FS.COM Limited

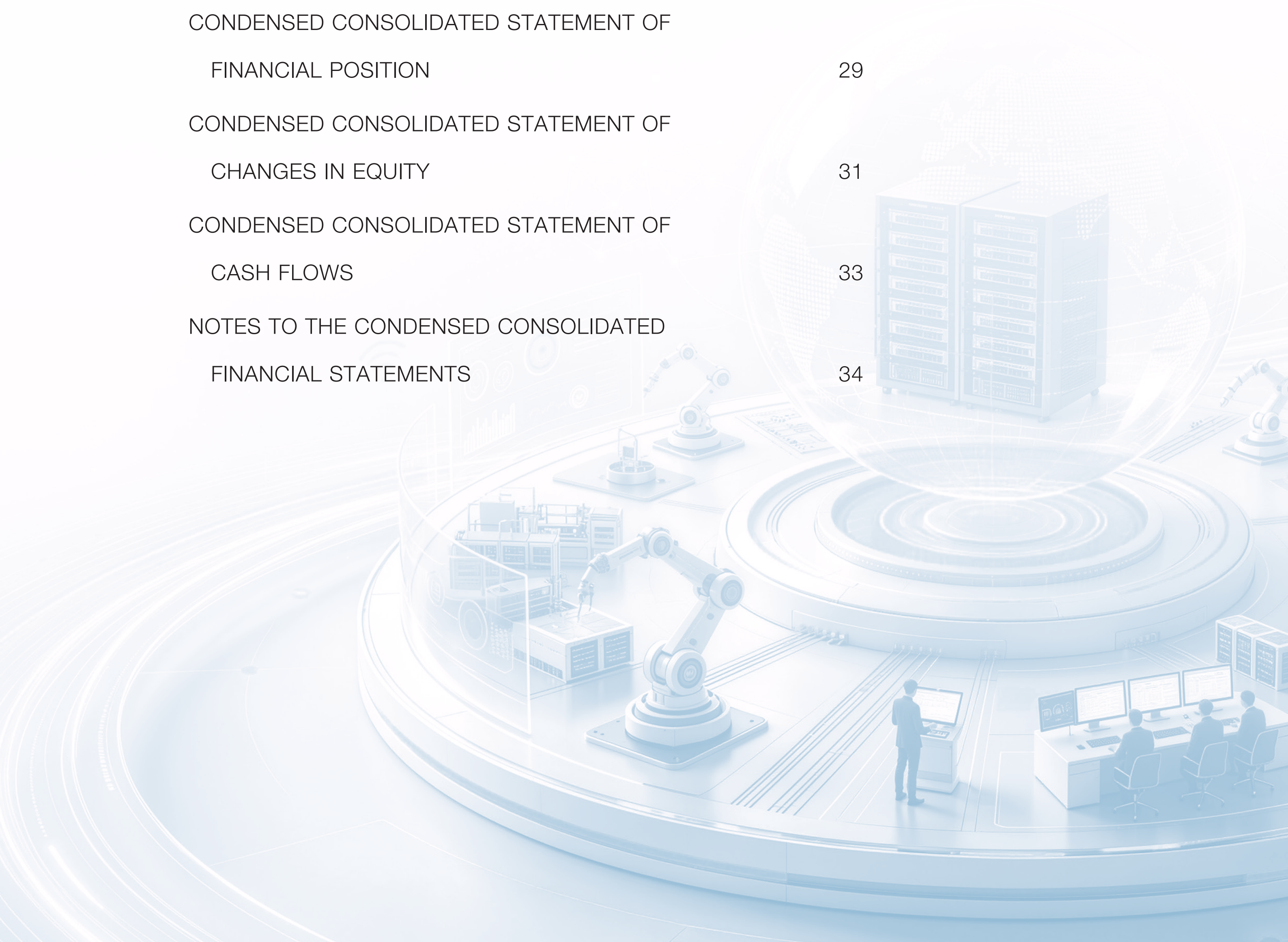
深圳市飛速創新技術股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
（於中華人民共和國註冊成立的股份有限公司）

Stock Code 股份代號 : 3355

2026 中期報告
INTERIM REPORT

CONTENTS



CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Xiang Wei *(Chairman of the Board and general manager)*
Mr. Zeng Di

Non-Executive Directors

Mr. Peng Chao
Mr. Zhao Pan

Independent non-executive Directors

Mr. Ran Long
Dr. Guo Fei
Ms. Wang Jing

SUPERVISORS

Ms. Duan Ting *(Chairman of the Supervisory Committee)*
Mr. Zhang Denghui
Ms. Zhu Yue

JOINT COMPANY SECRETARIES

Mr. Zeng Di
Ms. Sham Ying Man

AUTHORIZED REPRESENTATIVES

Mr. Xiang Wei
Mr. Zeng Di

AUDIT COMMITTEE

Dr. Guo Fei *(Chairman)*
Mr. Zhao Pan
Ms. Wang Jing

STRATEGY COMMITTEE

Mr. Xiang Wei *(Chairman)*
Mr. Ran Long
Dr. Guo Fei

REMUNERATION COMMITTEE

Ms. Wang Jing *(Chairman)*
Dr. Guo Fei
Mr. Zeng Di

NOMINATION COMMITTEE

Mr. Ran Long *(Chairman)*
Mr. Xiang Wei
Ms. Wang Jing

H SHARE REGISTRAR

Tricor Investor Services Limited

17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

REGISTERED OFFICE

1903-1904, Block C
China Resources Land Building
Da Chong Community, Yuehai Street
Nanshan District, Shenzhen
Guangdong Province
PRC

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

1903-1904, Block C
China Resources Land Building
Da Chong Community, Yuehai Street
Nanshan District, Shenzhen
Guangdong Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1910, 19/F
Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

CORPORATE INFORMATION

PRINCIPAL BANKS

China Merchants Bank Co., Ltd.
Shenzhen Binhe Shidai Branch
106/204, Commercial Podium
Jingji Binhe Shidai Building
Binhe Avenue
Futian District
Shenzhen
Guangdong Province
PRC

Bank of China Limited
University Town of Shenzhen Branch
No. 105, 106, SUSTech Yayuan
Xueyuan Avenue, Taoyuan Street
Nanshan District
Shenzhen
Guangdong Province
PRC

LEGAL ADVISOR AS TO HONG KONG LAWS:

Clifford Chance
27/F, Jardine House
One Connaught Place
Central
Hong Kong

LEGAL ADVISOR AS TO PRC LAW

Jingtian & Gongcheng
45/F, K. Wah Centre 1010 Huaihai Road (M)
Xuhui District
Shanghai
China

COMPLIANCE ADVISOR

Rainbow Capital (HK) Limited
Office No. 710, 7/F
Wing On House
No. 71 Des Voeux Road Central
Central
Hong Kong

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditors
35/F, One Pacific Place
88 Queensway
Hong Kong

COMPANY'S WEBSITE

https://www.fs.com/

STOCK CODE

03355.HK

DEFINITIONS

In this report, unless the context otherwise requires, the following terms have the meanings set forth below:

"AI"	artificial intelligence, simulation of human intelligence by machines
"Articles of Association"	the articles of association of our Company, as amended, supplemented or otherwise modified from time to time
"Audit Committee"	the Audit Committee under the Board of Directors
"Board" or "Board of Directors"	the Board of directors of our Company
"CAGR"	compound annual growth rate, representing the year-over-year growth rate of a value over a specified period of time taking into account the effects of compounding and calculated by subtracting one from the result of dividing the ending value by its beginning value raised to the power of one divided by the period length
"Chinese Mainland" or "domestic"	excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
"Controlling Shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"FS Wuhan"	Wuhan FS.COM Technology Co., Ltd. (武漢宇軒飛速通信技術有限公司), a limited liability company incorporated under the laws of the PRC on October 15, 2018, one of our subsidiaries
"G"	Gigabits
"general networking solutions"	networking solutions supporting data transfer rates below 100G
"Group", "our Group", "we" or "us"	our Company and our subsidiaries
"high-performance networking solutions"	networking solutions supporting data transfer rates of 100G and above
"HK$" or "HK dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"H Share(s)"	ordinary shares in the share capital of our Company with nominal value of RMB1.00 each, which are listed and traded on the Stock Exchange

"Listing"	listing of the H Shares on the Main Board
"Listing Date"	the date, namely March 23, 2026, on which our H Shares are listed and from which dealings therein are first permitted to take place on the Hong Kong Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"M"	Megabits
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
"networking solutions"	an industry-standard term, as advised by Frost & Sullivan, which broadly refers to a networking company's integrated offerings tailored to meet customers' specific networking needs across diverse scenarios, and avoids strict distinctions between products/services or hardware/software
"Nomination Committee"	the Nomination Committee under the Board of Directors
"Prospectus"	the prospectus issued by the Company on March 13, 2026
"Remuneration Committee"	the Remuneration Committee under the Board of Directors
"Reporting Period"	from January 1, 2026 to June 30, 2026
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"R&D"	research and development
"Securities and Futures Ordinance" or "SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Shanghai Baud" or "Baud"	Shanghai Baud Data Communication Co., Ltd., a limited liability company incorporated under the laws of the PRC in 1994, one of our subsidiaries
"Share(s)"	ordinary shares in the share capital of our Company with a nominal value of RMB1.00 each, all of which, upon completion of the Global Offering are H Shares

DEFINITIONS

"Shareholder(s)"	holder(s) of the Share(s) of the Company
"Strategy Committee"	the Strategy Committee under the Board of Directors
"Supervisory Committee"	the Supervisory Committee of our Company
"T"	Terabits
"the Company", "our Company", "Company" or "FS.COM"	FS.COM Limited (深圳市飛速創新技術股份有限公司), established under the name of Shenzhen Yuxuan Network Technology Co., Ltd. (深圳市宇軒網絡技術有限公司) in the PRC on April 9, 2009, whose H shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 03355)
"US$" or "US dollars"	United States dollars, the lawful currency of the United States
"Yuxuan Growth"	Shenzhen Yuxuan Growth Technology Partnership (Limited Partnership) (深圳市宇軒成長科技合夥企業(有限合夥)), one of our employee incentive platforms
"Yuxuan Progress"	Shenzhen Yuxuan Progress Technology Partnership (Limited Partnership) (深圳市宇軒進取科技合夥企業(有限合夥)), one of our employee incentive platforms
"Yuxuan Prudence"	Shenzhen Yuxuan Prudence Technology Partnership (Limited Partnership) (深圳市宇軒穩健科技合夥企業(有限合夥)), one of our employee incentive platforms
"%"	per cent

Notes:

1. Certain amounts and percentage figures included in this report have been subject to rounding.

2. In the event of any discrepancy between the Chinese and English names of the PRC laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain subsidiaries of the Company), the Chinese versions shall prevail. The English translations of Chinese company names and other terms marked with "*" are for identification purposes only.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the Reporting Period (six months ended 30 June 2026), the Company strategically capitalized on industry growth opportunities brought by AI computing networks, campus network construction, and digital infrastructure upgrades. We focused on three core tracks: high-performance computing, data center networks, and enterprise networks. This focus yielded key technological breakthroughs in core hardware products, including high-speed optical modules, low-loss fiber optic cables, and data center switches. Concurrently, we have built and refined four foundational capabilities: the ability to provide integrated hardware and software solutions for AI computing networks, proprietary supporting software platform capabilities, global supply chain management capabilities, and global project delivery capabilities. By continuously optimizing product performance, enriching scenario-adapted solutions, and enhancing comprehensive delivery efficiency, we have accumulated substantial growth momentum for the Group's medium-to-long-term development.

