April 2022 as an exempted company with limited liability under the Cayman Islands Companies Act.

The Company is an investment holding company and has not carried on any business since its incorporation save for the group reorganisation. The Company and its subsidiaries (together, the “**Group**”) are principally engaged in the provision of (I) telecommunications infrastructure services which comprises infrastructure construction services and maintenance services and (II) digitalisation solution services for the Group’s customers in the People’s Republic of China (the “**PRC**”).

2. BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“**HKAS**”) 34 “*Interim financial reporting*” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). It was authorised for issue on 28 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of these changes in accounting policies are set out in note 3.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains 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 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The financial information relating to the financial year ended 31 December 2025 that is included in this interim financial report as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2025 are available from the Company’s registered office. The auditor has expressed an unqualified opinion on those financial statements in its report dated 30 March 2026.

Notes to the Unaudited Interim Financial Statements (Continued)

3. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period. None of these developments have had a material effect on these financial statements.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. REVENUE

The principal activities of the Group are the provision of telecommunications infrastructure construction services, digitalisation solution services and maintenance services for customers in the PRC.

Disaggregation of revenue

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue from contracts with customers within the scope of HKFRS15		
Disaggregated by major products or service lines:		
Revenue from telecommunications infrastructure services		
– infrastructure construction services	167,774	137,308
– infrastructure maintenance services	9,100	13,960
Revenue from digitalisation solution services		
– integrated solution services	1,294	7,402
– system maintenance services	210	283
– software solution services	–	736
	178,378	159,689
Revenue from other sources		
<i>Gross rentals from investment properties</i>		
– Lease payments that are fixed or depend on an index or a rate	584	–
– Variable lease payments that do not depend on an index or a rate	338	–
	922	–
Total	179,300	159,689
Disaggregated by timing of revenue recognition		
– Over time	178,545	157,541
– Point in time	755	2,148
Total	179,300	159,689

Notes to the Unaudited Interim Financial Statements (Continued)

5. OTHER NET INCOME

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Interest income (Note (i))	31	228
Bank deposit interest income	248	221
Government grants (Note (ii))	848	6,349
Rentals income from investment properties less direct outgoings	–	501
Gain on disposal of property, plant and equipment and other financial assets	(312)	–
Net foreign exchange loss	(467)	(91)
Others	(876)	(32)
Total	(528)	7,176

Note (i) The interest income is attributable to the significant financing benefit to the Group for contracts containing a financing component.

Note (ii) The government grants mainly represent awards from Jiangxi government authorities attributable to the industrial support grants from local government.

Notes to the Unaudited Interim Financial Statements (Continued)

6. PROFIT BEFORE TAXATION

Profit before taxation of the Group is arrived at after charging:

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
(a) Finance costs		
Interest on bank borrowings	11,658	9,045
Interest on lease liabilities	3	1
	11,661	9,046
(b) Staff costs		
Salaries, discretionary bonus and allowance	7,664	9,623
Contributions to defined contribution retirement plan	970	896
	8,634	10,519
(c) Other items		
Depreciation		
– property, plant and equipment	1,011	1,173
– investment property	421	420
– right-of-use assets	35	213
Amortisation	8	8
Impairment losses		
– trade receivables	12,411	5,499
– contract assets	(2,985)	1,087
– other receivables	(333)	33
Short-term and low-value lease charges	97	162
Research and development costs (excluding staff cost)	319	–
Labour cost (note (i))	146,077	123,787
Cost of inventories (note (ii))	654	5,795
Rentals income from investment properties less direct outgoings, net	(501)	–

Notes:

- (i) The Group engages labour suppliers to supplement the labor force in performing labour intensive projects.
- (ii) Cost of inventories mainly include the cost of hardware used for the provision in digitalisation solution services.

