



浪潮數字企業技術有限公司

INSPUR DIGITAL ENTERPRISE TECHNOLOGY LIMITED

(於開曼群島註冊成立的有限公司)

(Incorporated in the Cayman Islands with limited liability)

(股份代號 Stock Code : 596)



2026

INTERIM REPORT

中期報告



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CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Mr. Wei Daisen
Mr. Cui Hongzhi
Mr. Wang Yusen
Mr. Zhao Zhen*

* Mr. Zhao Zhen resigned on 9 January 2026 as an executive director.

NON-EXECUTIVE DIRECTORS

Mr. Xie Bingbing
Ms. Li Chunxiang*

* Ms. Li Chunxiang resigned on 26 May 2026 as a non-executive director.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Lit Chor, Alexis
Ms. Zhang Ruijun
Mr. Ding Xiangqian

COMPANY SECRETARY

Ms. Chan Wing
Mr. Zou Bo

AUDITORS

SHINEWING (HK) CPA Limited

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Industrial and Commercial Bank of China Limited
Agriculture Bank of China Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3,
Building D, P.O. Box 1586, Gardenia Court,
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HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Rooms 1712-1716, 17th Floor
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REGISTERED OFFICE

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MAIN BOARD STOCK CODE

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MANAGEMENT'S DISCUSSION AND ANALYSIS



FINANCIAL REVIEW

As of 30 June 2026, the Group's revenue was mainly derived from its business in the PRC. During the Reporting Period, the Group's revenue decreased by 13.50% compared with the corresponding period of the previous year, while its gross profit decreased by 14.11% compared with the corresponding period of the previous year.

(1) Turnover

During the Reporting Period, the Group recorded a turnover of RMB3,757,189,000, representing a decrease of 13.50% compared with the corresponding period of the previous year (corresponding period in 2025: RMB4,343,457,000). Of which, revenue from the enterprise AI business was RMB137,208,000, representing an increase of 192.44% compared with the corresponding period of the previous year (corresponding period in 2025: RMB46,919,000); revenue from the cloud services and management software business was RMB1,609,163,000, representing a decrease of 33.64% compared with the corresponding period of the previous year (corresponding period in 2025: RMB2,424,841,000); and revenue from intelligent computing centers and others was RMB2,010,818,000, representing an increase of 7.43% compared with the corresponding period of the previous year (corresponding period in 2025: RMB1,871,697,000).

(2) Gross Profit

During the Reporting Period, the Group recorded a gross profit of RMB871,676,000 from its operating activities, representing a decrease of 14.11% compared with the corresponding period of the previous year (corresponding period in 2025: RMB1,014,906,000). The overall gross profit margin was 23.20%, representing a decrease of 0.17 percentage points compared with the corresponding period of the previous year (corresponding period in 2025: 23.37%).

(3) Administrative Expenses, Research and Development Expenses and Selling and Distribution Expenses

During the current Reporting Period, the administrative expenses of the Group amounted to RMB214,146,000, representing an increase of 7.37% compared with the corresponding period of the previous year (corresponding period in 2025: RMB199,444,000). The increase was primarily attributable to the increase in relevant expenses arising from the adjustment of business portfolio and the optimization of organizational structure.

During the current Reporting Period, the Group's research and development (R&D) expenses amounted to RMB369,639,000, and the amount of capitalized R&D expenses in the current period was RMB71,113,000, resulting in a total R&D expenditure of RMB440,752,000 (corresponding period in 2025: RMB439,748,000), representing an increase of 0.23% as compared with the corresponding period last year.

During the current Reporting Period, the Group's selling and distribution expenses amounted to RMB256,324,000, representing a decrease of 0.24% compared with the corresponding period of the previous year (corresponding period in 2025: RMB256,939,000).



MANAGEMENT'S DISCUSSION AND ANALYSIS

(4) Other Income and Other Gains and Losses

During the current Reporting Period, the Group's other income amounted to RMB47,530,000, representing a decrease of 20.93% compared with the corresponding period of the previous year (corresponding period in 2025: RMB60,108,000). The decrease was primarily attributable to the government special appropriation amounted to RMB11,405,000, representing a decrease of 44.72% compared with the corresponding period of the previous year (corresponding period in 2025: RMB20,633,000).

During the current Reporting Period, other gains and losses were a loss of RMB2,463,000 (corresponding period in 2025: a loss of RMB278,000).

(5) Investment Income from Associated Companies and Joint Ventures

During the current Reporting Period, the Group's investment income from associated companies amounted to RMB1,828,000, representing a decrease of 51.61% compared with the corresponding period of the previous year (corresponding period in 2025: RMB3,778,000). During the current Reporting Period, the Group's investment income from joint ventures amounted to RMB5,637,000, representing an increase of 66.87% compared with the corresponding period of the previous year (corresponding period in 2025: RMB3,378,000).

(6) Profit Before Tax

During the current Reporting Period, the Company recorded a profit before tax of RMB62,219,000 (corresponding period in 2025: RMB186,000,000), representing a decrease of 66.55% compared with the corresponding period of the previous year.

(7) Profit Attributable to Owners of the Company

During the current Reporting Period, the profit attributable to the owners of the Company amounted to RMB62,135,000, representing a decrease compared with RMB183,142,000 in the corresponding period of the previous year. The main reasons are as follows: 1) the Company's strategic adjustment of its business portfolio to focus on core AI sectors and continuous increase of investments in R&D and market expansion of AI-native products, with profitability under short-term pressure, resulting in a loss of RMB90,842,000 in the Enterprise AI business segment; 2) pressure on revenue from traditional businesses. The operating profit of the cloud services and management software business segment amounted to RMB128,747,000, representing a decrease of 41.11% compared with the corresponding period of the previous year (corresponding period in 2025: RMB218,630,000), mainly attributable to: (i) the ongoing investment cost-cutting measures by operator customers as capital expenditure entered a cycle of contraction and structural adjustment, resulting in a year-on-year decline in network operation and maintenance support services; (ii) the deep adjustments within the software outsourcing business due to shrinking customer demand, intensified market competition, and rising labor costs, which have resulted in a temporary weakening of profitability; and (iii) the extension of project delivery cycles and a slower pace of revenue recognition, driven by increasingly stringent customer compliance requirements and higher product specifications necessitated by the advancement of AI technology.

The basic earnings per share was RMB5.09 cents (corresponding period in 2025: RMB16.04 cents), and the diluted earnings per share was RMB5.09 cents (corresponding period in 2025: RMB15.97 cents).

MANAGEMENT'S DISCUSSION AND ANALYSIS



(8) Financial Resources and Liquidity

As at 30 June 2026, the current assets amounted to RMB7,531,080,000, mainly consisting of trade and bills receivables, contract assets, and bank balances and cash.

The current liabilities were RMB5,966,215,000, mainly including trade payables, other payables and accrued expenses, and contract liabilities. The Group's current assets were 1.26 times the current liabilities (31 December 2025: 1.30 times).

The Group's borrowings from banks amounted to RMB1,028,786,000, and its borrowings from Inspur Group Finance Co., Ltd. amounted to RMB419,445,000.