Driven by a long-term commitment to R&D and product innovation, the Company is a global enterprise-grade network infrastructure solutions provider. In our early stages, we relied on a digitalized online platform to reach global customers, gain insights into frontline needs, and build a foundational delivery system. At our current stage, our core competitiveness has undergone an iterative upgrade. We have shifted our focus from online platform operational efficiency to underlying proprietary R&D capabilities, network product definition, and the implementation of integrated solutions in complex scenarios. Centered around four major scenarios – data centers, high-performance computing, enterprise networks, and telecommunications – we have constructed a comprehensive, integrated hardware and software product system to continuously serve our global customers.

To address shortcomings across the industry chain and build long-term competitive barriers, the Group has implemented a forward-looking strategic layout spanning the full chain of network infrastructure. On July 4, 2026, the Company formally entered into an equity transfer agreement with all shareholders of Shanghai Baud Data Communication Co., Ltd. (hereinafter referred to as "**Shanghai Baud**") to acquire a 100% equity interest in Shanghai Baud for RMB330.0 million.

Deeply engaged in the domestic data communications industry for over 30 years, Shanghai Baud has accumulated profound expertise in the proprietary R&D, standardized large-scale production, and multi-vertical application of routing and switching network equipment. Its full range of products extensively covers diverse offline industry customers, including telecommunications operators, transportation, energy, broadcasting, education, and healthcare. The resources and capabilities of both parties are highly complementary: leveraging our digitalized online platform, the Group boasts global customer coverage, a mature optical communication hardware product line, a digital operations service system, and global delivery centers. Meanwhile, Shanghai Baud brings a complete proprietary R&D and production line for routing and switching, offline channels for government and enterprise operators, and a highly experienced R&D and technical team with decades of domestic operational history.

MANAGEMENT DISCUSSION AND ANALYSIS

Leveraging the aforementioned strategic acquisition, the Group has thoroughly reinforced its proprietary R&D and production segments for routing and switching, industrial networks, and optical access equipment. We have now fully established a full-stack, closed-loop capability for network equipment that spans R&D, design, testing, large-scale manufacturing, and global delivery. Our switch product matrix has achieved full-domain coverage, becoming the core pillar of the Group's full-stack hardware capabilities.

Simultaneously, on the R&D front, the integration of Shanghai Baud's R&D and technical team brings the Group's R&D engineering workforce to nearly 1,000 professionals, forming a senior technical R&D team that covers both hardware and software across all product lines. The Group independently controls three major proprietary software foundations: our proprietary switch operating system PicOS, the cloud-based network management platform Ampcon, and Shanghai Baud's BDROS. This establishes a mature and comprehensive collaborative R&D system for hardware and software. On the manufacturing front, following the acquisition and integration of Shanghai Baud's standardized equipment production lines, the Group has streamlined the proprietary R&D and production chain for network equipment. Several proprietary manufactured network equipment products have been officially launched and introduced to the market, covering multiple categories such as switches, wireless access, gateways, and PON. This has formed a product layout targeting scenarios including campus networks, industrial networks, wireless access, and optical access, achieving fully independent design, production, and delivery across the entire range of box, chassis, and industrial switches.

With the rapid expansion of the global AI industry and the trickling down of enterprise demands for self-built data centers, downstream procurement logic has evolved. Customer needs have comprehensively upgraded from single hardware items to integrated demands encompassing high-performance equipment, scenario-based complete solutions, a stable global supply chain, and full-lifecycle operations and maintenance. This acquisition represents a critical, forward-looking maneuver by the Group, based on the medium-to-long-term industry competitive landscape, and serves as a core strategic move to perfect our full-chain product and service capabilities in network infrastructure. Through the deep integration of both parties' R&D resources, production lines, domestic and overseas channels, global supply chains, and multi-industry implementation experience, the Group's capability to provide comprehensive hardware and software integrated solutions, alongside our overall strength in serving domestic and overseas customers, will be significantly enhanced. This will achieve a leapfrog improvement in our long-term global market competitiveness.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET OVERVIEW

In the first half of 2026, the global AI infrastructure industry maintained a high-prosperity cycle. As large models continue to iterate and AI applications move from pilot projects to large-scale implementation, global hyperscale cloud service providers, telecommunications operators, government, enterprise, and manufacturing clients continue to increase their capital expenditures on computing power and network hardware. Investment in AI infrastructure has officially transitioned from phased experimental input to a stage of continuous, long-cycle capital expansion. The surging demand for high-bandwidth, low-latency interconnection in computing clusters has driven the continuous release of demand for high-speed network equipment in data centers. According to IDC forecasts, global AI infrastructure spending is expected to reach USD497.0 billion in 2026, representing a year-on-year increase of approximately 56%. Dell'Oro estimates that the compound annual growth rate (CAGR) of global data center capital expenditures from 2026 to 2029 will be approximately 21%, with the overall scale expected to approach USD1.2 trillion by 2029. At the market segment level, data center Ethernet switches and 800G/1.6T high-speed optical modules, serving as the core interconnection carriers for computing clusters, have become the key beneficiary segments in the industry chain.

Driven by the dual engines of cloud computing popularization and artificial intelligence technologies, overseas markets are entering a cycle of robust and certain high growth, providing vast incremental space for the Company's global business layout. According to a research report by JLL, the global data center industry will continue to expand at a CAGR of 14% from 2026 to 2030, adding 97 GW of capacity and doubling the industry's scale within five years. Total global capacity is projected to exceed 200 GW by 2030. This core growth momentum stems from the capacity expansion of global hyperscale cloud service providers and the continuous release of rigid R&D demand for AI computing power. Regionally, the Americas firmly hold the position as the core global market, accounting for approximately 50% of the global capacity share, and are expected to maintain a CAGR of 17% through 2030, leading the growth rate among the world's three major core regions. The United States, as the core growth engine, contributes approximately 90% of the capacity in the Americas, with a solid market size and robust demand. The Asia-Pacific market exhibits abundant growth momentum; prior to 2030, its data center capacity is projected to expand from 32 GW to 57 GW, representing a CAGR of 12%. The acceleration of enterprise cloud migration is driving rapid growth in colocation services at a rate of 19%, continuously optimizing the market structure. The Europe, Middle East, and Africa region, supported by AI infrastructure policies and the demand for sovereign AI clouds spurred by data privacy compliance, is steadily expanding at a CAGR of 10%, adding 13 GW of supply within five years. This growth covers mature computing hubs in Europe and emerging digital transformation markets in the Middle East. This multi-regional and differentiated growth landscape overseas continues to empower the Company's international business.

Amidst industrial transformation, the competitive landscape of the industry is also undergoing profound changes. The construction of AI clusters is shifting procurement logic; customer needs are no longer limited to single hardware products, but place greater emphasis on integrated hardware and software solutions, the stability of supply chain delivery, and globalized technical service capabilities, leading to a continuous concentration of market share among leading solution providers. Simultaneously, the industry still faces multiple structural challenges: global geopolitical trade frictions continue to disrupt supply chain layouts; the pace of capital expenditure among different types of downstream customers is diverging; phased fluctuations in the supply and demand of high-speed components and rapid technological iteration continue to intensify pressure on R&D investments. The Group will continue to seize the opportunities presented by the upgrading of AI computing networks, relying on the advantages of our global delivery system and one-stop networking solutions to actively address industry challenges and tap into growth opportunities in domestic and overseas markets.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERALL BUSINESS PERFORMANCE

For the six months ended June 30, 2026, the Group achieved revenue of approximately RMB1,761.8 million, representing a 25.9% increase compared to the same period in 2025. Profit attributable to owners of the Company amounted to RMB451.1 million, recording a substantial period-to-period growth of 65.1% compared to that of 2025. The overall operating performance remains stable and positive, with abundant growth momentum.

The Group achieved sustained performance growth during the Reporting Period. This was primarily driven by the ongoing deployment of global AI computing power, alongside surging demand for the construction and expansion of large-scale, high-speed data centers. Together, these factors effectively elevated the overall prosperity of the enterprise-grade high-speed network equipment and auxiliary services industry. With a long-standing focus on the core tracks of network communication hardware R&D and manufacturing, and integrated complete solutions, the Group has consistently deepened its core business and refined its technologies. We have continuously advanced product upgrades and the iterative enhancement of our solution systems, accurately matching high-end market demands. This has helped steadily increase order volumes in our core businesses and driven steady revenue growth. Furthermore, the Group continued to promote the upgrading and iteration of its business structure. Market demand for high-value-added, high-performance solutions tailored to enterprise data centers and AI high-performance computing scenarios remained robust. Revenue growth in this segment reached approximately 45.4%, significantly outpacing the Group's overall average revenue growth. As the proportion of this segment's revenue to the Group's total revenue increases year by year, it continually propels the upward trajectory of our overall revenue scale. Additionally, as the Group's overall business volume continues to grow and our market scale steadily expands, the advantages of scaled operations have become fully apparent. Capitalizing on the continuous expansion of our revenue scale, fixed operating costs have been effectively apportioned, yielding significant results in unit revenue cost control. The Group's overall cost control system continues to be refined, and the cost structure is constantly optimized, continuously unleashing the dividends of scale and further bolstering the enterprise's profitability levels.

PROSPECTS AND FUTURE PLANS

Looking ahead, the AI industry remains in a long-term, high-growth cycle, and the prosperity of the network infrastructure industry continues to trend upward. The demand for network products featuring high computing power, low latency, and integrated hardware and software possesses a high degree of certainty. The industry's medium-to-long-term growth logic is clear, with vast room for development. Combining IDC's 2026 industry forecasts with the Company's frontline order data, the commercial implementation of AI, coupled with demands for data security and autonomous, controllable computing power, is driving government, enterprise, manufacturing, financial, and technology companies to accelerate the deployment of private computing systems. The industry trend of enterprises building their own data centers and private intelligent computing centers is fully evident. It is anticipated that more enterprises will continuously increase their investments in proprietary network infrastructure, pushing the construction of computing networks from large public cloud data centers to enterprise private scenarios and edge nodes, thereby bringing sustained incremental demand for the Company. Concurrently, the industry's competitive threshold continues to rise. Small and medium-sized manufacturers limited to single hardware production or single-channel services will see their development space continuously shrink, while leading enterprises equipped with full-stack proprietary R&D, large-scale manufacturing, global services, and comprehensive solution capabilities will continuously capture market share, further driving industry concentration. The Company will closely follow industry development trends, deepen its industrial layout, optimize its business model, and integrate industrial resources to continuously expand its global market share, elevate operating quality, and achieve long-term, robust, and high-quality development.

MANAGEMENT DISCUSSION AND ANALYSIS

The Company's medium-to-long-term core development strategy is to deeply cultivate the primary track of network infrastructure, focusing on four core areas: R&D innovation, large-scale manufacturing, the global supply chain, and localized services. This comprehensive approach consolidates our overall competitiveness and builds sustainable, globalized competitive barriers. In the future, we will focus on implementing the following core business strategies to steadily advance our strategic execution.

