中彩網通控股有限公司
China Netcom Technology Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8071)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Directors**") of China Netcom Technology Holdings Limited (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries for the six months ended 30 June 2026. This announcement, containing the full text of the interim report of the Company for the six months ended 30 June 2026 (the "**2026 Interim Report**"), complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM (the "**GEM Listing Rules**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") in relation to information accompanying the preliminary announcement of interim results. Printed versions of the Company's 2026 Interim Report will be despatched to the shareholders of the Company and published on the websites of the Company (www.irasia.com/listco/hk/chinanetcom) and of the Stock Exchange (www.hkexnews.hk) in due course.

By order of the Board
China Netcom Technology Holdings Limited
Zheng Minggao
Chairman and Executive Director

25 August 2026

As of the date of this announcement, the executive Directors are Mr. Zheng Minggao and Mr. Zhu Zhengyang; the non-executive Director is Mr. Yang Xiao; and the independent non-executive Directors are Mr. Fan Lei, Ms. Feng Yu and Mr. Yu Tat Chi Michael.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange's website at www.hkexnews.hk for a minimum period of 7 days from the date of its publication and on the Company's website at www.irasia.com/listco/hk/chinanetcom.

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Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This report, for which the directors (the "**Directors**") of China Netcom Technology Holdings Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

This report will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for a minimum period of 7 days from the date of its publication and on the website of the Company at www.irasia.com/listco/hk/chinanetcom.

HIGHLIGHTS

- The unaudited consolidated revenue of the Group from continuing operations for the six months ended 30 June 2026 was approximately HK$16,227,000 (six months ended 30 June 2025: approximately HK$13,023,000), representing an increase of approximately 25% as compared with that for the corresponding period in 2025.

- The Group recorded an unaudited consolidated loss from continuing and discontinued operations attributable to owners of the Company of approximately HK$880,000 for the six months ended 30 June 2026 (six months ended 30 June 2025: approximately HK$3,872,000).

- The unaudited basic and diluted loss per share from continuing and discontinued operations of the Company was approximately HK0.94 cents for the six months ended 30 June 2026 (six months ended 30 June 2025: approximately HK4.13 cents).

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

RESULTS

The board of Directors (the "**Board**") hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 together with the comparative figures for the corresponding period in 2025 are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026 (Unaudited)

		(Unaudited) Six months ended 30 June	
		2026	2025
	Note	***HK$'000***	*HK$'000*
Revenue	*2*	**16,227**	13,023
Cost of sales and services		**(14,110)**	(11,666)
Gross profit		**2,117**	1,357
Other income and losses, net		**68**	(995)
Administrative expenses		**(2,978)**	(4,471)
Loss before tax		**(793)**	(4,109)
Income tax (expense)/credit	*4*	**(88)**	5
Loss for the period from continuing operations	*5*	**(881)**	(4,104)
Profit for the period from discontinued operation	*6*	**—**	134
Loss for the period		**(881)**	(3,970)
Other comprehensive income/(expense)			
Items that may be reclassified subsequently to profit or loss:			
— Exchange differences on translating continuing foreign operations		**89**	(11)
— Exchange differences on translating discontinued foreign operation, net of nil tax		**—**	—
Other comprehensive income/(expense) for the period		**89**	(11)
Total comprehensive expense for the period		**(792)**	(3,981)

		(Unaudited) Six months ended 30 June	
		2026	2025
	Note	***HK$'000***	*HK$'000*
Profit/(Loss) attributable to:			
Owners of the Company			
— Continuing operations		**(880)**	(3,940)
— Discontinued operation		**—**	68
		(880)	(3,872)
Non-controlling interests			
— Continuing operations		**(1)**	(164)
— Discontinued operation		**—**	66
		(1)	(98)
		(881)	(3,970)
Total comprehensive income/ (expense) attributable to:			
Owners of the Company			
— Continuing operations		**(761)**	(3,949)
— Discontinued operation		**—**	68
		(761)	(3,881)
Non-controlling interests			
— Continuing operations		**(31)**	(166)
— Discontinued operation		**—**	66
		(31)	(100)
		(792)	(3,981)

		(Unaudited) Six months ended 30 June	
	Note	**2026**	2025
Loss per share from continuing operations	*7*		
— Basic and diluted (HK cents per share)		**(0.94)**	(4.20)
Loss per share from continuing and discontinued operations	*7*		
— Basic and diluted (HK cents per share)		**(0.94)**	(4.13)

The accompanying notes are an integral part of this interim financial information.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026 (Unaudited)

	Note	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
Non-current assets			
Property, plant and equipment	8	**5**	—
Intangible assets	9	**202**	133
Deferred tax assets		**5**	5
		212	138
Current assets			
Inventories		**86**	—
Trade and other receivables	10	**7,175**	5,518
Current tax recoverable		**—**	2
Cash and bank balances		**9,951**	16,070
		17,212	21,590
Current liabilities			
Trade and other payables	11	**9,983**	13,688
Borrowings		**1,629**	2,104
Current tax liabilities		**105**	181
Contract liabilities		**1,152**	408
		12,869	16,381
Net current assets		**4,343**	5,209
Net assets		**4,555**	5,347