FOREIGN EXCHANGE RISK

The Group's purchases and sales are mainly denominated in RMB. The Group does not use any derivative instruments to hedge its currency exposure. The Group is currently in a strong financial position and will be able to meet its foreign exchange liabilities as they fall due. The Group's functional currency is RMB and the statements adopt RMB as the presentation currency.

EMPLOYEE INFORMATION

As of 30 June 2026, the Group had 7,303 employees. During the Reporting Period, total staff remuneration (including directors' remuneration and Mandatory Provident Fund contributions) under operating activities amounted to RMB886,414,836.23.

In accordance with the Group's remuneration policy, employees are remunerated based on their performance and competence, and incentives and options are granted to eligible employees. In addition, the Group provides a mandatory provident fund scheme and a medical protection scheme to all employees, and the Company also provides continuing education and training to its employees to continuously upgrade their skills.

CHARGES OF ASSETS

As of 30 June 2026, the Group's bank deposits of RMB106,190,000 (31 December 2025: RMB65,489,000) were pledged.

BUSINESS REVIEW

During the Reporting Period, guided by the "1321" strategy, the Group fully committed to the AI-native roadmap by constructing the "Inspur Haiyue Enterprise AI" intelligent-native product ecosystem. Leveraging its management, industrial, and platform-support software, the Group empowered enterprise-wide digital and intelligent transformation across the dual dimensions of management and production digitalization, thereby reshaping the evolutionary potential of enterprise with AI-native capabilities.



MANAGEMENT'S DISCUSSION AND ANALYSIS

During the Reporting Period, by capitalizing on market opportunities such as DRP construction for central and state-owned enterprises, penetrative supervision, and domestic substitution, the Group leveraged its extensive practical experience in the digital and intelligence sector to successfully secure contracts with various large-scale SOEs and enterprises, including China Eastern Airlines (中國東航), China Energy Engineering Group (中國能建), China Tower (中國鐵塔), CSCEC (中建集團), China Minerals (中國礦產), PipeChina (國家管網), China Grain Reserves Group (中儲糧集團), Bright Food Group (光明食品集團), Science City Group (科學城集團), Shanxi Coking Coal (山西焦煤), and CMOC Group (洛鉬集團). Furthermore, the Group accelerated the replacement and upgrade of legacy systems from domestic and international vendors for key clients, including State Power Investment Corporation (國家電投), Harbin Electric Corporation (哈爾濱電氣集團), the TRT Group (同仁堂集團), Nanjing NII Group (新工集團), and Yunnan Communications Investment & Construction Group (雲南交投). As of the end of the Reporting Period, it has provided digital and intelligent transformation services to 95 central enterprises, 23 provincial-level state-owned assets supervision and administration commissions and over 210 China Top 500 enterprises. Its market competitiveness and customer recognition continue to see consistent uplift.

I. Enterprise AI Business: Continuous Improvement of Product System, Accelerating Large-scale Commercial Application

During the Reporting Period, the Group focused on the core needs of enterprise intelligent-native transformation and built the “Inspur Haiyue Enterprise AI” intelligent-native product system. With a “Four-layer and Three-drive” overall architecture, it developed the Inspur Haiyue Mano Intelligent Execution System and released products including Inspur Haiyue Large Model V4.0, Inspur Haiyue MaaS Platform, Inspur Haiyue Knowledge Graph Platform V2.0, Inspur Haiyue ChatBI V4.0, Inspur Haiyue Data-Knowledge Integrated Platform, Inspur Haiyue Commercial AI V2.0, and Inspur Haiyue Industrial AI. These products connect the four core levels of model and data, digital and intelligence platforms, intelligent applications, and intelligent interaction, forming a product capability system that covers full-stack enterprise intelligence needs. Leveraging the three major drivers—business ontology, large models, and agents—the Group achieved deep integration of technology and business, releasing AI value for enterprises and driving high-quality development. During the Reporting Period, the enterprise AI business entered into contracts totaling approximately RMB475 million and recorded an income of approximately RMB137 million.

During the Reporting Period, the Inspur Haiyue Mano Intelligent Execution System was developed, positioned as the core hub of the “Inspur Haiyue Enterprise AI” intelligent-native product system. It uses AI-native technology to manage agent interconnection and collaboration, opening up full-scenario business links and truly making AI a core productivity for enterprises. Among them, the Mano Work super portal provides a unified interactive service window for enterprise AI capabilities, supporting multi-modal input, multi-terminal synergy, and cloud roaming. It bridges the perception-decision-execution loop, eliminating the need to switch between multiple systems and ensuring business interaction continuity and consistency. The Haiyue Mano Agent Platform provides a development, governance, and operation platform covering the entire agent lifecycle, including large models, agent construction, knowledge access, tool calling, skill configuration, memory management, multi-agent collaboration, and security sandboxes. It supports the creation of the Haiyue Mano Team digital workforce, achieving “an assistant for every person and a digital twin for every post”, helping enterprises achieve full-process autonomous execution.

MANAGEMENT'S DISCUSSION AND ANALYSIS

During the Reporting Period, focusing on enterprise management and production, the Group developed commercial AI and industrial AI agent clusters to empower the development of the Haiyue Mano Team digital workforce. Regarding commercial AI, the Group released Haiyue Commercial AI V2.0, focusing on four key application domains: autonomous planning, attribution insights, risk prevention and control, and decision support. By deploying over 120 agents across 101 intelligent scenario applications in business areas such as finance and taxation, shared services, treasury, and supply chain, the Group forged an agent cluster with a profound understanding of corporate operations, powering end-to-end autonomous operations from perception to decision-making. In terms of Industrial AI, for industries such as machinery, equipment, petroleum, chemical, and mining, the Group focused on the integration of industrial mechanisms and large models, providing full-chain capabilities from perception to agent development. It released agents for equipment maintenance, energy consumption optimization, process optimization, safety control, and quality inspection, helping customers transition from experience-based management to autonomous optimization.

The "Inspur Haiyue Enterprise AI" intelligent-native product system continues to improve and has entered the stage of large-scale commercial application. Currently, it has been implemented in many enterprises, including the TRT Group (同仁堂集團), Shandong Haihua Group (山東海化集團), Shougang Group (首鋼集團), Chengdu City Construction Investment & Management Group (成都城投), Hubei Communications Investment (湖北交投), Bright Food Group (光明食品集團), China Datang (中國大唐), Guohua Investment (國華投資), and Gansu Province Electric Power Investment Group (甘肅電投集團), and has received wide recognition from authoritative international and domestic institutions. The Group was selected as one of the first national-level pilot units for the Agent Interconnection Protocol (AIP) and participated in the drafting of seven national standards. It was recognized by IDC as a representative vendor for Enterprise AI Agents and Industry AI Agents, spanning domains such as finance, HR, operations, and data analysis, as well as industries including manufacturing, energy, and healthcare. Additionally, the Group was named an IDC representative vendor for both the AI Agent Development Platform and Enterprise AI Platform in China. The Haiyue Large Model was featured as a typical case of Industrial Large Models and honored as a "2026 China AI Agent Pioneer". Meanwhile, Haiyue Commercial AI was named the 'Preferred Product for China Finance AI Agents' at the CFO Conference. Furthermore, the Group empowered its clients to achieve significant recognition: Shandong Haihua Group was selected as an IDC China AI Digital Factory Leader case and Xi'an Water Group was honored with the IDC China Artificial Intelligence Innovation Award. During the Reporting Period, the Group signed contracts with strategic customers including China Grain Reserves Group (中儲糧集團), GZCCI Group (廣州城投集團), Guangzhou Metro (廣州地鐵集團), Nanning Rail Transit Group (南寧軌道交通集團), CHICO (河南國際集團), and Zhongtai Securities (中泰證券), accelerating large-scale commercial application.

