



Quantgroup Holding Limited

量化派控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2685

Interim Report 2026

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COMPANY INFORMATION

(As at August 28, 2026)

DIRECTORS

Executive Directors

Dr. ZHOU Hao (周灝) (*Chairman of the Board and Chief Executive Officer*)

Mr. LI Yan (李岩)

Mr. SONG Yang (宋揚) (*resigned as executive Director on July 31, 2026*)

Mr. ZHANG Yanshen (張岩珅) (*appointed as executive Director on March 2, 2026*)

Mr. TAN Feng (譚豐) (*appointed as executive Director on March 2, 2026*)

Mr. ZHOU Qiang (周強) (*resigned as executive Director on March 2, 2026*)

Non-executive Directors

Mr. ZHANG Yi (張毅) (*resigned as non-executive Director on July 20, 2026*)

Ms. LIU Fangwei (劉方未) (*resigned as non-executive Director on March 2, 2026*)

Independent Non-executive Directors

Mr. SUN Junchen (孫俊辰)

Mr. CAO Jie (曹杰)

Ms. GUO Yongfang (郭永芳)

AUDIT COMMITTEE

Mr. SUN Junchen (孫俊辰) (*Chairperson*)

Mr. CAO Jie (曹杰)

Ms. GUO Yongfang (郭永芳)

REMUNERATION COMMITTEE

Ms. GUO Yongfang (郭永芳) (*Chairperson*)

Mr. LI Yan (李岩)

Mr. SUN Junchen (孫俊辰)

NOMINATION COMMITTEE

Dr. ZHOU Hao (周灝) (*Chairperson*)

Mr. SUN Junchen (孫俊辰)

Ms. GUO Yongfang (郭永芳)

JOINT COMPANY SECRETARIES

Ms. YU Shanling (于善玲)

Ms. CHU Cheuk Ting (朱卓婷)

COMPLIANCE ADVISOR

Rainbow Capital (HK) Limited

Room 5B, 12/F

Tung Ning Building

No. 2 Hillier Street

Sheung Wan Hong Kong

PRINCIPAL SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited

Shops 1712-1716

17th Floor, Hopewell Centre

183 Queen's Road East, Wan Chai

Hong Kong

PRINCIPAL BANKS

China Merchants Bank (Haidian Huangzhuang Branch)

Ping An Bank (Beijing Deshengmen Branch)

Ping An Bank (Haidian Branch)

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Office B711, 7th Floor, No. 19 Zhongguancun Street

Haidian District

Beijing, China

COMPANY INFORMATION

(As at August 28, 2026)

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

31/F., Tower Two, Times Square
1 Matheson Street, Causeway Bay
Hong Kong

REGISTERED OFFICE IN CAYMAN ISLANDS

4th Floor Harbour Place
103 South Church Street
PO Box 10240
Grand Cayman KY1-1002
Cayman Islands

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Harneys Fiduciary (Cayman) Limited
4th Floor, Harbour Place
103 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

INDEPENDENT AUDITOR

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

COMPANY WEBSITE

www.quantgroup.com

AUTHORISED REPRESENTATIVES

Dr. ZHOU Hao (周灝)
Ms. CHU Cheuk Ting (朱卓婷)

STOCK CODE

2685

LEGAL ADVISORS TO THE COMPANY

As to Hong Kong law:
Han Kun Law Offices LLP
Rooms 4301-10,
43/F, Gloucester Tower, The Landmark,
15 Queen's Road Central,
Hong Kong

As to PRC law:
Grandway Law Offices
7/F, Beijing News Plaza
No. 26 Jianguomennei Dajie
Beijing, China

As to Cayman Islands law:
Harney Westwood & Riegels
3501, The Centre
99 Queen's Road Central
Hong Kong SAR

FINANCIAL HIGHLIGHTS

The financial summary of the Group for the Reporting Period and the comparison with the corresponding period of last year are set out as follows:

	For the six months ended June 30,	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Revenue	437,392	508,384
Cost of sales	(203,914)	(18,080)
Gross profit	233,478	490,304
Profit from operations	48,706	262,217
Profit before taxation	47,996	177,873
Income tax expense	(18,472)	(40,615)
Profit for the period attributable to equity shareholders of the Company	29,524	137,258

	As of June 30, 2026 RMB'000 (unaudited)	As of December 31, 2025 RMB'000 (audited)
Total assets	1,482,617	1,592,732
Total liabilities	139,767	287,706
Total equity attributable to equity shareholders of the Company	1,342,850	1,305,026

1. BUSINESS REVIEW

During the Reporting Period, the Group's core consumer e-commerce platform, Yangxiaomie (羊小咩), recorded a cumulative GMV of approximately RMB3.3 billion, representing a decline from RMB5.5 billion in the same period last year due to the declining macroeconomic environment coupled with increased market competition, the general contraction of the e-commerce sector due to the evolving regulatory landscape, slower retail sales and household consumption growth and the reallocation of marketing and sales resources. Against this backdrop, the Group continued to strengthen its core operational foundations, leveraging its proprietary AI platform, QuantPlanet, to advance refined operational capabilities. As at June 30, 2026, the number of cumulative registered users surpassed 65.0 million, representing a net increase of 4.9 million compared with that as at June 30, 2025. This expanding user base provides a foundation for the long-term development of the Group's e-commerce platform operations.

The Group continued its operations in relation to the Consumption Guide (消費地圖) business throughout the Reporting Period. Revenue from Consumption Guide decreased from RMB8.3 million for the six months ended June 30, 2025 to RMB1.1 million for the six months ended June 30, 2026. The reduction was primarily due to the reallocation of marketing and sales resources during the Reporting Period. Going forward, the Group will no longer treat the Consumption Guide business as a key area of development and will pursue related opportunities on a selective basis, having regard to prevailing market conditions.

Building on the Group's mature e-commerce operating and technical capabilities accumulated through Yangxiaomie, during the Reporting Period, the Group expanded its business scope by launching comprehensive business-to-business full-value-chain solutions, covering both supply chain services and e-commerce operation services. During the Reporting Period, the business-to-business supply chain services and e-commerce operation services were rolled out on a pilot basis and generated revenue of RMB15.8 million and RMB7.5 million, respectively. These additional businesses are at an early, exploratory stage, and the Group will continue to develop them at a steady and prudent pace, with a view to realising its long-term financial value. These initiatives are extensions of the Group's existing e-commerce platform business under the operation of online marketplaces business segment and do not constitute a fundamental change in the nature of the Group's principal business. They are expected to provide an additional continuing source of incremental revenue.

Revenue generated from the advertisement placement had declined progressively from 2024 onwards and accounted for less than 1% of the Group's total revenue in 2025. During the Reporting Period, no revenue was generated from this business segment. Such decline was primarily due to weaker demand for online advertisement placement services by marketplace suppliers and the business transformation of the Consumption Guide in 2024 into an automobile retail O2O platform facilitated by the partnership with Auto Partner A, under which the Consumption Guide became Auto Partner A's exclusive online display and marketing channel for the retail of automobiles.

Outlook

Looking ahead, the Group will continue to deepen its core strengths in AI. Guided by deep user insights, the Group will continue to develop and work towards launching an intelligent product system integrating software and hardware, to comprehensively upgrade users' intelligent consumption experience. Leveraging the large volume of real data accumulated through extensive product-user interaction, the Group will continue to iterate and improve its foundational large models and vertical AI models, further strengthen its technology barriers and intelligent operational capabilities, and consolidate its core competitiveness in technology.

Facing dynamic changes in the downstream industry environment and end-consumer market, the Group will leverage its core competencies in precision marketing, refined operations and integrated supply chain. Built on an AI-powered technology foundation, the Group will offer full-chain digital intelligent solutions externally. Through standardised, lightweight and intelligent empowerment services, the Group aims to help partners across industries respond efficiently to market changes, improve operating efficiency and enhance end-service quality, fostering win-win collaboration and shared growth.

Going forward, the Group will prioritise long-term value growth over short-term fluctuations in scale, and continue to deepen its dual track approach of AI-powered industrial services and consumer services, striving to build a value ecosystem anchored by data, algorithms and AI models, precisely tailored to meet the diverse needs of individual consumers and enterprise customers. The Group continues to explore applications of frontier technologies including “intelligent species”, in the physical world and the application of AI technologies across various consumption scenarios. The Group proposes to launch a new consumer e-commerce platform focusing on healthy living, personal efficiency improvement and emotional companionship and will offer a variety of hardware products covering smart species, smart hardware and high-tech products. The Group is also exploring the aggregation of multi-dimensional physical scenario data from offline real-world operations, and advancing the research and application of general physical AI base models for offline local life scenarios. The Company will continue to strengthen its operational fundamentals, broaden its growth horizons, and create steady, sustainable long-term value for users, partners and shareholders.

2. FINANCIAL REVIEW

Revenue

The revenue of the Group amounted to RMB437.4 million for the six months ended June 30, 2026, representing a decrease of 14.0% from RMB508.4 million for the six months ended June 30, 2025.

Revenue by Business Segment

During the Reporting Period, our revenue was primarily generated from the operation of online marketplaces, in particular our key e-commerce platform, Yangxiaomie, followed by revenue from our supply chain services and e-commerce operation services. The table below sets forth a breakdown of our revenue by business segment for the periods indicated:

	For the six months ended June 30,	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Revenue from contracts with customers within the scope of IFRS 15		
Operation of online marketplaces	437,392	508,227
– Revenue from Yangxiaomie	413,095	499,881
– Revenue from Consumption Guide	1,085	8,346
– Revenue from Supply Chain Services	15,762	–
– Revenue from E-commerce Operation Services	7,450	–
Other businesses	–	157
– Advertisement placement	–	157
	437,392	508,384

Our revenue generated from the operation of online marketplaces amounted to RMB437.4 million for the six months ended June 30, 2026, representing a decrease of 14.0% from RMB508.2 million for the six months ended June 30, 2025.

For the six months ended June 30, 2026, Yangxiaomie generated revenue of RMB413.1 million, contributing 94.4% to the Group's total revenue. This reflects a decrease from the six months ended June 30, 2025, in which it contributed RMB499.9 million, or 98.3% of total revenue. The decrease in revenue generated from Yangxiaomie and in its contribution to total revenue was principally due to the increasingly competitive market environment, the slower retail sales and household consumption growth and the decrease in marketing and sales resources allocated to Yangxiaomie during the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Our revenue generated from Consumption Guide decreased by 87.0% from RMB8.3 million for the six months ended June 30, 2025 to RMB1.1 million for the six months ended June 30, 2026. The reduction was primarily due to the reallocation of marketing and sales resources during the Reporting Period. Going forward, the Group will no longer treat the Consumption Guide business as a key area of development and will pursue related opportunities on a selective basis, having regard to prevailing market conditions.

During the six months ended June 30, 2026, the Group did not record any revenue from advertisement placement services, compared to RMB0.2 million for the six months ended June 30, 2025. Revenue from the advertisement placement business had declined progressively from 2024 onwards due to a decline in demand from marketplace suppliers for online advertisement placement services, together with the business transformation of the Consumption Guide. Looking ahead, the Company intends to maintain a prudent and opportunity-driven approach to the advertisement placement business.

Starting from 2026, the Group has expanded its business scope to include supply chain services and e-commerce operation services, which together provide customers with full value chain solutions. The supply chain services business primarily provides business-to-business clients with product procurement, logistics and distribution, and quality control management, while also coordinating with suppliers to complete after-sales fulfillment. Our e-commerce operation services primarily assist business clients in building and operating their own e-commerce platforms by offering full-chain operational support covering online store setup, day-to-day operations and maintenance, customer acquisition and promotion, product selection and execution of marketing campaigns. These services are directed at business customers, while the Group's self-operated platforms Yangxiaomie and Consumption Guide target retail consumers. These new services are extensions within the Group's operation of online marketplaces business segment and the Board is of the view that such business expansion does not alter the nature of the Group's principal business activities. During the Reporting Period, revenue generated from supply chain services and e-commerce operation services amounted to RMB15.8 million and RMB7.5 million, respectively, together accounting for approximately 5.3% of the Group's total revenue. These additional business activities are still in their early stages of development, and their revenue contribution remains limited.