	Note	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
Capital and reserves			
Share capital		**23,430**	23,430
Reserves		**(18,350)**	(17,589)
Equity attributable to owners of the Company		**5,080**	5,841
Non-controlling interests		**(525)**	(494)
Total equity		**4,555**	5,347

The accompanying notes are an integral part of this interim financial information.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026 (Unaudited)

	Attributable to owners of the Company									
	Share Capital — ordinary shares (Unaudited) *HK$'000*	Share premium account (Unaudited) *HK$'000*	Capital contribution reserve (Unaudited) *HK$'000*	Capital redemption reserve (Unaudited) *HK$'000*	Foreign currency translation reserve (Unaudited) *HK$'000*	Other reserve (Unaudited) *HK$'000*	Accumulated losses (Unaudited) *HK$'000*	Subtotal (Unaudited) *HK$'000*	Non-controlling interests (Unaudited) *HK$'000*	Total equity (Unaudited) *HK$'000*
Balance at 1 January 2025	23,430	3,466,638	9,777	1	117,644	(49)	(3,606,666)	10,775	(549)	10,226
Loss for the period	—	—	—	—	—	—	(3,872)	(3,872)	(98)	(3,970)
Other comprehensive expense for the period	—	—	—	—	(9)	—	—	(9)	(2)	(11)
Total comprehensive expense for the period	—	—	—	—	(9)	—	(3,872)	(3,881)	(100)	(3,981)
Balance at 30 June 2025	23,430	3,466,638	9,777	1	117,635	(49)	(3,610,538)	6,894	(649)	6,245

	Attributable to owners of the Company									
	Share Capital — ordinary shares (Unaudited) ***HK$'000***	**Share premium account (Unaudited)** ***HK$'000***	**Capital contribution reserve (Unaudited)** ***HK$'000***	**Capital redemption reserve (Unaudited)** ***HK$'000***	**Foreign currency translation reserve (Unaudited)** ***HK$'000***	**Other reserve (Unaudited)** ***HK$'000***	**Accumulated losses (Unaudited)** ***HK$'000***	**Subtotal (Unaudited)** ***HK$'000***	**Non-controlling interests (Unaudited)** ***HK$'000***	**Total equity (Unaudited)** ***HK$'000***
Balance at 1 January 2026	**23,430**	**3,466,638**	**9,777**	**1**	**117,666**	**(49)**	**(3,611,622)**	**5,841**	**(494)**	**5,347**
Loss for the period	**—**	**—**	**—**	**—**	**—**	**—**	**(880)**	**(880)**	**(1)**	**(881)**
Other comprehensive income for the period	**—**	**—**	**—**	**—**	**119**	**—**	**—**	**119**	**(30)**	**89**
Total comprehensive expense for the period	**—**	**—**	**—**	**—**	**119**	**—**	**(880)**	**(761)**	**(31)**	**(792)**
Balance at 30 June 2026	**23,430**	**3,466,638**	**9,777**	**1**	**117,785**	**(49)**	**(3,612,502)**	**5,080**	**(525)**	**4,555**

The accompanying notes are an integral part of this interim financial information.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026 (Unaudited)

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Net cash used in operating activities	**(5,638)**	(6,762)
Net cash used in investing activities	**(83)**	(8)
Net cash used in financing activities	**(475)**	—
Net decrease in cash and cash equivalents	**(6,196)**	(6,770)
Cash and cash equivalents at the beginning of period	**16,070**	13,281
Effect of foreign exchange rate changes, net	**77**	26
Cash and cash equivalents at the end of period	**9,951**	6,537
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	**9,951**	6,537

The accompanying notes are an integral part of this interim financial information.

NOTES TO THE INTERIM FINANCIAL INFORMATION

1 BASIS OF PREPARATION AND IMPACT OF NEW HKFRSs AND HKASs

The unaudited consolidated financial statements of the Group for the six months ended 30 June 2026 have been prepared in accordance with the Hong Kong Accounting Standards ("**HKASs**") 34 "Interim Financial Reporting", other relevant HKASs and Interpretations ("**Ints**") and Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosure required by the GEM Listing Rules. It has been prepared under historical cost basis except for certain financial instruments that are measured at fair value.

The unaudited consolidated financial statements of the Group for the six months ended 30 June 2026 have been prepared in accordance with the same accounting policies adopted in the annual financial statements for the year ended 31 December 2025, except for the adoption of the new and revised HKFRSs (which include individual HKFRSs, HKASs and Ints).

In the current interim period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 January 2026. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies and amounts reported for the current and prior periods.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

The unaudited consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025.

2 REVENUE

An analysis of the Group's revenue for the below-mentioned periods is as follows:

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Revenue from contracts with customers within scope of HKFRS 15		
Continuing operations:		
Provision of smart retail services	**15,207**	5,022
Provision of automotive culture business	**1,020**	8,001
	16,227	13,023

3 SEGMENT INFORMATION

The Group's operating segments are determined based on information reported to the Directors, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance, which focuses on types of goods or services delivered or provided.

During the year ended 31 December 2024, the Group disposed of its business in AWS cloud services, which was an operating segment included in smart retail business as previously reported.