II. Cloud Service and Management Software Business: Promoting AI-native Reconstruction of Products and Seizing Industry Transformation Opportunities

During the Reporting Period, the rapid development of AI technology and applications continued to reshape the industry's competitive landscape, bringing new challenges and opportunities to the Group's existing core capability system. At the same time, operator customers continued to push for investment cost-cutting measures, with capital expenditures showing characteristics of cyclical contraction and structural adjustment. The Group's traditional operation support business faced phased pressure. To address these challenges, the Group, on one hand, focused on core enterprise needs such as intelligent ERP, group control, and talent management, fully promoting the AI-native reconstruction of cloud service and management software products to empower the digital and intelligent transformation of enterprise operation management. On the other hand, it actively laid out areas such as the low-altitude economy, computing power networks, and autonomous networks, promoting the synergistic development of operation support, intelligent O&M, and agent development. It accelerated the deep integration of AI capabilities with industry scenarios, striving to alleviate the pressure on traditional business. During the Reporting Period, the cloud service and management software business recorded an income of approximately RMB1.609 billion, representing a year-on-year decrease of approximately 33.64%.



MANAGEMENT'S DISCUSSION AND ANALYSIS

During the Reporting Period, Inspur Haiyue Intelligent ERP GS Cloud was fully upgraded based on an AI-native architecture, promoting the realization of process skill-ization, and employee agent-ization, providing a solid tool foundation for the autonomous execution of the entire agent process. The Group strengthened the intelligent capabilities of smart treasury, financial sharing service, strategic finance, and core ERP, fully empowering the DRP construction for central and state-owned enterprises, and facilitating the digital and intelligent transformation of the financial system and the leap in value creation capabilities. It was ranked first in IDC China's treasury management software market share and passed the project acceptance for the national key product and process "One-Stop Application Demonstration (ERP direction)". During the Reporting Period, the Group signed contracts with strategic clients including Science City Group (科學城集團), Nanjing NII Group (新工集團), Shanxi Coking Coal (山西焦煤), Chengdu City Construction Investment & Management Group (成都城投), CMOC Group (洛陽鉚業) and Yunnan Communications Investment & Construction Group (雲南交投).

During the Reporting Period, in the field of penetrative supervision, the Group added 39 new analysis models, bringing the cumulative number of released models to 148. Driven by AI-empowered applications, the Group constructed a "full-level, full-process, and full-element" supervision system, which was selected as an exemplary case of artificial intelligence application by the Ministry of Industry and Information Technology (MIIT). The Group released the intelligent State-owned Assets Online Supervision Platform V9.0. With "data + intelligence + model" as the core support and relying on key AI technologies such as large models, it established a four-level full-domain penetrating traceability system for entities, business, data, and risk. It created a standardized risk model library covering 10 major fields such as investment, finance, salary, procurement, and supply chain, and 11 categories of major issues such as excessive debt and unrelated diversification. This promoted the upgrade of state-owned assets supervision from "manual spot checks" to "intelligent early warning and targeted governance". At the same time, a matrix of ten major business agents was launched, equipped with AI intelligent assistants to achieve intelligent Q&A, data inquiry, and report generation, driving a leapfrog development of state-owned assets supervision from "manual-led" to "intelligent collaboration". During the Reporting Period, the Group signed new contracts with customers including state-owned assets supervision and administration commissions of Zhuzhou and Jiangxi. It has cumulatively served the construction of state-owned assets supervision platforms for 23 provincial-level state-owned assets supervision and administration commissions and 80 municipal-level state-owned assets supervision and administration commissions, ranking first in the market share of state-owned assets supervision.

During the Reporting Period, the Group released "MoirAI," a new-generation intelligent digital employee platform for Inspur Haiyue HCM. By creating an AI-native enterprise HR system, the Group built a digital employee team composed of Super-Agents and Expert-Agents covering all HR scenarios, including recruitment, payroll, performance appraisal, and organization. This initiative leads human resource management into a new era of endogenous intelligence. During the Reporting Period, Inspur Haiyue HCM was selected for the New Quality 100 Innovative Enterprises List; Inspur Haiyue HCM MoirAI was honored as a "2026 Excellent Product of AI+" and was included in the 2026 "AI+" Ecological Innovation Practice Casebook, becoming a benchmark in the field of AI-empowered human resource management. During the Reporting Period, the Group signed contracts with strategic customers such as TravelSky (中國民航信息), CISRI (中國鋼研), Beijing Financial Holdings Group (北京金融控股), Bank of Beijing (北京銀行), Bank of Guangzhou (廣州銀行), and Great Wall Securities (長城證券) to jointly promote the digital construction of enterprise human resources.

MANAGEMENT'S DISCUSSION AND ANALYSIS



During the Reporting Period, for small and medium-sized enterprises (SMEs), the Group created “Inspur Haiyue Mano Lite”, a lightweight one-stop intelligent execution system. Based on an AI-native ERP foundation, it adopts a SaaS subscription model and features built-in multi-scenario agents to create exclusive AI digital employees for core businesses such as finance, supply chain, and production. Enterprises can quickly deploy applications without building their own AI teams. It possesses four core capabilities: native integration, lightweight and inclusive, out-of-the-box, and secure and controllable, effectively lowering the threshold for intelligent transformation for SMEs and helping them achieve agile operations. During the Reporting Period, for micro and small enterprises, the Group continued to upgrade the AI assistant “Yun Xiaoyi,” adding intelligent processing scenarios for invoice recognition, account matching, and auxiliary billing, improving document processing efficiency and driving the transformation of business and financial management toward AI-driven models. It released “Eqitong” and “Yi Fei Kong” to strengthen the intelligent supervision capabilities of micro and small enterprises and help them build refined operation systems.

During the Reporting Period, for global operator customers, the Group continued to promote product R&D innovation, enhance service capabilities, and released the overseas version of the Yunrui Agent Platform. Using a single-agent + multi-agent collaboration architecture and relying on large models to achieve automatic decomposition and disposal of complex O&M tasks, it supports multi-channel connection with operators’ existing business systems, deepening the integration of AI and industry scenarios. The Group signed a contract for the Digital Operation, Maintenance, Monitoring, and Command Center Project of China National Pipeline Network Group. This milestone expanded the Group’s network management software business into the digital and intelligent service sector for central energy enterprises, further refining its strategic layout in the high-end central and state-owned enterprise market. The Group actively laid out the low-altitude economy and released the Inspur Low-altitude Intelligent Network Integrated Operation Service Platform 4.0. With core capabilities of “controllability, visibility, and calculability”, it built a city-level low-altitude digital foundation and an integrated operation system, helping the low-altitude economy move from pilot exploration to a new stage of safe, standardized, and normalized sustainable operation.