Seizing Long-Term Industry Development Trends and Consolidating the Underlying Logic for Long-Term Growth

The AI industry is currently still in a long-term, high-growth cycle, continuously driving comprehensive iterative upgrades in global underlying network architectures, hardware transmission speeds, and cross-domain device connection densities. The market's demand for networking products featuring high computing power, low latency, and integrated hardware and software is highly certain, establishing a solid medium-to-long-term growth logic and broad development space for the network infrastructure track.

At the same time, the industry's competitive landscape continues to optimize, and competitive thresholds are constantly rising. Manufacturers capable of only single hardware production or single-channel services will face continuous contraction in market development space. Leading manufacturers with comprehensive capabilities – including full-stack proprietary R&D, complete large-scale production lines, global marketing channels, and cross-industry total solutions – will continue to win market resources and achieve concentrated market share. The Group grasps these industry trends deeply, continuously strengthening its own comprehensive competitive barriers to consolidate its leading competitive edge.

Deepening Production Capacity and Delivery Infrastructure to Enhance Large-Scale Delivery Capabilities

The Group's core medium-to-long-term development strategy remains deeply cultivating the primary network infrastructure track, focusing on four core areas: R&D innovation, large-scale manufacturing, the global supply chain, and regional localized services. This comprehensive approach elevates our overall strength and builds a sustainable, long-term global competitive advantage.

Leveraging the complete production line resources gained from our post-merger integration, the Company continuously advances the upgrading of its intelligent manufacturing systems. We optimize the entire process of large-scale production, testing, and delivery of network equipment, breaking through the bottlenecks in batch delivery for products such as high-speed network equipment and industrial-grade switches. Through capacity upgrades, supply chain optimization, and the standardized transformation of production processes, we comprehensively enhance the mass production capability and delivery efficiency of high-end network equipment, ensuring the stable delivery of large-volume and project-based orders both domestically and overseas. Concurrently, we are perfecting our global supply chain management system and optimizing domestic and international warehousing, logistics, and stocking mechanisms. This effectively hedges against the risks of geopolitical trade tensions and regional supply-demand fluctuations, further strengthening our core advantage in large-scale delivery to meet the high-volume, regular, and time-sensitive procurement needs of our global customers.

MANAGEMENT DISCUSSION AND ANALYSIS

Advancing Medium-to-Long-Term Operational Execution Plans and Continuously Optimizing Overall Operational Quality and Efficiency

The Group will continue to deepen its collaborative R&D and manufacturing layout. Relying on our senior technical R&D team and three major proprietary software foundations, we will continuously iterate and upgrade our full series of products, perfecting a product matrix that spans all categories and scenarios of network equipment. By deeply unleashing the synergetic effects of the Shanghai Baud acquisition and integrating both parties' R&D technologies, mass production experience, and industry implementation capabilities, we are constructing an integrated core capability of "proprietary software + proprietary hardware + customized solutions". Moreover, guided by the scenario-based needs of our global customers, we continuously optimize complete solutions for core scenarios such as industrial environments, data centers, and AI computing. This enhances our ability to provide customized services for complex scenarios, comprehensively covering the diversified computing network needs of major cloud providers, multinational corporations, government and enterprise clients at all levels, and manufacturing enterprises.

On the global operations front, the Company continues to refine its compliance management systems and build integrated service networks for localized sales, technical support, and after-sales maintenance in various regions. Leveraging the advantages of our digital platform and localized teams, we enhance customer stickiness and our brand's global influence. In the long run, the Company will continue to drive industrial resource integration and ecological synergy, establishing a closed-loop data system across the entire chain – spanning R&D, production, inventory, delivery, and O&M. This achieves refined and transparent management across all business processes, continuously improving operational efficiency and customer response speeds. Going forward, the Group will continue to empower the construction of global digital infrastructure, steadily expanding our overall revenue scale, elevating the comprehensive gross profit margin and operating cash flow levels, and continuously optimizing long-term operating quality to solidify our core competitive position in the global industry.

FINANCIAL REVIEW

Period-to-Period Comparison of Results of Operations

Revenue

Our revenue for the six months ended June 30, 2026, was RMB1,761.8 million, representing an increase of 25.9% compared to RMB1,399.3 million for the six months ended June 30, 2025. This was primarily due to the expansion of AI computing demands, leading to an increased market demand for high-performance products.

- Our revenue from sales of high-performance networking solutions increased by 45.4% from RMB498.8 million for the six months ended June 30, 2025, to RMB725.1 million for the six months ended June 30, 2026. This was primarily due to an increase in our customer base from approximately 8,312 for the six months ended June 30, 2025, to approximately 10,063 for the six months ended June 30, 2026.

- Our revenue from sales of general networking solutions increased by 15.8% from RMB735.1 million for the six months ended June 30, 2025, to RMB851.2 million for the six months ended June 30, 2026, primarily due to our optimized product mix in response to market demand, thereby expanding the business scale of our general networking solutions.

- Our revenue from sales of other networking products increased by 12.1% from RMB165.5 million for the six months ended June 30, 2025, to RMB185.5 million for the six months ended June 30, 2026. This was primarily because our other networking products are typically deployed in conjunction with our high-performance and general networking solutions.

Cost of Sales

Our cost of sales increased by 12.1% from RMB675.5 million for the six months ended June 30, 2025, to RMB756.9 million for the six months ended June 30, 2026. This was primarily attributable to (i) an expansion in sales scale and growth in shipment volumes, which drove a corresponding increase in the cost of sales; and (ii) changes in tariff policies, resulting in an overall cost of sales growth rate that was lower than revenue growth.

Gross Profit and Gross Profit Margin

Our gross profit increased by 38.8% from RMB723.9 million for the six months ended June 30, 2025, to RMB1,004.9 million for the six months ended June 30, 2026, which was primarily driven by our increase in revenue. Our gross profit margin also increased from 51.7% for the six months ended June 30, 2025, to 57.0% for the six months ended June 30, 2026.

- The gross profit margin for high-performance networking solutions increased from 47.0% for the six months ended June 30, 2025, to 53.9% for the six months ended June 30, 2026. This was primarily attributable to (i) increased selling prices of high-performance networking solutions; and (ii) an adjustment in the product mix, as the revenue proportion of high-performance fiber optic cables, which have a relatively higher gross margin, increased during the period.

- The gross profit margin for general networking solutions increased from 54.0% for the six months ended June 30, 2025, to 58.7% for the six months ended June 30, 2026, primarily due to a decrease in procurement costs for general products.

- The gross profit margin for other networking products increased from 56.1% for the six months ended June 30, 2025, to 61.6% for the six months ended June 30, 2026, reflecting normal period-to-period fluctuations in product mix, pricing, and procurement costs.

Other Income

Our other income for the six months ended June 30, 2026, was RMB60.3 million, representing an increase of 1,384.9% compared to RMB4.1 million for the six months ended June 30, 2025. This was primarily due to (i) the receipt of U.S. tariff refunds; (ii) an increase in cash and cash equivalents, leading to a corresponding rise in interest income; and (iii) an increase in government grants.

Impairment Losses Under Expected Credit Loss Model, Net of Reversal

We recognized impairment losses under the expected credit loss model of RMB1.3 million and RMB2.9 million for the six months ended June 30, 2025, and June 30, 2026, respectively. The increase was primarily due to the aging of certain receivables extending beyond one year, which, under the expected credit loss model, required a higher proportion of impairment provisions.

Other Gains and Losses

We recorded net other gains of RMB56.8 million for the six months ended June 30, 2025, and net other losses of RMB61.9 million for the six months ended June 30, 2026. This was primarily due to changes in exchange gains and losses caused by exchange rate fluctuations.

Selling and Distribution Expenses

Our selling and distribution expenses remained relatively stable at RMB258.8 million for the six months ended June 30, 2025, and RMB255.9 million for the six months ended June 30, 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

General and Administrative Expenses

Our general and administrative expenses remained relatively stable at RMB100.5 million for the six months ended June 30, 2025, and RMB101.8 million for the six months ended June 30, 2026.

Research and Development Expenses

Our research and development expenses increased by 34.6% from RMB79.1 million for the six months ended June 30, 2025, to RMB106.5 million for the six months ended June 30, 2026. This was primarily due to the Group's continuous increase in strategic investments in network equipment R&D, including expanding the R&D talent pool and promoting the implementation of multiple key R&D projects, which correspondingly increased labor costs and project expenditures.

Finance Costs

Our finance costs decreased by 13.9% from RMB11.7 million for the six months ended June 30, 2025, to RMB10.1 million for the six months ended June 30, 2026, primarily due to the scheduled repayment of loans, which resulted in a corresponding decrease in loan interest.

Income Tax Expense

Our income tax expense increased by 40.3% from RMB45.5 million for the six months ended June 30, 2025, to RMB63.8 million for the six months ended June 30, 2026, which is in line with the increasing trend of our profit.

Profit for the Period

As a result of the foregoing, our profit for the period increased by 65.1% from RMB273.2 million for the six months ended June 30, 2025, to RMB451.1 million for the six months ended June 30, 2026.

Property, Plant and Equipment

Our property, plant and equipment primarily consisted of owned properties, owned properties improvements, construction in progress, and electronic equipment. Our property, plant and equipment remained relatively stable at RMB1,182.6 million as of June 30, 2025, and RMB1,111.9 million as of June 30, 2026.

As of June 30, 2026, the Group's secured bank loans amounting to RMB357,761,000 (December 31, 2025: RMB509,620,000) were secured by certain owned land and buildings of the Group with a carrying amount of RMB813,835,000 (December 31, 2025: RMB828,470,000).

Pledge of Assets

As at June 30, 2026, the Group's secured bank loans amounting to RMB357,761,000 (December 31, 2025: RMB509,620,000) were secured against certain of the Group's own land and buildings with a carrying amount of RMB813,835,000 (December 31, 2025: RMB828,470,000).

Property Interests and Property Valuation

The Company has valued the property interests in 59 office units and 8 commercial units located at Phase I of Optics Valley Innovation World, No. 188 Gaoke Yuanxi Road, East Lake High-Tech Development Zone, Wuhan City, Hubei Province, China. The valuation of these property interests as of January 31, 2026, amounted to RMB827.9 million, and the relevant valuation details have been set out in the Prospectus. In the consolidated financial statements, these property interests are stated at cost less accumulated depreciation and impairment provisions, and neither the aforementioned valuation nor any subsequent revaluation has been adopted.

Right-of-Use Assets

Our right-of-use assets primarily consisted of leased properties. Our right-of-use assets decreased by 24.4% from RMB123.2 million for the six months ended June 30, 2025, to RMB93.2 million for the six months ended June 30, 2026, primarily due to depreciation charged on domestic and overseas plants and offices.

Net Current Assets

Our net current assets increased from RMB1,421.6 million as of June 30, 2025, to RMB3,604.6 million as of June 30, 2026. This was primarily due to (i) excellent collection of operating revenue, resulting in increased cash inflows from operating activities; and (ii) the receipt of proceeds from fundraising during the Reporting Period, which further bolstered our cash and cash equivalents balance.

