讯众股份

Beijing Xunzhong Communication Technology Co., Ltd.
北京訊眾通信技術股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2597)

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

FINANCIAL HIGHLIGHTS

- For the six months ended June 30, 2026, the Group's operating revenue amounted to RMB326.25 million, representing an increase of 19.06% over the corresponding period of last year.

- For the six months ended June 30, 2026, the Group's total profit amounted to RMB10.92 million, representing a decrease of 63.48% over the corresponding period of last year.

- For the six months ended June 30, 2026, the Group's net profit attributable to shareholders of the listed company amounted to RMB13.27 million, representing a decrease of 48.22% over the corresponding period of last year.

- For the six months ended June 30, 2026, the basic earnings per share was RMB0.11, representing a decrease of RMB0.17 from the corresponding period of last year.

- The Board did not recommend the declaration of an interim dividend for the six months ended June 30, 2026.

The Board hereby announces the unaudited consolidated interim results of the Group for the six months ended June 30, 2026, together with the comparative figures for the corresponding period in 2025. The results were prepared in accordance with the CASBE and the disclosure requirements under the Listing Rules.

(Unless otherwise specified, the following information disclosures are based on the unaudited consolidated financial statements prepared in accordance with the CASBE. All amounts are denominated in RMB.)

CONSOLIDATED BALANCE STATEMENT

Item	*Notes*	**June 30, 2026**	December 31, 2025
Current assets:			
Monetary capital	*7*	**29,552,428.80**	219,293,795.62
Financial assets held for trading		**—**	—
Derivative financial assets		**—**	—
Notes receivable and accounts receivable	*8*	**899,508,833.16**	601,681,426.69
Prepayments		**963,600,501.98**	988,607,035.93
Other receivables		**54,799,382.35**	64,307,716.30
Inventories		**5,550,422.17**	6,385,157.62
Contract assets		**—**	—
Assets held for sale		**—**	—
Non-current assets due within one year		**—**	—
Other current assets		**21,868,183.63**	6,860,854.41
Total current assets		**1,974,879,752.09**	1,887,135,986.57
Non-current assets:			
Debt investments		**—**	—
Other debt investments		**—**	—
Long-term receivables		**—**	—
Long-term equity investments		**—**	—
Other equity instrument investments		**—**	—
Other non-current financial assets		**—**	—
Investment properties		**—**	—
Fixed assets		**1,810,564.83**	1,967,870.14
Construction in progress		**—**	—
Productive biological assets		**—**	—
Oil and gas assets		**—**	—
Right-of-use assets		**2,157,874.64**	4,019,231.60
Intangible assets		**—**	—
Development expenses		**—**	—
Goodwill		**—**	—
Long-term deferred expenses		**511,119.37**	822,475.49
Deferred tax assets		**14,241,040.15**	11,068,450.71
Other non-current assets		**—**	—
Total non-current assets		**18,720,598.99**	17,878,027.94
Total assets		**1,993,600,351.08**	1,905,014,014.51

Item	*Notes*	**June 30, 2026**	December 31, 2025
Current liabilities:			
Short-term borrowings		**328,242,249.97**	316,360,085.25
Financial liabilities held for trading		**—**	—
Derivative financial liabilities		**—**	—
Notes payable and accounts payable	*9*	**178,205,366.26**	173,038,890.32
Advances received		**—**	—
Contract liabilities		**60,524,841.53**	42,502,421.38
Staff remuneration payables		**6,095,997.28**	3,921,909.21
Taxes payable	*10*	**888,245.62**	7,401,342.37
Other payables		**70,380,744.75**	70,446,812.80
Liabilities held for sale		**—**	—
Non-current liabilities due within one year		**2,384,701.83**	9,734,293.84
Other current liabilities		**56,604,581.61**	11,427,867.53
Total current liabilities		**703,326,728.85**	634,833,622.70
Non-current liabilities:			
Long-term borrowings		**27,926,439.86**	19,950,000.00
Bonds payable		**—**	—
Including: Preference shares		**—**	—
Perpetual bonds		**—**	—
Lease liabilities		**104,583.43**	346,271.53
Long-term payables		**—**	—
Accrued liabilities		**—**	506,939.84
Deferred income		**—**	—
Deferred tax liabilities		**—**	—
Other non-current liabilities		**—**	—
Total non-current liabilities		**28,031,023.29**	20,803,211.37
Total liabilities		**731,357,752.14**	655,636,834.07

Item	*Notes*	**June 30, 2026**	December 31, 2025
Owners' equity (or shareholders' equity):			
Paid-up capital (or share capital)		**121,754,291.00**	121,754,291.00
Other equity instruments		**—**	—
Including: Preference shares		**—**	—
Perpetual bonds		**—**	—
Capital reserve		**562,966,529.32**	562,966,529.32
Less: Treasury shares		**—**	—
Other comprehensive income		**-4,250,000.00**	-4,250,000.00
Surplus reserve		**61,965,946.30**	61,965,946.30
Undistributed profit	*5*	**519,289,458.01**	506,023,489.44
Foreign currency financial statement translation differences		**—**	—
Total equity attributable to owners of the parent company		**1,261,726,224.63**	1,248,460,256.06
Non-controlling interests		**516,374.31**	916,924.38
Total owners' equity (or shareholders' equity)		**1,262,242,598.94**	1,249,377,180.44
Total liabilities and owners' equity (or shareholders' equity)		**1,993,600,351.08**	1,905,014,014.51

CONSOLIDATED INCOME STATEMENT

Item		Notes	From January to June 2026	From January to June 2025
I.	**Revenue from operations**	4	**326,249,694.50**	274,025,561.63
	Less: cost of sales	4	**260,564,290.86**	214,404,093.00
	Taxes and surcharges		**693,985.46**	594,052.98
	Selling expenses		**6,019,948.86**	7,293,573.03
	Administrative expenses		**13,851,726.65**	13,386,913.21
	R&D expenses		**13,032,577.76**	18,605,298.25
	Financial Expenses		**6,661,968.12**	5,157,924.68
	Including: Interest expense		**6,034,926.96**	4,522,460.22
	Interest income		**-4,141.70**	-2,783.93
	Asset impairment loss		**-273,882.94**	0.00
	Credit impairment loss		**15,436,459.95**	-11,875,439.55
	Add: Other income		**266,144.34**	3,527,537.34
	Investment income (loss is represented by "-")		**—**	—
	Including: Investment income from associates and joint ventures		**—**	—
	Gains from net exposure to hedging (loss is represented by "-")		**—**	—
	Gains on changes in fair value (loss is represented by "-")		**—**	—
	Gains from disposal of assets (loss is represented by "-")		**—**	38,002.50
II.	**Operating profit** (loss is represented by "-")		**10,528,764.12**	30,024,685.87
	Add: Non-operating income		**11,296.79**	0.00
	Less: Non-operating expenses		**-383,066.80**	116,927.20
III.	**Total profit** (total loss is represented by "-")		**10,923,127.71**	29,907,758.67
	Less: Income tax expenses	6	**-1,942,290.79**	4,416,187.41
IV.	**Net profit** (net loss is represented by "-")		**12,865,418.50**	25,491,571.26
	Net profit attributable to shareholders of the parent		**13,265,968.57**	25,618,530.27
	Profit or loss attributable to minority shareholders		**-400,550.07**	-126,959.01

Item		**Six months ended 30 June 2026**	Six months ended 30 June 2025
V.	**Other comprehensive income, net of tax**	**—**	—
	Attributable to owners of the parent	**—**	—
	(i) Items that will not be reclassified to profit or loss	**—**	—
	(ii) Items that may be reclassified to profit or loss	**—**	—
	Attributable to non-controlling interests	**—**	—
VI.	**Total comprehensive income**	**12,865,418.50**	25,491,571.26
	Attributable to owners of the parent	**13,265,968.57**	25,618,530.27
	Attributable to non-controlling interests	**-400,550.07**	-126,959.01
VII.	**Earnings per share** *(note 11)*:		
	(i) Basic earnings per share (RMB)	**0.11**	0.28
	(ii) Diluted earnings per share (RMB)	**0.11**	0.28