Cost of Sales

Cost of sales was RMB203.9 million for the six months ended June 30, 2026, representing a significant increase of 1,027.8% from RMB18.1 million for the six months ended June 30, 2025. The increase was primarily due to the commercial agreements entered into between the Group and the payment channel service providers in early 2026 in relation to credit payment services for Yangxiaomie. Under the business cooperation arrangements, the service fees payable to these service providers are calculated based on certain percentage of the transaction amount of Yangxiaomie. Such service fees are directly related to Yangxiaomie's daily transaction activities and therefore, have been recognised as the Group's cost of sales.

Other Net Income or Loss

Our other net income or loss increased by RMB0.2 million, or 66.7%, from RMB0.3 million for the six months ended June 30, 2025 to RMB0.5 million for the six months ended June 30, 2026, primarily attributable to the increase in net exchange gains arising from fluctuations in exchange rates.

Gross Profit and Gross Margin

Our gross profit represents our revenue less our cost of sales, and our gross profit margin represents our gross profit as a percentage of our revenue.

Our gross profit was RMB233.5 million for the six months ended June 30, 2026, representing a decrease of 52.4% from RMB490.3 million for the six months ended June 30, 2025. Our gross margin decreased from 96.4% for the six months ended June 30, 2025 to 53.4% for the six months ended June 30, 2026. The decrease in gross profit and gross profit margin is primarily attributable to the combined effect of (i) increased market competition and the reallocation of marketing and sales resources during the Reporting Period resulting in the reduction in revenue from Yangxiaomie and Consumption Guide; and (ii) the increase of operating costs due to the increased fees paid to payment channel services in relation to Yangxiaomie, which resulted in a substantial year-on-year increase in cost of sales.

Research and Development Expenses

Our research and development expenses were relatively stable at RMB25.3 million and RMB25.9 million for the six months ended June 30, 2026 and 2025, respectively.

General and Administrative Expenses

Our general and administrative expenses were RMB52.5 million for the six months ended June 30, 2026 representing a decrease of 10.2% from RMB58.5 million for the six months ended June 30, 2025. This decrease was primarily because, following the completion of the Group's listing on November 27, 2025, no listing expenses relating to the initial public offering were incurred during the six months ended June 30, 2026.

Sales and Marketing Expenses

Our sales and marketing expenses were RMB102.0 million for the six months ended June 30, 2026, representing a decrease of 27.3% from RMB140.3 million for the six months ended June 30, 2025. This decrease was primarily due to fewer marketing activities relating to Yangxiaomie.

MANAGEMENT DISCUSSION AND ANALYSIS

Net Impairment Loss on Financial Assets

Our net impairment loss on financial assets primarily consists of impairment on trade receivables.

We recorded a net impairment loss on financial assets of RMB5.5 million for the six months ended June 30, 2026, representing an increase of 49.1% or RMB1.8 million from RMB3.7 million for the six months ended June 30, 2025. The increase was mainly attributable to higher commission receivables resulting from the growth in transaction volume of POP merchants on Yangxiaomie, as well as new trade receivables arising from supply chain services and e-commerce operation services businesses during the Reporting Period, which resulted in a corresponding increase in the impairment provision recognised under the expected credit loss model.

Net Finance Costs

Our net finance cost were RMB1.2 million for the six months ended June 30, 2026, representing an increase of 64.8% from RMB0.7 million for the six months ended June 30, 2025. This increase was primarily due to the increase in average bank borrowings during the Reporting Period.

Changes in the Carrying Amount of Financial Instruments with Preferred Rights

Our changes in the carrying amount of financial instruments with preferred rights primarily related to recognition of financial liabilities arising from the Company's obligation to buy back certain shareholders' investments upon the occurrence of any specified contingent redemption events which are not within the Company's or the Group's control based on the shareholders' agreement entered into among the Company, certain members of the Group and each of the Shareholders in May 2022.

We recorded no change in the carrying amount of financial instruments with preferred rights for the six months ended June 30, 2026 as compared to a RMB83.6 million for the six months ended June 30, 2025. The decrease was mainly due to the automatic termination of the preferential rights upon the Company's listing on November 27, 2025 following which the financial instruments with preferential rights were reclassified from liabilities to equity.

Income Tax Expense

Our income tax expense decreased by RMB22.1 million, or 54.5%, from RMB40.6 million for the six months ended June 30, 2025 to RMB18.5 million for the six months ended June 30, 2026. This decrease was primarily due to the decline in profit before tax during the Reporting Period.

Profit for the Reporting Period Attributable to Equity Shareholders of the Company

As a result of the above factors, our profit attributable to equity shareholders of the Company decreased by RMB107.8 million or 78.5% from RMB137.3 million for the six months ended June 30, 2025 to RMB29.5 million for the six months ended June 30, 2026.

Trade Receivables

Our trade receivables increased slightly from RMB978.6 million as of June 30, 2025 to RMB980.0 million as of June 30, 2026. The increase was mainly attributable to the increase in commission receivables arising from higher transaction volume of POP store operations for goods transactions completed on Yangxiaomie, as well as new trade receivables generated by the supply chain services and e-commerce operation services businesses during the Reporting Period. These increases were partially offset by the repayment of approximately RMB370.0 million, representing 37.8% of our trade receivables as of June 30, 2026, by Yingtan Xinjiang Guangda Microfinance Co., Ltd. (鷹潭市信江廣達小額貸款股份有限公司, “**Yingtan Guangda**”) during the Reporting Period. The Group will continue to closely monitor customer settlement progress and adjust its credit policies accordingly.

We are of the opinion that the condition of our trade receivables does not raise sufficient concern to indicate any material issues regarding their recoverability or our cash conversion cycle. We have implemented strict internal control policies to manage the collection of trade receivables.

Trade Payables

Our trade payables primarily consist of amounts due to our suppliers. Our trade payables decreased from RMB83.0 million as of June 30, 2025 to RMB35.2 million as of June 30, 2026. The decrease was mainly attributable to the settlement of payables in relation to procurement and marketing expenses during the Reporting Period in accordance with the relevant contractual terms.

Liquidity and Capital Resources

We have maintained a comprehensive treasury policy detailing specific functions and internal control measures for capital use. These functions and measures include but are not limited to procedures of capital management and liquidity management. We manage and maintain our liquidity through the use of internally generated cash flows from operations and bank borrowings. We regularly review our major funding positions to ensure that we have adequate financial resources in meeting our financial obligations.

Gearing ratio

Our gearing ratio was 22.0% and 10.4% as of June 30, 2025 and June 30, 2026, respectively. Gearing ratio is calculated on the basis of the Group's total liabilities divided by total equity at the end of each period.

MANAGEMENT DISCUSSION AND ANALYSIS

Cash and Cash Equivalents

The Group recorded net cash outflow from operating activities of RMB422.6 million for the six months ended June 30, 2026, as compared to a net cash inflow of RMB64.4 million for the six months ended June 30, 2025. The change was mainly due to the increase in the trade receivables, which resulted in a corresponding increase in working capital occupied. The Group has implemented strict trade receivables management policies to ensure that it has sufficient financial resources to meet its financial obligations.

For the six months ended June 30, 2026, our net cash flows generated from investing activities of the Group amounted to RMB46.8 million, as compared with the net cash flows used in investing activities of RMB0.3 million for the six months ended June 30, 2025. The change from a net cash outflow to a net cash inflow was mainly due to the disposal of certain wealth management products, which generated proceeds of approximately RMB47.0 million.

For the six months ended June 30, 2026, our net cash flows used in financing activities amounted to RMB23.8 million, as compared to the net cash flows generated from financing activities of RMB44.8 million for the six months ended June 30, 2025. The change from a net cash inflow to a net cash outflow was mainly due to the decrease in new bank borrowings from RMB48.0 million in the same period last year to RMB17.7 million during the Reporting Period, and the repayment of bank borrowings of RMB38.0 million, for which there was no corresponding repayment in the same period last year.

As a result of the foregoing, our cash and cash equivalents held in Renminbi decreased by 71.0% from RMB422.5 million as of June 30, 2025 to RMB122.7 million as of June 30, 2026.

Bank and Other Borrowings

As of June 30, 2026, our bank and other borrowings amounted to RMB50.3 million (December 31, 2025: RMB70.6 million). As of June 30, 2026 and 2025, all our bank loans were made in Renminbi, carried fixed interest rates and carried interest rates ranging from 2.8% to 4.3% and matured within one year. Other borrowings were non-interest-bearing loans from four third parties, which are denominated in United States dollars and Hong Kong dollars.

Pledge of Assets

As of June 30, 2026, we did not have any pledged assets.

Foreign Exchange Exposure

We generate substantially all of our revenue in RMB during the Reporting Period, while the net proceeds from the Global Offering were in HK\$. Fluctuations in the exchange rate between the RMB and the HK\$ will affect the relative purchasing power in RMB in terms of the proceeds from our Global Offering.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, we have not entered into any hedging transactions to manage the potential fluctuation in foreign currencies. We manage our foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures and trying to minimise these exposures through natural hedges, wherever possible.

During the Reporting Period, the Group did not hedge its foreign currency exposure. The management will continue to monitor the Group's foreign exchange exposure closely and will consider entering into appropriate hedging arrangements as and when necessary.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to us. Our credit risk is primarily attributable to trade receivables and other receivables. Our exposure to credit risk arising from cash and cash equivalents and restricted cash is limited because the counterparties are banks and financial institutions with a minimum credit rating, for which we consider to have low credit risk.

Our Directors consider that the condition of our trade receivables does not raise sufficient concern to indicate any material issues regarding their recoverability or our cash conversion cycle. We have implemented strict internal control policies to manage the collection of trade receivables.

Off-balance Sheet Commitments and Capital Expenditure

As of June 30, 2026, we had not entered into any off-balance sheet transactions. Our capital expenditure was RMB0.2 million for the six months ended June 30, 2026 as compared to RMB0.3 million for the six months ended June 30, 2025.

Contingent Liabilities

As at June 30, 2026, we did not have any material contingent liabilities.

Material Acquisition and Disposal

For the six months ended June 30, 2026, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

Future Plans for Material Investments and Capital Assets

As at June 30, 2026, the Group had no specific plan for material investments or acquisition of capital assets.

MANAGEMENT DISCUSSION AND ANALYSIS

Significant Investments

For the Reporting Period, the Company did not have any significant investments (including any investment in an investee company with a value of 5% or more of the Group's total assets as of June 30, 2026).

Employees, Training and Remuneration Policies

As at June 30, 2026, the Group had a total of 138 employees, comprising 133 employees based in the PRC. Our success depends on our ability to attract, retain and motivate qualified employees. We offer our employees a competitive remuneration package determined with reference to market conditions and individual employee's position, qualification and experience which includes salary, benefits, bonuses and incentives. Our compensation programs are designed to remunerate our employees based on their performance, measured against specified objective criteria. As required by the PRC laws, we have made contributions to the various mandatory social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, occupational injury insurance and maternity leave insurance, and to mandatory housing provident funds, for or on behalf of our employees.

The total staff costs amounted to RMB65.3 million for the six months ended June 30, 2026 (for the six months ended June 30, 2025: RMB72.0 million). The decrease in the number of employees and staff costs was mainly attributable to the Group's continuous efforts in advancing AI technology empowerment and optimising operational efficiency.

To recognise the contributions of key employees and motivate them to further promote the development of the Company, the Company adopted the RSU Schemes. For details, please refer to the section headed "Appendix IV – Statutory and General Information – D. RSU SCHEMES" in the Prospectus.

We believe that maintaining a stable, diverse and motivated workforce is critical to the success of our business. We are committed to applying equal opportunities to all aspects of employment, including recruitment, training, promotion and remuneration, without discrimination on the basis of gender, race, nationality, marital status, disability, religious belief, sexual orientation or any other characteristic protected under applicable laws.

We invest in staff training on a regular basis and encourage employees to continuously improve their skills, abilities and competencies through both internal and external training programs. Through regular performance appraisals, we identify training needs and areas for improvement to enhance existing skills and support career development. We recruit personnel from the open market and formulate our recruitment policies based on market conditions, business needs and expansion plans. We adopt comprehensive and merit-based assessment criteria when selecting candidates, taking into account experience, skills, qualifications, competencies and suitability for the position. Candidates are assessed through interviews and aptitude tests as appropriate. We also offer promotion and job opportunities to existing employees and suitable candidates, selecting individuals based on work performance, merit, qualifications, abilities and overall suitability.