Specifically, the Group's reportable and operating segments under HKFRS 8 "Operating Segments" are as follows:

Continuing operations

Smart retail business — providing digital transformation solutions for retail enterprises and merchants, and operating a new retail integrated software service platform. It conducts merchandise distribution through the platform and offers value-added extension services such as cloud services, aggregated payment, and SMS marketing.

Automotive culture business — engaging in buying and selling various goods.

Discontinued operation

AWS cloud services business — provision of cloud storage and computing services.

The following tables present the revenue and results for the six months ended 30 June 2026 and 2025, and the total assets and total liabilities as at 30 June 2026 and 31 December 2025 for each of the Group's business segments:

	Continuing operations			**Discontinued operation**		
	Smart retail business *HK$'000*	**Automotive culture business** *HK$'000*	**Subtotal** *HK$'000*	**AWS cloud services business** *HK$'000*	**Subtotal** *HK$'000*	**Total** *HK$'000*
Six months ended 30 June 2026 (Unaudited)						
Segment revenue	**15,207**	**1,020**	**16,227**	**—**	**—**	**16,227**
Segment profit/(loss)	**1,306**	**(202)**	**1,104**	**—**	**—**	**1,104**
Interest on bank deposits, other income and losses, net			**2**		**—**	**2**
Central administration costs			**(1,899)**		**—**	**(1,899)**
Profit/(Loss) before tax			**(793)**		**—**	**(793)**

	Continuing operations			Discontinued operation		
	Smart retail business *HK$'000*	Automotive culture business *HK$'000*	Subtotal *HK$'000*	AWS cloud services business *HK$'000*	Subtotal *HK$'000*	Total *HK$'000*
Six months ended 30 June 2025 (Unaudited)						
Segment revenue	5,022	8,001	13,023	134	134	13,157
Segment profit/(loss)	(239)	(768)	(1,007)	134	134	(873)
Interest on bank deposits, other income and losses, net			(383)		—	(383)
Central administration costs			(2,719)		—	(2,719)
Profit/(Loss) before tax			(4,109)		134	(3,975)

	Continuing operations			Discontinued operation	
	Smart retail business	**Automotive culture business**	**Unallocated**	**AWS cloud services business**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
As at 30 June 2026 (Unaudited)					
Segment assets	**13,915**	**798**	**—**	**—**	**14,713**
Corporate and unallocated assets			**2,711**		**2,711**
Consolidated assets					**17,424**
Segment liabilities	**9,212**	**2,409**	**—**	**—**	**11,621**
Corporate and unallocated liabilities			**1,248**		**1,248**
Consolidated liabilities					**12,869**

	Continuing operations			Discontinued operation	
	Smart retail business	Automotive culture business	Unallocated	AWS cloud services business	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
As at 31 December 2025 (Audited)					
Segment assets	16,383	1,435	—	—	17,818
Corporate and unallocated assets			3,910		3,910
Consolidated assets					21,728
Segment liabilities	12,908	2,818	—	—	15,726
Corporate and unallocated liabilities			655		655
Consolidated liabilities					16,381

4 INCOME TAX (EXPENSE)/CREDIT

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Current tax	**(89)**	(1)
Deferred tax	**1**	6
Income tax (expense)/credit	**(88)**	5
Income tax (expense)/credit is attributable to:		
— Continuing operations	**(88)**	5
— Discontinued operation	**—**	—
	(88)	5

Income tax recognised in profit or loss

Hong Kong Profits Tax had been provided at a rate of 8.25% on the first HK$2,000,000 of net assessable profits arising in or derived from Hong Kong, and at 16.5% on the amount in excess thereof for the six months ended 30 June 2026. No provision for Hong Kong Profits Tax had been made for the six months ended 30 June 2025 as the Group had no assessable profits arising in or derived from Hong Kong.

Under the prevailing tax law in the People's Republic of China (the "**PRC**"), the Corporate Income Tax rate of the PRC subsidiaries is 25% for the six months ended 30 June 2026 and 2025, with preferential rates offered for small and low-profit enterprises.

The Group did not have any significant unprovided deferred tax liabilities as at 30 June 2026 and 31 December 2025, respectively.

5 LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Loss for the period from continuing operations has been arrived at after (crediting)/charging:		
Bank interest income	**(3)**	(120)
Net foreign exchange losses	**6**	524
Auditor's remuneration	**240**	240
Employee benefits expenses (excluding directors' emoluments)		
— Salaries, bonus and other benefits in kind	**1,011**	1,509
— Contributions to retirement benefits schemes	**136**	248
Directors' emoluments	**302**	416
(Reversal)/Provision of loss allowance for trade and other receivables	**(66)**	612
Loss on lease termination	**—**	(6)
Amortisation of intangible assets	**17**	10
Loss on disposal of property, plant and equipment	**—**	3
Depreciation of property, plant and equipment	**1**	—
Depreciation of right-of-use assets	**—**	28

6 PROFIT FOR THE PERIOD FROM DISCONTINUED OPERATION

During the year ended 31 December 2024, the Group disposed of its business in AWS cloud services, which was an operating segment included in smart retail business as previously reported. The results of the discontinued operation for the periods ended 30 June 2026 and 2025 are presented below.