CONSOLIDATED CASH FLOW STATEMENT

Item		Notes	From January to June 2026	From January to June 2025
I.	**Cash flows from operating activities:**			
	Cash received from sales of goods and provision of services		**865,010,733.55**	981,127,703.35
	Refund of taxes and levies		**86,555.29**	45,387.38
	Other cash received relating to operating activities		**26,630,686.87**	79,091,844.16
	Subtotal of cash inflows from operating activities		**891,727,975.71**	1,060,264,934.89
	Cash paid for goods purchased and services received		**1,030,075,365.40**	898,341,538.79
	Cash paid to or on behalf of employees		**18,652,174.02**	22,357,035.24
	Taxes and levies paid		**8,440,969.69**	2,329,223.14
	Other cash paid relating to operating activities		**25,649,927.32**	63,455,437.43
	Subtotal of cash outflows from operating activities		**1,082,818,436.43**	986,483,234.60
	Net cash flows from operating activities		**-191,090,460.72**	73,781,700.29
II.	**Cash flows from investing activities:**			
	Cash received from disposal of investments		**—**	—
	Cash received from investment income		**—**	—
	Net cash proceeds from disposal of fixed assets, intangible assets and other long-term assets		**321,951.33**	—
	Net cash received from disposal of subsidiaries and other operating entities		**—**	—
	Other cash received relating to investing activities		**—**	—
	Subtotal of cash inflows from investing activities		**321,951.33**	—
	Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets		**442,369.02**	4,553.99
	Cash paid for investments		**—**	—
	Net cash paid to acquire subsidiaries and other operating entities		**—**	—
	Other cash paid relating to investing activities		**—**	—
	Subtotal of cash outflows from investing activities		**442,369.02**	4,553.99
	Net cash flows from investing activities		**-120,417.69**	-4,553.99

Item	Notes	**From January to June 2026**	From January to June 2025
III. Cash flows from financing activities:			
Cash received from capital injection		**—**	—
Cash received from borrowings		**163,800,000.00**	179,000,000.00
Other cash received relating to financing activities		**—**	200,000.00
Subtotal of cash inflows from financing activities		**163,800,000.00**	179,200,000.00
Cash paid for repayment of borrowings		**155,057,750.00**	177,000,000.00
Cash paid for distribution of dividends or profits and payment of interest		**4,710,532.31**	4,479,585.07
Cash paid relating to other financing activities		**2,561,815.44**	2,229,966.48
Subtotal of cash outflows from financing activities		**162,330,097.75**	183,709,551.55
Net cash flows from financing activities		**1,469,902.25**	-4,509,551.55
IV. Effect of exchange rate changes on cash and cash equivalents		**-390.66**	—
V. Net increase in cash and cash equivalents		**-189,741,366.82**	69,267,594.75
Add: Balance of cash and cash equivalents as at the beginning of the period		**219,293,795.62**	7,286,014.49
VI. Balance of cash and cash equivalents as at the end of the period		**29,552,428.80**	76,553,609.24

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company is a limited liability company established in the PRC on November 20, 2008. On October 11, 2014, the Company was converted into a joint stock company with limited liability in accordance with the Company Law of the PRC. The Company's registered address in the PRC is Room 101, -1–3/F, Building 14, Yard 5, Shangtong Avenue, Tongzhou District, Beijing, PRC. The office address is Room 1101, 11/F, Future Land Center, Building 2, Yard 10, Jiuxianqiao Road B, Jiangtai Township, Chaoyang District, Beijing, PRC.

The Group is principally engaged in providing integrated cloud-based communications solutions and services to customers. We primarily offer three types of solutions: cloud-based communications services, project-based communication solutions, and other communications solutions and accessories. Our solutions are dedicated to making communication easier with cloud-based communications services being accessible online through our platforms. Our solutions have been widely applied across various industries, such as internet services and software information services.

On June 16, 2015, the Domestic Shares were listed on the National Equities Exchange and Quotations (stock code: 832646.NQ), while the H Shares have been listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since July 9, 2025.

This consolidated interim financial information is presented in RMB, unless otherwise stated, and has been approved for issue by the Board on August 31, 2026.

This consolidated interim financial information has not been audited.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group have been prepared on a going concern basis in accordance with the actual transactions and events, the China Accounting Standards for Business Enterprises promulgated by the Ministry of Finance of the People's Republic of China, and based on the accounting policies and accounting estimates applicable to the Group. In addition, certain disclosures in the financial statements have been made in accordance with the requirements of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and also comply with the applicable disclosure requirements under the Listing Rules.

2.2 Going concern

The Group has evaluated its ability to continue as a going concern for the 12 months from the end of the Reporting Period and has not identified any events or circumstances that may cast significant doubt over its ability to continue as a going concern. Therefore, the financial statements of the Group have been prepared on a going concern basis.

2.3 Changes in significant accounting policies and accounting estimates

(1) Changes in significant accounting policies: Nil.

(2) Changes in significant accounting estimates: Nil.

3. SEGMENT INFORMATION

The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to the Directors (being the chief operating decision maker) for the purposes of allocating resources to the Group's business components and reviewing their performance.

During the period, the Group was principally engaged in providing integrated cloud-based communications services and solutions to customers. Information reported to the Directors for the purpose of resources allocation and performance assessment focuses on the operating results of the business. Therefore, the Company's chief operating decision maker considers that there is only one operating segment used for making strategic decisions. Apart from the Group's overall results and financial position, no other discrete financial information is provided.

4. REVENUE

An analysis of the Group's revenue by contract is as follows:

Item	**From January to June 2026**	From January to June 2025
Cloud communications services	**297,642,669.93**	252,378,958.31
Project-based communications solutions	**13,815,237.27**	13,807,365.29
Computing power scheduling and operation services	**11,922,371.96**	—
Other communications services and accessories	**2,869,415.34**	7,839,238.03
Total	**326,249,694.50**	274,025,561.63

All of the above revenue arose from the primary business. The corresponding cost of primary business was RMB260,564,290.86 and RMB214,404,093.00 respectively.

5. UNDISTRIBUTED PROFIT

Item	**Current period**	Previous period
Retained earnings at the end of the previous period before adjustment	**506,023,489.44**	433,004,620.45
Total retained earnings adjustment at the beginning of the period (increase +, decrease -)	**—**	—
Adjusted retained earnings at the beginning of the period	**506,023,489.44**	433,004,620.45
Add: Net profit attributable to owners of the parent for the period	**13,265,968.57**	73,018,868.99
Less: Appropriation to statutory surplus reserve	**—**	—
Appropriation to discretionary surplus reserve	**—**	—
Appropriation to general risk reserve	**—**	—
Common stock dividends payable	**—**	—
Retained earnings at the end of the period	**519,289,458.01**	506,023,489.44

6. INCOME TAX EXPENSE

Item	**From January to June 2026**	From January to June 2025
Current income tax expense	**241,848.82**	2,584,326.24
Deferred income tax expense	**-2,184,139.61**	1,831,861.17
Total	**-1,942,290.79**	4,416,187.41

The Company and its subsidiaries are subject to enterprise income tax at the applicable rates under the PRC Enterprise Income Tax Law.

7. MONETARY CAPITAL

Item	**Closing balance**	Opening balance
Cash on hand	**—**	—
Deposits with banks	**29,476,813.68**	219,290,768.05
Other cash and bank balances	**75,615.12**	3,027.57
Total	**29,552,428.80**	219,293,795.62

8. ACCOUNTS RECEIVABLE

1) Disclosure of accounts receivable by age

Aging	Closing balance	Opening balance
Within 1 year	**845,213,817.26**	514,301,480.38
1 to 2 years	**89,621,636.46**	118,718,656.72
2 to 3 years	**18,062,846.63**	6,553,936.88
3 to 4 years	**4,407,655.68**	4,569,872.13
4 to 5 years	**3,390,471.10**	1,941,154.37
Over 5 years	**11,840,708.16**	12,714,668.42
Subtotal	**972,537,135.29**	658,799,768.90
Less: Provision for bad debts	**73,028,302.13**	57,118,342.21
Total	**899,508,833.16**	601,681,426.69

Note: Accounts receivable are presented by aging determined by reference to the date of recognition.