DISCLOSURE OF INTERESTS

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As at June 30, 2026, the interest or short position of our Directors or chief executives of our Company in the Shares, underlying shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which had been required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they were taken or deemed to have under such provisions of the SFO) or as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise required to be notified to our Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director or Chief Executive	Nature of Interest	Number of Shares/underlying shares held ⁽¹⁾	Approximate % of Shareholding ⁽⁹⁾
Dr. Zhou	Settlor of a discretionary trust ⁽²⁾	157,713,354 (L)	30.62%
	Interest of spouse ⁽³⁾	11,863,500 (L)	2.30%
	Beneficial owner ⁽⁴⁾	26,408,715 (L)	5.13%
Mr. Li Yan	Settlor of a discretionary trust ⁽⁵⁾	20,560,500 (L)	3.99%
	Beneficial owner ⁽⁶⁾	5,454,545 (L)	1.06%
Mr. Song Yang (<i>resigned as director on July 31, 2026</i>)	Beneficial owner ⁽⁷⁾	3,030,300 (L)	0.59%
Mr. Zhang Yanshen	Beneficial owner ⁽⁸⁾	606,060 (L)	0.12%

Notes:

- (1) The letter "L" denotes the person's long position (as defined under Part XV of the SFO) in the Shares.
- (2) Mars Legend is a company incorporated in the BVI and is held as to 99% by SJY Family Holdings and 1% by Mars Digitech Limited, a company wholly owned by Dr. Zhou. SJY Family Holdings is held by the Dr. Zhou Trust, which was established by Dr. Zhou as the settlor. Futu Trustee Limited is the trustee of the Dr. Zhou Trust, and Mars Digitech Limited is the beneficiary of the Dr. Zhou Trust. The Dr. Zhou Trust was structured in preparation for Dr. Zhou's future estate planning. Dr. Zhou is also a director of Mars Legend. As such, Dr. Zhou, Dr. Zhou Trust and SJY Family Holdings are deemed to be interested in our Shares held by Mars Legend.
- (3) Dr. Zhou is the spouse of Ms. Sun Jinghui. By virtue of the SFO, Dr. Zhou is deemed to be interested in the Shares in which Ms. Sun is interested in, and vice versa.
- (4) As of June 30, 2026, Dr. Zhou was granted 26,408,715 RSUs by our Company pursuant to the RSU Share Schemes, upon the vesting of which the same number of Shares will be issued to him.
- (5) Saturn Storm is a company incorporated in the BVI and is held as to 99% by LY Family Holdings Limited and 1% by Saturn Tornado Limited, a company wholly owned by Mr. Li Yan. LY Family Holdings is held by the Li Yan Trust, which was established by Mr. Li as the settlor. Futu Trustee Limited is the trustee of the Li Yan Trust, and Saturn Tornado Limited is the beneficiary of the Li Yan Trust. The Li Yan Trust is structured in preparation for Mr. Li's future estate planning. Mr. Li is also a director of Saturn Storm. As such, Mr. Li, Li Yan Trust and LY Family Holdings are deemed to be interested in our Shares held by Saturn Storm.
- (6) As of June 30, 2026, Mr. Li Yan was granted 5,454,545 RSUs by our Company pursuant to the RSU Share Schemes, upon the vesting of which the same number of Shares will be issued to him.

CORPORATE GOVERNANCE AND OTHER INFORMATION

- (7) As of June 30, 2026, Mr. Song Yang was granted 3,030,300 RSUs by our Company pursuant to the RSU Share Schemes, upon the vesting of which the same number of Shares will be issued to him. Mr. Song Yang resigned as chief financial officer of the Company on June 8, 2026 and an executive director of the Company on July 31, 2026, as a result, 568,182 shares of the 3,030,300 RSUs originally granted to him were forfeited.
- (8) As of June 30, 2026, Mr. Zhang Yanshen was granted 606,060 RSUs by our Company pursuant to the RSU Share Schemes, upon the vesting of which the same number of Shares will be issued to him.
- (9) The percentage of shareholding is calculated based on the total number of 515,097,500 Shares in issue as of June 30, 2026.

Save as disclosed herein, none of our Directors or the chief executive of our Company has any interest or short position in the Shares, underlying shares or debentures of our Company or any of its associated corporation (within the meaning of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code.

Substantial shareholders' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As at June 30, 2026, the following persons (other than the Directors and chief executives of the Company) had, or be deemed, or taken to have an interest and/or short position in the Shares or underlying Shares which were recorded in the register required to be kept under the section 336 of the SFO or which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of Substantial Shareholder	Nature of interest	Number of Shares Held ⁽¹⁾	Approximate % of Shareholding ⁽⁷⁾
Futu Trustee Limited	Trustee	246,591,500 (L)	47.87%
Ms. Sun Jinghuai ⁽²⁾	Interest of spouse	195,985,569 (L)	38.05%
Mars Legend Limited ⁽³⁾	Beneficial owner	157,713,354 (L)	30.62%
SJY Family Holdings Limited ⁽³⁾	Interest in controlled corporation	157,713,354 (L)	30.62%
Sunshine Life Insurance Corporation Limited (陽光人壽保險股份有限公司)	Beneficial owner	77,116,000 (L)	14.97%
East Asia Star Investment (BVI) Limited ⁽⁴⁾	Beneficial owner	49,672,500 (L)	9.64%
Fosun Holdings Limited ⁽⁴⁾	Interest in controlled corporation	49,672,500 (L)	9.64%
Fosun International Holdings Ltd. ⁽⁴⁾	Interest in controlled corporation	49,672,500 (L)	9.64%
Guo Guangchang ⁽⁴⁾	Interest in controlled corporation	49,672,500 (L)	9.64%
Jupiter Rock Limited ⁽⁵⁾	Beneficial owner	35,867,646 (L)	6.96%
Gaorong Capital (Shenzhen) Investment Management Center (Limited Partnership) (高榕資本(深圳)投資諮詢中心(有限合伙)) ⁽⁶⁾	Interest in controlled corporation	28,794,500 (L)	5.59%
Gaorong QTG Holding Limited ⁽⁶⁾	Beneficial owner	28,794,500 (L)	5.59%

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Notes:

- (1) The letter “L” denotes the person’s long position (as defined under Part XV of the SFO) in the Shares.
- (2) Ms. Sun Jinghui is the spouse of Dr. Zhou Hao. By virtue of the SFO, Ms. Sun is deemed to be interested in the Shares in which Dr. Zhou is interested in.
- (3) Mars Legend is a company incorporated in the BVI and is held as to 99% by SJY Family Holdings and 1% by Mars Digitech Limited, a company wholly owned by Dr. Zhou. SJY Family Holdings is held by the Dr. Zhou Trust, which was established by Dr. Zhou as the settlor. Futu Trustee Limited is the trustee of the Dr. Zhou Trust, and Mars Digitech Limited is the beneficiary of the Dr. Zhou Trust. The Dr. Zhou Trust was structured in preparation for Dr. Zhou’s future estate planning. Dr. Zhou is also a director of Mars Legend. As such, Dr. Zhou, Dr. Zhou Trust and SJY Family Holdings are deemed to be interested in our Shares held by Mars Legend.
- (4) East Asia Star Investment (BVI) Limited is wholly-owned by Fosun Holdings Limited, which is in turn wholly-owned by Fosun International Holdings Ltd. Mr. Guo Guangchang held 82.27% issued shares of Fosun International Holdings Ltd. As such, Fosun Holdings Limited, Fosun International Holdings Ltd. and Mr. Guo Guangchang are deemed to be interested in the Shares held by East Asia Star Investment (BVI) Limited.
- (5) Jupiter Rock Limited, a company incorporated in the BVI, is an indirect wholly-owned subsidiary of Futu Trustee Limited (an independent and professional trustee appointed by the Company to act as the trustee of the RSU Schemes) and is one of our offshore employee shareholding platforms.
- (6) Gaorong QTG Holding Limited is wholly owned by Gaorong Capital (Shenzhen) Investment Center (Limited Partnership) (高榕資本(深圳)投資中心(有限合夥)). Gaorong Capital (Shenzhen) Investment Management Center (Limited Partnership) (高榕資本(深圳)投資諮詢中心(有限合夥)) is the general partner of Gaorong Capital (Shenzhen) Investment Center (Limited Partnership)* (高榕資本(深圳)投資中心(有限合夥)), which also owns approximately 0.16% of partnership interests.
- (7) The percentage of shareholding is calculated based on the total number of 515,097,500 Shares in issue as of June 30, 2026.

Save as disclosed herein, as at June 30, 2026, so far as the Directors are aware, the Directors and chief executives of the Company were not aware of any other persons (other than the Directors and chief executives of the Company) who had an interest or short position in the Shares or underlying Shares which will be required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO, and/or will be, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company.

RSU Schemes

The RSU Schemes (the “**RSU Schemes**”) were adopted by our Company on April 26, 2022 (the “**Adoption Date**”) to reflect the RSUs previously granted to certain grantees (including Directors, senior management and other employees) under the historical onshore RSU schemes adopted by Starmotion Intelligence. The RSU Schemes do not involve the grant of options or RSUs by our Company to subscribe for new Shares. Upon Listing, the RSU Schemes will be subject to Rule 17.12 of the Listing Rules. After Listing, no further RSUs will be granted pursuant to the RSU Schemes.

The Company has appointed a trustee (the “**Trustee**”) to administer the RSU Schemes. Awards granted under the RSU Schemes (the “**Award(s)**”) may vest in the form of Shares or a conditional right to receive an equivalent value in cash with reference to the value of the Shares underlying such Award, to be determined by the Trustee on an on-market sale date as determined by the RSU administrator (the “**RSU Administrator**”), less any applicable taxes, fees and charges.

CORPORATE GOVERNANCE AND OTHER INFORMATION

In order to facilitate the administration of the RSU Schemes, on March 31, 2022, the Company entered into a trust deed (the “**Trust Deed**”) with the Trustee, pursuant to which trusts were established for the RSU Schemes and the Trustee agreed to act as trustee to administer the RSU Schemes and hold the Shares underlying the Awards. On May 9, 2022, pursuant to the 2022 RSU Scheme I and the 2022 RSU Scheme II, the Company issued 75,000,000 Shares and 20,586,500 Shares, respectively, to the Trustee, which holds such Shares through Jupiter Rock and Venus Energy, both wholly-owned subsidiaries of the Trustee.

On March 6, 2023, Jupiter Rock transferred 39,132,354 Shares, back to Mars Legend, corresponding to the equity interest in the Company originally contributed by Dr. Zhou for share incentive purposes. As at June 30, 2026, all RSUs associated with the Shares held by Jupiter Rock and Venus Energy, representing approximately 10.96% of the issued Shares, had been granted under the 2022 RSU Scheme I and the 2022 RSU Scheme II.

The below is a summary of the principal terms of the RSU Schemes:

Purpose

The purpose of the RSU Schemes is to incentivise existing and incoming Directors, senior management and employees of the Group for their contribution to the Group, and to attract, motivate and retain skilled and experienced personnel by providing them with the opportunity to acquire equity interests in the Company, thereby aligning their interests with those of the Shareholders.

Administration

The RSU Schemes are administered by the Board. Pursuant to the terms of the RSU Schemes, the Board has the power and authority:

- (a) to select eligible persons, being any existing or incoming employee, Director (whether executive or non-executive) or officer of the Company or any member of the Group (the “**Eligible Person**”), to participate in the RSU Schemes (the details of the related party transactions of the Group during the Reporting Period are set out in note 20 to the financial statements in this interim report);
- (b) to determine whether and to what extent RSUs are granted to Selected Persons (the “**Participants**”);
- (c) to determine the number of RSUs and the number of underlying Shares covered by each Award;
- (d) to determine the terms and conditions, not inconsistent with the RSU Schemes, of each Award granted;
- (e) to interpret the terms and provisions of the RSU Schemes and any Award granted thereunder; and
- (f) to supervise the administration of the RSU Schemes.

Subject to the provisions of the Articles, the Board has the authority, in its sole discretion, to adopt, alter and repeal such administrative rules, guidelines and practices governing the RSU Schemes as it considers appropriate.

All decisions made by the Board pursuant to the RSU Schemes are final, conclusive and binding on all persons, including the Company and the Participants.