Notes to the Unaudited Interim Financial Statements (Continued)

7. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Current tax		
Provision for the year	4,297	2,700
Deferred tax		
Origination and reversal of temporary differences	(4,991)	(2,550)
	(694)	150

Notes:

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (ii) No provision for Hong Kong Profits Tax has been made, as the subsidiary of the Group incorporated in Hong Kong did not have assessable profits which are subject to Hong Kong Profits Tax during the Reporting Period.
- (iii) The subsidiaries of the Group established in the PRC is subject to PRC Corporate Income Tax at the statutory rate of 25%.
- (iv) The PRC Corporate Income Tax Law allows enterprises to apply for certificate of "High and New Technology Enterprise" ("HNTE") which entitles the qualified companies to a preferential income tax rate of 15%, subject to fulfilment of the recognition criteria. Zhonggan Communication was qualified as an HNTE since 2015 and this qualification had remained valid throughout the Reporting Period.
- (v) According to the relevant tax rules in the PRC, qualified research and development costs are allowed for bonus deduction for income tax purpose, as a result, an additional 100% of the qualified research and development costs could be deemed as deductible expenses during the Reporting Period.

Notes to the Unaudited Interim Financial Statements (Continued)

8. EARNINGS PER SHARE

(a) Basic and diluted earnings per share

The calculation of basic earnings per share is based on the loss attributable to equity shareholders of the Company of approximately RMB3,339,000 (six months ended 30 June 2025: a profit of approximately RMB4,195,000) and the weighted average of 640,000,000 shares (six months ended 30 June 2025: 640,000,000 shares).

(b) Diluted earnings per share

There were no dilutive potential shares outstanding during the six months ended 30 June 2026 and 2025.

9. PROPERTY, PLANT AND EQUIPMENT

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Net book value as at 1 January	22,363	24,301
Additions	544	907
Disposals (net book value)	(3,542)	(181)
Depreciation charge for the period	(1,046)	(1,386)
Net book value as at 30 June	18,319	23,641

Notes:

- (i) All property, plant and equipment owned by the Group are located in the PRC.
- (ii) As at 30 June 2026, the net book value of buildings in property, plant and equipment in an amount of RMB16,700,000 was pledged to secure the Group's bank borrowings (note 17).

Notes to the Unaudited Interim Financial Statements (Continued)

10. INVESTMENT PROPERTY

The Group leases out investment property under operating leases. The leases run for an initial period of 20 years, with an option to renew the lease after that date at which time all terms are renegotiated. Lease payments are usually increased every 2-3 years to reflect market rentals. Certain leases include variable lease payment terms that are based on the revenue of tenants.

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Net book value as at 1 January	30,633	31,474
Amortisation charge for the period	(421)	(420)
Net book value as at 30 June	30,212	31,054

Notes to the Unaudited Interim Financial Statements (Continued)

11. CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract assets

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Contract assets		
Arising from performance under the provision of telecommunications infrastructure services		
– third parties	1,245,797	1,188,342
Less: loss allowance	(6,835)	(9,839)
	1,238,962	1,178,503
Arising from performance under the provision of digitalisation solution services		
– third parties	276	2,883
Less: loss allowance	(40)	(21)
	236	2862
	1,239,198	1,181,365

The Group's contract assets consist of project money and retention money.

(b) Contract liabilities

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Contract liabilities		
Billings in advance of performance	8,890	5,591

As at 30 June 2026, billings in advance of performance are expected to be recognised within one year.

Notes to the Unaudited Interim Financial Statements (Continued)

12. TRADE AND OTHER RECEIVABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Non-current		
Trade receivables	10,752	10,932
Less: loss allowance	(5,028)	(5,029)
	5,724	5,903
Current		
Trade receivables	183,515	183,711
Less: loss allowance	(56,012)	(43,600)
	127,503	140,111
Other receivables	10,066	7,321
Less: loss allowance	(3,941)	(4,273)
	6,125	3,048
Current trade receivables and other receivables, net of loss allowance	133,628	143,159
Amounts due from related parties	128	128
Prepayment for labour and hardware	7,259	4,484
Deferred VAT refund	5,833	6,542
	146,848	154,313

Notes:

- (i) Apart from the non-current trade receivables as stated above, all of the other trade and other receivables are expected to be recovered or recognised as expense within one year.
- (ii) Other receivables represented tender bonds and performance bonds which will be released to the Group upon the award and the completion of the relevant projects, as the case may be.
- (iii) As at 30 June 2026, prepayment for labour and hardware mainly represents the advance payment for projects to procure labour and hardware.