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Revenue	—	134
Other income and losses, net	—	—
Profit before tax	—	134
Income tax expense	—	—
Other comprehensive income for the period	—	—
Total comprehensive income arising from discontinued operation for the period	—	134

7 LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Loss		
(Loss)/Profit for the period attributable to owners of the Company for the purposes of basic and diluted loss per share		
— From continuing operations	**(880)**	(3,940)
— From discontinued operation	**—**	68
	(880)	(3,872)

Number of shares

	(Unaudited) Six months ended 30 June	
	2026	2025
	'000	*'000*
		(Restated)
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	**93,721**	93,721

On 30 June 2026, the Company consolidated every 50 issued shares of the Company into 1 consolidated share. The number of ordinary shares outstanding before the consolidation event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the start of 2025, being the beginning of the earliest period presented.

There was no difference between the basic and diluted loss per share during the six months ended 30 June 2026 and 2025 as there were no dilutive potential shares outstanding for the periods.

8 PROPERTY, PLANT AND EQUIPMENT

	(Unaudited) As at 30 June 2026 *HK$'000*	(Audited) As at 31 December 2025 *HK$'000*
Net book value, beginning of the period/year	**—**	3
Addition	**6**	—
Depreciation	**(1)**	—
Disposal	**—**	(3)
Net book value, end of the period/year	**5**	—
Cost	**1,513**	1,507
Accumulated depreciation and impairment	**(1,508)**	(1,507)
Net book value, end of the period/year	**5**	—

9 INTANGIBLE ASSETS

	(Unaudited) As at 30 June 2026 *HK$'000*	(Audited) As at 31 December 2025 *HK$'000*
Net book value, beginning of the period/year	**133**	—
Addition	**80**	154
Amortisation	**(17)**	(20)
Effect of foreign currency exchange differences	**6**	(1)
Net book value, end of the period/year	**202**	133
Cost	**241**	154
Accumulated amortisation	**(39)**	(21)
Net book value, end of the period/year	**202**	133

Intangible assets represent the development costs of an online platform.

10 TRADE AND OTHER RECEIVABLES

As of the end of the reporting period, the ageing analysis of trade receivables, based on the respective invoice date and net of loss allowance, and other receivables are as follows:

	(Unaudited) As at 30 June 2026 *HK$'000*	(Audited) As at 31 December 2025 *HK$'000*
0–30 days	**3,741**	2,220
31–60 days	**889**	1,523
61–90 days	**506**	81
Over 90 days	**434**	198
Trade receivables, net of loss allowance	**5,570**	4,022
Deposits, other receivables and prepayments, net of loss allowance	**1,605**	1,496
Total trade and other receivables	**7,175**	5,518

Trade receivables are generally due within 30 days from the date of billing.

11 TRADE AND OTHER PAYABLES

As of the end of the reporting period, the ageing analysis of trade payables, based on the invoice date, and other payables are as follows:

	(Unaudited) As at 30 June 2026 ***HK$'000***	(Audited) As at 31 December 2025 *HK$'000*
0–30 days	**7,008**	1,631
31–60 days	**1,301**	7,999
61–90 days	**914**	1,552
Over 90 days	**—**	758
Total trade payables	**9,223**	11,940
Accrued salaries and other benefits in kind	**320**	837
Other payables and accruals	**440**	911
Total trade and other payables	**9,983**	13,688

12 RELATED PARTY TRANSACTIONS

Save as disclosed in this report, the Group had the following significant transactions with related parties during the period:

Compensation of key management personnel

The remuneration of directors and other members of key management of the Group during the period was as follows:

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Short-term benefits	**302**	416
	302	416

Revenue earned from a related company

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Provision of smart retail services to an intermediate holding company	**—**	409
	—	409

13 INTERIM DIVIDEND

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

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Smart Retail Business

The Group's smart retail business precisely positions itself as an integrated smart retail solution provider. Its core focus is service for the smart retail industry chain, with its main business covering the provision of new retail digital transformation solutions to customers such as chain retail enterprises and various types of merchants, and operation of a new retail integrated service platform that combines trading, management and data analysis. Meanwhile, the Group extends its deployment to core technical service for smart retail, including the research and development and deployment of dedicated smart retail system, customised cloud storage, highly efficient cloud computing and smart data analysis, as well as cross-border e-commerce platform operation and management, hence constructing a highly efficient smart retail service system.

Currently, the domestic and international artificial intelligence and computing power industries are experiencing explosive growth, with various policies continuously empowering the upgrading of the smart retail industry. Simultaneously, national policies are vigorously promoting the expansion and quality improvement of digital consumption, explicitly requiring efforts to expand digital consumption channels, cultivate the smart retail sector, and support physical commerce and trading enterprises in advancing comprehensive, omni-channel, and end-to-end digital transformation and marketing innovation. The overlay of such favourable policies and market trends has not only solidified the support for the technological iteration and product structure upgrades of the Group's smart retail business, but also provided broad development space for scenario extension and ecosystem expansion.

The Group derives revenue based on customers' volume of usage of smart retail systems and cloud services (such as transaction amount and cloud service usage). For the six months ended 30 June 2026, the Group's smart retail business generated revenue of approximately HK$15,207,000 (for the six months ended 30 June 2025: approximately HK$5,022,000).