III. Intelligent Computing Center and Other Businesses: Optimizing Business Layout and Deepening Presence in the Core Track of Intelligent Computing Centers

During the Reporting Period, the Group continued to optimize its business layout, gradually adjusted the scale of its IoT solution business, and focused its efforts on the core track of intelligent computing centers to accelerate the cultivation of new growth drivers. During the Reporting Period, the intelligent computing center and other businesses recorded an income of approximately RMB2.011 billion, representing a year-on-year increase of 7.43%.



MANAGEMENT'S DISCUSSION AND ANALYSIS

During the Reporting Period, the growth momentum of the intelligent computing center business continued to be unleashed, presenting vast prospects for future expansion. In terms of domestic business, the Group deepened its strategic layout around the eight national computing hubs under the “West Computing Data for East” strategy, while computing infrastructure construction proceeded in an orderly manner. The Group successfully established exemplary benchmarks such as the Qingdao Intelligent Computing Center and the Ningxia Zhongwei Green Data Center. It also secured a series of major contracts, including the data center O&M project for the Sichuan Provincial Department of Transportation, the M&E EPC project for the Ningxia Zhongwei Data Center, and a framework procurement project for data center and municipal hub building machine room supporting facilities and integration for an operator in Hebei. Regarding overseas business, the Group continued to deepen its presence in core Southeast Asian markets, leading to a steady increase in its market share for regional computing services. The Group signed a series of key renewal projects with customers in Indonesia, Malaysia, and other regions. Notably, a data center project in Jakarta, Indonesia implemented a full-lifecycle low-carbon construction plan aiming for LEED Gold certification, positioning it as a leading model for high-density, intelligent, and low-carbon computing infrastructure in Southeast Asia. During the Reporting Period, the Group was honored with the “2025 China IDC Industry Innovative Technology Product Award”. It was also named among the “2025 Top 30 Data Center Engineering Enterprises” and featured in the “2025 Typical Cases for Quality Improvement and Brand Building in the Industrial and Information Technology Sectors”. During the Reporting Period, the contract value for the intelligent computing center business amounted to RMB2.95 billion, representing a year-on-year increase of 56%.

During the Reporting Period, the Group released the next-generation grain digital intelligence benchmark product “Depot NEXT”, reshaping the grain storage digital intelligence paradigm with AI-native technology. Relying on exclusive digital partners for full-process collaboration, it connected the entire grain chain of production, purchase, storage, processing, and sales, building 56 intelligent scenarios and five major solution loops. It created a fully intelligent solution covering grain industry supervision, business management, and production operations, driving a leapfrog upgrade of grain storage business from “IoT automation” to “business scenario intelligence”, and continuing to empower the digital and intelligent transformation of the “Granary of the Great Nation”. During the Reporting Period, the Group signed new contracts with key customers, including Sinograin (Rizhao) Reserve Co., Ltd. and Sinograin (Yichun) Direct Warehouse Co., Ltd.

BUSINESS PLAN

The Group will adhere to its “1321” strategy and comprehensively advance its AI-native transformation. We will continue to refine the “Inspur Haiyue Enterprise AI” intelligent-native product ecosystem and further consolidate and expand our market advantages within the central and state-owned enterprise segments. By strengthening strategic focus, optimizing business structures, and enhancing internal quality and efficiency, the Group aims to continuously bolster the market competitiveness of its software and AI products. We are accelerating our progress toward becoming a world-class provider of enterprise software and AI product technologies and services.

OTHER INFORMATION

UTILISATION OF PROCEEDS FROM THE PLACING OF SHARES

On 14 November 2025 (after the trading hours of the Stock Exchange), China Industrial Securities International Brokerage Limited, as the placing agent (the "Placing Agent"), entered into a placing agreement (the "Placing Agreement") with the Company. Pursuant thereto and subject to the terms and conditions set out in the Placing Agreement, the Placing Agent agreed, as the agent of the Company, to use its best endeavours to procure not less than six placees (who themselves and whose ultimate beneficial owners shall be independent third parties) to subscribe for 67,634,000 Company shares (the "Placing Shares") at a placing price of HK\$7.30 per Placing Share. The Placing Shares will be allotted and issued under the general mandate granted to the directors at the annual general meeting of the Company held on 17 June 2025, with an aggregate nominal value of HK\$676,340.00.

The placing price of HK\$7.30 per Placing Share represents a discount of approximately 6.77% to (i) the closing price of HK\$7.83 per Share as quoted on the Stock Exchange on the last trading day; and a discount of approximately 9.85% to (ii) the average closing price of HK\$8.10 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately preceding the last trading day. The placing price is exclusive of any brokerage commission, trading fees, transaction levies and stamp duties.

The gross proceeds from the Placing will be approximately HK\$493.73 million, and the estimated net proceeds (after deducting placing commission and other related expenses) will be approximately HK\$490.23 million, equivalent to a net price of approximately HK\$7.25 per Placing Share.

The proceeds from the Placing shall be used to supplement the long-term funds required for the Group's research and development investment in artificial intelligence, cloud, industrial software and other fields, business expansion and growth plan, as well as general working capital. As of 30 June 2026, the utilisation of the net proceeds is set out below:

Use of Proceeds	Planned Usage	Actual Usage as of 30 June 2026	Unutilised Net Proceeds as at 30 June 2026	Intended Timetable for the Utilisation of Unutilised Proceeds
Long-term funds required for research and development investment in artificial intelligence, cloud, industrial software and other fields, business expansion and growth plan	Approximately HK\$343.16 million	HK\$343.16 million	0	
For administrative expenses, operating expenses, settlement of payables to suppliers and other daily expenditures	Approximately HK\$147.07 million	HK\$98.16 million	HK\$48.91 million	It is expected to be fully utilised within the period ending 26 November 2027.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES OF THE COMPANY

As at 30 June 2026, the interests and short positions of the directors and the chief executives and their associates in the shares and underlying shares of the Company or any of its associated corporations, as recorded in the register pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code contained in the Listing Rules were as follows:

Long positions in the underlying shares of equity and equity derivatives of the Company

Name of directors and chief executives	Capacity	Details of equity and equity derivatives	Number of underlying shares (Note)	Subscription price per share HK\$
Zhang Ruijun	Owner	Share option	200,000 ^{*1}	3.16
Wei Daisen	Owner	Equity	300,000	
	Owner	Share option	270,000 ^{*2}	4.72
Cui Hongzhi	Owner	Equity	50,000	
	Owner	Share option	300,000 ^{*2}	4.72
Wang Yusen	Owner	Equity	100,000	
	Owner	Share option	150,000 ^{*2}	4.72
Zou Bo	Owner	Equity	80,000	
	Owner	Share option	120,000 ^{*2}	4.72

Notes: (1) On 16 October 2018, the share options of the directors were granted under 2008 Share Option Scheme.

(2) On 11 January 2023, the share options of the directors and chief executives were granted under 2018 Share Option Scheme.