Treasury Policies

We have adopted a prudent financial management approach towards our treasury policies to ensure the liquidity requirements for daily operations and capital expenditures are met. Our Board closely monitors our liquidity positions and, after considering the credit risks, liquidity risks, and market risks of financial instruments, will invest surplus cash appropriately.

Inventories

Our inventories include (i) finished goods, (ii) goods in transit, and (iii) consumables. Our inventories increased by 20.4% from RMB465.3 million for the six months ended June 30, 2025, to RMB560.3 million for the six months ended June 30, 2026. This was primarily attributable to (i) strategic forward stocking of high-speed products, enhancing our inventory reserves; (ii) an increase in the scale of annual preventive stocking to anticipate potential fluctuations in component supply; and (iii) an upward adjustment in our safety stock strategy.

The following table sets forth our inventory turnover days for the periods indicated:

	For the six months ended June 30	
	2026	2025
Inventory turnover days [(1)]	**125.3**	138.3

Note:

(1) Inventory turnover days are calculated using the average of opening balance and closing balance of inventories for a period divided by cost of sales for the relevant period and multiplied by the number of days for the relevant period.

Our inventory turnover days decreased from 138.3 days in the first half of 2025 to 125.3 days in the first half of 2026, primarily because the Company's business growth accelerated inventory turnover.

MANAGEMENT DISCUSSION AND ANALYSIS

Trade Receivables

Our trade receivables represent the amounts due for goods sold in the ordinary course of business. Our trade receivables increased by 55.0% from RMB200.2 million for the six months ended June 30, 2025, to RMB310.3 million for the six months ended June 30, 2026. This was primarily due to the expansion of our sales scale and an increased proportion of credit sales to key customers, leading to a corresponding increase in trade receivables.

The following table sets forth our trade receivables turnover days for the periods indicated:

	For the six months ended June 30	
	2026	2025
Trade receivables turnover days [1]	**27.1**	22.8

Note:

(1) Trade receivables turnover days are calculated using the average of opening balance and closing balance of trade receivables for a period divided by revenue for the relevant period and multiplied by the number of days for the relevant period.

Our trade receivables turnover days increased from 22.8 days in the first half of 2025 to 27.1 days in the first half of 2026. This was primarily because the simultaneous growth in our revenue and trade receivables, coupled with increased credit sales to certain customers, collectively led to a year-on-year increase in trade receivables turnover days.

Other Receivables, Deposits and Prepayments

Our other receivables, deposits and prepayments primarily consisted of (i) deductible value-added tax; (ii) refundable value-added tax; and (iii) advances to suppliers. Our other receivables, deposits and prepayments remained relatively stable at RMB232.3 million as of June 30, 2025, and RMB236.9 million as of June 30, 2026.

Financial Assets at Fair Value through Profit or Loss ("FVTPL")

Our financial assets at FVTPL mainly included structured deposits issued by commercial banks. We had financial assets at FVTPL of RMB451.8 million and RMB331.6 million as of June 30, 2025, and June 30, 2026, respectively.

Restricted Bank Deposits

Our restricted bank deposits increased by 2,622.1% from RMB55.1 million as of June 30, 2025, to RMB1,499.9 million as of June 30, 2026. This was primarily attributable to the receipt of fundraising proceeds, an increase in cash inflows from operating activities, and the Group's allocation of a portion of its cash equivalents into large-denomination certificates of deposit.

Bank Balances and Cash

Our bank balances and cash increased by 99.4% from RMB732.2 million as of June 30, 2025, to RMB1,460.2 million as of June 30, 2026, primarily due to increased net cash inflows from operating activities, the deposit of fundraising proceeds into bank accounts, and the maturity and redemption of structured deposits.

Trade Payables

Our trade payables primarily consisted of trade payables to our suppliers of hardware components. Our trade payables increased by 77.4% from RMB226.7 million as of June 30, 2025, to RMB402.2 million as of June 30, 2026, primarily due to an increase in procurement driven by the expansion of our sales scale.

The following table sets forth our trade payables turnover days for the periods indicated:

	For the six months ended June 30	
	2026	2025
Trade payables turnover days [(1)]	**75.9**	61.1

Note:

(1) Trade payables turnover days are calculated using the average of opening balance and closing balance of trade payables for a period divided by cost of sales used for the relevant period and multiplied by the number of days for the relevant period.

Our trade payables turnover days increased from 61.1 days in the first half of 2025 to 75.9 days in the first half of 2026, primarily due to a year-on-year increase in both the cost of sales and trade payables.

Other Payables and Accruals (Current)

Our current other payables and accruals primarily consisted of (i) accrued staff costs; (ii) accrued listing expenses; and (iii) other tax payables. Our other payables and accruals increased from RMB121.4 million as of June 30, 2025, to RMB146.9 million as of June 30, 2026, primarily due to an increase in the balance of individual income tax withheld on dividends, which was subsequently paid after the period end.

Refund Liabilities

Our refund liabilities primarily relate to the right of return under our return policy during the warranty period. Our refund liabilities increased by 83.6% from RMB5.5 million as of June 30, 2025, to RMB10.1 million as of June 30, 2026. This was primarily due to revenue growth driving an increase in warranty-covered products, resulting in a corresponding increase in the provision for refund reserves.

Contract Liabilities

Our contract liabilities represent the advance payments received from our customers for solutions already provided and solutions to be provided during a future period. Our contract liabilities increased by 27.4% from RMB52.9 million as of June 30, 2025, to RMB67.4 million as of June 30, 2026, primarily due to rising market demand and a corresponding increase in customer prepayments.

Liquidity, Financial Resources and Indebtedness

Our indebtedness primarily includes borrowings, lease liabilities, and redemption liabilities. The following table sets forth the breakdown of our total indebtedness as of the dates indicated:

	As of June 30	
	2026	2025
	RMB'000	RMB'000
Borrowings	**357,761.5**	541,469.9
Lease liabilities	**102,385.3**	132,290.0
Bank overdrafts	**2,234.8**	3,576.0
Redemption liabilities	**0**	660,603.0
Total	**462,381.6**	1,337,938.9

The bank borrowings are all variable-rate borrowings.

Key Financial Ratios

The following table sets forth our key financial ratios for the periods indicated:

	As of/For the six months ended June 30	
	2026	2025
Gross profit margin (%)(1)	**57.0%**	51.7%
Net profit margin (%)(2)	**25.6%**	19.5%
Adjusted net profit margin (non-IFRS measure) (%)(3)	**26.8%**	21.1%
Current ratio (4)	**5.9**	3.2
Gearing ratio (%)(5)	**-52.1%**	31.7%

Notes:

(1) Gross profit margin equals gross profit divided by revenue and multiplied by 100%.

(2) Net profit margin equals profit for the year/period divided by revenue and multiplied by 100%.

(3) Adjusted net profit margin (non-IFRS measure) equals adjusted net profit (non-IFRS measure) divided by revenue and multiplied by 100%. See "—Non-IFRS Financial Measure".

(4) Current ratio equals current assets divided by current liabilities.

(5) Gearing ratio equals net debt divided by total equity and multiplied by 100%. Net debt equals bank borrowings plus lease liabilities plus redemption liabilities minus bank balances and cash.

Non-IFRS Measures

To supplement our consolidated financial statements, which are presented in accordance with IFRS Accounting Standards, we also use adjusted net profit (non-IFRS measure) as additional financial measure, which is not required by, or presented in accordance with IFRS Accounting Standards. We believe this non-IFRS measure facilitates comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items. We believe this measure provides useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as they help our management. However, such non-IFRS financial measure we presented may not be directly comparable to similar measures presented by other companies. The use of this non-IFRS measure should not be considered as a substitute for analysis of, our results of operations or financial condition as reported under IFRS.

We define adjusted net profit (non-IFRS measure) as profit for the period adjusted by adding back (i) share-based payment expenses; (ii) listing expenses; and (iii) interest expenses on redemption liabilities. The following table reconciles our adjusted net profit (non-IFRS measure) and presented in accordance with IFRS Accounting Standards, which is profit for the period:

	Six months ended June 30,	
	2026	2025
	(RMB'000)	(RMB'000)
	(unaudited)	(unaudited)
Profit for the period	**451,112**	273,176
Add:		
– Share-based payment expenses	**6,596**	5,936
– Listing expenses	**11,140**	14,681
– Interest expenses on redemption liabilities	**2,452**	1,208
Adjusted net profit (non-IFRS measure)	**471,300**	295,001

Current Ratio

Our current ratio increased from 1.8 as of December 31, 2025, to 5.9 as of June 30, 2026, primarily due to an increase in current assets.

CONTINGENT LIABILITIES

As of June 30, 2026, the Group had no contingent liabilities.

SIGNIFICANT INVESTMENTS, ACQUISITIONS, AND DISPOSALS

As of the end of the Reporting Period, except as disclosed in this interim report, the Group had no material investments that are required to be disclosed pursuant to Paragraph 32(4A) of Appendix D2 to the Listing Rules.

As of the end of the Reporting Period, the Company did not engage in any significant acquisitions and/or disposals of subsidiaries, associates, or joint ventures.

MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSET INVESTMENTS

As of the date of this report, save as disclosed in the "Future Plans and Use of Proceeds" section of this report and the Prospectus, the Group did not have any material investments and capital asset plans.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On July 4, 2026, the Company formally entered into an equity transfer agreement with all shareholders of Shanghai Baud to acquire 100% equity interest in Shanghai Baud for RMB330.0 million. On July 23, 2026, the Group completed the acquisition of the equity interest in Shanghai Baud. Upon completion of this transaction, Shanghai Baud became a wholly-owned subsidiary of the Company, and its financial results will be consolidated into the Group's consolidated financial statements. For details, please refer to the announcements of the Company dated July 5, 2026 and August 20, 2026, respectively.

On August 7, 2026, the Board proposed the adoption of the H share Incentive Scheme, which shall become effective subject to the fulfilment of the following conditions: (a) the approval and adoption of the scheme and the scheme mandate limit by the shareholders at the general meeting, and the authorization of the Board and/or the authorized person(s) to implement the scheme; and (b) the approval of the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, any new H Shares which may be allotted and issued pursuant to Awards under the scheme. For further details, please refer to the circular of the Company dated August 28, 2026.

Save for the above matters, from the end of the Reporting Period up to the date of this interim report, the Company had no other material subsequent events.

FOREIGN EXCHANGE

As of June 30, 2026, the Group had no foreign exchange hedging instruments, and the Group did not hedge against any fluctuation in foreign currency. However, the Group's management constantly monitors the economic situation and the Group's foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

EMPLOYEES AND COMPENSATION

Attracting, retaining, and motivating qualified employees are important to our success. We believe that our high-quality talent pool is one of our core strengths and competitive advantages. We recruit with high standards and rigorous procedures through various methods – including campus recruitment, online recruitment, and third-party recruiters – to select the best-fit personnel for the corresponding positions in response to our various talent demands. We invest in continuing training programs and established FS College (飛速學院) for internal employee learning and training, ranging from induction training, orientation, business training, and product training to management training. This aims to improve their professional knowledge and management skills, upgrade their skill sets, and keep them abreast of the industry standards in their respective positions. We generally offer competitive remuneration packages to our employees, based on their qualifications, industry experience, and job performance. We regularly evaluate the performance of our employees and reward those who perform well with incentives and priority opportunities for promotion.