In August 2024, the Group disposed of the AWS cloud service business (the "**AWS Cloud Service Business**") under the smart retail business, and classified such business as a discontinued operation. The Group recognised a gain from the disposal of the AWS Cloud Service Business of approximately HK$4,279,000 for the year ended 31 December 2024. For the six months ended 30 June 2026, the Group's discontinued operation of the AWS Cloud Service Business did not generate any revenue (for the six months ended 30 June 2025: approximately HK$134,000).

For the six months ended 30 June 2026, the Group's continuing operation of the smart retail business recorded revenue growth. The growth was primarily attributable to the deep cultivation and expansion of the new retail integrated service platform, supplemented by the new deployment of cross-border e-commerce channels, driving dual breakthroughs in the scale of platform partner suppliers and customer service revenue, thereby significantly enhancing operational efficiency. In addition, the Group actively optimised the cost structure of the smart retail business, deepened the integration of supply chain resources, and continuously implemented cost-reduction and efficiency-enhancement measures, effectively compressing operational and staff costs.

Automotive Culture Business

Amid the market environment where consumer demand for automotive-related accessories, in-car peripherals, and point-based shopping mall consumption, the Group's newly launched automotive culture business has established a solid overall development foundation, presenting promising long-term market development prospects.

Along with the increasingly diversified consumption scenarios, end users are not only paying attention to the performance of automobiles themselves, but also demonstrating a rapidly growing demand for derivative products such as in-car lifestyle, outdoor leisure, and point-based redemption categories. However, driven by the booming automotive aftermarket, the number of competing operators continues to rise, giving rise to increasingly pronounced product homogenisation and intensifying industry competition. Facing the aforementioned opportunities and challenges, the Group's automotive culture business adheres to a development path centred on cross-industry synergy and customised services, actively orchestrating resources from automotive and core suppliers to iterate both standardised and customised product solutions in close alignment with market demand.

Reviewing the operating performance for the current period, affected by the short-term industry environment, segment revenue experienced a periodic adjustment. For the six months ended 30 June 2026, the Group's automotive culture business achieved revenue of approximately HK$1,020,000 (for the six months ended 30 June 2025: approximately HK$8,001,000). The pressure on revenue during the period was primarily attributable to the continuously intensifying competition in the domestic automotive aftermarket and severe product homogenisation, coupled with the accelerated improvement of automotive manufacturers' native self-operated ecosystems, which exerted certain pressure on the third-party automotive derivative market. Facing external market changes the Group adhered to a prudent operating approach, proactively undertook structural optimisation, streamlined product lines with lower marginal benefits, optimised the product portfolio and channel layout, and continuously enhanced the overall operational quality and efficiency of the business.

Financial Review and Treasury Policies

Profit/Loss attributable to owners of the Company

For the six months ended 30 June 2026, the Group recorded an unaudited consolidated loss attributable to owners of the Company of approximately HK$880,000 (for the six months ended 30 June 2025: approximately HK$3,872,000), representing a decrease of approximately 77% as compared to the corresponding period of 2025. The reduction in loss was primarily attributable to the Group's deep cultivation and scaling of its new retail integrated service platform business, which drove dual breakthroughs in the scale of platform partner suppliers and customer service revenue, thereby achieving a significant enhancement in operational efficiency and a corresponding increase in gross profit margin.

The Group's discontinued operation, being its AWS Cloud Service Business, did not generate any unaudited consolidated profit attributable to owners of the Company for the six months ended 30 June 2026 (for the six months ended 30 June 2025: unaudited consolidated profit attributable to owners of the Company of approximately HK$68,000).

Financial Performance of Continuing Operations

The Group's unaudited consolidated revenue increased by approximately HK$3,204,000 or approximately 25% from approximately HK$13,023,000 for the six months ended 30 June 2025 to approximately HK$16,227,000 for the six months ended 30 June 2026. The revenue of the Group for the six months ended 30 June 2026 was derived from its smart retail business and automotive culture business. For the six months ended 30 June 2026, the unaudited consolidated loss attributable to owners of the Company amounted to approximately HK$880,000 (for the six months ended 30 June 2025: approximately HK$3,940,000).

Cost of sales increased by approximately HK$2,444,000 or approximately 21% from approximately HK$11,666,000 for the six months ended 30 June 2025 to approximately HK$14,110,000 for the six months ended 30 June 2026. Such increase was in line with the increase in revenue of the Group during the review period.

Accordingly, the Group's gross profit increased by approximately HK$760,000 or approximately 56% from approximately HK$1,357,000 for the six months ended 30 June 2025 to approximately HK$2,117,000 for the six months ended 30 June 2026. The gross profit margin increased from approximately 10% for the six months ended 30 June 2025 to approximately 13% for the six months ended 30 June 2026. This increase was primarily attributable to the Group's implementation of refined operational management in its smart retail business, which effectively controlled staff and operating costs while comprehensively enhancing overall operational efficiency. Furthermore, for the six months ended 30 June 2026, the smart retail business recorded an increase in revenue, while the operating costs of this business had matured and remained at a stable level, thereby driving up the gross profit margin.

Other income decreased by approximately HK$138,000 or approximately 98% from approximately HK$141,000 for the six months ended 30 June 2025 to approximately HK$3,000 for the six months ended 30 June 2026. Such change was primarily due to the decrease in bank interest income during the review period.