2) Classified disclosure by bad debt provision method

Closing balance

Category	Book balance	Percentage (%)	Bad-debt provision	Provision ratio (%)	Book value
Provision for bad debts on an individual basis	**13,823,811.09**	**1.42**	**13,823,811.09**	**100.00**	**0.00**
Provision for bad debts on a collective basis	**958,713,324.20**	**98.58**	**59,204,491.04**	**6.18**	**899,508,833.16**
Including: Aging portfolio	**958,713,324.20**	**98.58**	**59,204,491.04**	**6.18**	**899,508,833.16**
Total	**972,537,135.29**	**100.00**	**73,028,302.13**	**7.51**	**899,508,833.16**

Opening balance

Category	Book balance	Percentage (%)	Bad-debt provision	Provision ratio (%)	Book value
Provision for bad debts on an individual basis	14,243,871.51	2.16	14,243,871.51	100.00	0.00
Provision for bad debts on a collective basis	644,555,897.39	97.84	42,874,470.70	6.65	601,681,426.69
Including: Aging portfolio	644,555,897.39	97.84	42,874,470.70	6.65	601,681,426.69
Total	658,799,768.90	100.00	57,118,342.21	8.67	601,681,426.69

9. ACCOUNTS PAYABLE

Item	**Closing balance**	Opening balance
Telecommunications resource service fees payable	**151,219,875.40**	138,334,258.49
Research and development service fees payable	**14,832,449.32**	32,550,625.21
Rental and property management fees payable	**254,761.34**	249,720.29
Renovation work fees payable	**17,247.25**	17,247.25
Others	**11,881,032.95**	1,887,039.08
Total	**178,205,366.26**	173,038,890.32

Note: Accounts payable are presented by aging determined by reference to the date of recognition.

10. TAXES PAYABLE

Tax item	**Closing balance**	Opening balance
Value-added tax	**219,204.04**	671,625.13
Enterprise income tax	**41,474.40**	5,796,303.51
Individual income tax	**401,512.87**	336,651.22
Urban maintenance and construction tax	**4,522.48**	22,871.14
Education surcharge	**3,043.28**	27,355.95
Stamp duty	**196,288.41**	514,562.53
Others	**22,200.14**	31,972.89
Total	**888,245.62**	7,401,342.37

11. EARNINGS PER SHARE

1) Basic earnings per share

Earnings per share is calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period:

Item	**From January to June 2026**	From January to June 2025
Net profit attributable to owners of the parent (RMB)	**13,265,968.57**	25,618,530.27
Weighted average number of ordinary shares in issue	**121,754,291**	91,314,291
Basic earnings per share (RMB)	**0.11**	0.28

2) Diluted earnings per share

There were no potentially dilutive ordinary shares in issue during the Reporting Period or the corresponding period of last year. Diluted earnings per share is therefore the same as basic earnings per share.

12. DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended June 30, 2026 (six months ended June 30, 2025: nil). No dividend was paid or declared by the Company during.

MANAGEMENT DISCUSSION AND ANALYSIS

I. REVIEW OF INDUSTRY DEVELOPMENT

1. Analysis of China's Cloud-based Communications Services Market

Cloud-based communications services refer to communications services and solutions provided to corporate and public organizations based on cloud technologies. Cloud-based communications services primarily include (i) CPaaS services, which are a technology delivery model that enables companies to embed omni-channel communication functions into their business systems and applications with APIs or SDKs; and (ii) Contact Center SaaS, which refers to an efficient and intelligent contact center solution provided to corporate and public organizations with SaaS as the main deployment method. Cloud-based communications services providers can offer one or more types of services tailored to different customers' requirements and application scenarios.

The market size of China's cloud-based communications services refers to the total revenue generated by both providers with single service capability and providers of full-suite communications services. According to information from the MIIT, with the expanding application of cloud technologies and increasing demand for cloud migration from downstream customers, China's cloud-based communications services market has grown continuously in recent years. From 2020 to 2024, the total revenue of China's cloud-based communications services market increased from RMB35.5 billion to RMB50.3 billion, representing a CAGR of 9.1%. In the future, with the further digital transformation and the expanding application scenarios of cloud communications, China's cloud-based communications services market is expected to maintain rapid growth. In 2029, the total revenue of China's cloud-based communications services market is expected to reach RMB74.5 billion, representing a CAGR of 8.2% from 2024 to 2029.

China's Contact Center SaaS Service Market — Contact Center SaaS refers to an efficient and intelligent contact center solution provided to corporate and public organizations with SaaS as the main deployment method. Contact Center SaaS solutions primarily include various intelligent functions applied in contact centers, such as smart text bots, smart voice navigation, intelligent service quality inspection and assistance, intelligent call bots and video assistance, which can fully satisfy customers' diversified needs for business consultation, after-sales service, marketing, sales management, and other purposes.

With an increasing number of enterprises and the dynamic changes in customers' needs, the downstream industries are facing intense competition. Therefore, it is crucial to build strong communication capabilities, as well as improve customer service quality and satisfaction, so as to enhance competitiveness. As the digital economy accelerates its penetration and enterprises deepen their digital transformation, AI has gained strong momentum in cloud-based communications applications, becoming a key component of such platforms. Compared to purchasing scattered resources and services from different service providers, downstream customers are more inclined to obtain full-suite cloud-based communications services with high efficiency and convenience from a single service provider. In the future, cloud-based communications services providers will be dedicated to developing full-suite service capabilities to meet diverse customers' needs.

2. Analysis of China's Project-based Communications Solutions Market

Project-based communications solutions refer to the provision of communication-based solutions that combine software and hardware, integrating advanced technologies such as cloud computing, IoT and AI. Project-based communications solutions leverage the high scalability and flexibility of cloud technology to provide comprehensive communication capabilities for corporate and public organizations and realize functions such as intelligent voice recognition, facial recognition and behavioral monitoring, thereby providing intelligent solutions based on communication capabilities. Project-based communications solutions have widespread application scenarios, primarily including smart campuses, smart municipal governance, smart transportation and smart finance. When selecting project-based communications solutions, downstream industries will consider their compatibility with existing systems, the stability and reliability of the service, level of intelligence and cost-effectiveness. In addition, project-based communications solutions should be able to meet the specific industry needs and support future expansion and upgrading.

Driven by the increasing demand for digital transformation and the innovative applications of project-based communications solutions, the total revenue of China's project-based communications solutions market increased from RMB254.8 billion in 2020 to RMB404.1 billion in 2024, growing at a CAGR of 12.2%. In the future, with the integration of advanced technologies such as cloud computing, AI and IoT, project-based communications solutions providers can offer comprehensive solutions to empower communication capabilities in smart cities, which is expected to promote the stable growth of China's project-based communications solutions market. In 2029, the total revenue of China's project-based communications solutions market is expected to reach RMB576.0 billion, with a CAGR of 7.3% from 2024 to 2029.

Technological innovation is a key driving force for the development of the project-based communications solutions market. The rapid development of technologies, including 5G, IoT, AI, big data, and cloud native, provides strong technical support for project-based communications solutions. Amid the wave of the digital economy, the digital transformation of corporate office, management, and business models has become an inevitable trend, driving the rapid development of the project-based communications solutions market. As technology continuously improves and customer requirements grow, project-based communications solutions providers must innovate their product features and delivery methods to remain competitive.

China's project-based communications solutions market is highly fragmented, with numerous market participants that primarily include technology service providers, equipment manufacturers, and product and solution providers. Our Group primarily competes with product and solutions providers.

3. Analysis of China's Computing Power Scheduling and Operation Services Market

Computing power scheduling and operation is a service model for the unified discovery, scheduling, and on-demand use of computing power resources, enabled by resource pooling, intelligent scheduling, and market-oriented services. Computing power scheduling and operation is a segment in the computing power scheduling value chain that features attractive business models and significant market potential. It helps customers address the issue of idle computing power and enables a platform-based service model. The market size of computing power scheduling and operation is calculated by multiplying the market size of the schedulable computing power cloud market by the scheduling commission rate. According to estimates by market research institutions, the total market size of the schedulable computing power cloud market in 2025 is approximately RMB887.4 billion. Assuming a commission rate of between 5% and 10%, the corresponding potential market size for China's computing power scheduling in 2025 is approximately RMB44.4 billion to RMB88.7 billion.