Shares Subject to the RSU Schemes

The maximum number of Shares underlying the RSUs that may be granted under the 2022 RSU Scheme I and the 2022 RSU Scheme II (excluding RSUs that have lapsed or been cancelled in accordance with the rules of the RSU Schemes) is 75,000,000 Shares and 20,586,500 Shares, representing approximately 14.56% and 4.00% of the issued share capital of the Company as at June 30, 2026, respectively.

The Shares underlying the RSU Schemes are existing Shares issued to and held by the Trustee. To the extent that any RSU lapses or is cancelled in accordance with the rules of the RSU Schemes, the underlying Shares continue to be held by the Trustee and may be used for future grants prior to Listing.

Scheme Participants

Persons eligible to receive the Award under the RSU Schemes are any existing or incoming employees, directors (whether executive or non-executive) or officers of the Company or any member of the Group (the “**Eligible Person**”). Subject to the rules of the RSU Schemes, the Board may select any Eligible Person for participation in the RSU Schemes at its discretion as a selected person (the “**Selected Person**”).

Since the participants of both the 2022 RSU Scheme I and the 2022 RSU Scheme II include Directors and senior management of the Company who are core connected persons of the Company, each of Jupiter Rock and Venus Energy is a core connected person of the Company. As such, the underlying Shares associated with the RSUs held by Jupiter Rock pursuant to the 2022 RSU Scheme I and the underlying Shares associated the RSUs held by Venus Energy pursuant to the 2022 RSU Scheme II will not be counted as part of the public float, for the purposes of the Rules 8.08 and 8.24 of the Listing Rules.

The basis of eligibility of any Selected Person for the grant of RSUs shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group or such other factors as the Board may deem appropriate.

As the RSU Schemes were amended and restated on March 20, 2024, no RSUs shall be granted to a Selected Person (the “**Relevant Selected Person**”) if, at the relevant time of grant, the total number of underlying Shares associated with the RSUs issued and to be issued in respect of all RSUs granted to the Relevant Selected Person (excluding any RSUs that have lapsed in accordance with Rule 10) during the 12-month period up to and including the date of such grant would exceed 1% of the total number of Shares in issue at that time.

Term of the RSU Schemes

The RSU Schemes will be valid and effective for the period of 10 years, commencing on the Adoption Date (the “**Scheme Period**”). As of June 30, 2026, the remaining life of the RSU Schemes was approximately 5 years and 9 months.

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Grant of RSUs

RSUs are granted pursuant to a grant letter (the “**Grant Letter**”) specifying, among other things, the name of the Selected Person, the number of RSUs granted, the number of underlying Shares, the vesting criteria and conditions, the vesting schedule, and such other terms and conditions as determined by the Board.

The Grant Letter requires the Selected Person to accept the grant and be bound by the provisions of the RSU Schemes. The RSUs granted (whether vested or not) are subject to a trading restriction for at least 14 months after the Listing Date.

No consideration is payable by the Selected Person upon the acceptance of a RSU Award. For RSUs that were granted under the RSU Schemes the exercise prices were determined with reference to the fair value of the underlying Shares on the date of grant and reflected an 80% discount to such fair value.

Vesting

RSUs become vested at such time or times and subject to such terms and conditions as determined by the Board and set out in the Grant Letter. Upon satisfaction or waiver of the vesting criteria and conditions, the Board issues a vesting notice to the relevant Participant confirming the number of RSUs vested and the corresponding number of Shares (or cash equivalent, where applicable).

Rights Attached to RSUs and Shares

A Participant does not have any voting rights or rights to dividends in respect of the Shares underlying the RSUs unless and until such RSUs have vested and the Shares have been transferred to the Participant. Any Shares transferred to a Participant rank pari passu with the fully paid Shares then in issue.

As certain Participants under the RSU Schemes are Directors and senior management who are core connected persons of the Company, each of Jupiter Rock and Venus Energy is a core connected person of the Company. Accordingly, the underlying Shares held by them pursuant to the RSU Schemes are not counted as part of the public float for the purposes of Rules 8.08 and 8.24 of the Listing Rules.

Acceleration of Vesting

Notwithstanding anything to the contrary contained in the RSU Schemes, RSUs vest immediately upon the occurrence of a general offer becoming unconditional, a compromise or arrangement approved in connection with a reconstruction or amalgamation of the Company, or a voluntary winding-up of the Company (other than for reconstruction or amalgamation), in accordance with the terms of the RSU Schemes.

Cancellation

The Board may cancel any RSU that has not vested or has lapsed, provided that appropriate compensation arrangements are made with the Participant in accordance with the rules of the RSU Schemes.

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Amendment and Termination

Subject to the provisions of the Articles and the RSU Schemes, the Board may amend, alter or terminate the RSU Schemes. No amendment materially adversely affecting the subsisting rights of any Participant is made without such Participant's consent, except as otherwise provided under the RSU Schemes.

Outstanding Awards Granted under the RSU Schemes

The number of underlying Shares pursuant to the outstanding RSUs granted under the RSU Scheme amounted to 53,726,876 Shares, representing approximately 10.43% of the total share capital of our Company as of June 30, 2026.

The following table sets forth details of the RSUs granted and outstanding during the Reporting Period:

Name	Position	Date of Grant	Vesting period	Outstanding							Lapsed/	Outstanding
				Exercise price (RMB)	RSUs as of January 1, 2026 ⁽⁵⁾	Granted During the Reporting Period	Vested during the Reporting Period	Exercised During the Reporting Period	Forfeited During the Reporting Period	Canceled during the Reporting Period	RSUs as of June 30, 2026 ⁽⁵⁾	
Dr. Zhou Hao	Executive Director, chief executive officer and chairman of the Board	March 20, 2024	4 years	0.69	26,408,715	–	–	–	–	–	–	26,408,715
Mr. Li Yan	Executive Director and chief strategic officer	December 31, 2018	4 years	0.236	5,454,545	–	–	–	–	–	–	5,454,545
Mr. Song Yang ⁽³⁾	Executive Director and chief financial officer	December 31, 2020	4 years	0.342	2,272,725	–	–	–	–	–	–	2,272,725 ⁽³⁾
Mr. Zhang Yanshen	Executive Director and chief operating officer	April 30, 2025	4 years	1.6	757,575	–	–	–	–	–	–	757,575 ⁽³⁾
		March 20, 2024	4 years	0.69	606,060	–	–	–	–	–	–	606,060
Mr. Zhou Qiang ⁽⁴⁾	Executive Director and chief operating officer (resigned on March 2, 2026)	March 20, 2024	4 years	0.69	3,030,300	–	–	–	2,272,725	–	–	757,575 ⁽⁴⁾
Other Employees ⁽¹⁾	–	December 31, 2018 – April 30, 2025	4 years	0.236-1.6	17,924,226	–	–	–	454,545 ⁽⁶⁾	–	–	17,469,681

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Notes:

- (1) Other employees include existing employees and former employees who were employees of the Group at the time of the relevant grants.
- (2) The RSUs will be vested over a period of four years in four equal installments, and the vesting is subject to certain criteria and conditions stated in the Grant Letter.
- (3) Mr. Song Yang resigned as chief financial officer of the Company on June 8, 2026 and an executive director of the Company on July 31, 2026, as a result, 568,182 shares of the 3,030,300 RSUs originally granted to him were forfeited.
- (4) Mr. Zhou Qiang resigned as an executive director and chief operating officer of the Company on 2 March 2026, as a result, 2,272,725 shares of the 3,030,300 RSUs originally granted to him were forfeited.
- (5) The outstanding RSUs granted have no exercise period.
- (6) In January 2026, an employee has resigned from the Company, as a result, 454,545 RSUs originally granted to the employee were forfeited.

The fair value of the RSUs are measured at grant date using the binomial option-pricing model, taking into account the terms and conditions upon which the equity instruments were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the equity instruments, the total estimated fair value of the equity instruments is spread over the vesting period, taking into account the probability that the equity instruments will vest. For details of the fair value, refer to Note 19 of the section headed “Notes to the Interim Condensed Consolidated Financial Information” of this interim report.

After Listing, no further RSUs will be granted pursuant to the RSU Schemes, as such, there are no awards further available for grant under the RSU Schemes. All shares pursuant to the RSUs granted have been issued.

USE OF PROCEEDS

The Shares were listed on the Main Board of the Stock Exchange on November 27, 2025. The Company received net proceeds of approximately RMB12.2 million from the Global Offering. On December 31, 2025, the Company also received net proceeds of approximately RMB15.3 million from the partial exercise of the over-allotment option (as described in the Prospectus). The total net proceeds amounted to approximately RMB27.5 million. The aforementioned net proceeds amounts were arrived at after deducting the underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering and the partial exercise of the over-allotment option.

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As of the date of this interim report, there was no change in the intended use of net proceeds as previously disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus. The following table sets forth a summary of the utilisation of the net proceeds from the Global Offering and the partial exercise of the over-allotment option as of June 30, 2026:

Use of Net Proceeds	Percentage of Net Proceeds	Net Proceeds allocated as disclosed in the Prospectus (approximate RMB million)	Unutilised net proceeds as of January 1, 2026 (approximate RMB million)	Net Proceeds utilised during the Reporting Period (approximate RMB million)	Unutilised amount as of June 30, 2026 (approximate RMB million)	Expected timeline of full utilisation of Net Proceeds
To enhance our research and development capabilities and improve our technology infrastructure for our matching services	55.0%	15.13	15.13	5.32	9.81	March 31, 2027
– for enhancing our matching capabilities and service offerings	35.0%	9.63	9.63	2.72	6.91	March 31, 2027
– for recruiting more talent in our research and development team	20.0%	5.50	5.50	2.60	2.90	March 31, 2027
To promote our business model	45.0%	12.39	12.39	5.69	6.70	March 31, 2027
– for expanding our customer base through various traffic acquisition channels	15.0%	4.13	4.13	2.21	1.92	March 31, 2027
– for cooperating with upstream and downstream business partners under our matching services	30.0%	8.26	8.26	3.48	4.78	March 31, 2027

To the extent that net proceeds are not immediately used for the intended use and to the extent permitted by the relevant law and regulations, the Company will place the net proceeds into short-term interest-bearing accounts at licensed commercial banks and/or other authorised financial institutions as defined under the Securities and Futures Ordinance or the applicable laws in the relevant jurisdiction for non-Hong Kong based deposits.

Qualification requirements under the FITE Regulations

As part of our operations of online marketplaces business through the operation of two apps, namely Yangxiaomie and Consumption Guide, we provide matching services enabling our business partners to match their goods with end customers meeting their target customer criteria. These business activities are conducted through our Consolidated Affiliated Entities in the PRC, namely Starmotion Intelligence and its wholly-owned subsidiary, Beijing Quant. Starmotion Intelligence operates a website that markets our QuantPlanet platform and offers options for potential business partners to explore and eventually acquire matching services supported by our QuantPlanet modules, while Beijing Quant operates Yangxiaomie, through which we facilitate the sale of retail goods to users of Yangxiaomie.

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Under the Administrative Measures on Internet-based Information Services (《互聯網信息服務管理辦法》) and the Classification of Telecommunications Services (《電信業務分類目錄》), an enterprise engaging in operational internet information services – being the provision, for a fee, of information, web page production and other services to internet users through the internet – is required to obtain a Value-added Telecommunications Services Operating Permit (增值電信業務經營許可證) for internet information service (“**ICP License**”). The services operated through QuantPlanet and Yangxiaomie accordingly constitute commercial value-added telecommunications business under applicable PRC laws and regulations, as an ICP License is required for the operations of these businesses, ICP Licenses are therefore required for each of Starmotion Intelligence and Beijing Quant. Our operation of online marketplaces business is through the operation of two apps, namely Yangxiaomie and Consumption Guide, and the relevant website also constitute value-added telecommunications services and therefore an ICP License and a value-added telecommunications business operating license (增值電信業務經營許可證) for online data processing and transaction processing service (EDI license).