Notes to the Unaudited Interim Financial Statements (Continued)

12. TRADE AND OTHER RECEIVABLES (Continued)

Ageing analysis

As at 31 December 2025 and 30 June 2026, the ageing analysis of trade receivables, based on the transaction date or invoice date and net of loss allowance, are as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 6 months	54,916	52,289
More than 6 months but within 12 months	5,709	13,504
More than 12 months but within 18 months	10,710	18,801
More than 18 months but within 24 months	15,109	19,554
More than 24 months	107,823	90,495
Trade receivables	194,267	194,643
Less: loss allowance	(61,040)	(48,629)
	133,227	146,014

13. RESTRICTED BANK DEPOSITS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Pledged for bank borrowings	1,016	1,010
Pledged for bank facilities	19,789	24,727
Pledged for letter of guarantee	10	10
Pre-litigation preservation and freezing of assets	3,898	1,171
	24,713	26,918

The pledged bank deposits will be released upon the settlement of bank borrowings and the maturity of bank facilities and letter of guarantee.

Notes to the Unaudited Interim Financial Statements (Continued)

14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the consolidated cash flow statements comprise:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Cash at bank and on hand	34,984	36,843
	34,984	36,843

As at 30 June 2026, cash that is placed with banks in the Mainland China amounted to RMB19,948,000 (31 December 2025: RMB18,453,000). Remittance of funds out of Mainland China is subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government.

15. TRADE AND OTHER PAYABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade payables		
– third parties	337,708	348,816
Accrued payroll	4,082	3,943
Amounts due to shareholders	2,000	2,800
Amounts due to associates	7,700	7,700
Other tax payables	114,969	111,047
Other payables and accruals	19,177	6,158
	485,636	480,464

Notes:

- (i) The above trade and other payables are expected to be settled within one year or are repayable on demand.
- (ii) Other tax payables primarily comprised VAT payables.

Notes to the Unaudited Interim Financial Statements (Continued)

15. TRADE AND OTHER PAYABLES (Continued)

As at 31 December 2025 and 30 June 2026, the ageing analysis of trade payables (which are included in trade and other payables), based on the transaction date, is as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 1 year	173,829	175,558
Over 1 year but within 2 years	71,214	98,001
Over 2 years but within 3 years	40,576	25,480
Over 3 years	52,089	49,777
	337,708	348,816

16. LEASE LIABILITIES

As at 30 June 2026, the lease liabilities were repayable as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 1 year or on demand	188	—
After 1 year but within 2 years	180	—
After 2 years but within 3 years	174	—
	542	—

Notes to the Unaudited Interim Financial Statements (Continued)

17. SHORT-TERM BORROWINGS

(a) The Group's bank borrowings are repayable as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 1 year or on demand	603,105	565,049

(b) Assets pledged as security and covenants for bank loans and overdrafts

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Unsecured bank borrowings	108,100	92,105
Secured bank borrowings	495,005	472,944
	603,105	565,049

The bank borrowings are secured by certain assets of the Group and the carrying amounts of these assets are as below:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Property, plant and equipment	16,701	17,366
Investment property	30,212	30,633
Trade receivables and contract assets	1,111,602	1,095,148
Bank deposits pledged for bank borrowings	1,016	1,010
Bank deposits pledged for bank facilities	19,789	24,727
	1,179,320	1,168,884

Notes to the Unaudited Interim Financial Statements (Continued)

17. SHORT-TERM BORROWINGS (Continued)

(b) Assets pledged as security and covenants for bank loans and overdrafts (Continued)