As of June 30, 2026, the Group had a total of 2,443 regular employees. During the Reporting Period, the Group's total employee compensation amounted to RMB266.5 million (including salaries, bonuses, allowances, subsidies, welfare expenses, directors' remuneration, etc.).

The Company provides executive directors, supervisors, and senior management with various forms of compensation, including base pay, performance-based pay, and medium-to-long-term incentive plans, and provides independent non-executive directors with fixed allowances. Matters concerning the compensation of directors and supervisors shall be decided by the general meeting, while matters concerning the compensation of senior management shall be decided by the Board of Directors. The Board of the Company has established a Remuneration Committee, which is responsible for making recommendations to the Board regarding the compensation policies and structures for all directors, supervisors, and senior management of the Company, as well as for establishing formal and transparent procedures for the formulation of such compensation policies.

TRAINING PLAN

We prioritize employee development through a comprehensive career development system, diverse growth pathways, and competitive benefits. As of June 30, 2026, we conducted employee development training sessions, fostering both individual and organizational growth.

We support employee growth through comprehensive onboarding and professional development programs, enhancing their core competitiveness. Our benefits system includes performance-based bonuses, housing allowances, subsidies, and various perks to boost employee satisfaction and team cohesion.

We have established a code of conduct and are committed to making decisions free from any form of discrimination, providing equal employment opportunities to all job applicants and employees. We respect our employees' personal beliefs, cultural customs, and lifestyles, and are dedicated to fostering an open and inclusive work environment.

We place great emphasis on our employees' career development and have established tailored training policies for staff in different departments. These policies help employees acquire the knowledge and skills required for their roles through a diverse range of training programs.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DISCLOSURE OF INTERESTS

Directors', Supervisors', and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at June 30, 2026, the interests and short positions of the directors, supervisors and the chief executive 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 SFO), which (i) 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 and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, under section 352 of the SFO, to be recorded in the register required to be kept by the Company; or (iii) which were required under the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

Name	Nature of interest	Long Position/ Short Position	Number of shares held directly and indirectly	Approximate percentage of the Company's total share capital(1)
Mr. Xiang Wei	Beneficial owner	Long Position	203,928,528	50.27%
	Interest in controlled corporation(2)	Long Position	16,231,373	4.00%
Mr. Peng Chao	Beneficial owner	Long Position	508,680	0.13%
	Interest in controlled corporation(3)	Long Position	8,497,194	2.09%

Notes:

(1) The percentages are calculated based on the total number of 405,675,700 H shares issued as at June 30, 2026.

(2) Shenzhen Yuxuan Prudence Technology Partnership (Limited Partnership) ("**Yuxuan Prudence**"), Shenzhen Yuxuan Progress Technology Partnership (Limited Partnership) ("**Yuxuan Progress**"), Shenzhen Yuxuan Growth Technology Partnership (Limited Partnership) ("**Yuxuan Growth**") as the employee incentive platforms of the Company, holding 11,489,819, 2,650,548, and 2,091,006 shares of the Company's issued shares, respectively. Mr. Xiang Wei is a general partner of Yuxuan Prudence, Yuxuan Progress and Yuxuan Growth. Therefore, Mr. Xiang is deemed to have an interest in the shares held by Yuxuan Prudence, Yuxuan Progress and Yuxuan Growth.

(3) Shenzhen Chaoyue Future Venture Capital Partnership (Limited Partnership) ("**Chaoyue Future**") and Shenzhen Chaoyue No. 1 Investment Partnership (Limited Partnership) ("**Chaoyue No. 1**") hold 6,860,832 and 1,636,362 shares, respectively, of the Company's issued shares. The general partner of Chaoyue Future and Chaoyue No. 1 is Hainan Chaoyue Venture Capital Co., Ltd., which is owned as to 56% by Mr. Peng Chao. Therefore, Mr. Peng Chao is deemed to have an interest in the shares held by Chaoyue Future and Chaoyue No. 1.

Save as disclosed above, as at June 30, 2026, none of the directors, supervisors or the chief executive of the Company had any interests and short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (i) 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 and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

Interests and Short Positions of the Substantial Shareholders in the Shares and Underlying Shares

To the best of the knowledge of the directors or the Company's chief executive and based on publicly available information, as at June 30, 2026, the following persons (other than directors, supervisors, and chief executives of the Company) had interests or short positions in Shares or underlying Shares that were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were recorded in the register required to be maintained by the Company under Section 336 of the SFO:

Name	Nature of interest	Long Position/ Short Position	Number of shares held directly and indirectly	Approximate percentage of the Company's total share capital[(1)]
Mr. Xiang Wei[(2)(3)(4)]	Beneficial owner	Long position	203,928,528	50.27%
	Interest in controlled corporation	Long position	16,231,373	4.00%
Mr. Yang Jie[(5)]	Beneficial owner	Long position	15,850,897	3.91%
	Interest in controlled corporation	Long position	39,405,738	9.71%
Fupeng No.3[(5)]	Beneficial owner	Long position	39,405,738	9.71%
Fupeng Asset[(6)(7)]	Interest in controlled corporation	Long position	56,920,384	14.03%
Jiwang Enterprise[(6)]	Interest in controlled corporation	Long position	39,405,738	9.71%
Mr. Chen Baogan[(6)(7)]	Interest in controlled corporation	Long position	56,920,384	14.03%
Mr. Lin Shiyi[(7)(8)]	Interest in controlled corporation	Long position	21,406,739	5.28%

Notes:

(1) The percentages are calculated based on the total number of 405,675,700 H shares issued as at June 30, 2026.

(2) The general partner of Yuxuan Prudence is Mr. Xiang Wei. Accordingly, Mr. Xiang Wei is deemed to have an interest in the 11,489,819 shares held by Yuxuan Prudence.

(3) The general partner of Yuxuan Progress is Mr. Xiang Wei. Accordingly, Mr. Xiang Wei is deemed to have an interest in the 2,650,548 shares held by Yuxuan Progress.

(4) The general partner of Yuxuan Growth is Mr. Xiang Wei. Accordingly, Mr. Xiang Wei is deemed to have an interest in the 2,091,006 shares held by Yuxuan Growth.

(5) The general partner of Gongqingcheng Fupeng Hongxiang No.3 Venture Capital Partnership (Limited Partnership) ("**Fupeng No.3**") is Shenzhen Jiwang Enterprise Management Partnership (Limited Partnership) ("**Jiwang Enterprise**"). Mr. Yang Jie holds 99.92% partnership interests in Jiwang Enterprise. Accordingly, Mr. Yang Jie is deemed to have an interest in the 39,405,738 shares held by Fupeng No.3.

(6) The general partner of Fupeng No.3 is Jiwang Enterprise, and the general partner of Jiwang Enterprise is Shenzhen Fupeng Asset Management Co., Ltd. ("**Fupeng Asset**") which is in turn wholly owned by Mr. Chen Baogan. As such, each of Jiwang Enterprise, Fupeng Asset and Mr. Chen Baogan is deemed to be interested in the 39,405,738 shares held by Fupeng No.3.

(7) The general partner of Ningbo Meishan Bonded Port Area Fupeng Hongxiang No. 8 Equity Investment Management Centre (Limited Partnership) ("**Fupeng No.8**") is Fupeng Asset. The largest limited partner of Fupeng No. 8 is Mr. Lin Shiyi who holds approximately 88.87% partnership interests therein. As such, each of Fupeng Asset, Mr. Chen Baogan and Mr. Lin Shiyi is deemed to be interested in the 17,514,646 shares held by Fupeng No. 8.

(8) The general partner of Xiamen Taiya Phase I Venture Capital Partnership (Limited Partnership) ("**Taiya Investment**") is Xiamen Taiya Dingfu Investment Management Co., Ltd. ("**Taiya Dingfu**") which is owned as to 50% by Mr. Lin Shiyi. Therefore, Mr. Lin Shiyi is deemed to be interested in 3,892,093 Shares held by Taiya Investment.

Save as disclosed above, as at June 30, 2026, neither the directors nor the Company's chief executive are aware of any other person (other than the Company's directors, supervisors, and chief executive) having an interest or short position in the shares or underlying shares of the Company that is required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or that is recorded in the register required to be maintained by the Company under Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold, or redeemed any of the Company's listed securities (including the sale of treasury shares) from the Listing Date (i.e., March 23, 2026) up to June 30, 2026. As at June 30, 2026, the Company did not hold any treasury shares.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct for securities transactions by its directors, supervisors and relevant employees who may be in possession of inside information of the Company. Having made specific enquiries by the Company, all directors and supervisors confirmed that they had complied with the requirements concerning directors' and supervisors' securities transactions as set out in the Model Code from the Listing Date up to June 30, 2026.

Employees of the Company who may be in possession of unpublished inside information of the Company are also required to comply with the Model Code. From the Listing Date up to June 30, 2026, having made reasonable enquiries by the Company, the Company is not aware of any incident of non-compliance with the Model Code by any employee.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to achieving high standards of corporate governance to safeguard the interests of its shareholders. The Company has adopted the code provisions of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices since the Listing Date. The Company has complied with the applicable code provisions set out in the CG Code from the Listing Date up to June 30, 2026, save for the deviation from Code Provision C.2.1 of the CG Code as set out below：

CHAIRMAN OF THE BOARD AND GENERAL MANAGER

Pursuant to Code Provision C.2.1 of Part 2 of the CG Code, companies listed on the Stock Exchange should comply with, but may choose to deviate from, the requirement that the roles of Chairman and General Manager should be separate and should not be performed by the same individual. The Company does not have separate roles of Chairman and General Manager, as Mr. Xiang Wei currently performs both roles. Our Board is of the view that having the same individual serve as both Chairman of the Board and General Manager is beneficial in that it (i) ensures consistency of internal leadership within the Group, (ii) makes the overall strategic planning of the Group more effective and efficient, and (iii) facilitates the flow of information between management and the Board. Our Board considers that the balance of power and authority under the existing arrangement will not be impaired, and that this structure will enable the Company to make and implement decisions swiftly and effectively. The Board will continue to review and consider, at an appropriate time and taking into account the overall circumstances of the Group, whether to separate the roles of executive Chairman of the Board and General Manager.

The Board will review the corporate governance structure and practices from time to time and will make such arrangements as it considers appropriate.

INTERIM DIVIDEND

Having comprehensively considered the Group's global business expansion, continuous R&D investment, and liquidity reserve requirements, the Board resolved not to recommend the payment of any interim dividend for the six months ended June 30, 2026.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The Audit Committee of the Company currently comprises one non-executive Director, namely Mr. Zhao Pan, and two independent non-executive Directors, namely Dr. Guo Fei and Ms. Wang Jing. Dr. Guo Fei serves as the chairman of the Audit Committee. The Audit Committee of the Company has reviewed the accounting principles and policies adopted and the unaudited interim results of the Group for the six months ended June 30, 2026, and considers that the preparation of the interim results complies with the relevant accounting standards, rules, and regulations, and that appropriate disclosures have been fully made.

The interim financial report for the six months ended June 30, 2026, is unaudited, but has been reviewed by Deloitte Touche Tohmatsu in accordance with the International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the International Auditing and Assurance Standards Board ("**IAASB**").