Other gains and losses changed from a net loss of approximately HK$1,136,000 for the six months ended 30 June 2025 to a net gain of approximately HK$65,000 for the six months ended 30 June 2026. The change from loss to gain was primarily due to: (i) a decrease in net foreign exchange losses from approximately HK$524,000 recorded for the six months ended 30 June 2025 by approximately HK$518,000 or approximately 99% to approximately HK$6,000 for the six months ended 30 June 2026; (ii) an increase in other gains, net, recorded by the Group for the six months ended 30 June 2026, which primarily comprising a refund of individual income tax withholding commission of approximately HK$5,000 and a reversal of provision for expected credit losses of approximately HK$80,000, whereas no such income was generated for the six months ended 30 June 2025; and (iii) a decrease in loss allowance for trade and other receivables from approximately HK$612,000 for the six months ended 30 June 2025 by approximately HK$598,000 or approximately 98% to approximately HK$14,000 for the six months ended 30 June 2026, driven mainly by a substantial decline in the balance of trade and other receivables for the six months ended 30 June 2026 and a corresponding reduction in the required expected credit loss provision.

Administrative expenses decreased by approximately HK$1,493,000 or approximately 33% from approximately HK$4,471,000 for the six months ended 30 June 2025 to approximately HK$2,978,000 for the six months ended 30 June 2026. Such decrease was primarily attributable to the Group's implementation of refined operation and management, the continuous reduction of administrative expenses and various operating costs, adjustments to the employee remuneration structure, and the optimisation of the administrative structure during the review period.

The Group adopts a centralised financial policy regarding cash and treasury management, and is committed to reducing the Group's overall interest expenses.

Analysis of Changes in Assets and Liabilities

As at 30 June 2026, the Group maintained a sound financial position. The following is an analysis of major items with significant changes in assets and liabilities:

Intangible assets

As at 30 June 2026, the net book value of intangible assets were approximately HK$202,000, representing an increase of approximately HK$69,000 or approximately 52% from approximately HK$133,000 as at 31 December 2025. Such increase was primarily due to the Group's continuous investment in the development of its smart retail business platform during the review period.

Trade and other receivables

As at 30 June 2026, trade and other receivables were approximately HK$7,175,000, representing an increase of approximately HK$1,657,000 or approximately 30% from approximately HK$5,518,000 as at 31 December 2025. This growth was driven by a combination of the following factors: (i) trade receivables: during the review period, the scale of the smart retail business expanded and new cloud service contracts increased. Although the related payments were not yet due, the Group had an unconditional right to receive payment, and such amounts were accordingly recognised as trade receivables; and (ii) deposits, other receivables and prepayments: it is primarily due to an increase in prepayments made by the Group to cloud service providers during the review period.

Contract liabilities

As at 30 June 2026, contract liabilities were approximately HK$1,152,000, representing an increase of approximately HK$744,000 or approximately 182% from approximately HK$408,000 as at 31 December 2025. The Group's contract liabilities mainly comprise the following two parts: (i) advances received: service fees collected in advance from customers of the smart retail business, which have not yet been recognised as revenue because the services have not yet been delivered; and (ii) new contracts: the increase in contract liabilities during the review period was mainly due to an increase in new cloud service contracts for the smart retail business, for which the relevant services are not yet due for delivery, resulting in a corresponding increase in unfulfilled performance obligations.

Trade and other payables

As at 30 June 2026, trade and other payables were approximately HK$9,983,000, representing a decrease of approximately HK$3,705,000 or approximately 27% from approximately HK$13,688,000 as at 31 December 2025. The decrease was primarily attributable to the combined effect of the following factors: (i) trade payables: it is mainly due to the Group's proactive optimisation of working capital management and accelerated settlement of relevant procurement and operating payments, reflecting robust cash liquidity; and (ii) other payables and accrued expenses: it is mainly due to the Group's settlement of professional service fees payable and accrued salaries during the review period.

Liquidity and Gearing Ratio

As at 30 June 2026, the Group recorded total assets of approximately HK$17,424,000 (31 December 2025: approximately HK$21,728,000), total liabilities of approximately HK$12,869,000 (31 December 2025: approximately HK$16,381,000) and cash and bank balances of approximately HK$9,951,000 (31 December 2025: approximately HK$16,070,000), which were denominated in Renminbi, Hong Kong Dollars and United States Dollars. As at 30 June 2026, the current ratio of the Group was approximately 1 (31 December 2025: approximately 1), remaining unchanged from the end of last year.

As at 30 June 2026, the Group had no interest-bearing loans and bank borrowings (30 June 2025: Nil). As at 30 June 2026, the Group's total borrowings were approximately HK$1,629,000 (31 December 2025: approximately HK$2,104,000) and total equity was approximately HK$4,555,000 (31 December 2025: approximately HK$5,347,000), with a gearing ratio of approximately 36% (calculated as borrowings divided by total equity) (31 December 2025: approximately 39%). These borrowings represented short-term, interest-free fundings provided by the customers, which were mainly used to optimise the capital turnover of supply chain and the acceleration of the delivery and contract performance. Overall, the Company had sufficient cash reserves and formulated a clear full repayment arrangement. It is expected that no significant impact would be made on the long-term repayment capability.