The explosive growth of AI large models has driven a surge in demand for computing power. As large models move from the training phase to the large-scale application phase, the demand for AI inference is showing exponential growth. The scale of models continues to expand, from billions of parameters to tens of billions or even hundreds of billions of parameters. The capability of computing power scheduling directly affects the efficiency and cost of model inference services. In large-scale deployment scenarios, optimizing computing power scheduling has a significant impact on service gross profit margins. Although the construction of computing power-related resources in China has accelerated and investment remains at a high level, the industry faces multiple challenges: low utilization rate of computing power resources and highly elastic demand for computing power. Driven by phased tasks such as model training and project delivery, this demand rises rapidly in the short term and then falls significantly during off-peak periods, leading to the coexistence of temporary shortages and long-term idle computing power.

Overall, China's computing power scheduling and operation market is in a key transition phase from "building computing power" to "operating computing power". The core of industry competition is shifting from building more computing power to achieving the unified discovery, unified scheduling, and on-demand use of computing power resources. With the accelerated construction of the computing power internet and the continuous expansion of AI application scenarios, the computing power scheduling and operation market is expected to maintain rapid growth.

II. PRINCIPAL BUSINESS OPERATIONS OF THE GROUP

1. Cloud-based communications services

Cloud-based communications services refer to value-added communications services and solutions provided to corporate and public organizations based on cloud technologies, primarily including (i) CPaaS services, which are a technology delivery model that enables companies to embed omni-channel communication functions into their business systems and applications with APIs or SDKs; and (ii) Contact Center SaaS, which refers to an efficient and intelligent contact center solution provided to corporate and public organizations with SaaS as the main deployment method.

On our cloud-based CPaaS platform, our customers, principally internet companies, software and information technology companies, and financial institutions, have convenient access to a vast array of integrated telecommunications resources, covering voice, messaging, and mobile data capabilities, which we source from major telecommunications operators and other service providers in China. Additional value-added features, such as data analytics, privacy protection and smart routing, are embedded in our CPaaS. In addition, we offer Contact Center SaaS, which is a suite of cloud-based software services that enables businesses to handle interactions with customers and potential customers.

During the Reporting Period, the cloud-based communications services business recorded revenue growth. During the Reporting Period, revenue from messaging, voice, and cloud call center businesses all increased compared with the corresponding period of 2025. Although revenue from the IoT business recorded a slight decrease, the growth in revenue from other businesses effectively offset this impact, driving an overall year-on-year increase in revenue from cloud-based communications services.

The revenue growth of the cloud-based communications services business was primarily driven by the Company's continuous efforts to expand customer resources for its messaging and voice businesses and broaden the coverage of its core businesses, thereby boosting revenue from these businesses. Meanwhile, the Company continued to optimize its operating system and improve business operational efficiency, achieving synergistic development of business scale growth and operating quality improvement.

2. Project-based communications solutions

Leveraging the cloud-based communications capabilities accumulated since its inception in 2008, the Company launched a new business segment, project-based communications solutions, in May 2020. This business segment enhances communication and connectivity capabilities for public sector clients in multiple application scenarios through software or a combination of software and hardware. Based on technologies such as cloud computing, integrated communications, and visual recognition, it develops corresponding solutions tailored to the personalized needs of customers.

In the first half of 2026, the Company continued to advance the development of its intelligent solutions business, exploring business opportunities in areas such as industry agents (intelligent customer service solution based on large models) and urban operation agents (for operational scenarios such as urban culture and tourism, elderly care, conference services, and scenic spots). Through the development of its intelligent platform and customized development capabilities, the Company provides customers with solutions that meet their business needs.

During the Reporting Period, revenue from the project-based smart communications solutions segment remained largely stable compared to the corresponding period of last year.

3. Intelligent computing scheduling and operation services

With the rapid development of technologies such as AI and large models, the demand for computing power continues to grow. Leveraging its accumulated technical capabilities in cloud-based communication, cloud computing, and platform operations, the Company is actively expanding its computing power operation business. Through resource pooling, intelligent scheduling, and market-oriented services, computing power scheduling and operation enables the unified discovery, unified scheduling, and on-demand use of computing power resources, enhancing resource utilization efficiency and promoting an efficient match between supply and demand for computing power.

During the Reporting Period, the Company added a new business segment - computing power scheduling and operation. Its self-developed computing power scheduling and operation platform has been completed and launched, and is capable of managing, scheduling, and operating computing power resources. Based on this platform, the Company provides computing power resource scheduling and operation services to meet the demand for computing power in scenarios such as large models and AI applications, thereby promoting an efficient match between the supply and demand of computing power resources.

During the Reporting Period, the computing power scheduling and operation business has generated commercial revenue, primarily due to the implementation of and revenue recognition from relevant computing power resource service projects during the Reporting Period. Looking ahead, the Company will continue to enhance the capabilities of its computing power scheduling and operation platform, expand the application scenarios for computing power resource services, and promote the development of its computing power operation business.

4. Other communications services and accessories

In addition to its main services and solutions, the Company also offers other communications services and accessories, including digital rights and interests, membership benefits, contact center outsourcing, and video conference solutions. Since 2022, the Company has continuously optimized its business structure in response to market conditions and its business development strategy, gradually reducing investment in these businesses, primarily due to intense market competition and relatively limited profit contribution.

During the Reporting Period, revenue from the other communications services and accessories segment recorded a significant year-on-year decline, mainly due to the Group's proactive adjustment of its business structure, the gradual contraction of resource allocation to non-core businesses, and the reallocation of resources to business areas with long-term growth potential, such as cloud-based communication, computing power operation, and government and enterprise agents (smart communications solutions).

III. OPERATING RESULTS AND ANALYSIS

Financial Review

Revenue

The Group generates revenue mainly from cloud-based communications services, project-based communications solutions and other communications services and accessories. For the six months ended June 30, 2026, the revenue of the Group was RMB326.25 million, representing an increase of RMB52.22 million or 19.06% from RMB274.03 million in the corresponding period of last year. This was mainly due to the steady recovery of customer demand in the Company's cloud-based communications services segment, coupled with the large-scale revenue contribution from the strategically deployed intelligent computing scheduling and operation services segment during the Reporting Period. The revenue of each business segment is as follows:

For the six months ended June 30, 2026, the revenue of the cloud-based communications services segment was RMB297.64 million, representing an increase of RMB45.26 million or 17.93% from RMB252.38 million in the corresponding period of last year. This was mainly due to the continued increase in penetration of core voice and messaging cloud communications business among large and medium-sized government and enterprise customers, and the expansion of business scale from existing customers, driving the steady growth of revenue from cloud-based communications services.

For the six months ended June 30, 2026, the revenue of the project-based communications solutions segment was RMB13.82 million, representing an increase of RMB0.01 million or 0.07% from RMB13.81 million in the corresponding period of last year. This was mainly due to the stable project delivery pace of government and enterprise agent projects during the Reporting Period, with revenue recognized alternately from industry agent and government agent orders, keeping the overall revenue scale stable.

For the six months ended June 30, 2026, the revenue of the other communications services and accessories segment was RMB2.87 million, representing a decrease of RMB4.97 million or 63.39% from RMB7.84 million in the corresponding period of last year. This was mainly due to the Group's proactive optimization of its business structure, gradually scaling back low-margin businesses, and concentrating resources on developing high value-added cloud-based communication and intelligent computing operation businesses.

For the six months ended June 30, 2026, the revenue of the Company's newly added intelligent computing scheduling and operation services segment was RMB11.92 million, marking the official implementation of the Company's dual growth engines strategy of "cloud-based communication + intelligent computing scheduling and operation services". The intelligent computing scheduling and operation services have established a stable commercial revenue stream.