Save as disclosed above, as of 30 June 2026, none of the directors or the chief executives or their associates had any interests or short positions in any shares or underlying shares of equity derivatives of the Company or any of its associated corporations.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2026, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, the following shareholders other than the directors of the Company had notified the Company of relevant interests in the issued capital of the Company.

Long position in shares and underlying shares of the Company

Ordinary shares of HK\$0.01 each of the Company

Name of shareholder	Type of interests	Number of ordinary shares beneficially held by the Company	Percentage of the issued share capital
Inspur Group Limited	Beneficial owner (Note 1)	428,278,400	35.05%
Inspur International (Hong Kong) Co., Limited	Beneficial owner (Note 1)	193,401,286	15.83%

Note 1: Inspur Group Limited is taken to be interested in 621,679,686 shares due to its indirect 100% shareholdings in the issued share capital of Inspur International (Hong Kong) Co., Limited.

OTHER INFORMATION

As at 30 June 2026, no persons have any other relevant interests or short positions in shares or underlying shares of equity derivatives of the Company.

PURCHASE, SALE OR REDEMPTION OF SHARES

Repurchase of Shares

During the Reporting Period, the Company repurchased shares on the Stock Exchange as follows:

Trading day	Number of shares repurchased	Highest price per share (HK\$)	Lowest price per share (HK\$)	Total consideration (HK\$)
27 May 2026	118,000	2.50	2.45	294,260
03 June 2026	540,000	3.30	3.10	1,721,660
05 June 2026	540,000	3.18	2.93	1,654,620
08 June 2026	300,000	2.92	2.81	866,480
09 June 2026	300,000	2.91	2.84	859,600
10 June 2026	176,000	2.83	2.79	496,840
11 June 2026	198,000	2.83	2.65	538,680
12 June 2026	300,000	3.00	2.94	895,700
18 June 2026	200,000	2.91	2.76	564,220
22 June 2026	200,000	2.70	2.61	530,740
23 June 2026	200,000	2.60	2.48	508,100
24 June 2026	200,000	2.48	2.42	490,920
25 June 2026	142,000	2.41	2.37	341,420
26 June 2026	200,000	2.42	2.38	481,480
29 June 2026	200,000	2.42	2.37	481,180
30 June 2026	200,000	2.36	2.35	471,800

The 4,014,000 Shares repurchased as mentioned above are intended to be used for future employee share option incentive schemes.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or repurchased any of the Company's listed securities.



OTHER INFORMATION

COMPETITIVE INTERESTS

During the Reporting Period, none of the Directors, General Managers, substantial shareholders of the Company or their respective associates (as defined in the Listing Rules) had any interest in a business which competes or is likely to compete with the business of the Group.

SHARE OPTION SCHEMES

The Share Option Scheme (the "Option Scheme") of the Company was adopted by the Company pursuant to the written resolutions of all shareholders passed on 10 November 2008 and 15 November 2018 for the primary purpose of providing incentives or rewards to selected participants for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any entity in which the Group holds any equity interest. The Option Scheme shall be valid and effective for a period of ten years after the date of its adoption. Under the Option Scheme, the board of directors of the Company may grant options to eligible participants including employees, executives or officers and directors (including executive and non-executive directors) of the Company or any of its subsidiaries, and any suppliers, consultants and advisers who will contribute or have contributed to the Group to subscribe for shares in the Company. No specific service provider submitted the number of share options available under the Option Scheme of the Group.

On 16 October 2018, a total of 30,000,000 share options were granted to certain employees and directors of the Group under the 2008 Option Scheme entitling the holders thereof to subscribe for shares of the Company at an exercise price of HK\$3.16 per share. During the six months ended 30 June 2026 of the Reporting Period, no options were exercised and no options lapsed. As of 30 June 2026, the remaining 200,000 share options had not been exercised.

On 11 January 2023, a total of 33,440,000 share options were granted to certain employees of the Group under the 2018 Option Scheme entitling the holders thereof to subscribe for shares of the Company at an exercise price of HK\$4.72 per share. During the six months ended 30 June 2026 of the Reporting Period, 814,000 share options were exercised, no share options lapsed, and 574,000 share options were cancelled. As of 30 June 2026, the remaining 16,081,500 share options had not been exercised.

On 18 December 2025, a total of 26,800,000 share options were granted to certain employees of the Group under the 2018 Option Scheme entitling the holders thereof to subscribe for shares of the Company at an exercise price of HK\$6.59 per share. During the six months ended 30 June 2026 of the Reporting Period, no options were exercised or lapsed, and 3,270,500 share options were cancelled. As of 30 June 2026, the remaining 22,912,300 share options had not been exercised.

OTHER INFORMATION

A breakdown of the number of share options outstanding during the six months ended 30 June 2026, including the date of grant, exercise price, exercise period and vesting period, separate amounts of share options granted, exercised, cancelled and lapsed during the period for each of the directors and chief executives and the aggregate amounts for employees, are set out below:

Category/Participant	Number of share options						Outstanding as at 30 June 2026	Exercise price per share (HK\$)	Exercise Period	Vesting Period
	Outstanding as at 1 January 2026	Date of Grant	Granted	Exercised	Cancelled	Lapsed				
Directors and chief executives										
Zhang Ruijun	200,000	16 Oct 2018	—	—	—	—	200,000	3.16	16 Oct 2018 to 15 Oct 2028	Note 1
Wei Daisen	450,000	11 Jan 2023	—	180,000	—	—	270,000	4.72	11 Jan 2023 to 10 Jan 2028	Note 2
Cui Hongzhi	350,000	11 Jan 2023	—	50,000	—	—	300,000	4.72	11 Jan 2023 to 10 Jan 2028	Note 2
Wang Yusen	250,000	11 Jan 2023	—	100,000	—	—	150,000	4.72	11 Jan 2023 to 10 Jan 2028	Note 2
Zou Bo	200,000	11 Jan 2023	—	80,000	—	—	120,000	4.72	11 Jan 2023 to 10 Jan 2028	Note 2
Sub-total	1,450,000		—	410,000	—	—	1,040,000			
Employees	16,219,500	11 Jan 2023	—	404,000	574,000	—	15,241,500	4.72	11 Jan 2023 to 10 Jan 2028	Note 2
Employees	26,182,800	18 Dec 2025	—	—	3,270,500	—	22,912,300	6.59	18 Dec 2025 to 17 Dec 2030	Note 3
Sub-total	42,402,300		—	404,000	3,844,500	—	38,153,800			
Total	43,852,300		—	814,000	3,844,500	—	39,193,800			

Notes:

1. One third of the options exercisable from the date of grant to expiry of option period (both dates inclusive); one third of the options exercisable from the first anniversary of the date of grant to expiry of option period (both dates inclusive); and the remaining one third of the options exercisable from the second anniversary of the date of grant to expiry of option period (both dates inclusive).
2. On the premise of achieving performance goals, 40% of the options are exercisable from the date of grant to expiry of option period (both dates inclusive); 30% of the options are exercisable from the first anniversary of the date of grant to expiry of option period (both dates inclusive); and the remaining 30% of the options are exercisable from the second anniversary of the date of grant to expiry of option period (both dates inclusive).
3. On the premise of achieving performance goals, 40% of the options are exercisable from the date of grant to expiry of option period (both dates inclusive); 30% of the options are exercisable from the first anniversary of the date of grant to expiry of option period (both dates inclusive); and the remaining 30% of the options are exercisable from the second anniversary of the date of grant to expiry of option period (both dates inclusive).



