

KINGWISOFT TECHNOLOGY GROUP COMPANY LIMITED 金慧科技集團股份有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 08295



2025 INTERIM REPORT



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This report, for which the directors (the “Directors”) of Kingwisoft Technology Group Company Limited 金慧科技集團股份有限公司 (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.



Highlights

- The Group recorded a revenue of approximately RMB618.9 million for the Interim Period 2025 (2024: approximately RMB603.2 million), representing 2.6% increase as compared to that of the corresponding period in 2024.
- Loss attributable to owners of the Company for the Interim Period 2025 was approximately RMB54.4 million as compared to loss of approximately RMB52.1 million recorded for the corresponding period in 2024.
- Basic and diluted loss per share for the Interim Period 2025 was approximately RMB1.14 cents (2024: Basic and diluted loss per share was approximately RMB1.09 cents).
- Total assets as at 30 September 2025 was approximately RMB974.7 million (31 March 2025: approximately RMB1,029.1 million). Net assets value as at 30 September 2025 was approximately RMB561.8 million (31 March 2025: approximately RMB617.6 million).
- The Board does not recommend payment of an interim dividend for the Interim Period 2025 (2024: Nil).

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2025

The board (the "Board") of directors (the "Directors") of Kingwisoft Technology Group Company Limited 金慧科技集團股份有限公司 (the "Company") is pleased to present the condensed consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 September 2025 (the "Interim Period 2025"), together with the comparative unaudited figures for the corresponding periods in 2024, as follows:

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2025

	Notes	Six months ended 30 September 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	5	618,857	603,208
Cost of services		(582,570)	(595,060)
Gross profit		36,287	8,148
Other income and gains	6	7,841	14,178
Marketing expenses		(4,344)	(3,654)
Research and development expenses		(28,824)	(24,761)
Administrative expenses		(57,639)	(43,577)
Provision of expected credit income on accounts and other receivables, net		298	561
Finance costs	7	(9,476)	(9,330)
Loss before tax	8	(55,857)	(58,435)
Income tax credit	9	4,627	7,660
Loss for the period		(51,230)	(50,775)
Other comprehensive income/(loss)			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		-	-
Reclassification of translation reserve upon deregistration of a subsidiary		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive loss for the period		(51,230)	(50,775)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2025

	Notes	Six months ended 30 September 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Profit/(loss) for the period attributable to:			
Owners of the Company		(54,399)	(52,142)
Non-controlling interests		3,169	1,367
		(51,230)	(50,775)
Total comprehensive income/(loss) for the period attributable to:			
Owners of the Company		(54,399)	(52,142)
Non-controlling interests		3,169	1,367
		(51,230)	(50,775)
Loss per share attributable to ordinary equity holders of the Company			
Basic and diluted (RMB cents)	10	(1.14)	(1.09)

Condensed Consolidated Statement of Financial Position

As at 30 September 2025

		30 September 2025	31 March 2025
	<i>Notes</i>	RMB'000	RMB'000
		(Unaudited)	(Audited)
NON-CURRENT ASSETS			
Property and equipment	12	53,158	62,082
Investment properties		12,280	12,280
Right-of-use assets		67,032	67,347
Goodwill		–	–
Other intangible assets		119,072	131,090
Investment in an associate		24,734	24,734
Prepayments, other receivables and other assets		6,135	6,135
Pledged deposits		5,922	2,865
Deferred tax assets		20,498	16,925
Total non-current assets		308,831	323,458
CURRENT ASSETS			
Inventories		95	86
Accounts receivable	13	492,998	537,343
Prepayments, other receivables and other assets		73,995	58,639
Financial assets at fair value through profit or loss		–	–
Prepaid tax		1,114	1,529
Restricted cash		45	11
Pledged deposits		920	3,257
Cash and cash equivalents		96,667	104,758
Total current assets		665,834	705,623
CURRENT LIABILITIES			
Accounts payable	14	10,849	9,334
Other payables and accruals		66,510	69,766
Contract liabilities		1,198	1,867
Interest-bearing bank and other borrowings		5,000	26,000
Lease liabilities		32,372	28,809
Tax payable		12,481	12,067
Total current liabilities		128,410	147,843

Condensed Consolidated Statement of Financial Position

As at 30 September 2025

	30 September 2025	31 March 2025
	Notes RMB'000 (Unaudited)	RMB'000 (Audited)
NET CURRENT ASSETS	537,424	557,780
TOTAL ASSETS LESS CURRENT LIABILITIES	846,255	881,238
NON-CURRENT LIABILITIES		
Other payables and accruals	333	626
Interest-bearing bank and other borrowings	236,466	208,644
Lease liabilities	34,703	40,377
Deferred tax liabilities	12,934	13,942
Total non-current liabilities	284,436	263,589
Net assets	561,819	617,649
EQUITY		
Equity attributable to owners of the Company		
Share capital	15	40,442
Reserves	515,705	568,771
	556,147	609,213
Non-controlling interests	5,672	8,436
Total equity	561,819	617,649