On December 11, 2001, the State Council promulgated the Regulations for the Administration of Foreign-Invested Telecommunications Enterprises (《外商投資電信企業管理規定》) (the “**FITE Regulations**”), which were amended on September 10, 2008 and February 6, 2016. Pursuant to the FITE Regulations, foreign investors are not allowed to hold more than 50% of the equity interests in a company providing value-added telecommunications services. In addition, the main foreign investor who invests in a value-added telecommunications business, in the PRC must possess prior experience overseas in operating value-added telecommunications businesses and a proven track record (the “**Qualification Requirements**”). Our PRC Legal Advisor and the Company, among others, conducted a verbal consultation with the Beijing Municipal Communications Administration (北京市通信管理局) on March 31, 2022 (the “**March Interview**”), during which the Beijing Municipal Communications Administration confirmed that (a) there are no detailed rules and standards for the Qualification Requirements, (b) whether an applicant meets the Qualification Requirements will be determined by the approving authority on a case-by-case basis, and (c) the relevant entities would be prohibited from obtaining or maintaining the license for operating value-added telecommunications services if such entities are held directly or indirectly by foreign shareholders that do not meet such Qualification Requirements. During the March Interview, the Beijing Municipal Communications Administration also confirmed that, in the case of our Company, the Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部) (“**MIIT**”) would not issue an ICP License to our Consolidated Affiliated Entities if they become foreign investment entities and their respective foreign investors could not meet the Qualification Requirements. The Beijing Municipal Communications Administration further confirmed that, if Starmotion Intelligence or Beijing Quant becomes a foreign invested enterprise, it would be required to re-apply for an ICP License from MIIT, in such case, the current ICP License obtained by Starmotion Intelligence or Beijing Quant would be rescinded.

On March 29, 2022, the State Council promulgated Decision of the State Council to Amend and Repeal Certain Administrative Regulations (2022) (the “**2022 Amendment Decision**”) which took effect on May 1, 2022. Among others, the 2022 Amendment Decision repealed the Qualification Requirements in the FITE Regulations. On April 28, 2022, our PRC Legal Advisor and the Company, among others, conducted a further consultation (the “**April Consultation**”) with the Beijing Municipal Communications Administration, where the Beijing Municipal Communications Administration confirmed that (a) despite the 2022 Amendment Decision, in practice the Qualification Requirements would still be applied to foreign investors holding equity interest in companies engaged in value-added telecommunications services in the PRC, (b) whether an applicant meets the Qualification Requirements will still be decided by the approving authority on a case-by-case basis, and (c) the relevant entities would be prohibited from obtaining or maintaining the license for operating value-added telecommunications services if such entities are held directly or indirectly by foreign shareholders that do not meet the Qualification Requirements. Accordingly, in the April Consultation, the Beijing Municipal Communications Administration confirmed that, in practice, even if we are able to meet the Qualification Requirements, we will not be able to obtain an ICP License if any foreign investor is to hold any equity interests in any of the Consolidated Affiliated Entities. This position held by Beijing Municipal Communications Administration has been reaffirmed in the supplemental interviews conducted with them in March 2023, June 2024 and May 2025, respectively. Based on the April Consultation, our PRC Legal Advisor as at the date of the Prospectus confirmed that, in the case of our Company, (a) it remains significantly uncertain whether MIIT would issue an ICP License to our Consolidated Affiliated Entities if they become foreign investment entities and their respective foreign investors could not meet the Qualification Requirements, while the satisfactory of Qualification Requirements would be decided by MIIT at its discretion on a case-by-case basis, and (b) if Starmotion Intelligence/Beijing Quant becomes a foreign invested enterprise, it would be required to re-apply for an ICP License from the MIIT. However, our PRC Legal Advisor also advised that the interpretation and application of current and future PRC laws and regulations are subject to changes from time to time. Accordingly, there can be no assurance that the PRC regulatory authorities will not in the future take a view that is contrary to or otherwise different from the above opinion of the PRC Legal Advisor.

Efforts and Actions Taken to Comply with the Qualification Requirements

Despite the lack of clear guidance or interpretation on the qualification requirements for foreign investors investing value-added telecommunications business in the PRC and no further implementing regulations or rules to the latest FITE Regulations have been promulgated, we have adopted a specific plan and will continue to expend genuine efforts and financial resources towards meeting the Qualification Requirements. We will continue to consult competent authorities and our PRC legal advisors and remain abreast of any regulatory developments and continuously assess whether we meet the Qualification Requirements, with a view to unwinding the Contractual Arrangements wholly or partially and to hold our Consolidated Affiliated Entities directly through equity ownership as and when practicable and permissible under the prevailing PRC laws. We will closely monitor and assess any changes in the implementation of the newly amended FITE Regulations and, when necessary and applicable, disclose in our interim report and annual report the latest progress of our response plan to address the regulatory changes to keep our shareholders and other investors informed.

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We have been progressively building up a track record of overseas telecommunication business operations for the purpose of being qualified, as early as possible, to acquire the maximum equity interests in the Consolidated Affiliated Entities that hold the licenses for operating value-added telecommunications services as allowed by PRC laws. We believe that such business plan represents our commitment and a meaningful endeavor to demonstrate compliance with the Qualification Requirements. In particular, we have taken the following steps to meet the Qualification Requirements:

- (i) we have established an overseas website that helps potential overseas users and investors to better understand the Company's products, services and businesses; and
- (ii) our Company has registered, submitted and in the process of preparing for registration a number of trademarks in various jurisdictions, including Hong Kong SAR.

In the March Interview, the Beijing Municipal Communications Administration confirmed that steps such as those taken by us described above would be helpful to fulfill the Qualification Requirements. However, as confirmed by the Beijing Municipal Communications Administration in the March Interview and the April Consultation and advised by our PRC Legal Advisor, as at the date of the Prospectus (a) the current ICP Licenses held by our Consolidated Affiliated Entities for conducting the Relevant Businesses do not allow foreign investors to hold any equity interests in the Consolidated Affiliated Entities, (b) in practice, the Qualification Requirements would still be applied to foreign investors holding equity interests in companies engaged in value-added telecommunication services in the PRC, and (c) the application of an ICP License by any company engaged in value-added telecommunication services in the PRC with foreign investors is subject to thorough substantive examination and is decided by MIIT at its discretion on a case-by-case basis. Accordingly, in the March Interview and the April Consultation, the Beijing Municipal Communications Administration confirmed that, in practice, even if we are able to meet the Qualification Requirements, we will not be able to obtain an ICP License if any foreign investor is to hold any equity interests in any of the Consolidated Affiliated Entities. This position held by Beijing Municipal Communications Administration has been reaffirmed in the supplemental interviews conducted with them in March 2023, June 2024 and May 2025, respectively.

As confirmed by our PRC Legal Advisor, as at the date of the Prospectus, as the information and communication development department of the Beijing Municipal Communications Administration is responsible for approving the telecommunication business operation of domestic enterprises in Beijing, such department is the competent authority and the officer interviewed is of the appropriate level to provide the confirmation stated above.

As of June 30, 2026, in line with common practice in industries in the PRC subject to foreign investment restrictions, the Company currently gains effective control over, and receives all the economic benefits generated by the businesses currently operated by our Consolidated Affiliated Entities through the Contractual Arrangements between the WFOE, on the one hand, and our Consolidated Affiliated Entities and Beijing Xitui, on the other hand. The Contractual Arrangements allow the results of operations, assets and liabilities, and cash flows to be consolidated into our Company's financial statements. Further details of the Contractual Arrangements are set out in the Prospectus.

CORPORATE GOVERNANCE PRACTICE

The Board is committed to maintaining high corporate governance standards. The Board believes that high corporate governance standards are essential in promoting effective internal control measures, safeguarding the interests of Shareholders, and enhancing corporate value and accountability. During the six months ended June 30, 2026, the Company has complied with the code provisions set out in the CG Code contained in Appendix C1 to the Listing Rules, except for code provision C.2.1 as explained below.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. The Company does not have a separate role for chairman and chief executive officer and Dr. Zhou is currently serving as the chairman of the Board as well as the chief executive officer of the Company. He has been primarily responsible for the day-to-day management and strategic planning of the Group. The Board considers that vesting the roles of both the chairman of the Board and the chief executive officer of the Company in Dr. Zhou is beneficial to the business prospects of the Group by ensuring consistent leadership to the Group as well as prompt and effective decision making and implementation. In addition, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company and this structure will enable the Company to make and implement decisions promptly and effectively given that: (i) decision to be made by our Board requires approval by at least a majority of our Directors; (ii) Dr. Zhou and the other Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of the Company and will make decisions for the Company accordingly; (iii) the balance of power and authority is ensured by the operations of the Board, which comprises experienced and high-caliber individuals, with three of them being independent non-executive Directors, and has a fairly strong independence element; and (iv) the overall strategic and other key business, financial, and operational policies of the Company are made collectively after thorough discussion at both Board, and senior management levels.

The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

CORPORATE GOVERNANCE AND OTHER INFORMATION

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its code of conduct regarding directors' dealing in the Company's securities. Having made specific enquiries to all of the Directors, all Directors confirmed that they have fully complied with all relevant requirements set out in the Model Code during the six months ended June 30, 2026.

Regarding the Company's securities transactions by relevant employees who may have access to undisclosed inside information about the Company in accordance with the requirements, the Company has also adopted its own code of conduct with terms that are no less stringent than the provisions of the Model Code for the period ended June 30, 2026.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Reporting Period, none of the Directors had any interest in any business which competes, or is likely to compete, directly or indirectly, with the Company's business, and requires disclosure under Rule 8.10(2) of the Listing Rules.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended June 30, 2026. As at June 30, 2026, the Company did not hold any treasury shares.

REVIEW OF INTERIM RESULTS AND APPROVAL OF INTERIM REPORT

The Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code as set out in Appendix C1 to the Listing Rules. During the Reporting Period and up to the date of this interim report, the Audit Committee comprised Mr. Sun Junchen, Mr. Cao Jie and Ms. Guo Yongfang, all of whom are independent non-executive Directors. The chairperson of the Audit Committee was Mr. Sun Junchen (being the independent non-executive Director with the appropriate professional qualifications).

The Audit Committee has reviewed the unaudited interim condensed consolidated financial statements of the Group for the Reporting Period in conjunction with the management of the Company. The Audit Committee has also discussed with senior management members of the Company the accounting principles and practices adopted by the Group, risk management and internal controls, and financial reporting.

Based on the review and discussions, the Audit Committee considered that the unaudited interim condensed financial statements of the Group for the Reporting Period are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof, and fairly present the Group's financial position and results for the Reporting Period. There is no disagreement by the Audit Committee on the accounting treatment adopted by the Group.

DISCLOSURE OF CHANGES IN DIRECTORS' INFORMATION PURSUANT TO 13.51B(1) OF THE LISTING RULES

Name of Director	Change
Mr. Zhou Qiang	Mr. Zhou resigned as an executive Director and the chief technology officer of the Company with effect from March 2, 2026.
Ms. Liu Fangwei	Ms. Liu resigned as a non-executive Director with effect from March 2, 2026.
Mr. Zhang Yanshen	Mr. Zhang was appointed as an executive Director and the chief operating officer of the Company with effect from March 2, 2026.
Mr. Tan Feng	Mr. Tan was appointed as an executive Director and the chief technology officer of the Company with effect from March 2, 2026.
Mr. Zhang Yi	Mr. Zhang resigned as a non-executive Director with effect from July 20, 2026.
Mr. Song Yang	Mr. Song resigned as the chief financial officer of the Company with effect from June 8, 2026 and an executive Director with effect from July 31, 2026.

Save as disclosed above, there were no other changes to the information of the Directors that are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the Reporting Period and up to the date of this interim report.

NO CHARGE ON ASSETS

There has not been any charges on the assets of the Group during the Reporting Period.

CORPORATE GOVERNANCE AND OTHER INFORMATION

INTERIM DIVIDEND

The Board did not recommend the distribution of any interim dividend during the Reporting Period (for the six months ended June 30, 2025: nil).

EVENTS AFTER THE REPORTING PERIOD

On July 9, 2026, the Company entered into the Subscription Agreement with Fortune Financial Products Limited, the Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to the Subscriber, and the Subscriber has conditionally agreed to subscribe for, a total of 4,597,701 Subscription Shares at a Subscription Price of HK\$13.05 per Subscription Share. Completion of the Subscription took place on July 21, 2026 in accordance with the terms and conditions of the Subscription Agreement. The Subscription Shares represent approximately 0.88% of the total number of issued Shares as at the date of this interim report as enlarged by the allotment and issue of the Subscription Shares. The gross proceeds from the Subscription amounted to HK\$60 million, and the net proceeds from the Subscription (after deducting commission and estimated expenses) amounted to approximately HK\$59.7 million. The Company intends to allocate the net proceeds from the Subscription (after deducting commission and estimated expenses) for (i) as to 40% thereof, the procurement and commercialisation of smart hardware; (ii) as to 30% thereof, for the research and development expenditure related to physical AI base models; and (iii) as to 30% thereof, for the Company's general working capital. For details, please refer to the Company's announcements dated July 9, 2026 and July 21, 2026.