OTHER INFORMATION

According to the scheme mandate limit of the 2018 Option Scheme (being 113,892,073 share options), less the 62,640,000 share options granted by the Company since the approval of the scheme, the Company may further grant 51,252,073 share options as at 30 June 2026 (as at 1 January 2026: 51,252,073).

As of the date of this report, the number of shares available for issue and outstanding under the Option Scheme was 90,445,873, representing 7.40% of the Company's issued shares as at the date of this report.

AUDIT COMMITTEE

The Company has established an audit committee in accordance with the written terms of reference of the Listing Rules. The Audit Committee is primarily responsible for reviewing and supervising the Group's financial reporting process and internal control system. The Audit Committee comprises three independent non-executive directors, namely Mr. Wong Lit Chor, Alexis, Ms. Zhang Ruijun and Mr. Ding Xiangqian. Mr. Wong Lit Chor, Alexis is the chairman of the Audit Committee.

The Audit Committee has reviewed this report and has provided its recommendations and opinion thereon.

CODE OF CORPORATE GOVERNANCE PRACTICES

As of 30 June 2026, the Company has complied with the Code Provisions of Corporate Governance Code (the "Code") as set out in Appendix C1 to the Listing Rules for Main Board.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers in relation to Securities Transactions by Directors (the "Model Code"). Having made specific enquiry of all Directors, the Company has confirmed that all Directors have complied with the required standard set out in the Model Code during the six months ended 30 June 2026.

By Order of the Board

Inspur Digital Enterprise Technology Limited

Wei Daisen

Chairman

Hong Kong, 28 August 2026

As at the date of this report, the Board comprised Mr. Wei Daisen, Mr. Cui Hongzhi and Mr. Wang Yusen as executive Directors; Mr. Xie Bingbing as non-executive Director and Mr. Wong Lit Chor, Alexis, Ms. Zhang Ruijun and Mr. Ding Xiangqian as independent non-executive Directors.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

	Notes	For the six months ended	
		30 June 2026 RMB'000	30 June 2025 RMB'000
Turnover	3	3,757,189	4,343,457
Cost of sales		(2,885,513)	(3,328,551)
Gross profit		871,676	1,014,906
Other income	4	47,530	60,108
Other gains and losses		(2,463)	(278)
Impairment losses	11	(3,568)	(30,884)
Administrative expenses		(214,146)	(199,444)
Research and development expenses		(369,639)	(397,502)
Selling and distribution costs		(256,324)	(256,939)
Financial costs		(15,386)	(8,856)
Change in fair value of investment properties		(2,926)	(2,267)
Share of profit of an associate		1,828	3,778
Share of profit of a joint venture		5,637	3,378
Profit before tax		62,219	186,000
Income tax expenses	5	(5,298)	(1,752)
Profit for the period	6	56,921	184,248
Profit for the period attributable to owners of the Company		62,135	183,142
Profit (loss) for the period attributable to non-controlling interests		(5,214)	1,106
Earnings per share			
– Basic (RMB cents)	8	5.09	16.04
– Diluted (RMB cents)		5.09	15.97

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

	For the six months ended	
	30 June 2026 RMB'000	30 June 2025 RMB'000
Profit for the period	56,921	184,248
Other comprehensive (expense) income:		
<i>Items that will not be reclassified to profit or loss:</i>		
Exchange differences arising on translation to presentation currency	6,300	(2,725)
	<u>6,300</u>	<u>(2,725)</u>
Total comprehensive income for the period	<u>63,221</u>	<u>181,523</u>
Total comprehensive income (loss) for the period attributable to:		
– Owners of the Company	68,435	180,417
– Non-controlling interests	<u>(5,214)</u>	<u>1,106</u>
	<u>63,221</u>	<u>181,523</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	Notes	30 June 2026 RMB'000	31 December 2025 RMB'000
Non-current assets			
Property, plant and equipment		397,796	406,774
Investment properties		526,173	529,099
Right-of-use assets		34,183	37,091
Other intangible assets		276,254	221,281
Financial assets at fair value through profit or loss		1,000	1,000
Interest in associates		471,004	469,176
Interest in joint ventures		147,153	141,517
		1,853,563	1,805,938
Current assets			
Inventories		1,617	691
Trade and bills receivables	9	3,248,397	2,756,448
Debt instruments at FVTOCI		20,532	13,053
Prepayments, deposits and other receivables		536,334	551,334
Contract assets	11	1,752,095	1,577,081
Amount due from ultimate holding company	10	18,840	14,402
Amount due from fellow subsidiaries	10	806,538	756,550
Pledged bank deposits		106,190	65,489
Bank balances and cash		1,040,537	1,257,987
		7,531,080	6,993,035
Current liabilities			
Trade payables	13	2,668,424	2,568,911
Other payables, deposits received and accrued expenses		638,068	724,716
Lease liabilities		1,289	5,798
Contract liabilities	11	569,664	810,640
Borrowings	15	1,012,913	328,550
Estimated liabilities		15,833	15,833
Amount due to ultimate holding company	14	29,383	43,619
Amount due to fellow subsidiaries	14	533,531	376,233
Amount due to associates		419,445	468,966
Deferred income - government special appropriation		36,511	10,392
Tax payable		20,442	21,224
Dividends payable		20,712	—
		5,966,215	5,374,882
Net current assets		1,564,865	1,618,153
Total assets less current liabilities		3,418,428	3,424,091