Costs

For the six months ended June 30, 2026, the costs incurred by the Group were RMB260.56 million, representing an increase of RMB46.16 million or 21.53% from RMB214.40 million in the corresponding period of last year. This was mainly due to the corresponding increase in channel costs driven by the growth in cloud-based communications business volume, as well as the computing power resource costs from the initial investment in the intelligent computing scheduling and operation services segment during the Reporting Period. The costs incurred by each business segment are as follows:

For the six months ended June 30, 2026, the costs incurred by the cloud-based communications services segment were RMB243.01 million, representing an increase of RMB40.11 million or 19.77% from RMB202.90 million in the corresponding period of last year. This was mainly due to the Group's corresponding increase in procurement of operator channel resources to match the revenue growth of cloud-based communications services and to ensure the quality of concurrency communications services during the Reporting Period.

For the six months ended June 30, 2026, the costs incurred by the project-based communications solutions segment were RMB3.15 million, representing a decrease of RMB0.98 million or 23.70% from RMB4.13 million in the corresponding period of last year. This was mainly due to the Group's continuous optimization of project delivery efficiency, strengthened project budget control, and reduction of customized development costs by reusing standardized AI agent components, leading to a year-on-year decrease in project delivery costs during the Reporting Period.

For the six months ended June 30, 2026, the costs incurred by the other communications services and accessories segment were RMB2.68 million, representing a decrease of RMB4.70 million or 63.68% from RMB7.38 million in the corresponding period of last year. This was mainly due to the Group's proactive reduction of the scale of low-margin businesses, with related business costs decreasing in tandem with revenue, resulting in a significant effect from business structure optimization during the Reporting Period.

For the six months ended June 30, 2026, the costs incurred by the intelligent computing scheduling and operation services segment were RMB11.73 million, mainly comprising procurement costs for intelligent computing equipment and costs of operation and maintenance personnel, reflecting that the Company is in the capacity ramp-up and resource reserves phase for its computing business.

Gross profit and gross profit margin

For the six months ended June 30, 2026, the gross profit of the Group was RMB65.69 million, representing an increase of RMB6.07 million or 10.17% from RMB59.62 million in the corresponding period of last year.

The comprehensive gross profit margin was 20.13%, representing a decrease of 1.62 percentage points from the corresponding period of last year, which was mainly due to the Company's strategic investment in intelligent computing scheduling and operation services during the Reporting Period. As this segment is still in its business incubation period, initial computing power resource utilization rates are ramping up, which temporarily diluted the comprehensive gross profit margin. At the same time, the cloud-based communications services segment moderately increased channel costs to ensure service stability for major customers, which also had a certain impact on the gross profit margin. As the volume of intelligent computing scheduling and operation services increases and resource scheduling efficiency improves, the gross profit margin is expected to gradually recover.

Selling expenses

For the six months ended June 30, 2026, the selling expenses of the Group were RMB6.02 million, representing a decrease of RMB1.27 million or 17.46% from RMB7.29 million in the corresponding period of last year. This was mainly due to the Company's continued advancement of sales digital transformation during the Reporting Period, which reduced its reliance on offline promotion through enhanced standardisation capabilities of cloud-based communication and government and enterprise agent products, while also improving sales staff efficiency through refined customer management.

Administrative expenses

For the six months ended June 30, 2026, the administrative expenses of the Group were RMB13.85 million, representing an increase of RMB0.46 million or 3.47% from RMB13.39 million in the corresponding period of last year. This was mainly due to the Company's moderate expansion of its management team during the Reporting Period to support the development of its intelligent computing operation and government and enterprise agent businesses.

R&D expenses

For the six months ended June 30, 2026, the R&D expenses of the Group were RMB13.03 million, representing a decrease of RMB5.57 million or 29.95% from RMB18.61 million in the corresponding period of last year. This was mainly due to the Company's shift in R&D strategy during the Reporting Period from general technology R&D to a focus on the commercial deployment of the intelligent computing scheduling platform and vertical industry agents. As some early-stage capitalized R&D results entered the amortization phase, the corresponding R&D expenses incurred during the period were optimized.

Financial expenses

For the six months ended June 30, 2026, the financial expenses of the Group were RMB6.66 million, representing an increase of RMB1.50 million or 29.16% from RMB5.16 million in the corresponding period of last year. This was mainly due to the Company's moderate increase in bank borrowings during the Reporting Period to develop its intelligent computing business, coupled with a rise in interest expenses due to fluctuations in market interest rates compared with the corresponding period of last year.

Income tax expenses

For the six months ended June 30, 2026, the income tax expenses of the Group were RMB-1.94 million, representing a decrease of RMB6.36 million or 143.98% from RMB4.42 million in the corresponding period of last year. This was mainly due to the recognition of deferred tax assets arising from the credit impairment loss during the Reporting Period, coupled with a decrease in income tax expenses corresponding to the year-on-year decrease in profit before tax.

Net profit attributable to shareholders of the listed company

For the six months ended June 30, 2026, the net profit attributable to shareholders of the listed company was RMB13.27 million, representing a decrease of RMB12.35 million or 48.22% from the net profit attributable to shareholders of the listed company of RMB25.62 million in the corresponding period of last year. This was mainly due to the increase in credit impairment losses and the decrease in other income during the Reporting Period.

Equity attributable to non-controlling interests

For the six months ended June 30, 2026, the equity attributable to non-controlling interests of the Group was RMB0.52 million, representing a decrease of RMB0.40 million or 43.68% from RMB0.92 million in the corresponding period of last year, which was mainly due to a year-on-year decrease in the net profit of non-wholly owned subsidiaries affected by business structure adjustments and phased investments during the Reporting Period.

Cash Flows

Net cash flows generated from operating activities

For the six months ended June 30, 2026, the net cash flows generated from operating activities of the Group were RMB-191.09 million, representing a decrease of RMB264.87 million or 358.99% from RMB73.78 million in the corresponding period of last year. This was mainly due to the Group's upfront payment of channel procurement costs to upstream carriers and IDC service providers during the Reporting Period to secure capacity for peak-season demand in the cloud communications business and computing power reserves for the intelligent computing scheduling and operation services business, resulting in a temporary increase in operating cash outflows. In addition, cash inflows from sales of goods were relatively lagging due to the seasonal impact of the payment cycles of certain major customers. As customer collections accelerate in the second half of the year, the operating cash flows are expected to improve significantly.

Net cash flows generated from investing activities

For the six months ended June 30, 2026, the net cash flows generated from investing activities of the Group were RMB-0.12 million, representing a decrease of RMB0.12 million or 2,544.22% from the corresponding period of last year. This was mainly due to the Company's strategic deployment of intelligent computing scheduling and operation services during the Reporting Period, which involved the purchase of a small number of servers and network equipment for testing and optimization of the intelligent computing scheduling platform. As capital expenditure remained modest, cash flows generated from investing activities remained broadly stable.

Net cash flows generated from financing activities

For the six months ended June 30, 2026, the net cash flows generated from financing activities of the Group were RMB1.47 million, representing an increase of RMB5.98 million or 132.60% from RMB-4.51 million in the corresponding period of last year. This was mainly due to the Company's moderate increase in bank borrowings during the Reporting Period to support the deployment of its intelligent computing business and working capital requirements, while strictly controlling the pace of dividend distributions and interest payments, resulting in a turnaround from net cash outflow to net cash inflow from financing activities.

Liquidity and Financial Resources

Capital Structure

A. *Borrowing*

The total bank and other borrowings of the Group as at June 30, 2026 were RMB356.17 million (as at December 31, 2025: RMB356.33 million). The bank borrowing was interest-bearing and unsecured. During the Reporting Period, the Group did not experience any difficulties in utilizing its banking facilities.

B. *Gearing Ratio*

As at June 30, 2026, the gearing ratio of the Group was 36.69% (as at December 31, 2025: 34.42%), representing an increase of 2.27 percentage points (calculated as the total liabilities divided by the total assets and multiplied by 100%). The ratio remained relatively stable compared to the previous year due to normal fluctuations in the asset-liability structure. The gearing ratio of the Group indicates a robust financial position, as its debt level remains within reasonable parameters for enterprises operating under normal conditions.

C. *Cash and Cash Equivalents*

As at June 30, 2026, the cash and cash equivalents of the Group were RMB29.55 million, representing a decrease of RMB177.66 million or 85.74% from RMB207.21 million as at December 31, 2025, mainly due to the majority of the Company's raised funds being utilized as planned and the increase in the Company's prepayments to operators and payments for computing power resources, coupled with the concentration of cash collections from the cloud communications business in the second half of the year.