CHANGES TO INFORMATION ON DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The following details the changes to directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules after the date of the Company's 2025 annual report:

Dr. Guo Fei has been appointed as an independent director of Hubei Fubang Technology Co., Ltd. (湖北富邦科技股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 300387).

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The H Shares of the Company were listed on the Main Board of the Stock Exchange on March 23, 2026, and the over-allotment was completed on April 23, 2026. A total of 45,675,700 H Shares with a nominal value of RMB1.00 each, were issued under the Hong Kong Public Offering and the International Offering at an offer price of HK$41.60 per H Share. The gross proceeds from the issue of H Shares by the Company amounted to HK$1,900.1 million (equivalent to approximately RMB1,682.4 million). After deduction of the issuance expenses directly attributable to the offering, the net proceeds amounted to approximately HK$1787.1 million (representing net proceeds of approximately HK$39.13 per H Share).

CORPORATE GOVERNANCE AND OTHER INFORMATION

There have been no changes to the use of proceeds and the anticipated timeline previously disclosed in the Prospectus. As at June 30, 2026, the Company's H share fundraising status is as follows:

USE OF PROCEEDS	Approximate percentage of total proceeds	The net proceeds described in the Prospectus (HK$ million)	Actual Proceeds utilised during the Reporting Period	Net proceeds not utilised at the end of the Reporting Period	Expected timetable for the full utilization of unutilized proceeds
Research and development to enhance the digital and intelligent capabilities of our technology platform over the next five years					
(1) Enhance our product and solution development capabilities	15%	268.1	10.3	257.8	Before April, 2031
(2) Develop the underlying architecture for network device operating systems and cloud-based network management platforms	12.5%	223.4	1.4	222.0	Before April, 2031
(3) Develop additional features and applications based on our network device operating system and cloud-based network management platform	12.5%	223.4	5.9	217.5	Before April, 2031
To enhance our delivery capabilities in key overseas markets					
(1) To enhance our global supply chain and delivery capabilities	20%	357.4	17.5	339.9	Before April, 2031
(2) To enhance the manufacturing capabilities of the Singapore Delivery Center	10%	178.7		178.7	Before April, 2031
Digitization of our network solutions and services business platform					
(1) Invest in the development of our online sales platform	13%	232.3	1.6	230.7	Before April, 2031
(2) Upgrade our existing digital infrastructure	7%	125.1	2.2	122.9	Before April, 2031
For working capital and general corporate purposes	10%	178.7	17.8	160.9	Before April, 2031
Total	100%	1,787.1	56.5	1,730.6	

(1) The expected timetable for the utilisation of the remaining proceeds has been prepared on the basis of the Group's best estimates and is subject to change in light of current and future market developments.

The Company will utilise the balance of the proceeds from the Initial Public Offering in accordance with the purposes, proportions and expected timetable disclosed in the Prospectus.

Independent Review Report

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE BOARD OF DIRECTORS OF FS.COM LIMITED
(深圳市飛速創新技術股份有限公司)
(incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of FS.COM Limited ("深圳市飛速創新技術股份有限公司") (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 28 to 48, which comprise the condensed consolidated statement of financial position as of June 30, 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

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

OTHER MATTER

The comparative condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six month ended June 30, 2025 and the relevant notes included in these condensed consolidated financial statements have not been reviewed in accordance with ISRE 2410.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

25 August 2026

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	NOTES	Six months ended June 30, 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Revenue	*3*	**1,761,782**	1,399,343
Cost of sales		**(756,928)**	(675,472)
Gross profit		**1,004,854**	723,871
Other income	*4*	**60,259**	4,058
Impairment losses under expected credit loss model, net of reversal	*5*	**(2,886)**	(1,342)
Other gains and losses	*6*	**(61,910)**	56,751
Selling and distribution expenses		**(255,886)**	(258,776)
General and administrative expenses		**(101,848)**	(100,462)
Research and development expenses		**(106,486)**	(79,115)
Finance costs	*7*	**(10,052)**	(11,669)
Listing expenses		**(11,140)**	(14,681)
Profit before tax		**514,905**	318,635
Income tax expense	*8*	**(63,793)**	(45,459)
Profit for the period	*9*	**451,112**	273,176
Other comprehensive (expense) income			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(24,745)**	5,515
Total comprehensive income for the period		**426,367**	278,691
Earnings per share	*11*		
– Basic (RMB)		**1.23**	0.79
– Diluted (RMB)		**1.18**	0.77

Condensed Consolidated Statement of Financial Position

	NOTES	At June 30, 2026 RMB'000 (unaudited)	At December 31, 2025 RMB'000 (audited)
Non-current assets			
Property, plant and equipment	12	**1,111,880**	1,164,468
Right-of-use assets		**93,198**	112,277
Investment properties	12	**43,077**	10,954
Intangible assets		**10,949**	12,783
Deferred tax assets		**110,605**	106,082
Other receivables, deposits and prepayments	15	**62,160**	68,896
Deposits for the acquisition of property, plant and equipment		**31,257**	6,081
		1,463,126	1,481,541
Current assets			
Inventories	13	**560,287**	473,193
Trade receivables	14	**310,282**	220,461
Other receivables, deposits and prepayments	15	**174,742**	159,713
Right to returned goods asset		**4,294**	2,908
Tax recoverable		**5,297**	18,947
Financial assets at fair value through profit or loss ("FVTPL")		**331,637**	762,766
Restricted bank deposits		**59,877**	32,245
Short-term bank deposits		**1,440,000**	–
Bank balances and cash		**1,460,229**	802,274
		4,346,645	2,472,507
Current liabilities			
Trade payables	16	**402,236**	236,042
Other payables and accruals	17	**146,903**	161,602
Refund liabilities		**10,078**	6,417
Contract liabilities		**67,411**	70,547
Tax payables		**39,989**	15,749
Borrowings	18	**48,738**	176,247
Lease liabilities		**24,443**	26,917
Bank overdrafts		**2,235**	5,560
Redemption liabilities	19	**–**	667,903
		742,033	1,366,984
Net current assets		**3,604,612**	1,105,523
Total assets less current liabilities		**5,067,738**	2,587,064

Condensed Consolidated Statement of Financial Position

	NOTES	At June 30, 2026 RMB'000 (unaudited)	At December 31, 2025 RMB'000 (audited)
Non-current liabilities			
Borrowings	*18*	**309,023**	333,373
Lease liabilities		**77,942**	93,837
		386,965	427,210
Net assets		**4,680,773**	2,159,854
Capital and reserves			
Share capital	*20*	**405,676**	360,000
Reserves		**4,275,097**	1,799,854
Total equity		**4,680,773**	2,159,854

Condensed Consolidated Statement of Changes in Equity

	Share capital RMB'000	Share premium RMB'000	Shares issued for Employee Incentive Scheme RMB'000 (note ii)	Share-based payment reserve RMB'000	Other reserve RMB'000	Statutory surplus reserve RMB'000 (note i)	Translation reserve RMB'000	Retained profits RMB'000	Total RMB'000
At January 1, 2026 (audited)	360,000	562,045	(47,799)	51,248	(611,596)	172,192	2,412	1,671,352	2,159,854
Profit for the period	–	–	–	–	–	–	–	451,112	451,112
Exchange differences arising on translation of foreign operations	–	–	–	–	–	–	(24,745)	–	(24,745)
Total comprehensive (expense) income for the period	–	–	–	–	–	–	(24,745)	451,112	426,367
Issue of new shares upon listing on The Stock Exchange of Hong Kong Limited	45,676	1,635,171	–	–	–	–	–	–	1,680,847
Transaction costs attributable to issue of new shares	–	(63,248)	–	–	–	–	–	–	(63,248)
Dividends recognized as distribution	–	–	–	–	–	–	–	(199,998)	(199,998)
Derecognition of redemption liabilities *(Note 19)*	–	–	–	–	670,355	–	–	–	670,355
Recognition of share-based payment expenses	–	–	–	6,596	–	–	–	–	6,596
At June 30, 2026 (unaudited)	405,676	2,133,968	(47,799)	57,844	58,759	172,192	(22,333)	1,922,466	4,680,773

Condensed Consolidated Statement of Changes in Equity

	Share capital RMB'000	Share premium RMB'000	Shares issued for Employee Incentive Scheme RMB'000 (note ii)	Share-based payment reserve RMB'000	Other reserve RMB'000	Statutory surplus reserve RMB'000 (note i)	Translation reserve RMB'000	Retained profits RMB'000	Total RMB'000
At January 1, 2025 (audited)	360,000	562,045	(47,799)	33,453	47,799	146,724	3,160	1,295,355	2,400,737
Profit for the period	–	–	–	–	–	–	–	273,176	273,176
Exchange differences arising on translation of foreign operations	–	–	–	–	–	–	5,515	–	5,515
Total comprehensive income for the period	–	–	–	–	–	–	5,515	273,176	278,691
Dividends recognized as distribution	–	–	–	–	–	–	–	(200,000)	(200,000)
Recognition of redemption liabilities *(Note 19)*	–	–	–	–	(659,395)	–	–	–	(659,395)
Recognition of share-based payment expenses	–	–	–	5,936	–	–	–	–	5,936
At June 30, 2025 (unaudited)	360,000	562,045	(47,799)	39,389	(611,596)	146,724	8,675	1,368,531	1,825,969

Notes:

i. It represents the statutory surplus reserves of the Company in the People's Republic of China ("PRC"). Pursuant to the applicable PRC regulation, a company established in the PRC with limited liability is required to transfer at least 10% of its net profit after tax to the statutory surplus reserve. The statutory surplus reserve is discretionary until the reserve balance reaches 50% of the registered capital of the Company and can be used to make up for previous years' losses or, expand the existing operations or can be converted into additional capital of the Company.

ii. The shares issued to and held by Yuxuan Prudence, Yuxuan Progress and Yuxuan Growth under the Employee Incentive Scheme, as defined and detailed in Note 21, were recognized as treasury shares by the Company and had been deducted from shareholders' equity as shown in the condensed consolidated statement of changes in equity under "Shares issued for Employee Incentive Scheme" reserve. The cash consideration received by the Company amounting to RMB47,799,000 has been recognized as capital reserve included in other reserve of equity, as the Company does not have any obligation to repurchase any granted shares if they were subsequently forfeited or not vested.