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	Notes	30 June 2026 RMB'000	31 December 2025 RMB'000
Non-current liabilities			
Lease liabilities		3,866	6,162
Deferred income - government special appropriation		10,628	34,667
Deferred tax liabilities		126,086	126,277
Borrowings		15,873	16,870
		<u>156,453</u>	<u>183,976</u>
Capital and reserves			
Share capital	16	11,523	11,516
Reserves		<u>3,183,428</u>	<u>3,156,361</u>
Equity attributable to owners of the Company		3,194,951	3,167,877
Non-controlling interests		<u>67,024</u>	<u>72,238</u>
Total equity		<u>3,261,975</u>	<u>3,240,115</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Attributable to owners of the Company											Non-controlling interests	Total
	Share capital RMB'000	Share premium RMB'000	Treasury shares RMB'000 (note a)	Other reserves RMB'000 (note b)	Special reserve RMB'000 (note c)	Share option reserve RMB'000	Translation reserve RMB'000	Revaluation reserve RMB'000	Merger reserve RMB'000	Retained profits RMB'000	Sub-total RMB'000		
On 1 January 2025	10,796	1,371,809		(476,830)	98	51,625	16,434	159,540	(347,589)	1,726,348	2,512,231	72,516	2,584,747
Profit for the period	—	—	—	—	—	—	—	—	—	183,142	183,142	1,106	184,248
Other comprehensive expense	—	—	—	—	—	—	(2,725)	—	—	—	(2,725)	—	(2,725)
Total comprehensive (expense) income for the period	—	—	—	—	—	—	(2,725)	—	—	183,142	180,417	1,106	181,523
Dividends payable	—	—	—	—	—	—	—	—	—	(84,229)	(84,229)	—	(84,229)
Recognition of equity-settled share-based payments	—	—	—	—	—	3,400	—	—	—	—	3,400	—	3,400
Proceeds from the issue of shares	17	—	—	—	—	11,444	—	—	—	—	11,461	—	11,461
	17	—	—	—	—	14,844	—	—	—	(84,229)	(69,368)	—	(69,368)
On 30 June 2025	10,813	1,371,809		(476,830)	98	66,469	13,709	159,540	(347,589)	1,825,261	2,623,280	73,622	2,696,902
On 1 January 2026	11,516	1,886,621		(478,946)	98	37,049	16,484	159,540	(347,589)	1,883,104	3,167,877	72,238	3,240,115
Profit for the period	—	—	—	—	—	—	—	—	—	62,135	62,135	(5,214)	56,921
Other comprehensive expense	—	—	—	—	—	—	6,300	—	—	—	6,300	—	6,300
Total comprehensive (expense) income for the period	—	—	—	—	—	—	6,300	—	—	62,135	68,435	(5,214)	63,221
Dividends payable	—	—	—	—	—	—	—	—	—	(41,912)	(41,912)	—	(41,912)
Share repurchase	—	—	(9,747)	—	—	—	—	—	—	—	(9,747)	—	(9,747)
Recognition of equity-settled share-based payments	—	—	—	—	—	4,947	—	—	—	—	4,947	—	4,947
Proceeds from the issue of shares	7	—	—	—	—	5,344	—	—	—	—	5,351	—	5,351
	7	—	(9,747)	—	—	10,291	—	—	—	(41,912)	(41,361)	—	(41,361)
On 30 June 2026	11,523	1,886,621	(9,747)	(478,946)	98	47,340	22,784	159,540	(347,589)	1,903,327	3,194,951	67,024	3,261,975

Notes:

- (a) For the period ended 30 June 2026, the Company repurchased a total of 4,014,000 shares from the market for future employee share option incentive schemes.
- (b) Other reserve arose from the acquisition of partial interest in a subsidiary without changes in control.
- (c) The special reserve of the Group represents the difference between the nominal value of the shares of the subsidiaries and the nominal value of the Company's shares issued for the acquisition at the time of the reorganisation prior to the listing of the Company's shares in 2003.

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

	30 June 2026 RMB'000	30 June 2025 RMB'000
CASH FLOWS USED IN OPERATING ACTIVITIES	(688,548)	(881,040)
CASH FLOWS USED IN INVESTING ACTIVITIES	(73,280)	(70,414)
CASH FLOWS FROM FINANCING ACTIVITIES	558,253	900,447
NET DECREASE IN CASH AND CASH EQUIVALENTS	(203,575)	(51,007)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,257,987	908,405
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(13,875)	2,083
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,040,537	859,481
BANK BALANCES AND CASH	1,040,537	859,481

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026



1. GENERAL

Inspur Digital Enterprise Technology Limited (the “**Company**”) is a public limited company incorporated in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The directors of the Company consider that Inspur Group Limited (“**Inspur Group**”), a company established in the People’s Republic of China (the “**PRC**”), is the immediate holding company and ultimate holding company of the Company. The addresses of the registered office and principal place of business of the Company are disclosed in the introduction to the Interim Report.

The functional currency of the Company is Renminbi (“**RMB**”). The consolidated financial statements are presented in Renminbi.

The Company is an investment holding company. The principal activities of the subsidiaries (together with the Company, referred to as the “**Group**”) are engaged in enterprise AI, cloud services and management software and intelligent computing centers and others.

2. PRINCIPAL ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and financial instruments, which are measured at fair value, as appropriate.

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”), the accounting policies and methods of computation used in the consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2025.

APPLICATION OF NEW AND AMENDMENTS TO HKFRS

In the current interim period, the Group has applied, for the first time, the following new and amendments to Hong Kong Financial Reporting Standards (HKFRSs) issued by the Hong Kong Institute of Certified Public Accountants (HKICPA) which are mandatorily effective for the annual period beginning on 1 January 2026 for the preparation of the Group’s condensed consolidated financial statements:

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

The application of the Amendments to References to the Conceptual Framework in HKFRSs and the amendments to HKFRSs in the current 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

3. REVENUE AND SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by reportable operating segments.

To optimize its business portfolio and achieve strategic focus, the Group has adjusted its internal reporting structure effective from 1 April 2026. Accordingly, "enterprise AI", "cloud services and management software" and "intelligent computing centers and others" have been identified as new business segments for performance measurement. Prior period comparative segment information has been restated to conform to the current updated segment structure.

1. Enterprise AI – Provision of enterprise AI services;
2. Cloud services and management software – Provision of cloud services, software development and other software services;
3. Intelligent computing centers and others – Provision of data center engineering services and sales of IT peripherals and software.

	For the six months ended 30 June 2026			
	Enterprise AI	Cloud services and management software	Intelligent computing centers and others	Consolidated
	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue	137,208	1,609,163	2,010,818	3,757,189
Segment profit	(90,842)	128,747	37,236	75,141
Unallocated other income, gains				12,422
Change in fair value of investment properties				(2,926)
Share of profit of associates				1,828
Share of profit of joint ventures				5,637
Share-based payments				(6,836)
Unallocated administrative expenses				(4,093)
Impairment losses				(3,568)
Financial costs				(15,386)
Profit before tax				62,219

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026



3. REVENUE AND SEGMENT INFORMATION (continued)

	For the six months ended 30 June 2025 (restated)			
	Enterprise AI RMB'000	Cloud services and management software RMB'000	Intelligent computing centers and others RMB'000	Consolidated RMB'000
Segment revenue	46,919	2,424,841	1,871,697	4,343,457
Segment profit	(13,936)	218,630	17,923	222,617
Unallocated other income, gains				15,252
Change in fair value of investment properties				(2,267)
Share of profit of associates				3,778
Share of profit of joint ventures				3,378
Share-based payments				(7,568)
Unallocated administrative expenses				(9,450)
Impairment losses				(30,884)
Financial costs				(8,856)
Profit before tax				186,000

4. OTHER INCOME

	For the six months ended	
	30 June 2026 RMB'000	30 June 2025 RMB'000
Other income:		
Interest income on bank deposits	3,333	2,935
Value-added tax refund	19,040	18,172
Government special appropriation	11,405	20,633
Rental income	10,953	10,865
Others	2,799	7,503
	47,530	60,108

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

5. INCOME TAX EXPENSES

	For the six months ended	
	30 June 2026 RMB'000	30 June 2025 RMB'000
Current tax:		
PRC Enterprise Income Tax (EIT)	2,282	864
Under provision in prior year:		
PRC Enterprise Income Tax (EIT)	3,016	888
Deferred tax	—	—
	<u>5,298</u>	<u>1,752</u>

6. PROFIT FOR THE PERIOD

	For the six months ended	
	30 June 2026 RMB'000	30 June 2025 RMB'000
Profit for the period has been arrived at after charging (crediting):		
Cost of inventories recognised as cost of sales	1,818,970	1,762,075
Depreciation for property, plant and equipment	13,951	15,325
Amortisation for other intangible assets	14,714	11,747