Capital Expenditure

For the six months ended June 30, 2026, the Group did not have any material capital expenditure.

Prepayments

As at June 30, 2026, the Group's prepayments were RMB963.60 million (as at December 31, 2025: RMB988.61 million), accounting for approximately 48.3% of total assets. Such prepayments were mainly prepayments made by the Group to upstream telecommunications operators and service providers for the procurement of telecommunications channel resources, and to IDC service providers and computing power resource providers for the procurement of computing power resources. In accordance with industry practice, major telecommunications operators and computing power resource providers generally require upfront payment before providing services, and therefore the Group is required to maintain a relatively high balance of prepayments.

Based on an aging analysis, as at June 30, 2026, prepayments with an aging of within one year amounted to RMB955.68 million, accounting for 99.18% of the total prepayments; prepayments with an aging of over one year amounted to RMB7.92 million, accounting for 0.82% of the total prepayments. The Group has made a bad-debt provision for prepayments of RMB0.31 million. As at June 30, 2026, the total balance of prepayments to the top five payees amounted to RMB450.51 million, accounting for 46.74% of the total prepayments and approximately 22.6% of the Group's total assets. The Directors confirm that the aforesaid top five prepayment counterparties are all independent third parties and are not connected with the Company, its Directors, substantial shareholders and their respective associates.

Pledge of Assets

As of June 30, 2026, the Group did not have any pledge of assets.

Credit Risk

As at June 30, 2026, the largest credit risk exposure that may incur financial loss to the Group mainly came from the book value of each financial asset on the balance sheet. The monetary funds held by the Company are mainly deposited in financial institutions, such as state-owned holding banks and other large and medium-sized commercial banks. The management believes that these commercial banks have a high reputation and asset status, do not have significant credit risk, and will not cause any significant loss due to the default of the counterparty.

Foreign Exchange Risk

Foreign exchange risk refers to the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between RMB and other currencies in which the Group conducts business may affect its financial condition and results of operation. The Group mainly operates in the PRC and is exposed to foreign exchange risks arising from various currency exposures. The conversion of foreign currencies into RMB has been based on rates set by the People's Bank of China. The Group seeks to limit the exposure to foreign exchange risk by closely monitoring and minimizing its net foreign currency position. During the Reporting Period, the Group did not use any financial instruments for hedging purposes or enter into any currency hedging transactions.

Contingent Liabilities

With reference to the Prospectus and the announcement of the Company dated December 23, 2025, since October 2024 and up to the date of this announcement, the Company has been involved in two interrelated legal proceedings (the "**Litigation**") with Beijing Yakang Huanyu Technology Co., Ltd.* (北京亞康環宇科技有限公司) and Beijing Yunxi Technology Co., Ltd.* (北京雲汐科技有限公司) due to contractual disputes concerning the sale and purchase of computing module products. The freezing of the Company's basic bank account and general bank accounts was caused by the Litigation. As disclosed in the announcement of the Company dated December 23, 2025, there was an increase in the frozen funds in the Company's basic and general bank accounts, which was caused by the Litigation. The Board considers that the above Litigation has not had, and is not expected to have, any material adverse effect on the business operations or financial position of the Group, and the Company will make further announcement(s) in relation to the above Litigation in accordance with the Listing Rules as and when appropriate.

References are made to the announcements of the Company dated June 2, 2026 and July 2, 2026, the Company has been involved in a legal proceeding with Qingdao Guoshi Data Service Co., Ltd.* (青島國實數據服務有限公司) due to a contractual dispute concerning the sale and purchase of high-performance intelligent computing node servers. The freezing of the Company's basic bank account, general bank accounts and the equity of the Company's subsidiaries was caused by the above litigation. The Board considers that the above litigation has not had, and is not expected to have, any material adverse effect on the business operations or financial position of the Group, and the Company will make further announcement(s) in relation to the above litigation in accordance with the Listing Rules as and when appropriate.

Save as disclosed above, the Group has no other material contingent liabilities as of June 30, 2026.

Material Acquisition and Disposal of Assets, Subsidiaries, Associates and Joint Ventures

The Group had no other material acquisition and disposal of assets, subsidiaries, associates and joint ventures during the Reporting Period.

Treasury Policy

The Group adopts a prudent financial management approach on its treasury policy so as to ensure that the Group's liquidity structure (composed of assets, liabilities and other commitments) is able to meet its funding requirements at all times.

Future Plans for Material Investments or Capital Assets

The Group utilized net proceeds of RMB48.48 million for its acquisition activities in the PRC, details of which are set out in the section headed "Issue of Securities and Use of Proceeds from the Global Offering" of this announcement. Save as disclosed above, The Group had no other future plans for material investments or capital assets during the Reporting Period. The Company did not have any significant investment with a value representing 5% or more of the Company's total assets during the Reporting Period.

IV. PROSPECTS AND OUTLOOK

Our vision is to become a globally recognized AI-driven provider of cloud-based communications services and solutions, and to build on this foundation to expand our innovative businesses. We plan to implement the following strategies:

1. Continuous improvement and innovation of products and services

We will continue to enrich the features and functions of our platform and delve into customer needs to improve and innovate our services. In particular,

(1) we will continue to improve the technical indicators of our cloud-based communication platform based on the needs of our core customers, maintain an industry-leading level in platform stability, security, and convenience, meet the stringent requirements of core customers and key industries, build platform readiness and conduct technical verification for next-generation communications capabilities such as 5G Messaging and New Calling, and steadily promote their commercial deployment.

(2) we will upgrade the intelligent contact center system to a customer service agent platform, allowing enterprises to quickly configure voice agents with specific roles, gradually reducing the proportion of transfers to manual customer service while improving customer satisfaction. In the next two years, we will promote the in-depth application of voice agents in fields such as telecommunications, finance, government affairs, and electric power to create efficient digital employees for enterprises.

(3) we will continue to optimize the capabilities of existing platforms such as the urban agent platform and the AI physical and mental health monitoring and early warning platform, focusing on refining mature solutions for the urban governance sector, such as agents for cultural and tourism, elderly care, and event operation.

2. Comprehensively enhancing AI applications

We will strategically focus on smart communication solutions and cloud-based communications services that leverage large language models, voiceprint and image recognition, and motion recognition. By optimizing our products with AI tools, we aim to increase their added value and improve profit margins. We intend to use our in-house trained AI applications to enhance our services and solutions: as part of our solution upgrade path, we will introduce agent technology at the appropriate time to conduct lightweight transformation of existing processes. For example, we will use agents to achieve automatic dispatch of events in urban public service hotlines, and use conversational agents to assist human agents in emotional counseling preprocessing for mental health services.

3. Expanding innovative businesses

As at June 30, 2026, the Company's intelligent computing operation platform have been developed and launched. Based on this, the Company will develop computing power scheduling and operation services, dedicated to solving practical problems for users in computing power selection, deployment, and optimization, and providing users with cost-effective, high-performance, and high-quality computing power services. At the same time, the Company is building an intelligent hardware product line, initially targeting C-end and B-end by launching smart bands, AI headsets, and smart lamps, aiming to extend full-suite cloud-based communication capabilities and AI computing power to individual and home scenarios, forming a "cloud-device integrated" synergistic ecosystem.

4. Developing business ecosystem cooperation

(1) In terms of government cooperation, we will steadily advance the digital operation business of established city bases, consolidate cooperative relationships with local governments and their commissions, offices, and bureaus, and strive to extend more service modules on the existing basis.

(2) In terms of ecosystem cooperation, we will leverage our advantageous products to maintain in-depth connections with leading platform vendors and vertical application vendors, and jointly create new products and solutions in response to changes in market demand.

(3) In terms of operator cooperation, we will continue to solidify resource cooperation with the operators' resource business departments, while strengthening collaboration with the local operators' government and enterprise departments at the city base level to explore various cooperation models such as joint project construction and joint operation.