The amount of bank borrowings secured by assets of the Group and the shareholders, or guaranteed by the shareholders and their close family member, the key management personnel and their close family member of the Group (together, the Affiliated Individuals) are as below:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Secured by bank deposits, trade receivables, contract assets, property and investment property of the Group, secured by the properties of shareholders and guaranteed by Affiliated Individuals	115,157	115,133
Secured by trade receivables and contract assets of the Group and guaranteed by Affiliated Individuals	200,147	190,218
Guaranteed by Affiliated Individuals	37,037	27,031
Secured by property and investment property of the Group	10,012	10,011
Secured by trade receivables and contract assets of the Group and secured by investment property of the Group	169,689	157,582
	532,042	499,975

18. CAPITAL, RESERVES AND DIVIDENDS

(a) Nature and purpose of reserves

Statutory reserve

In accordance with the relevant PRC laws and regulations, the Group's subsidiaries established in the PRC are required to transfer 10% of its net profit each year to the statutory reserve until the reserve reaches 50% of the registered capital. The transfer to this reserve must be made before distributions to equity holders.

Other reserve

Other reserve represented the contribution surplus by a shareholder of a subsidiary pursuant to the Reorganisation of the Group.

(b) Dividends

No dividends were paid, declared or proposed for the six months ended 30 June 2026. The directors of the Company have determined that no dividend will be paid in respect of the interim period.

Notes to the Unaudited Interim Financial Statements (Continued)

19. CAPITAL COMMITMENTS

As at 30 June 2026, the Group had no capital commitments.

20. MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration for key management personnel and the highest paid employees of the Group is as follows:

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Short-term employee benefits	1,633	1,356
Contributions to defined contribution retirement plan	64	42
	1,697	1,398

(b) Material transactions with related parties

The Group entered into the following material related party transactions during the Reporting Period.

Non-recurring transactions, non-trade related:

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Repayment from/advance from related parties		
Mr. Liu Haoqiong	9,500	–
Mr. Liu Dingli	4,300	–
Mr. Liu Dingyi	1,700	–
Hangzhou Duoba'an Technology Co., Ltd.	–	150
	15,500	150
Repayment to/advance to related parties		
Mr. Liu Haoqiong	400	1,000
Mr. Liu Dingyi	1,700	–
Ms. Yeung Hoi Ka	800	–
	2,900	1,000

Notes to the Unaudited Interim Financial Statements (Continued)

20. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(c) Balances with related parties

(i) Amounts due from related parties

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Non-trade related		
Other receivables		
Ms. Tao Hailan	28	28
GT & Yangtze Limited	69	69
Huat Huat Limited	7	7
Octuple Hills Limited	8	8
Shanghai Duobaman Film and Television Technology Limited (上海多巴漫影視科技有限公司)	16	16
	128	128

Notes to the Unaudited Interim Financial Statements (Continued)

20. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(c) Balances with related parties (Continued)

(ii) Amounts due to related parties

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Non-trade related		
Other payables		
Mr. Liu Haoqiong	9,100	—
Mr. Liu Dingli	4,300	—
Ms. Yeung Hoi Ka	2,000	2,800
Ji'an Qingyoupu Information Technology Limited	2,450	2,450
Jiangxi Wanpuxing Information Technology Limited	4,900	4,900
Hangzhou Duoba'an Technology Co., Ltd.	150	150
Shanghai Duobaman Film and Television Technology Limited (上海多巴漫影視科技有限公司)	200	200
	23,100	10,500

Notes to the Unaudited Interim Financial Statements (Continued)

20. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(c) Balances with related parties (Continued)

(iii) Bank borrowings guaranteed by related parties

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Non-trade in nature		
Bank borrowings guaranteed by		
– Ms. Tao Hailan, Mr. Xiao Wei and Ms. Chen Jingyuan	115,157	115,133
– Mr. Liu Haoqiong and Ms. Tao Xiulan	227,173	217,249
– Mr. Liu Haoqiong	10,011	–
	352,341	332,382

Notes to the Unaudited Interim Financial Statements (Continued)

21. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026

A number of amendments and new standards are not yet mandatory for annual periods beginning 1 January 2026. Earlier application is permitted; however, the Group has not early adopted any new or amended standards in preparing this interim financial report.

The following updates the information provided in the last annual financial statements about the possible impacts of HKFRS 18 which may have a significant impact on the Group's consolidated financial statements when adopted.