Other than as disclosed above, we are not aware of any other significant event that might affect the Group since June 30, 2026 and up to the date of this interim report.

By order of the Board
Quantgroup Holding Limited
Dr. Zhou Hao
Chairman and Executive Director

Hong Kong, August 28, 2026

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended June 30, 2026
(Expressed in thousands of Renminbi unless otherwise stated)

		Six months ended 30 June	
	Note	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Revenue	4	437,392	508,384
Cost of sales		<u>(203,914)</u>	<u>(18,080)</u>
Gross profit		233,478	490,304
Other net income or loss		546	310
Research and development expenses		(25,255)	(25,855)
General and administrative expenses		(52,534)	(58,509)
Sales and marketing expenses		(102,020)	(140,339)
Net impairment loss on financial assets	5(c)	<u>(5,509)</u>	<u>(3,694)</u>
Profit from operations		48,706	262,217
Net finance costs	5(a)	(1,218)	(739)
Changes in the carrying amount of financial instruments with preferred rights		–	(83,605)
Changes in fair value of financial assets measured at fair value through profit or loss		<u>508</u>	<u>–</u>
Profit before taxation		47,996	177,873
Income tax expense	6	<u>(18,472)</u>	<u>(40,615)</u>
Profit for the period attributable to equity shareholders of the Company		<u>29,524</u>	<u>137,258</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2026

(Expressed in thousands of Renminbi unless otherwise stated)

		Six months ended 30 June	
	Note	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Profit for the period attributable to equity shareholders of the Company		29,524	137,258
Other comprehensive income for the period (after tax)			
Item that will not be reclassified to profit or loss:			
Exchange difference on translation into presentation currency		(3,127)	4
Item that may be reclassified to profit or loss:			
Exchange difference on translation into presentation currency		367	271
Other comprehensive income for the period		(2,760)	275
Total comprehensive income for the period attributable to equity shareholders of the Company		26,764	137,533
Earnings per share	7		
Basic and diluted (RMB cents)		5.73	27.45

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At June 30, 2026

(Expressed in thousands of Renminbi unless otherwise stated)

		At 30 June 2026 RMB'000 (unaudited)	At 31 December 2025 RMB'000 (audited)
	Note		
Non-current assets			
Property, plant and equipment		587	616
Intangible assets		2,237	2,252
Right-of-use assets	8	10,443	12,695
Deferred tax assets		20,361	18,941
		<u>33,628</u>	<u>34,504</u>
Current assets			
Financial assets at fair value through profit or loss ("FVPL")	9	–	46,468
Prepaid expenses and other receivables	11	344,847	7,398
Trade receivables	10	980,048	978,565
Restricted cash	12	1,406	1,406
Cash and cash equivalents	12	122,688	524,391
		<u>1,448,989</u>	<u>1,558,228</u>
Current liabilities			
Trade payables	13	35,167	82,957
Contract liabilities	15	335	52,527
Bank and other borrowings	16	50,326	65,816
Lease liabilities		5,406	4,770
Income tax payables		31,139	35,859
Accrued expenses and other current liabilities	14	12,036	32,886
		<u>134,409</u>	<u>274,815</u>
Net current assets		<u>1,314,580</u>	<u>1,283,413</u>
Total assets less current liabilities		<u>1,348,208</u>	<u>1,317,917</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At June 30, 2026

(Expressed in thousands of Renminbi unless otherwise stated)

	Note	At 30 June 2026 RMB'000 (unaudited)	At 31 December 2025 RMB'000 (audited)
Non-current liabilities			
Bank and other borrowings	16	–	4,767
Lease liabilities		5,358	8,124
		<u>1,342,850</u>	<u>1,305,026</u>
NET ASSETS			
		<u>1,342,850</u>	<u>1,305,026</u>
Capital and reserves			
Share capital	18(b)	361	361
Reserves	18(c)	1,342,489	1,304,665
		<u>1,342,850</u>	<u>1,305,026</u>
TOTAL EQUITY			
		<u>1,342,850</u>	<u>1,305,026</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2026
(Expressed in thousands of Renminbi unless otherwise stated)

Note	Attributable to equity shareholders of the Company					Total RMB'000
	Share capital RMB'000 (Note 18(b))	Capital reserve RMB'000 (Note 18(c))	Other reserve RMB'000 (Note 18(c))	Exchange reserve RMB'000 (Note 18(c))	Retained earnings RMB'000	
Balance at 1 January 2025 (audited)	350	175,000	(1,262,866)	22	178,578	(908,916)
Changes in equity for the six months ended 30 June 2025 (unaudited):						
Profit and other comprehensive income for the period	—	—	—	275	137,258	137,533
Share-based compensation	17	—	12,653	—	—	12,653
Balance at 30 June 2025 (unaudited)	350	175,000	(1,250,213)	297	315,836	(758,730)
Balance at 1 January 2026 (audited)	361	288,404	643,183	(646)	373,724	1,305,026
Changes in equity for the six months ended 30 June 2026 (unaudited):						
Profit and other comprehensive income for the period	—	—	—	(2,760)	29,524	26,764
Share-based compensation	17	—	11,060	—	—	11,060
Balance at 30 June 2026 (unaudited)	361	288,404	654,243	(3,406)	403,248	1,342,850

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended June 30, 2026

(Expressed in thousands of Renminbi unless otherwise stated)

	Note	Six months ended 30 June	
		2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Cash flows from operating activities			
Cash (used in)/generated from operations		(397,975)	102,732
Tax paid		(24,612)	(38,357)
Net cash (used in)/generated from operating activities		(422,587)	64,375
Cash flows from investing activities			
Payments for additions to property, plant and equipment		(14)	(13)
Proceeds from sale of property, plant and equipment		3	–
Payments for additions to intangible assets		(173)	(327)
Proceeds from disposal of financial assets at FVPL		46,976	–
Net cash generated from/(used in) investing activities		46,792	(340)
Cash flows from financing activities			
Proceeds from bank and other borrowings		17,743	48,032
Payment of bank and other borrowings		(38,000)	–
Interest paid		(1,089)	(624)
Capital elements of lease rentals paid		(2,130)	(2,035)
Interest elements of lease rentals paid		(278)	(374)
Listing expense paid		–	(245)
Net cash (used in)/generated from financing activities		(23,754)	44,754
Net (decrease)/increase in cash and cash equivalents		(399,549)	108,789
Cash and cash equivalents at the beginning of the period		524,391	313,936
Effect of foreign exchange rate changes		(2,154)	(211)
Cash and cash equivalents at the end of the period	12	122,688	422,514

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

1 GENERAL INFORMATION

Quantgroup Holding Limited (the “**Company**”) was incorporated on 31 March 2022 in the Cayman Islands as an exempted company with limited liability under the Companies Act, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The Company and its subsidiaries, including the subsidiaries controlled through contractual arrangements (together, the “**Group**”), are principally engaged in operation of online marketplaces and other business including advertisement placement (the “**Business**”). The Group’s principal operations and geographic markets are in the People’s Republic of China (“**PRC**”).

The Company’s shares have been listed on the Main Board on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 27 November 2025 by way of its initial public offering (the “**Listing**”).

2 BASIS OF PREPARATION

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

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

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

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and the accompanying notes do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial report as comparative information does not constitute the company’s statutory annual consolidated financial statements for that financial year, but is derived from those financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

3 CHANGES IN ACCOUNTING POLICIES

The IASB has issued a number of amendments to IFRS Accounting Standards that are first effective for the current accounting period. Of these, only the amendments to IFRS 9, *Financial instruments* and IFRS 7, *Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments*, are relevant to the Group's financial statements. The impacts of adopting these amendments are discussed below.

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

Amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments

The amendments cover three main aspects:

- The amendments clarify when a financial asset or a financial liability is recognised and derecognised. They also introduce an optional exception that permits an entity to derecognise a financial liability before the settlement date when the financial liability is settled in cash using an electronic payment system, provided that specific criteria are met.
- For the assessment of whether a financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, the amendments clarify the assessment of interest and introduce an additional test for the financial assets with contingent features, for example environmental, social or governance (“ESG”)-linked features. The amendments also clarify the difference between financial assets with non-recourse features and contractually linked instruments which may then change the applicable assessments.
- The amendments introduce new disclosures for disposals of investments in equity instruments designated at FVOCI, and for financial instruments not measured at FVPL which contain contractual terms that could change the amount of contractual cash flows based on the occurrence or non-occurrence of a contingent event that does not relate directly to changes in basic lending risks and costs.

Upon adoption of the amendments, the Group has elected to apply the exception for the derecognition of certain trade payables settled in cash using qualifying electronic payment systems. Under the exception, these trade payables are derecognised when the Group initiates a payment instruction through a qualifying electronic payment system and, as a result, no longer has the practical ability to withdraw, stop, or cancel the payment instruction and to access the cash to be used for settlement, and the settlement risk associated with the payment system is insignificant. The Group has applied this election consistently to all settlements made through the same qualifying electronic payment system.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

The Group has applied the amendments retrospectively. As permitted by the transition requirements, the Group has not restated prior periods. The application of the exception does not have a material impact on the Group's consolidated financial statements for the periods presented.

The amendments would also affect the disclosures to be included in the Group's annual financial statements for the year ending 31 December 2026 in respect of investments in equity instruments designated at FVOCI and financial instruments not measured at FVPL with specified contingent features. No additional disclosure has been included in this interim financial report.

4 REVENUE

The principal activities of the Group are providing operation of online marketplaces and other businesses including advertisement placement in the PRC.

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Operation of online marketplaces		
– Revenue from Yangxiaomie	413,095	499,881
– Revenue from Consumption Guide	1,085	8,346
– Revenue from supply chain services	15,762	–
– Revenue from E-commerce operation services	7,450	–
Other businesses		
– Advertisement placement	–	157
	<u>437,392</u>	<u>508,384</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

4 REVENUE (CONTINUED)

Disaggregation of the Group's revenue from contracts with customers by the timing of revenue recognition is set out below:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Over-time	7,450	157
Point-in-time	429,942	508,227
	<u>437,392</u>	<u>508,384</u>

The Group's customers base is diversified. There was only one customer, a POP store operator, of which the revenue from it accounted for 10% or more of the Group's revenue for the six months ended 30 June 2026, and the revenue from this customer amounted to approximately RMB211,623,000 (six months ended 30 June 2025: RMB39,387,000).

Remaining performance obligation

The Group takes advantage of the practical expedient in paragraph 121 of IFRS 15 and does not disclose the remaining performance obligation as all of the Group's sale contracts have an original expected duration of less than one year.

Segment information

IFRS 8, Operating Segments, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the Group's chief operating decision maker for the purpose of resources allocation and performance assessment. On this basis, as for the purpose of making decisions about resources allocation and performance assessment, the Group's management reviews on the operating results of the Group as a whole, the Group has determined that it only has one operating segment for the six months ended 30 June 2025 and 2026.

Geographic information

All of the Group's operating assets are located in the PRC and all of the Group's revenue and operating profits are derived from the PRC during the reporting period. Accordingly, no segment analysis based on geographical locations is provided.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Net finance costs

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Interest income from bank deposits	(170)	(259)
Interest expense on bank and other borrowings	1,110	624
Interest expense on lease liabilities	278	374
	<u>1,218</u>	<u>739</u>

(b) Staff costs

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Salaries, wages and other benefits	39,313	44,957
Contributions to defined contribution retirement plan	10,239	11,084
Termination benefits	4,674	3,349
Equity-settled share-based payment expenses (Note 17(c))	11,060	12,653
	<u>65,286</u>	<u>72,043</u>

Employees of the Group's subsidiaries in the PRC are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government. The Group's subsidiaries in the PRC contribute funds which are calculated on certain percentages of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

The Group has no further material obligation for payment of other retirement benefits beyond the above contributions.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

5 PROFIT BEFORE TAXATION (CONTINUED)

(c) Other items

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Depreciation of property, plant and equipment	40	117
Depreciation of right-of-use assets	2,251	2,247
Amortisation of intangible assets	188	171
Net impairment loss on financial assets:		
– Trade receivables	5,509	3,694
Listing expenses	–	6,101
	<u> </u>	<u> </u>

6 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

(a) Taxation in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Current tax		
Enterprise Income Tax		
Provision for the period	19,892	41,592
Deferred tax		
Origination and reversal of temporary differences	(1,420)	(977)
	<u> </u>	<u> </u>
	<u>18,472</u>	<u>40,615</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

6 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS (CONTINUED)

(a) Taxation in the consolidated statement of profit or loss represents: (Continued)

Notes:

- (i) Pursuant to tax relief policies issued by Ministry of Finance and State Taxation Administration of the PRC companies, which meet: 1) annual taxable profits less than RMB3 million; 2) employees less than 300; and 3) total assets less than RMB50 million, are subject to a preferential effective tax rate of 5% for their taxable profits for the six months ended 30 June 2025 and 2026. The tax relief policies will remain effective before 31 December 2027. The Group's certain subsidiaries enjoyed above mentioned tax relief policies during the reporting period.