5. Implementing our talent strategy and strengthening team development

In the next two years, we will continue to adhere to both external recruitment and internal training, focusing on supplementing two types of talent: first, technical R&D personnel with the ability to implement emerging technologies such as AIGC and agents; second, solution experts who are familiar with the business scenarios of government and industry customers and can effectively translate customer needs into technical solutions.

6. Capturing new growth opportunities

We plan to leverage our full-suite service capabilities to enhance customer loyalty and sustainable profitability. We will continue to explore new growth opportunities, expand geographic coverage, and increase penetration. By replicating our successful experience in China, we plan to initially expand our CPaaS and intelligent hardware business to Southeast Asia by partnering with local telecommunications operators and service providers.

V. RISK FACTORS AND RISK MANAGEMENT

Risks relating to the Group's business and industry

We believe that there are certain risks and uncertainties involved in our operations, some of which are beyond our control. Some of the major risks we face include:

(1) Fluctuations in demand for our services and solutions may adversely affect our business and results of operations. Any loss of or decline in demand for our services and solutions could materially and adversely affect our business, results of operations, and financial condition;

(2) Failure to maintain our advantages in an increasingly competitive market may adversely affect our business and prospects;

(3) If we cannot continue to innovate or effectively respond to the rapidly evolving technology, market demands, industry dynamics, and other risks and uncertainties, our business, results of operations, and prospects would be materially and adversely affected;

(4) Our business relies on telecommunications resources provided by China's major telecommunications operators and other service providers; if we fail to maintain our collaborations with these telecommunications operators or service providers, our ability to serve our customers could be materially and adversely affected;

(5) If we fail to attract new customers or retain existing ones, our business, financial condition, and results of operations could be materially and adversely affected; and

(6) We have experienced, and in the future may continue to experience, net operating cash outflows and increases in trade receivables turnover days, prepayments, other receivables and other assets, which could expose us to liquidity risks.

We have developed risk management and internal control systems for our business to minimize actual or potential operational risks.

(1) Actively manage our product mix. We offer full-suite cloud-based communications services. However, some service offerings, such as voice services and Contact Center SaaS, have a higher gross profit margin than other types of CPaaS services. We have actively managed our product mix to enhance our profitability. On one hand, we have historically terminated cooperation with CPaaS customers that generated low profit margins; on the other hand, we continuously developed our Contact Center SaaS service offerings during the Track Record Period. Revenue derived from our Contact Center SaaS during the Track Record Period grew gradually. Our plan to further develop project-based communications solutions in the future also reflects our active management.

(2) Actively seize market opportunities. During the past years, we foresaw these market drivers and took measures to seize opportunities. We focus on the applications of AI tools, such as data analytics, NLP, voiceprint recognition and motion recognition. This ensures that our services and solutions constantly improve from a technological perspective. We also provide a stable supply of telecommunications resources and possess strong sales capabilities. The former enables us to offer services from a diverse range of regional telecommunications operators and service providers. The latter helps us to effectively meet the growing demand for corporate communication.

(3) Actively expand new business lines. During the Reporting Period, the Company has completed the development of the intelligent computing operation platform and built the corresponding talent team. In the future, we will effectively integrate our advantageous resources and vigorously develop computing power scheduling and operation services, aiming to provide customers with full-suite solutions covering computing power selection, deployment, and optimization. At the same time, the Company is actively expanding into the intelligent hardware field, extending to individual and home scenarios based on its advantages in full-suite cloud-based communication capabilities and AI computing power. The initial plan is to target the consumer and business markets with the launch of products such as smart bands, AI headsets, and smart lamps. The advancement of the above new businesses will help strengthen the synergistic effects of the Company's internal businesses and build new revenue growth points.

(4) To reduce the risk of reliance on cooperation with major telecommunications operators and service providers in the PRC, we have adopted the following measures: 1) establishing a multi-supplier cooperation system to diversify single-channel risk; 2) signing long-term framework agreements and clarifying the terms of service quality and liability for breach of contract; 3) conducting regular

supplier service evaluation and alternative solution testing; 4) maintaining standardized technical interfaces to ensure substitutability; 5) establishing a special emergency fund for sudden changes in collaboration.

(5) Given that the cloud communications business contributes most of our revenue and trade receivables, we have implemented the following measures to shorten the settlement period starting from 2026, such as preferring customers with shorter payment cycles; setting more stringent payment terms for customers with significant trade receivables; incentivizing quicker settlement; scrutinizing payment progress and offering instalment payments for prompt settlement, etc.

(6) To further improve our collections, we have taken various measures since 2026 to strengthen the collection of trade receivables, including establishing management policies for receivables, having finance personnel regularly review receivables, actively communicating with our customers regarding settlements, and issuing collection letters. We have established a dedicated collection team to continuously monitor payment progress. This team, together with our business development personnel, communicates with customers regarding payment collection through various methods.

VI. OTHER INFORMATION

ISSUE OF SECURITIES AND USE OF PROCEEDS FROM THE GLOBAL OFFERING

1. Issue of H Shares

To further advance the Company's global strategic layout, establish an international capital operation platform and enhance its overall competitiveness, with the approval of the Stock Exchange, 30,440,000 H Shares issued by the Company were listed and traded on the Main Board of the Stock Exchange on July 9, 2025. The issue price for the issue of H Shares was HK$13.55 per H Share. The total gross proceeds amounted to approximately HK$412.46 million, and the net proceeds, after deducting underwriting commissions, fees and other expenses in connection with the global offering, amounted to approximately HK$367.50 million (equivalent to RMB334.50 million).

2. Use of Proceeds from the Global Offering

During the Reporting Period, the Company utilised the net proceeds from the issue of H Shares in accordance with the manner, purpose and proportion as set out in the Prospectus.

As at June 30, 2026, the details of utilisation of such proceeds are set out below:

	Net proceeds from the Listing available for utilisation *(RMB million)*	Unutilised net proceeds as at December 31, 2025 *(RMB million)*	Actual amount utilised during the Reporting Period *(RMB million)*	Unutilised net proceeds as at June 30, 2026 *(RMB million)*	Expected utilisation timetable for proceeds
Continuous improvement and development of services and solutions	**151.86**	**73.56**	**73.56**	—	—
Upgrading of existing cloud-based communications services and project-based communications solutions	85.63	55.39	55.39	—	—
Purchase and lease of computing power and graphics processing units	28.10	18.18	18.18	—	—
Outsourced research and development	38.13	—	—	—	—
Expansion of sales channels	**52.18**	**49.66**	**49.66**	—	—
Recruitment of personnel, cooperation and procurement of media traffic for new media platforms	18.73	17.53	17.53	—	—
Recruitment of sales personnel	8.03	6.71	6.71	—	—
Investment in and joint ventures with Southeast Asian companies with similar businesses to the Company	25.42	25.42	25.42	—	—
Acquisition activities in the PRC*	**54.19**	**54.19**	**48.48**	**5.71**	**December 31, 2026**
Repayment of outstanding loans	**42.82**	—	—	—	—
Working capital and other general corporate purposes	**33.45**	—	—	—	—
Total	**334.50**	**177.41**	**171.70**	**5.71**	

* During the Reporting Period, the Group utilized net proceeds of RMB48.48 million for acquisition activities in the PRC. As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the aforesaid acquisitions are less than 5%, such acquisitions did not constitute discloseable transactions of the Company. The Directors further confirm that the relevant counterparties and their ultimate beneficial owners are independent third parties and are not connected with the Company or its connected persons. Accordingly, the relevant acquisitions do not constitute connected transactions under Chapter 14A of the Listing Rules.

The unutilised net proceeds not applied to the above purposes have been placed in short-term or demand deposits with licensed banks and financial institutions (as defined in the SFO or applicable laws in relevant jurisdictions (for non-Hong Kong deposits)).

EMPLOYEES AND REMUNERATION POLICIES

As at June 30, 2026, the total number of employees of the Group was 157 (June 30, 2025: 163). Remuneration for management consists of, among others, basic salary, position salary, and performance salary, while remuneration for ordinary employees consists of basic salary, position salary, performance salary, and business commission. Performance-based remuneration is determined based on the Group's performance and employee performance appraisals.

The Group attaches great importance to staff training and continuously improves its education and training system. The Group provides comprehensive training programmes for its staff, including monthly induction training for new staff, product training for all staff when needed and centralized training for staff in key positions at the beginning of each year.