Condensed Consolidated Statement of Cash Flows

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
NET CASH FROM OPERATING ACTIVITIES	**517,985**	369,981
INVESTING ACTIVITIES		
Interest received	**12,943**	3,204
Purchase and deposits paid for property, plant and equipment	**(59,491)**	(46,556)
Purchase of intangible assets	**(58)**	(1,020)
Purchases of financial assets at FVTPL	**(701,000)**	(790,000)
Proceeds from redemption of financial assets at FVTPL upon maturity	**1,137,339**	850,613
Withdrawal of short-term bank deposits	**–**	93,000
Placement of short-term bank deposits	**(1,440,000)**	(23,400)
Withdrawal of restricted bank deposits	**2,369**	14,696
Placement of restricted bank deposits	**(30,001)**	(29,060)
Other investing cash flows	**114**	1,964
NET CASH (USED IN) FROM INVESTING ACTIVITIES	**(1,077,785)**	73,441
FINANCING ACTIVITIES		
Interest paid	**(7,610)**	(10,502)
Dividends paid	**(199,998)**	(200,000)
Payment of share issue costs	**(60,673)**	(2,575)
Repayments of borrowings	**(151,850)**	(31,849)
Repayments of lease liabilities	**(13,250)**	(11,852)
Proceeds from issue of shares	**1,680,847**	–
NET CASH FROM (USED IN) FINANCING ACTIVITIES	**1,247,466**	(256,778)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**687,666**	186,644
CASH AND CASH EQUIVALENTS AT JANUARY 1	**796,714**	533,026
Effect of foreign exchange rate changes	**(26,386)**	8,899
CASH AND CASH EQUIVALENTS AT JUNE 30	**1,457,994**	728,569
Represented by:		
Bank balances and cash	**1,460,229**	732,145
Bank overdrafts	**(2,235)**	(3,576)
	1,457,994	728,569

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED JUNE 30, 2026

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with IAS 34 issued by the International Accounting Standards Board (the "IASB") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "Stock Exchange").

1A SIGNIFICANT EVENT IN THE CURRENT INTERIM PERIOD

On March 23, 2026 (the "Listing Date"), the shares of the Company were listed on the Main Board of the Stock Exchange with stock code 3355.

2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended December 31, 2025.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue

Disaggregation of revenue from contracts with customers

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Type of products		
High-performance networking solutions	**725,094**	498,791
General networking solutions	**851,207**	735,074
Others	**185,481**	165,478
Total	**1,761,782**	1,399,343
Timing of revenue recognition		
At a point in time	**1,761,782**	1,399,343

Segment information

Information reported to Mr. Xiang Wei ("Mr. Xiang"), being the chief operating decision maker, for the purposes of resource allocation and performance assessment focuses on revenue analysis by products. No other discrete financial information is provided other than the Group's results and financial position as a whole. Accordingly, only entity-wide disclosures, major geographic information and customers are presented.

Geographical information

Information about the Group's revenue from external customers is presented based on the location of customers.

	Revenue from external customers Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
The United States of America ("USA")	**970,809**	754,589
Europe[1]	**482,677**	403,847
Asia[2]	**165,706**	124,825
Americas (excluding the USA)	**76,390**	65,343
Oceania	**53,339**	42,863
Africa	**12,861**	7,876
Total	**1,761,782**	1,399,343

1 Revenue from Europe mainly derived from Germany ("DEU"), the United Kingdom ("GBR") and France.

2 Revenue from Asia mainly derived from Japan ("JPN"), Singapore ("SGP") and the PRC.

4. OTHER INCOME

	Six months ended June 30, 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Government grants	**2,835**	324
Bank interest income	**12,943**	3,204
Tariff refund *(note)*	**42,912**	–
Others	**1,569**	530
	60,259	4,058

Note: Following the U.S. Supreme Court's February 20, 2026 decision in Learning Resources, Inc. v. Trump, together with Trump v. V.O.S. Selections, Inc., which held that the challenged tariffs imposed under the International Emergency Economic Powers Act ("IEEPA") were not authorized by IEEPA, eligible importers of record with affected entries may be entitled to refunds, subject to applicable court orders and procedures administered by U.S. Customs and Border Protection ("CBP"). During the six months ended June 30, 2026, the tariff refund of RMB42,912,000 was confirmed by the CBP.

5. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

	Six months ended June 30, 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Impairment losses recognized on:		
– trade receivables	**(2,673)**	(1,051)
– other receivables	**(213)**	(291)
	(2,886)	(1,342)

6. OTHER GAINS AND LOSSES

	Six months ended June 30, 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Fair value changes of financial assets at FVTPL	**5,209**	5,975
Foreign exchange (losses) gains, net	**(67,126)**	50,464
Gain (loss) on disposal of property, plant and equipment	**7**	(51)
Gain on early termination of leases	**–**	363
	(61,910)	56,751

7. FINANCE COSTS

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interests on:		
– bank loans	**4,997**	6,910
– lease liabilities	**2,603**	3,551
– redemption liabilities	**2,452**	1,208
	10,052	11,669

8. INCOME TAX EXPENSE

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Current tax:		
PRC Enterprise Income Tax ("EIT")	**19,868**	42,912
Hong Kong profits tax	**1,765**	–
USA profits tax	**23,136**	7,998
DEU profits tax	**12,737**	–
SGP profits tax	**9,854**	1,948
Other jurisdictions *(Note)*	**1,024**	1,649
	68,384	54,507
Underprovision in prior periods		
– EIT	**–**	933
– Hong Kong profits tax	**–**	(2)
– USA profits tax	**693**	–
	693	931
Deferred tax credit	**(5,284)**	(9,979)
	63,793	45,459

Note: Other jurisdictions included profits tax in Australia ("AUS"), the GBR and JPN.

8. INCOME TAX EXPENSE *(Continued)*

The Company and Wuhan FS.COM Technology Co., Ltd. (武漢宇軒飛速通信技術有限公司), a subsidiary of the Company, are qualified as "High and New Technology Enterprise" and entitled to a preferential income tax rate of 15% during both periods.

During both periods, a subsidiary named FS Innovation (Shanghai) Co., Ltd. (飛速創新通信技術 (上海) 有限公司) in PRC was qualified as small and micro enterprise under the PRC EIT regime, which enjoyed an EIT rate of 5%. The remaining PRC subsidiaries were subject to an EIT rate of 25% under the Law of the PRC on EIT and Implementation Regulation of EIT Law.

According to a policy promulgated by the State Taxation Administration of the PRC and effective from 2018 onwards, enterprises engaged in research and development activities are entitled to claim 75% of the research and development expenses incurred in a year as extra tax deductible expenses in determining the taxable income for that year ("Super Deduction"). The Super Deduction rate was increased to 100% since October 2022. The Company and Wuhan FS.COM Technology Co., Ltd.* (武漢宇軒飛速通信技術有限公司) claimed such Super Deduction in determining its tax assessable profits for both periods.

The tax rate of the overseas subsidiaries was subject to the law on income tax in the countries they operated. Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, a subsidiary in Hong Kong was entitled to the preferential EIT rate of 8.25% for the first Hong Kong dollars ("HKD")2 million of estimated assessable profits and at 16.5% on the estimated assessable profits above HKD2 million. A subsidiary in the United States was taxed at the federal tax rate of 21% and state tax rate ranging from nil to 9.80% during both periods. The subsidiaries in DEU, AUS and SGP were taxed at the tax rate of 28.08%, 30% and 17% or 5% (17% during January 1, 2025 to March 31, 2025 and 5% from April 1, 2025 onwards) respectively during both periods. A subsidiary in GBR was taxed at the tax rate of 25% during both periods.

9. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging (crediting):

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Depreciation of property, plant and equipment	**47,329**	45,002
Depreciation of investment properties	**1,087**	50
Depreciation of right-of-use assets	**14,881**	15,499
Amortization of intangible assets		
– Cost of sales	**71**	1,780
– Selling and distribution expenses	**57**	106
– General and administrative expenses	**1,348**	1,291
– Research and development expenses	**342**	669
	1,818	3,846
Total depreciation and amortization	**65,115**	64,397
Cost of inventories recognized as cost of sales	**747,077**	689,797
Allowance on (reversal of allowance on) inventories included in cost of sales	**9,851**	(14,324)

10. DIVIDEND

During the six months ended June 30, 2026, a dividend of RMB0.493 per share, with the aggregated amount of RMB199,998,000, was paid to shareholders of the Company in June 2026 (six months ended June 30, 2025: RMB200,000,000, with RMB0.55556 per share).

11. EARNINGS PER SHARE

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

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Profit for the period	**451,112**	273,176

	Six months ended June 30,	
	2026	2025
	(unaudited)	(unaudited)
Weighted average number of ordinary shares for the purpose of basic earnings per share	**368,101,970**	343,768,627
Effect of dilutive potential ordinary shares in respect of		
– Shares issued for employee incentive scheme	**13,987,349**	11,161,340
– Over-Allotment Option	**788,292**	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**382,877,611**	354,929,967

During the six months ended June 30, 2026 and 2025, the computation of diluted earnings per share does not assume the impact of the redemption liabilities, as their inclusion would have been anti-dilutive.

12. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the six months ended June 30, 2026, the Group purchased property, plant and equipment of approximate RMB29,573,000 (six months ended June 30, 2025: RMB42,965,000).

During the six months ended June 30, 2026, investment properties of approximately RMB39,445,000 were transferred from property, plant and equipment (six months ended June 30, 2025: RMB11,442,000).

13. INVENTORIES

	At June 30, 2026 RMB'000 (unaudited)	At December 31, 2025 RMB'000 (audited)
Finished goods	**523,188**	449,523
Goods in transit	**18,619**	7,940
Consumables	**18,480**	15,730
	560,287	473,193

During the six-month period ended June 30, 2026 (the "reporting period"), all the inventories of the Group are expected to be recovered within 12 months.

14. TRADE RECEIVABLES

	At June 30, 2026 RMB'000 (unaudited)	At December 31, 2025 RMB'000 (audited)
Trade receivables – third parties	**315,884**	224,070
Less: allowance for credit losses	**(5,602)**	(3,609)
	310,282	220,461

The following is an aged analysis of trade receivables net of allowance for credit losses presented based on the date of delivery:

	At June 30, 2026 RMB'000 (unaudited)	At December 31, 2025 RMB'000 (audited)
Within 3 months	**298,660**	209,762
3 to 6 months	**7,943**	8,640
6 months to 1 year	**3,679**	2,059
	310,282	220,461

The Group grants the credit period ranging from 14 days to 90 days to its trade customers.

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	At June 30, 2026 RMB'000 (unaudited)	At December 31, 2025 RMB'000 (audited)
Deductible value-added tax	**95,002**	88,818
Advances to suppliers	**58,019**	56,031
Refundable value-added tax	**53,742**	52,720
Rental deposits	**19,752**	19,844
Prepayments	**3,989**	3,432
Deferred issue costs	**–**	2,604
Prepaid listing expenses	**–**	1,544
Others	**7,016**	4,039
	237,520	229,032
Less: allowance for credit losses	**(618)**	(423)
	236,902	228,609
Represented by:		
– Non-current	**62,160**	68,896
– Current	**174,742**	159,713
	236,902	228,609

16. TRADE PAYABLES

	At June 30, 2026 RMB'000 (unaudited)	At December 31, 2025 RMB'000 (audited)
Trade payables – third parties	**402,236**	236,042

The credit period on trade payables ranges from 0 to 180 days. The aging analysis of the Group's trade payables based on the invoice dates at the end of the reporting period is as follows:

	At June 30, 2026 RMB'000 (unaudited)	At December 31, 2025 RMB'000 (audited)
Within 3 months	**340,220**	199,372
3 to 6 months	**56,230**	34,280
6 months to 1 year	**5,786**	2,390
	402,236	236,042

17. OTHER PAYABLES AND ACCRUALS

	At June 30, 2026 RMB'000 (unaudited)	At December 31, 2025 RMB'000 (audited)
Accrued staff costs	**36,809**	58,809
Other tax payables	**59,746**	41,451
Accrued advertising costs	**15,973**	14,416
Accrued freight costs	**13,675**	11,446
Payables for construction costs	**9,581**	14,321
Other accrued expenses	**9,521**	13,173
Accrued listing expenses and issue costs	**–**	5,385
Others	**1,598**	2,601
	146,903	161,602

18. BORROWINGS

During the six months ended June 30, 2026, the Group repaid bank loans amounting to RMB151,850,000 (six months ended June 30, 2025: RMB31,850,000). The loans carry interest at variable market rates of 2.2%-2.35% and are repayable in instalments over a period of 8 years.