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

**7. DIVIDENDS**

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

8. EARNINGS PER SHARE

The calculation of the basic and diluted profit per share attributable to the owners of the Company is based on the profit for the period attributable to owners of the Company and on the number of shares as follows:

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

	For the six months ended	
	30 June 2026 RMB'000	30 June 2025 RMB'000
Earnings		
Profit for the period attributable to owners of the Company	<u>62,135</u>	<u>183,142</u>
	For the six months ended	
	30 June 2026 '000	30 June 2025 '000
Number of shares		
Number of ordinary shares used in basic earnings per share	1,221,462	1,141,950
Effect of dilutive potential ordinary shares arising from the outstanding share options	<u>20</u>	<u>5,156</u>
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	<u>1,221,482</u>	<u>1,147,106</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

9. TRADE AND BILLS RECEIVABLES

The Group allows an average credit period of 30-210 days to its trade customers. As at 30 June 2026, trade receivables aged over one year amounted to RMB516,123,000 (31 December 2025: RMB547,756,000).

The following is an aging analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date, which approximated the revenue recognition date.

	30 June 2026 RMB'000	31 December 2025 RMB'000
0-30 days	889,867	1,123,217
31-60 days	248,314	303,577
61-90 days	298,829	156,932
91-120 days	75,464	81,259
121-180 days	359,790	267,027
Over 180 days	1,376,133	824,436
	3,248,397	2,756,448

10. AMOUNTS DUE FROM THE ULTIMATE HOLDING COMPANY AND FELLOW SUBSIDIARIES

	30 June 2026 RMB'000	31 December 2025 RMB'000
Amount due from ultimate holding company	18,840	14,402
Amount due from fellow subsidiaries	806,538	756,550
	825,378	770,952

11. CONTRACT ASSETS AND CONTRACT LIABILITIES

	30 June 2026 RMB'000	31 December 2025 RMB'000
CONTRACT ASSETS		
Current - software development	1,752,095	1,577,081
CONTRACT LIABILITIES		
Current - software development	569,664	810,640

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026



12. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS AND OTHER ITEMS SUBJECT TO EXPECTED CREDIT LOSS (“ECL”) MODEL

	For the six months ended	
	30 June 2026 RMB'000	30 June 2025 RMB'000
Impairment loss in respect of		
Trade receivables	(1,118)	13,384
Contract assets	4,686	17,500
	<u>3,568</u>	<u>30,884</u>

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2025.

13. TRADE AND OTHER PAYABLES

The following is an aging analysis of trade payables, presented based on the invoice date.

	30 June 2026 RMB'000	31 December 2025 RMB'000
Trade payables		
0-60 days	895,530	1,003,831
61-90 days	95,938	108,420
Over 90 days	1,676,956	1,456,660
	<u>2,668,424</u>	<u>2,568,911</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

14. AMOUNTS DUE TO THE ULTIMATE HOLDING COMPANY AND FELLOW SUBSIDIARIES

The following is an aging analysis of amounts due to the ultimate holding company and fellow subsidiaries for the purchase of goods and services at the reporting date.

	30 June 2026 RMB'000	31 December 2025 RMB'000
Amount due to ultimate holding company	29,383	43,619
Amount due to fellow subsidiaries	533,531	376,233
	<u>562,914</u>	<u>419,852</u>

15. BORROWINGS

	30 June 2026 RMB'000	31 December 2025 RMB'000
Current		
Bank borrowings	1,012,913	328,550
Non-current		
Bank borrowings	15,873	16,870
	<u>1,028,786</u>	<u>345,420</u>

The effective annual interest rates on the Group's bank borrowings ranged from 2.1% to 2.7%. Bank borrowings secured by bills receivable discounted with recourse carried an interest rate of 3% and are repayable within one year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026



16. SHARE CAPITAL OF THE COMPANY

	Number of shares		Share capital	
	30 June 2026 '000	30 June 2025 '000	30 June 2026 RMB'000	30 June 2025 RMB'000
Ordinary shares of HK\$0.01 each:				
Authorised	2,000,000	2,000,000	15,806	15,806
At the beginning of the period	1,221,042	1,141,921	11,516	10,796
At the end of the period	1,221,856	1,143,785	11,523	10,813

17. RELATED PARTY TRANSACTIONS/BALANCES

Apart from the amounts due from and to related parties as disclosed in the condensed consolidated statement of financial position, certain of which also constitute connected transaction under Chapter 14A of Listing Rule of HKEX, the Group had entered into the following related party transactions during the Reporting Period:

	Notes	For the six months ended	
		30 June 2026 RMB'000	30 June 2025 RMB'000
Supply Transactions	(i)	203,445	164,871
Selling Agency Transactions			
(1) Accumulated transactions amount	(ii)	114,792	109,815
(2) Related commission amount		1,147	—
Purchase Transactions	(iii)	272,027	165,247
Common Services Transactions	(iv)	13,594	8,549
Leasing Services Transactions	(v)	8,018	10,085
Business Travel Services Transactions		21,359	1,502



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

17. RELATED PARTY TRANSACTIONS/BALANCES (continued)

Notes:

- (i) The Group supplied goods for Inspur Group with reference to the market price.
- (ii) The Group engaged Inspur Group as the sales agent for the Group's products and services and Inspur Group received a commission of not more than 1% of the total sales value of the products and services.
- (iii) The Group would purchase computer software and hardware products from the Inspur Group. The unit price of computer products and components to be supplied by the Inspur Group would be agreed between parties with reference to the then prevailing market prices of such products at the relevant time.
- (iv) Inspur Group would provide services to the Group in relation to the use of the property on normal commercial terms and on arm's length terms or on terms no less favourable to the Group than those for provision of similar services by Inspur Group to other parties or by other parties to the Group.
- (v) The Group would provide leasing services (leasing services) for the Group's property to Inspur Group at rates negotiated on normal commercial terms and on arm's length terms or on terms no less favourable than those for provision of similar services to other parties.

On 27 December 2024, the Group entered into the Framework Financial Services Agreement with Inspur Group Finance Co., Ltd. ("**Inspur Finance Company**"), pursuant to which Inspur Finance Company agrees to provide several categories of financial services including deposit services, loan facility services and other financial services on a non-exclusive basis to the Group for a term of three years ending on 31 December 2027.

Details of such major connected transactions were disclosed in the Company's announcement dated 27 December 2024 and circular dated 30 June 2025 (the "**Circular**").

According to the deposit service, the recommended upper limit for the maximum daily deposit balance (including any accrued interest) deposited with Inspur Finance Company during the year 2026 does not exceed RMB1,050,000,000. The board of directors confirmed that as of 30 June 2026, the daily deposit balance of the Group in Inspur Finance Company (including any accrued interest) did not exceed the upper limit.

Inspur Finance Company will provide loan facility services to the Group from time to time under the loan financing services. The total outstanding amount under the loan facility services shall not exceed RMB1,500,000,000. As of 30 June 2026, the Group's total borrowings from Inspur Finance Company amounted to RMB419,445,000, which did not exceed the cap.

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