During the Reporting Period, the Group paid a total of RMB18.65 million in remuneration to its employees (six months ended June 30, 2025: RMB18.77 million).

INTERIM DIVIDEND

The Board did not recommend the declaration of an interim dividend for the six months ended June 30, 2026.

COMPLIANCE WITH THE CG CODE

As a company listed on the Stock Exchange, the Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the principles and code provisions of the CG Code as the basis of the Company's corporate governance practices.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Piao is serving as the chairman of the Board and chief executive officer of the Company. As Mr. Piao has been managing our Group's business and overall strategic planning since its establishment, the Directors consider that vesting the roles of chairman and chief executive officer in Mr. Piao ensures consistency in the leadership of the Group and is beneficial to the business prospects and management of the Group. Taking into account all the corporate governance measures implemented by the Company after the Listing, the Board considers that the balance of power under the current arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. Accordingly, the Company has not segregated the roles of its chairman and chief executive officer. The Board will continue to review the effectiveness of the Company's corporate governance structure to assess whether it is necessary to separate the roles of chairman and chief executive officer.

During the Reporting Period, the Company had not arranged directors' liability insurance for its Directors. The Board confirmed that it is fully aware of code provision C.1.7 of the CG Code, which requires appropriate insurance cover to be arranged for directors in respect of legal action against them, and the Company will arrange for such directors' liability insurance as soon as possible. The Company has actively engaged in negotiations and evaluations with a number of experienced insurance companies and insurance brokers regarding the terms, scope of cover and level of cover of directors' liability insurance. As the Company needs to comprehensively consider the adequacy of cover, cost-effectiveness of different insurance schemes as well as the individual risk characteristics of Directors in the performance of their duties, the relevant selection and internal approval processes have not yet been completed.

Save as disclosed above, during the Reporting Period, the Company has complied with all applicable code provisions of the CG Code and adopted the recommended best practices set out therein where appropriate. Meanwhile, the Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct for all Directors' dealings in the securities of the Company. Having made specific enquiries, all Directors have confirmed that they had strictly complied with the required standards set out in the Model Code during the Reporting Period. The Company has also set up guidelines in respect of the dealings by its relevant employees in the Company's securities, which are on terms no less exacting than those in the Model Code. During the Reporting Period, the Company is not aware of any breach of the guidelines by its relevant employees.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

For the six months ended June 30, 2026, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company (including sale of treasury shares).

As at June 30, 2026, the Company did not hold any treasury shares.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Reference is made to the announcement of the Company dated August 26, 2026. The Company has been involved in a legal proceeding with Beijing Zhongke Xinkong Innovation and Entrepreneurship Technology Development Co., Ltd.* (北京中科信控創新創業科技發展有限公司) ("**Beijing Zhongke Xinkong**") due to a contractual dispute concerning the sale and purchase of high-performance intelligent computing node servers. To safeguard its legitimate rights and interests, the Company has filed a lawsuit against Beijing Zhongke Xinkong with the Beijing Tongzhou District People's Court and has applied to the court for pre-litigation property preservation, requesting the seizure and freezing of bank accounts of Beijing Zhongke Xinkong in the aggregate amount of RMB40.00 million, or other assets of equivalent value. The Board considers that the above litigation is a legal action taken by the Company to safeguard its legitimate rights and interests, and has not had, and is not expected to have, any material adverse effect on the business operations or financial position of the Group. Further announcement(s) will be made by the Company regarding the updates of the litigation as and when appropriate in accordance with the Listing Rules.

Save as disclosed above, the Group had no other material subsequent events after June 30, 2026 and up to the date of this announcement.

AUDIT COMMITTEE

The audit committee of the Company has reviewed and confirmed the interim results announcement of our Group for the six months ended June 30, 2026 and the unaudited consolidated interim financial information for the six months ended June 30, 2026 prepared in accordance with the CASBE, and confirmed that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.commchina.net). The 2026 interim report containing all the information required by the Listing Rules will be published on the websites of the Stock Exchange and the Company in due course.

DEFINITIONS

"5G"	the fifth-generation mobile communication technology
"AI"	artificial intelligence
"AIGC"	artificial intelligence generated content
"API"	Application Programming Interface, commonly known as API, is a set of protocols that allows unconnected applications to communicate with each other
"Articles" or "Articles of Association"	the articles of association adopted by our Company, as amended, supplemented or otherwise modified from time to time
"Audit Committee"	the audit committee of the Board
"B-end"	business or services oriented towards enterprise customers
"Board"	the board of Directors
"CAGR"	compound annual growth rate
"Call Bot(s)"	automated software programs designed to interact with humans through voice or text-based conversations
"CASBE"	China Accounting Standards for Business Enterprises promulgated by the Ministry of Finance of the People's Republic of China (中華人民共和國財政部)
"C-end"	business or services oriented towards individual customers (consumers)
"CG Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules

"China" or "PRC"	the People's Republic of China, excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company" or "our Company"	Beijing Xunzhong Communication Technology Co., Ltd. (北京訊眾通信技術股份有限公司), a limited liability company incorporated in the PRC on November 20, 2008, which was converted into a joint stock company with limited liability on October 11, 2014, with its H Shares being listed on the Main Board of the Stock Exchange (Stock Code: 2597)
"Computing power"	refers to the capacity of a computer or computer system to execute complex computations and data processing tasks within a given timeframe
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules
"Contact Center SaaS"	Contact Center Software as a Service, one of our Group's business segments
"CPaaS"	Communication Platform as a Service, one of our Group's business segments
"Director(s)"	the director(s) of the Company
"Domestic Share(s)"	ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed and fully paid in RMB
"ESG"	environmental, social and governance
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.
"Group", "our Group", "we", "our" or "us"	the Company and its subsidiaries

"H Share(s)"	overseas-listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Main Board of the Stock Exchange and subscribed for and traded in Hong Kong dollars
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"IDC"	Internet Data Center, a facility base that provides operation and maintenance for equipment for the centralized collection, storage, processing and dispatch of data based on the Internet and provides related services
"IoT"	Internet of Things
"Listing"	the listing of H Shares on the Main Board of the Stock Exchange on July 9, 2025
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange, which is independent from and operated in parallel with the GEM of the Stock Exchange
"MIIT"	the Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部)
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Mr. Piao"	Mr. Piao Shenggen (樸聖根), the executive Director, chairman of the Board, chief executive officer and a substantial shareholder of the Company
"NEEQ"	the National Equities Exchange and Quotations

"NLP"	Natural Language Processing (NLP) is a field of artificial intelligence (AI) that focuses on the interaction between computers and humans through natural language. The goal of NLP is to enable computers to understand, interpret, and generate human language in a way that is both meaningful and useful
"Nomination Committee"	the nomination committee of the Board
"Prospectus"	the Company's prospectus dated June 30, 2025
"R&D"	research and development
"Remuneration and Assessment Committee"	the remuneration and assessment committee of the Board
"Reporting Period"	the six months ended June 30, 2026
"RMB"	Renminbi, the lawful currency of the PRC
"SaaS"	Software as a Service, refers to a cloud computing model that provides users with access to software applications via the internet, eliminating the need for users to install and run the application on their own computers or infrastructure
"SDK"	Software Development Kit, a set of software tools, guidelines, and programs used by developers to create applications for specific platforms
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	shares in the capital of our Company with a nominal value of RMB1.00 each, comprising the Domestic Shares and H Shares
"Shareholder(s)"	the holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Strategic Committee"	the strategic committee of the Board
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"%"	percent

By Order of the Board
Beijing Xunzhong Communication Technology Co., Ltd.
Piao Shenggen
Chairman of the Board, Executive Director and Chief Executive Officer

Hong Kong, August 31, 2026

As at the date of this announcement, the Board comprises Mr. Piao Shenggen (Chairman of the Board and Chief Executive Officer), Mr. Wang Peide, Mr. Yue Duanpu, Mr. Zhang Zhishan and Ms. Chen Jing as executive Directors; and Mr. Sun Qiang, Mr. Xiang Ligang and Mr. Su Zile as independent non-executive Directors.

* *For identification purposes only*