As at June 30, 2026, the Group's secured bank loans amounting to RMB357,761,000 (December 31, 2025: RMB509,620,000) were secured by the certain owned land and buildings of the Group with carrying amount of RMB813,835,000 (December 31, 2025: RMB828,470,000). Included in the secured bank loans stated above, RMB68,407,000 (December 31, 2025: RMB74,099,000) were guaranteed by the Company.

19. REDEMPTION LIABILITIES

On May 27, 2025, the Company and all shareholders of the Company entered into a special right termination agreement that all special rights previously granted to certain shareholders, other than redemption rights which were borne by the controlling shareholder, Mr. Xiang, were terminated upon first submission of the listing application to the Stock Exchange ("Listing Application").

The redemption rights was remained, and ceased to be exercisable immediately before the first submission of the Listing Application by the Company, and resumed to be exercisable if (a) the Company voluntarily withdraws the Listing Application; (b) the Listing Application is withdrawn, rejected, returned, or otherwise terminated by the relevant regulators; (c) the Listing Application becomes invalid and the Company fails to resubmit the Listing Application within six months from the expiry date of first submission of Listing Application, or resubmits the Listing Application which then becomes expired again; (d) the Company fails to obtain a filing notice for overseas listing from the China Securities Regulatory Commission; (e) the Company fails to pass the Stock Exchange's listing committee hearing, or after the Company passes the hearing, the Company has not issued shares and listed on the Stock Exchange within 12 months from the date of hearing; or (f) the Company fails to achieve the initial listing of shares on the Stock Exchange before December 31, 2026 for other reasons.

Such redemption obligation was also amended from bearing by the controlling shareholder, Mr. Xiang, to the Company, and was effective from May 27, 2025, the date of first submission of the Listing Application. The redemption amount is the original investment principal from the respective investors plus an annual rate ranging from 5% to 10% per annum of the original investment principal calculated from the relevant receipt date of investments to December 1, 2024 (calculated as 365 days in a calendar year) and deducted the accumulated dividends received by the relevant investors.

19. REDEMPTION LIABILITIES *(Continued)*

The redemption rights granted to the investors constitute as the Company's obligations to repurchase its own equity instruments upon the amendments to the terms of financial instruments as detailed above. On the date of modification, such obligations were recognized as redemption liabilities and were initially measured at fair value (representing the present value of the cash flows for settling the related obligations if these rights are exercised by the investors), with the corresponding amount charged against the other reserve within equity. The redemption liabilities are subsequently measured at amortized cost. The Company applied a discount rate of 2.20% in determining the initial recognition amount of the redemption liabilities.

Upon the listing of the Company's shares on the Stock Exchange on March 23, 2026, such redemption rights were irrevocably terminated and fully extinguished and no such rights or obligations remained outstanding as at June 30, 2026. The related redemption liabilities were derecognized and reclassified to equity in the condensed consolidated financial statements.

20. SHARE CAPITAL

	Number of shares	**Share capital RMB'000**
Ordinary shares of RMB1 each		
Registered, issued, and fully paid		
At January 1, 2025 (audited), 30 June, 2025 (unaudited), December 31, 2025 (audited)	360,000,000	360,000
Issue of shares upon listing on the Stock Exchange *(Note)*	45,675,700	45,676
At June 30, 2026	405,675,700	405,676

Note: On March 23, 2026, upon listing on the Stock Exchange, the Company issued 40,000,000 H shares with par value of RMB1 each at HK$41.60 (equivalent to approximately RMB36.81) each with gross proceeds of approximately HK$1,664,000,000 (equivalent to approximately RMB1,472,374,000).

On April 17, 2026, upon the exercise of over-allotment option, the Company issued 5,675,700 H shares with par value of RMB1 each at HK$41.60 (equivalent to approximately RMB36.73) each with gross proceeds of approximately HK$236,109,120 (equivalent to approximately RMB208,473,000).

21. SHARE-BASED PAYMENT

In year 2018, the Company has adopted the employee incentive scheme ("the Employee Incentive Scheme") which is valid for ten years since adoption and is subject to termination by the shareholders as provided under the Employee Incentive Scheme and established three limited partnerships, Shenzhen Yuxuan Prudence Technology Partnership (Limited Partnership)深圳市宇軒穩健科技合夥企業(有限合夥) ("Yuxuan Prudence"), Shenzhen Yuxuan Progress Technology Partnership (Limited Partnership)深圳市宇軒進取科技合夥企業(有限合夥) ("Yuxuan Progress"), Shenzhen Yuxuan Growth Technology Partnership (Limited Partnership) 深圳市宇軒成長科技合夥企業(有限合夥) ("Yuxuan Growth") as the employee incentive platforms, with a view to improve the enthusiasm and creativity of the eligible participants of the Employee Incentive Scheme (the "Eligible Participants"), promoting the sustainable growth of the performance of the Group, bringing value-added benefits to the Eligible Participants while enhancing the value of the Group, and thus realizing the common development of both the Eligible Participants and the Group. The Eligible Participants shall subscribe for partnership interest therein according to the amount approved by the board of directors of the Company thereby holding indirect interest in the registered capital of the Company.

During the six months period ended June 30, 2025, the Group cancelled the fifth phase of awarding shares under the Employee Incentive Scheme granted during the year ended December 31, 2023 (the "2023 Incentive Scheme") and 2024 Incentive Scheme, which resulted in immediate expense recognition due to acceleration of vesting and granted the seventh phase of awarding shares under the Employee Incentive Scheme (the "2025 Incentive Scheme") to 17 Eligible Participants (the "2025 Eligible Participants") through Yuxuan Prudence, Yuxuan Progress and Yuxuan Growth. The shares granted to 2025 Eligible Participants were coming from the shares originally granted to one Eligible Participant under the 2023 Incentive Scheme and 2024 Eligible Participant. The shares granted to 2025 Eligible Participants through Yuxuan Prudence, Yuxuan Progress and Yuxuan Growth were 79,502, 177,001 and 123,754 shares, representing approximately 0.02%, 0.05% and 0.03% of the total issued shares of the Company (as at the date of the adoption of the 2025 Employee Incentive Scheme), respectively. The fair value of the granted shares as at the grant date was RMB5,704,000, as determined by the directors of the Company with reference to the recent transaction price between shareholders.

During the six months period ended June 30, 2025, the Group modified the date relating to transfer restrictions and the granted shares shall be released for the first to sixth phase of the Employee Incentive Scheme as following:

(i) one quarter of the granted share was released from the business day following the first anniversary of the date of listing; and

(ii) one quarter of the granted share was released from the business day following the second anniversary of the date of listing; and

(iii) one quarter of the granted share was released from the business day following the third anniversary of the date of listing; and

(iv) one quarter of the granted share was released from the business day following the fourth anniversary of the date of listing.

The transfer restrictions and the modified date relating to transfer restrictions stated above also applied to the 2025 Employee Incentive Scheme.

21. SHARE-BASED PAYMENT *(Continued)*

In addition to the transfer restrictions sets forth above, the release of the shares shall be further subject to the achievement of the certain performance targets of the Company and the grantee respectively (individually and collectively, the "Performance Target(s)"). The remuneration committee of the board of directors of the Company shall review and determine the fulfilment of the Performance Target(s), and report to the board of directors of the Company accordingly.

No new shares were granted under the Employee Incentive Scheme during the six months period ended June 30, 2026.

During the six months period ended June 30, 2026, share-based payment expenses amounting to RMB6,596,000 (six months period ended June 30, 2025: RMB5,936,000) were recognized.

22. CAPITAL COMMITMENTS

As at June 30, 2026, the Group was committed to acquire some property, plant and equipment of RMB16,255,000 (31 December 2025: RMB18,994,000).

23. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. In estimating the fair value, the Group uses market-observable data to the extent it is available.

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Investments in structured deposit which included in financial assets at FVTPL are measured at their fair values in the condensed consolidated statement of financial position. The Group categorized these structured deposits as Level 2 of the fair value hierarchy because they are valued with reference to recent transaction price. No significant unobservable input is used for the fair value valuation. There were no transfers between Level 1 and 2 during both periods.

(ii) Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognized in the condensed consolidated financial statements approximate their fair values.

24. RELATED PARTY TRANSACTIONS

The Group has the following transactions and balances with related parties:

		Six months ended June 30,	
Name	**Nature of transaction**	**2026**	2025
		RMB'000	RMB'000
		(unaudited)	(unaudited)
Cloud Venture LLC *(Note)*	Licensing fee	**1,305**	3,941

Note: Cloud Venture LLC is controlled by the spouse of Mr. Xiang.

24. RELATED PARTY TRANSACTIONS *(Continued)*

Compensation of key management personnel

The remuneration of directors of the Company and other members (including general manager) of key management of the Group during both periods was as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Salaries, allowances and other benefits in kind	**6,431**	4,386
Discretionary bonus	**–**	–
Retirement benefit scheme contributions	**194**	196
Share-based payment expenses	**2,412**	2,606
	9,037	7,188

Guarantees from a related party

The Group obtained banking facility of RMB130,000,000 as of December 31, 2024 from independent commercial banks. Such facility was secured by personal guarantee of Mr. Xiang, which was released on November 24, 2025.

Redemption rights of the certain shareholders granted by Mr. Xiang

Prior to January 1, 2024, certain shareholders had been granted the redemption right by Mr. Xiang ("Mr. Xiang's Redemption Obligation"). The Company is not a party to the Mr. Xiang's Redemption Obligation. Pursuant to another supplemental agreement entered into by the Company and all shareholders of the Company on May 27, 2025, the Mr. Xiang's Redemption Obligation was terminated prior to the first submission of the Listing Application. The Company has not provided any form of guarantee in connection with any potential default or failure by Mr. Xiang to fulfill his obligations relating to Mr. Xiang's Redemption Obligation. Accordingly, no financial liability regarding Mr. Xiang's Redemption Obligation was recorded by the Company prior to the first submission of the Listing Application during the six months period ended June 30, 2025.

25. EVENTS AFTER THE REPORTING PERIOD

On July 4, 2026, the Company formally entered into an equity transfer agreement with all shareholders of Shanghai Baud Data Communication Co., Ltd. ("Shanghai Baud") to acquire a 100% equity interest in Shanghai Baud for RMB330,000,000. On 23 July 2026, the Group completed the acquisition of the equity interest in Shanghai Baud. Shanghai Baud is principally engaged in the research and development, production and sales of network communications equipment and was acquired with the objective of optimizing full-chain capability system for network infrastructure of the Group. The acquisition has been accounted for as a business combination using the acquisition method. The consideration was settled entirely in cash.

The directors of the Company are still in the process to assess the financial impact and disclosures to the consolidated financial statements for such acquisition.

FS

FS.COM Limited

深圳市飛速創新技術股份有限公司