HKFRS 18, Presentation and disclosure in financial statements

HKFRS 18 will replace HKAS 1, *Presentation of financial statements*, and is first effective for annual reporting periods beginning on or after 1 January 2027.

HKFRS 18 introduces new requirements for presentation and disclosure in financial statements, including new categories and defined subtotals in the statement of profit or loss, enhanced requirements for aggregation and disaggregation of information, and specific disclosures about management-defined performance measures. The Group is assessing the expected impact that the initial application of HKFRS 18 will have on its consolidated financial statements.

The Group expects that the adoption of HKFRS 18 will not change the Group's net assets or net profit. However, it is expected to affect the presentation of the Group's consolidated statement of profit or loss and related note disclosures. Based on the work performed to date, the Group's assessment on the expected impact of the initial application of HKFRS 18 is summarised below. The assessment remains subject to change as the Group continues its implementation work.

(a) Structure of the statement of profit or loss

HKFRS 18 requires entities to classify income and expenses into specified categories in the statement of profit or loss, including operating, investing, and financing categories. It also requires entities to present two newly defined subtotals, which are "operating profit" and "profit or loss before financing and income taxes". The operating profit subtotal is expected to differ from the current profit from operations subtotal presented by the Group. Based on the work performed to date, the Group also expects the following changes to the consolidated statement of profit or loss:

- Classification of income and expenses depends on the Group's main business activities.

Notes to the Unaudited Interim Financial Statements (Continued)

21. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026 (Continued)

HKFRS 18, Presentation and disclosure in financial statements (Continued)

(a) *Structure of the statement of profit or loss (Continued)*

- Dividend, interest income, and net gains on trading securities, which are currently presented in the Group's other income subtotal, as well as the share of profits less losses of associates and joint venture are expected to be classified in the investing category. The income and expenses classified in the investing category, together with the subtotal "operating profit", will form the new subtotal "profit or loss before financing and income taxes";
- The Group is assessing the classification of income and expenses as currently included in the finance cost line item and expects that this line item will be disaggregated into "income and expenses on liabilities arising solely from raising of finance" and "interest expenses on other liabilities" in the financing category;
- The Group is required to assess the classification of foreign exchange differences in the same category as the income and expenses from the items that gave rise to the differences, unless doing so would involve undue cost or effort; and
- The Group currently presents operating expenses by function. The Group is assessing whether its current presentation, or a mixed presentation by nature and function, will provide the most useful structured summary of its operating expenses under HKFRS 18. If the Group continues to present one or more operating expense line item by function, information about five specific expenses by nature will be provided in a single note to the financial statements.

(b) *Management-defined performance measures ("MPM")*

MPMs are subtotals of income and expenses used in public communications outside the financial statements that communicate management's view of an aspect of the financial performance of the entity as a whole to users. The Group is also developing a process to identify its public communications and assess whether other measures reported in those communications meet the definition of an MPM.

The Group will be required to disclose specific information about MPMs in a single note in the financial statements. The MPMs disclosed by the Group following adoption of HKFRS 18 will be determined based on public communications issued by the Group relating to the same reporting period.

Notes to the Unaudited Interim Financial Statements (Continued)

21. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026 (Continued)

HKFRS 18, Presentation and disclosure in financial statements (Continued)

(c) *Principles of aggregation and disaggregation*

HKFRS 18 provides enhanced principles on how to group information in the financial statements, including the primary financial statements and the notes. It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

The Group has been consistently applied the principles of aggregating and disaggregating the items on the basis of similar and dissimilar characteristics. The Group is also assessing line items currently labelled as “other” across the primary financial statements and the notes and expects to use more informative labels where material information would otherwise be obscured.

HKFRS 18 also introduces consequential amendments to HKAS 7, Statement of cash flows. The Group is assessing the impact of those amendments, including the requirement to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method and the classification of interest and dividend cash flows.

The actual impact of applying HKFRS 18 may change as the Group continues to assess the new requirements and finalises any changes to its reporting processes, controls and accounting policies before the date of initial application.