According to the PRC Corporate Income Tax Law, entities that qualify as "high-and-new technology enterprises" ("HNTTE") are entitled to a preferential income tax rate of 15%. During the reporting period, one subsidiary, Liangzi Data is qualified as HNTTE, the qualification of Liangzi Data was valid for three years from November 2022 to November 2025 and from November 2025 to November 2028.

- (ii) Under the current laws of the Cayman Islands, the Company is not subject to tax on either income or capital gain, the Cayman Islands does not impose a withholding tax on payments of dividends to shareholders.

The Company's subsidiaries established in the PRC are subject to an income tax rate of 25%, according to the Income Tax Law of the PRC in the six months ended 30 June 2025 and 2026.

The Company's Hong Kong SAR subsidiary is subject to a profits tax rate of 8.25% for the first HKD2,000,000 of assessable profit and 16.5% for profit exceeding HKD2,000,000. No provision for Hong Kong SAR profits tax was made as the Group had no estimated assessable profit that was subject to Hong Kong SAR profits tax.

Taxation for subsidiaries incorporated in other jurisdictions is calculated at the applicable income tax rates in the relevant countries.

(b) Pillar Two income taxes

In 2021, the Organisation for Economic Co-operation and Development published the Global Anti-Base Erosion Model Rules ("Pillar Two model rules") for a new global minimum tax reform applicable to large multinational enterprises. The Group's operations are mainly located in the PRC where Pillar Two income tax legislation is not implemented. From 1 January 2025, the Group is also liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR and certain other jurisdictions where a domestic minimum top-up tax has not been implemented, including the Chinese Mainland. The Directors are of the opinion that the enacted to be implemented will not have a material impact on the Group's consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company and the weighted average number of ordinary shares, calculated as follows:

Profit attributable to ordinary equity shareholders of the Company:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Profit attributable to all equity shareholders of the Company		
Allocation of profit attributable to financial instruments with preferred rights	29,524	137,258
Profit attributable to ordinary equity shareholders of the Company	<u>—</u>	<u>(72,173)</u>
	<u>29,524</u>	<u>65,085</u>

Weighted average number of ordinary shares:

	Six months ended 30 June	
	2026	2025
Weighted average number of ordinary shares at 30 June	<u>515,097,500</u>	<u>237,091,500</u>

(b) Diluted earnings per share

For the six months ended 30 June 2026, there are no dilutive potential shares outstanding. For the six months ended 30 June 2025, financial instruments with preferred rights were not included in the calculation of diluted earnings per share as their inclusion would have been anti-dilutive. Accordingly, the amounts of diluted earnings per share were the same as basic earnings per share.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

8 RIGHT-OF-USE ASSETS

During the six months ended 30 June 2026, the Group recognised the additions to right-of-use assets of RMB Nil (six months ended 30 June 2025: RMB Nil).

9 FINANCIAL ASSETS AT FVPL

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Wealth management products	–	46,468

On 3 December 2025, the Company subscribed for the wealth management product issued by China Industrial Securities International Brokerage Limited (興證國際證券有限公司, "CISI") with its own funds with a subscription amount of US\$6,600,000. The wealth management product is linked to fund due 2026 issued by China Industrial Securities International Financial Group Limited (興證國際金融集團有限公司) under the US\$1,000,000,000 structured note programme arranged by CISI. The Company disposed of the wealth management product with an amount of US\$6,685,000 on 18 June 2026.

10 TRADE RECEIVABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade receivables	1,061,637	1,054,645
Less: loss allowance	(81,589)	(76,080)
Trade receivables, net	980,048	978,565

All of the trade receivables are expected to be recovered within one year.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

10 TRADE RECEIVABLES (CONTINUED)

Aging analysis

As of the end of the reporting period, the aging analysis of trade receivables, based on the date of revenue recognition and net of loss allowance, is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within 3 months	189,777	46,765
3 months to 6 months	133,956	432,092
6 months to 1 year	486,972	499,708
Over 1 year	169,343	—
	980,048	978,565

The credit terms agreed with customers are normally 1 to 180 days from the date of invoicing.

As the Group's historical credit loss experience indicate significantly different loss patterns for different customer segments, the Group distinguished the loss allowance between E-commerce services customers and other customers.

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group measures loss allowance at an amount equal to lifetime expected loss allowance to be recognised from initial recognition of the receivables.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

10 TRADE RECEIVABLES (CONTINUED)

As at 31 December 2025 and 30 June 2026, 97.35% and 70.41%, of the total trade receivables was due from the Group's E-commerce services customers. Significant concentrations of credit risk primarily arise when the Group has significant exposure to E-commerce services customers. To mitigate this risk, the Group timely monitors its receivable balances and all receivables should be paid within six months as agreed with the E-commerce services customers. The Group uses PD, EAD and LGD, which are measured based on the historical data and forward-looking information, to measure the credit risk. The expected credit losses are based on current conditions as well as reasonable forecasts of future economic conditions from time to time. Additional credit loss allowance would be immediately recognised in profit or loss when the management has assessed there is additional risk arose. The Group engaged an independent professional valuer, who holds a recognised and relevant professional qualification and has recent experience, to assist with the valuation of PD, LGD and EAD to measure the credit risk of trade receivables from E-commerce services customers as at 31 December 2025.

For the other customers, the Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix or individually assessed.

11 PREPAID EXPENSES AND OTHER RECEIVABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Prepaid expenses	228,722	1,640
Advance to suppliers (i)	112,755	1,942
Amounts due from third parties	489	143
Deposits	2,625	3,669
Deductible input VAT	459	207
Less: loss allowance	(203)	(203)
	<u>344,847</u>	<u>7,398</u>

Notes:

- (i) As at 31 December 2025 and 30 June 2026, the balance of advance to suppliers mainly represents the payments made by the Group to merchandise suppliers for goods that have not been delivered to the end customers at the end of the reporting period.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

12 CASH AND CASH EQUIVALENTS

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Cash on hand	7	7
Cash at bank	117,390	519,694
Cash equivalents (i)	6,697	6,096
Less: frozen bank deposits (ii)	(1,406)	(1,406)
Cash and cash equivalents	<u>122,688</u>	<u>524,391</u>

Notes:

- (i) Cash equivalents represent cash balances kept in third party payment platform, which can be withdrawn by the Group at any time.
- (ii) As at 31 December 2025 and 30 June 2026, frozen bank deposits primarily comprised USD capital injections received by a subsidiary of the Group from its overseas parent company. These funds were held in restricted bank accounts pending completion of Foreign Direct Investment ("FDI") registration.

13 TRADE PAYABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Amounts due to third parties	<u>35,167</u>	<u>82,957</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

13 TRADE PAYABLES (CONTINUED)

The Group's trade payables are non-interest-bearing and are normally settled on terms of 30 to 90 days. As of the end of the reporting period, the aging analysis of trade payables, based on the invoice date, is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within 6 months	29,937	77,821
6 months to 1 year	161	211
1 to 2 years	548	417
over 2 years	4,521	4,508
	<u>35,167</u>	<u>82,957</u>

All trade payables are expected to be settled within one year or are repayable on demand.

14 ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Amounts due to third parties	1,892	674
Payables for costs incurred in connection with the Listing	4,028	7,171
VAT and surcharges payable	2,508	17,565
Accrued payroll and welfare	3,608	7,476
	<u>12,036</u>	<u>32,886</u>

All of the accrued expenses and other current liabilities are expected to be settled within one year or are repayable on demand.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

15 CONTRACT LIABILITIES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Advances for revenue from Yangxiaomie	356	52,527

Contract liabilities represent receipts in advance of non-refundable payments made by customers in relation to the Group's facilitating transactions of goods on the Group's online marketplace, Yangxiaomie, which are yet to be provided.

Movements in contract liabilities

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Balance at 1 January	52,527	5,012
Decrease in contract liabilities as a result of recognising revenue during the period/year that was included in the contract liabilities at the beginning of the period/year	(52,527)	(5,012)
Increase in contract liabilities as a result of receiving advance payments during the period/year	335	52,527
Balance at 30 June/31 December	335	52,527

All of the other contract liabilities are expected to be recognised as income within one year.

All contract liabilities at the beginning of the reporting period were recognised as revenue in the respective reporting period.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

16 BANK AND OTHER BORROWINGS

(a) The Group's bank and other borrowings comprised:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Bank loans (i):		
– unsecured and guaranteed by a subsidiary of the Group	30,000	50,000
– unsecured and unguaranteed	13,000	13,000
	<u>43,000</u>	<u>63,000</u>
Other borrowings (ii):		
– unsecured and unguaranteed	7,326	7,583
	<u>7,326</u>	<u>7,583</u>

Notes:

- (i) As at 31 December 2025 and 30 June 2026, the Group's bank loans were all short-term borrowings, and the annual interest rate of these bank loans were ranged from 2.75% to 4.25%.
- (ii) Other borrowings are non-interest-bearing loans from four third parties, which are denominated in United States dollars and Hong Kong dollars. As at 30 June 2026, other borrowings denominated in United States dollars amounted to USD665,184 and mature in 1 to 11 months, and other borrowings denominated in Hong Kong dollars amounted to HKD3,218,734 and mature in 14 months. As at 31 December 2025, other borrowings denominated in United States dollars amounted to USD665,184 and mature in 6 to 17 months, and other borrowings denominated in Hong Kong dollars amounted to HKD3,218,734 and mature in 20 months.

(b) The Group's bank and other borrowings are repayable as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within 1 year or on demand	50,326	65,816
After 1 year but within 2 years	–	4,767
	<u>50,326</u>	<u>70,583</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

17 SHARE-BASED COMPENSATION

(a) 2022 RSU Scheme

On 30 September 2018, Liangzi Data adopted the restricted share unit scheme (“**2018 RSU Scheme**”) by ways of resolutions of the board of directors, for the purpose of providing incentives and rewards to employees and executives who contribute to the development of the Group’s operations.

In April 2022, in connection with the corporate structure in preparing for the initial public offering of the Company’s shares and to mirror the number and vesting terms of the RSUs originally granted by Liangzi Data, the Company adopted a new restricted share unit scheme (“**2022 RSU Scheme**”) approved by the board of directors of the Company with the same terms and conditions of the 2018 RSU Scheme. As a result, the 2018 RSU Scheme was replaced by the 2022 RSU Scheme.

RSUs granted to employees will be exercisable upon the employee renders service to the Group in accordance with a stipulated service schedule starting from the grant date.