Capital Structure

The Group had purchased 31 shares on the Stock Exchange on 8 May 2026 at a price of HK$0.012 per share (total consideration paid was HK$0.372), which were subsequently cancelled on 21 May 2026. Details are set out in the section headed "PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES" in this report.

The Company has implemented a share consolidation, pursuant to which every fifty issued and unissued shares of the Company with a par value of HK$0.005 each have been consolidated into one consolidated share with a par value of HK$0.25 each (the "**Share Consolidation**"). The Share Consolidation became effective on 30 June 2026, and the authorised share capital of the Company is HK$110,000,000, comprising (i) HK$100,000,000 divided into 400,000,000 consolidated shares with a par value of HK$0.25 each, of which 93,720,967 consolidated shares in issue; and (ii) HK$10,000,000 divided into 2,000,000,000 preferred shares with a par value of HK$0.005 each. The board lot size remained at 5,000 consolidated shares. Details regarding the Share Consolidation are set out in the announcement of the Company dated 20 April 2026 and the circular dated 1 June 2026.

As at 30 June 2026, the capital structure of the Group consisted of equity attributable to owners of the Company of approximately HK$5,080,000 (31 December 2025: approximately HK$5,841,000), comprising issued share capital and reserves. As at 30 June 2026, the Company's total number of issued shares (the "**Share(s)**") was 93,720,967, with a par value of HK$0.25 per Share (31 December 2025: 4,686,048,381 Shares, with a par value of HK$0.005 per Share).

Charge on the Group's Assets

As at 30 June 2026, the Group did not have any charge on its assets (31 December 2025: Nil).

Significant Investments, Material Acquisitions or Disposals of Subsidiaries, Associates or Joint Ventures

There were no other significant investments held, nor were there material acquisitions or disposals of subsidiaries, associates and joint ventures by the Group during the six months ended 30 June 2026.

Capital Investment and Future Plans for Material Investment or Capital Asset Purchase

During the six months ended 30 June 2026, the Group's additions to property, plant and equipment amounted to approximately HK$6,000 (for the six months ended 30 June 2025: Nil).

Save as disclosed in this report, there was no other specific plan for material investment or capital asset purchase as at 30 June 2026.

Exposure to Fluctuation in Exchange Rates

The Group's sales and purchases were mostly denominated in Hong Kong Dollars ("**HK$**") and Renminbi ("**RMB**").

RMB is not a freely convertible currency. Future exchange rates of RMB could vary significantly from the current or historical exchange rates as a result of controls that could be imposed by the PRC government. The exchange rates may also be affected by economic developments and political changes domestically and internationally, and the demand and supply of RMB. The appreciation or devaluation of RMB against HK$ may have an impact on the results of the Group.

The Group monitors its foreign currency risks and will consider hedging significant currency exposures should the need arise.

No hedging transaction had been entered into by the Group during the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

Contingent Liabilities

As at 30 June 2026, the Group had no significant contingent liabilities (31 December 2025: Nil).

Employees and Remuneration Policies

As at 30 June 2026, the Group had a total of 15 employees (31 December 2025: 15). During the six months ended 30 June 2026, total staff costs, including Directors' emoluments, amounted to approximately HK$1.5 million (for the six months ended 30 June 2025: approximately HK$2.2 million). The salaries and benefits of the Group's employees are kept at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system, which is reviewed annually.

Prospects

Looking ahead, the Group's business development will continue to be driven by its smart retail business. With the popularisation of technologies such as generative artificial intelligence and the deepening of consumption and supply-side reform policies in the Chinese mainland, the market demand for smart retail services is expected to continue to grow. Despite the macroeconomic environment remaining challenging and market competition intensifying, the Group will focus its resources on high-potential operating units, deepen the development of new retail platforms and software and hardware services, expand cross-border e-commerce operation business and explore the opportunities brought by new quality productive forces. Concurrently, the Group has adopted a prudent strategy for its automotive culture business, actively optimising its product portfolio and channels to enhance overall business resilience. The Group will continue to closely monitor operating performance and external market risks, and strictly implement cost control measures to promote the Group's high-quality and steady development.

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

As at 30 June 2026, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**") (Cap. 571 of the Laws of Hong Kong)), which were required to be 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 were taken or deemed to have under such provisions of the SFO), or pursuant to section 352 of the SFO, to be recorded in the register of the Company referred to therein, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings in securities by directors of listed issuers (the "**Required Standard of Dealings**") as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long position in shares

Name of Director	Capacity and nature of interests	Number and category of shares(3)	Approximate percentage of issued shares(1)
Mr. Zheng Minggao(2) ("**Mr. Zheng**")	Interest of controlled corporation	27,179,080 (L)	29.00%
		27,179,080 (L)	29.00%

Notes:

(1) The calculations were based on the number of Shares as a percentage of the total number of issued Shares (i.e. 93,720,967 Shares) as at 30 June 2026.

(2) Qichen High-tech Management Consulting Ltd. ("**Qichen High-tech**") is wholly owned by Shandong Qichen Zhongke Investment Holding Co., Ltd* (山東啟辰中科投資控股有限公司) ("**Shandong Qichen**"), which is in turn owned as to 99% by Beijing Tongsen Capital Holdings Co., Ltd.* (北京同森資本控股有限公司) ("**Beijing Tongsen**") and 1% by Mr. Zheng. Beijing Tongsen is owned as to 99% by Ningbo Qichen Investment Holdings Co., Ltd.* (寧波啟辰投資控股有限公司) ("**Ningbo Qichen**") and 1% by Mr. Zheng and Ningbo Qichen is wholly owned by Mr. Zheng. Accordingly, each of Shandong Qichen, Beijing Tongsen, Ningbo Qichen and Mr. Zheng is deemed to be interested in all the Shares in which Qichen High-tech was interested by virtue of the SFO.

(3) (L) — Long Position.

Save as disclosed above, as at 30 June 2026, no other Director or chief executive of the Company had or was deemed to have any interest or short position in any shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be 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 were taken or deemed to have under such provisions of the SFO), as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Required Standard of Dealings.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARES AND UNDERLYING SHARES

As at 30 June 2026, so far as was known to the Directors, the persons or entities, other than the Directors or chief executives of the Company, who had or was deemed to have an interest or a short position in the Shares or underlying Shares which were recorded in the register required to be kept by the Company under section 336 of the SFO, or which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

Names	Capacity and nature of interests	Number and category of Shares directly or indirectly held(4)	Approximate percentage of issued Shares(1)
Ningbo Qichen(2)	Interest in controlled corporation	27,179,080 (L)	29.00%
Beijing Tongsen(2)	Interest in controlled corporation	27,179,080 (L)	29.00%
Shandong Qichen(2)	Interest in controlled corporation	27,179,080 (L)	29.00%
Qichen High-tech(2)	Beneficial owner	27,179,080 (L)	29.00%
Mr. Zuo Lei(3)	Beneficial owner	10,220,500 (L)	10.91%

Notes:

(1) The calculations were based on the number of Shares which each party is interested in (whether directly or indirectly interested or deemed to be interested) as a percentage of the total number of issued Shares (i.e. 93,720,967 Shares) as at 30 June 2026.

(2) Same for the interests as disclosed in Notes (2) in the section headed "INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATION" of this Report.

(3) The Disclosure of Interest form filed by Zuo Lei on 5 September 2024 reported an interest of 511,025,000 Shares. Following the completion of the Share Consolidation on 30 June 2026, the effective number of Shares held by Zuo Lei as at 30 June 2026 should be 10,220,500 Shares.

(4) (L) — Long Position.

Save as disclosed above, so far as was known to the Directors, as at 30 June 2026, there was no person (not being a Director or a chief executive of the Company) who had or was deemed to have an interest or short position in the Shares or underlying Shares which were recorded in the register required to be kept by the Company under section 336 of the SFO, or which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company had purchased 31 Shares on the Stock Exchange on 8 May 2026 at HK$0.012 per Share (total consideration paid was HK$0.372). All the repurchased Shares had been cancelled on 21 May 2026.

Save for the above purchase, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares) during the six months ended 30 June 2026.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board is committed to maintaining high standards of corporate governance in order to uphold the transparency of the Group and safeguard the interests of the shareholders of the Company.

For the six months ended 30 June 2026, the Company had applied and complied with all the code provisions in the Corporate Governance Code (the "**CG Code**") as set out in Part 2 of Appendix C1 to the GEM Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for securities transactions by Directors (the "**Code**") which is on terms no less exacting than the Required Standard of Dealings. The Company made specific enquiries with all Directors and had not been notified of any non-compliance with the Code by any of the Directors during the six months ended 30 June 2026.

COMPETING INTEREST

None of the Directors, controlling Shareholder or their respective close associates (as defined in the GEM Listing Rules) has an interest in a business, which competes or may compete with the business of the Group.

AUDIT COMMITTEE

The Group's unaudited consolidated results and interim report for the six months ended 30 June 2026 have been reviewed by the audit committee of the Company (the "**Audit Committee**"), which was of the opinion that such statements complied with the applicable accounting standards, the GEM Listing Rules and other legal requirements and that adequate disclosures have been made. The Audit Committee had no disagreement on the accounting treatment adopted in the unaudited consolidated interim results of the Group for the six months ended 30 June 2026.

CHANGE IN INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY

The change(s) in the information of the Directors and chief executives of the Company as notified to the Company since the date of the 2025 annual report and up to the date of this report is as follows:

- The annual remuneration of Mr. Zheng Minggao as the executive Director will be changed to HK$480,000 with effect from 1 September 2026.

Save as disclosed above, there is no change in the information of Directors and chief executives of the Company which is required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the end of the period and up to the date of this report.

By order of the Board
China Netcom Technology Holdings Limited
Zheng Minggao
Chairman and Executive Director

25 August 2026

As of the date of this report, the executive Directors are Mr. Zheng Minggao and Mr. Zhu Zhengyang; the non-executive Director is Mr. Yang Xiao; and the independent non-executive Directors are Mr. Fan Lei, Ms. Feng Yu and Mr. Yu Tat Chi Michael.

* *The English name(s) has/have been transliterated from its/their respective Chinese name(s) and is/are for identification purposes only.*