Movements in the number of RSUs granted is as follows:

	Number of RSUs	Weighted average exercise price RMB
Outstanding – 1 January 2026	54,181,421	0.60
Forfeited during the period	<u>454,545</u>	<u>0.69</u>
Outstanding – 30 June 2026	<u>53,726,876</u>	<u>0.59</u>
Exercisable – 30 June 2026	<u>35,446,766</u>	<u>0.60</u>
Outstanding – 1 January 2025	53,726,876	0.55
Granted during the year	3,030,300	1.60
Forfeited during the year	<u>2,575,755</u>	<u>0.69</u>
Outstanding – 31 December 2025	<u>54,181,421</u>	<u>0.60</u>
Exercisable – 31 December 2025	<u>26,685,499</u>	<u>0.41</u>

The weighted average remaining contractual life for RSUs was 7.29 years and 6.74 years as of 31 December 2025 and 30 June 2026, respectively.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

17 SHARE-BASED COMPENSATION (CONTINUED)

(b) Fair value and assumptions

The Group has applied binomial option-pricing model to determine the fair value of the RSUs granted. Best estimates of key assumptions are required to be determined by management. Key assumptions used in determining the fair value of the RSUs granted are as follows:

	2022 RSU Scheme
Fair value of the underlying shares on the date of RSUs granted	RMB1.12 – RMB9.21
Expected volatility	51.5% – 72.9%
Risk-free interest rate	1.50% – 3.81%
Dividend Yield	–

(c) Equity-settled share-based payment expenses recognised in the consolidated statements of profit or loss during the reporting period:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Cost of sales	3,866	1,519
Research and development expenses	(676)	2,631
General and administrative expenses	7,696	8,329
Sales and marketing expenses	174	174
	<u>11,060</u>	<u>12,653</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

18 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

No dividends have been declared or paid by the Company during the reporting period.

(b) Share capital

Authorised share capital

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 31 March 2022. Its initial authorised share capital of USD50,000 divided into 500,000,000 shares with a par value of USD0.0001 each.

Issued share capital

	No. of shares	Share capital RMB'000
At 31 December 2025 and 30 June 2026	515,097,500	361

(c) Nature and purpose of reserves

(i) Capital reserve

The capital reserve comprises: (i) the differences between the net considerations received and the nominal amount of share capital issued by the Company; and (ii) the aggregate amount of the paid-in capital of all the entities comprising the Group at the respective dates after elimination of investments in subsidiaries.

(ii) Other reserve

Other reserve comprises the portion of the grant date fair value of RSUs granted to the employees of the Group that has been recognised in accordance with the accounting policy adopted for share-based compensation and amounts in relation to the initial recognition, the carrying amount of the liabilities and expiration of the financial liabilities.

(iii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of entities with functional currency other than RMB.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

18 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(d) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position and makes adjustments to the capital structure in light of changes in economic conditions.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

19 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value measurement

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of each reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair Value Measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

19 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

The following table presents the Group's financial assets and financial liabilities that are measured at fair value at the end of each reporting date:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Level 3		
Assets		
Financial assets at FVPL		
– Wealth management products	–	46,468

During the reporting period, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Valuation techniques and inputs used in Level 3 fair value measurement:

The fair value of wealth management products is determined based on their net asset value provided by the counterparty financial institutions as at the end of the reporting period, where the significant unobservable inputs are the net assets. The relationship of unobservable inputs to fair value is positive correlation.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

20 MATERIAL RELATED PARTY TRANSACTIONS

Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors, is as follows:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Short-term employee benefits	8,248	6,556
Equity-settled share-based payment expenses (Note 17(c))	7,303	10,130
	<u>15,551</u>	<u>16,686</u>

Total remuneration was included in "staff costs" (see Note 5(b)).

21 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

On 21 July 2026, the Company successfully allotted and issued a total of 4,597,701 new shares (the "Subscription Shares") to a limited company incorporated in the British Virgin Islands who and whose ultimate beneficial owners are third parties independent of and not connected with the Company, connected persons of the Company and any of the directors, supervisors, chief executive or substantial shareholder(s) of the Company or any of its subsidiaries or their respective associates at a subscription price of HK\$13.05 per Subscription Share. The Subscription Shares represented approximately 0.88% of the total number of issued shares as enlarged by the allotment and issue of the Subscription Shares. The net proceeds (after deduction of the commissions and estimated expenses) from the subscription were approximately HK\$59.7 million. For more details, please refer to the announcement of the Company dated 21 July 2026.

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

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

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

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

IFRS 18, Presentation and disclosure in financial statements

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

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

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

(a) Structure of the statement of profit or loss

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

- Dividend and interest income, which are currently presented in the Group's other income subtotal, are expected to be classified in the investing category. The income and expenses classified in the investing category, together with the subtotal "operating profit", will form the new subtotal "profit or loss before financing and income taxes";

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

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

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

- The Group is assessing the classification of income and expenses as currently included in the finance cost line item and expects that this line item will be disaggregated into “income and expenses on liabilities arising solely from raising of finance” and “interest expenses on other liabilities” in the financing category;
- The Group is required to assess the classification of foreign exchange differences in the same category as the income and expenses from the items that gave rise to the differences, unless doing so would involve undue cost or effort; and
- The Group currently presents operating expenses by function. The Group is assessing whether its current presentation, or a mixed presentation by nature and function, will provide the most useful structured summary of its operating expenses under IFRS 18. If the Group continues to present one or more operating expense line item by function, information about five specific expenses by nature will be provided in a single note to the financial statements.

(b) Management-defined performance measures (“MPM”)

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

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in thousands of Renminbi unless otherwise stated)

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

(c) Principles of aggregation and disaggregation

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

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

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

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

DEFINITIONS

“AI”	artificial intelligence
“Articles”	the amended and restated articles of association of our Company, as amended from time to time
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Auto Partner A”	an automobile sales company that entered into a mutual cooperation agreement with the Company in January 2024 in connection with the transformation of Consumption Guide into an automobile retail online-to-offline marketplace
“Beijing Quant”	Beijing Unidance Intelligent Information Technology Co., Ltd.* (北京宇動智能信息技術有限公司), formerly known as Beijing Quant Group Technology Co., Ltd.* (北京量化派科技有限公司), a company incorporated in the PRC with limited liability on March 28, 2017 and a wholly-owned subsidiary of Starmotion Intelligence
“Beijing Xitui”	Beijing Xitui Technology Co., Ltd. * (北京喜推科技有限公司), a company established in the PRC with limited liability on January 12, 2022
“Board”	the board of directors of our Company
“BVI”	The British Virgin Islands
“CG Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“Company”	Quantgroup Holding Limited (量化派控股有限公司) (formerly known as Quantgroup Technology Limited (量化派科技有限公司)), an exempted company incorporated in the Cayman Islands with limited liability on March 31, 2022, and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2685)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consolidated Affiliated Entities”	the entities we control through the Contractual Arrangements, namely Starmotion Intelligence and Beijing Quant and its subsidiaries
“Consumption Guide”	an automobile retail O2O platform, operated by Beijing Quant

DEFINITIONS

“Contractual Arrangements”	the series of contractual arrangements entered into by, among others, WFOE, Beijing Xitui and Starmotion Intelligence. See the section headed “Contractual Arrangements” in the Prospectus
“Controlling Shareholders”	has the meaning ascribed thereto in the Listing Rules and, unless the context otherwise requires, refers to our group of Controlling Shareholders, namely Dr. Zhou, SJY Family Holdings, Mars Legend, Mars Digitech Limited, Dr. Zhou Trust, Mercury Valley, JHY Family Holdings Limited, Mercury Digitech Limited, Sun Jinghuai Trust and Ms. Sun
“Director(s)”	the director(s) of our Company
“Dr. Zhou”	Dr. Zhou Hao (周灝), the chairman of the Board, chief executive officer of the Company and executive Director of the Company
“Dr. Zhou Trust”	a discretionary trust named SJY Trust established by Dr. Zhou (as the settlor) and Futu Trustee Limited (as the trustee), for the benefit of Mars Digitech Limited, Dr. Zhou’s wholly-owned limited liability company incorporated in the BVI, and one of the members of our group of Controlling Shareholders
“Global Offering”	the Hong Kong public offering and the international offering of the Company, details of which are set out in the Prospectus
“GMV”	gross merchandise volume
“GoFintech”	GoFintech Quantum Innovation Limited (stock code: 290), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Group”, “our”, “we” or “us”	the Company, its subsidiaries and the Consolidated Affiliated Entities (the financial results of which have been consolidated and accounted for as subsidiaries of the Company by virtue of the Contractual Arrangements) from time to time
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“ICP License(s)”	Value-added Telecommunications Services Operating Permit (增值電信業務經營許可證) for internet information service

DEFINITIONS

“IFRS”	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	November 27, 2025, on which dealings in the Shares commenced on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Li Yan Trust”	a discretionary trust named the Lee Family Foundation Trust established by Mr. Li Yan (as the settlor) and Futu Trustee Limited (as the trustee), for the benefit of Saturn Tornado Limited, Mr. Li’s wholly-owned limited liability company incorporated in the BVI
“Main Board”	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
“Mars Legend”	Mars Legend Limited, a limited liability company incorporated in the BVI on March 30, 2022, and a Shareholder
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
“Nomination Committee”	the nomination committee of our Board
“POP”	a scheme that enables marketplace suppliers to set up and operate their online stores on Yangxiaomie through our onboarding process
“PRC”	People’s Republic of China and for the purposes of this interim report only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“PRC Legal Advisor”	Grandway Law Offices, our legal advisor on PRC law
“Prospectus”	the prospectus of the Company issued on November 19, 2025 in connection with the Global Offering
“Quantgroup Technology HK”	Quantgroup Technology HK Limited (量化派(香港)有限公司), a company incorporated in Hong Kong with limited liability on April 20, 2022 and a direct wholly-owned subsidiary of our Company

DEFINITIONS

“Remuneration Committee”	the remuneration committee of our Board
“Reporting Period”	the six months ended June 30, 2026
“RMB”	Renminbi, the lawful currency of PRC
“RSU Scheme(s)”	the 2022 RSU Scheme I and 2022 RSU Scheme II, each of which was adopted by way of resolutions by the Board on April 26, 2022
“Saturn Storm”	Saturn Storm Limited, a limited company incorporated in the BVI on March 30, 2022 and wholly owned by Mr. Li Yan, our executive Director
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Share(s)”	shares in the capital of our Company with a par value of US\$0.0001 each
“Shareholder(s)”	holder(s) of the Shares
“SJY Family Holdings”	SJY Family Holdings Limited, a limited company incorporated in the BVI on April 28, 2022 and a Controlling Shareholder
“Starmotion Intelligence”	Starmotion Intelligence (Beijing) Technology Co., Ltd.* (星動智能(北京)科技有限公司) (formerly known as “Quant Digit Tech Co., Ltd* (量子數科科技有限公司)”), a company incorporated in the PRC with limited liability on November 3, 2014 and one of our Consolidated Affiliated Entities
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Fortune Financial Products Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of GoFintech
“Subscription”	the subscription of the Subscription Shares by the Subscriber in accordance with the terms and conditions of the Subscription Agreement
“Subscription Agreement”	the conditional agreement dated July 9, 2026 entered into between the Company and the Subscriber in relation to the Subscription
“Subscription Price”	the subscription price of HK\$13.05 per Subscription Share under the Subscription pursuant to the Subscription Agreement

DEFINITIONS

“Subscription Shares”	4,597,701 Shares to be issued and allotted by the Company to the Subscriber pursuant to the Subscription Agreement
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“treasury shares”	has the meaning ascribed thereto under the Listing Rules
“US\$” or “USD”	United States dollars, the lawful currency of the United States of America
“WFOE”	Hangzhou Quant Technology Limited* (杭州量化派科技有限公司) a wholly foreign-owned enterprise established in the PRC on May 5, 2022 by Quantgroup Technology HK, an indirect wholly-owned subsidiary of our Company
“Yangxiaomie”	a consumer-oriented app (including both mobile app and WeChat mini program) operated by Beijing Quant
“%”	per cent

* for identification purpose only

DEFINITIONS

The English names of the PRC entities, PRC laws or regulations, and the PRC governmental authorities referred to in this interim report are translations from their Chinese names and are for identification purposes. If there is any inconsistency, the Chinese names shall prevail.

Certain amounts and percentage figures included in this interim report have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them and figures rounded to the nearest thousand, million or billion may not be identical to figures that have been rounded differently to them. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

Past Performance and Forward Looking Statements

The operating and financial performance information of the Group set out in this interim report is historical in nature, and past performance should not be taken as an indication of the future results of the Group. This interim report may contain forward-looking statements and opinions, including statements regarding plans, objectives, goals, strategies, future events or performance, and other statements that are not historical facts, and therefore involve inherent risks and uncertainties. Actual results may differ materially from those expressed or implied by the forward-looking statements and opinions. The Directors assume (a) no obligation to correct, update or supplement the forward-looking statements or opinions contained in this interim report; and (b) no liability in the event that any of the forward-looking statements or opinions do not materialise or turn out to be incorrect. Investors should not place undue reliance on these forward-looking statements.