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2025

	Share capital RMB'000 (Unaudited)	Share premium RMB'000 (Unaudited)	Statutory reserve RMB'000 (Unaudited)	Revaluation reserve RMB'000 (Unaudited)	Translation reserve RMB'000 (Unaudited)	Other reserve RMB'000 (Unaudited)	Accumulated losses RMB'000 (Unaudited)	Sub-total RMB'000 (Unaudited)	Non-controlling interests RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
At 1 April 2025	40,442	1,125,077	47,877	(18,499)	23,678	(421)	(608,941)	609,213	8,436	617,649
Profit for the period	-	-	-	-	-	-	(54,399)	(54,399)	3,169	(51,230)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	(54,399)	(54,399)	3,169	(51,230)
Acquisition of non-controlling interests	-	-	-	-	-	1,333	-	1,333	(8,933)	(7,600)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	3,000	3,000
Appropriation of statutory reserves	-	-	-	-	-	-	-	-	-	-
At 30 September 2025	40,442	1,125,077	47,877	(18,499)	23,678	912	(663,340)	556,147	5,672	561,819
At 1 April 2024	40,442	1,125,077	21,270	(18,499)	23,337	(421)	(374,605)	816,601	4,090	820,691
Profit for the period	-	-	-	-	-	-	(52,142)	(52,142)	1,367	(50,775)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	(52,142)	(52,142)	1,367	(50,775)
At 30 September 2024	40,442	1,125,077	21,270	(18,499)	23,337	(421)	(426,747)	764,459	5,457	769,916

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2025

	Six months ended 30 September 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
NET CASH FROM OPERATING ACTIVITIES	28,020	52,996
INVESTING ACTIVITIES		
Purchase of property and equipment	(8,136)	(29,844)
Proceeds from disposal of property and equipment	34	283
Development costs paid	–	(3,493)
Interest received	–	386
Payment of consideration payables	–	(28,733)
Acquisition of subsidiaries	(9,000)	–
Disposal of financial assets at fair value through profit or loss	–	700
Disposal of subsidiaries	720	–
NET CASH USED IN INVESTING ACTIVITIES	(16,382)	(60,701)
FINANCING ACTIVITIES		
Finance costs paid	(1,196)	(92)
Repayment of lease liabilities	(16,893)	(13,581)
New borrowings	–	25,000
Repayment of borrowings	(1,000)	–
CASH FROM (USED IN) FINANCING ACTIVITIES	(19,089)	11,327
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(7,451)	3,622
Cash and cash equivalents at 1 April	110,891	86,424
Effect of exchange rates changes on cash and cash equivalents, net	114	(34)
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	103,554	90,012
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as stated in the condensed consolidated statement of financial position and condensed consolidated statement of cash flows	103,554	90,012



Notes to the Unaudited Condensed Consolidated Financial Statements

30 September 2025

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The registered address and principal place of business of the Company is P.O. Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands and Unit 1608, Level 16, Tower 1, Grand Century Place, 193 Prince Edward Road West, Mongkok, Kowloon, Hong Kong respectively. The shares of the Company are listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activity of the Company is investment holding. The Company and its subsidiaries (collectively, the “Group”) are principally engaged in investment holding, provision of back-office services (primarily provision of customer service solutions, and setting up of contact service systems and centres), comprehensive marketing and agency services and data centre services.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2025 (the “Interim Financial Statements”) have been prepared in accordance with the Hong Kong Accounting Standards 34 (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as the applicable disclosure requirements of the GEM Listing Rules.

The functional currency of the Company, which is also the presentation currency of the Group’s Interim Financial Statements, is Renminbi (“RMB”).



Notes to the Unaudited Condensed Consolidated Financial Statements

30 September 2025

3. PRINCIPAL ACCOUNTING POLICIES

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

Other than additional accounting policies resulting from application of new/amended Hong Kong Financial Reporting Standards (“HKFRS”), the accounting policies and methods of computation used in the Interim Financial Statements are the same as those presented in the Group’s annual financial statements for the year ended 31 March 2025 (“Annual Financial Statements”). The Interim Financial Statements should be read, where relevant, in conjunction with the Annual Financial Statements.

In the current period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2025. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations issued by the HKICPA. The adoption of these new and revised HKFRSs did not have any significant effect on the unaudited condensed consolidated financial statements.

A number of new standards and amendments to standards are effective for annual periods beginning after 1 April 2025 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements.

The application of new/amended HKFRSs in the current period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these Interim Financial Statements.

Notes to the Unaudited Condensed Consolidated Financial Statements

30 September 2025

4. OPERATING SEGMENT INFORMATION

The Group is primarily engaged in the provision of value-added telecommunications and related services, including back-office services, comprehensive marketing and agency services and data centre services. Given that the chief operating decision maker of the Company considers that the Group's business is operated and managed as a single segment, no further segment information is presented.

Geographical information

Revenue from external customers

	Six months ended 30 September	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Mainland China	618,857	603,208

The revenue information above is based on the locations of the customers.

Notes to the Unaudited Condensed Consolidated Financial Statements

30 September 2025

5. REVENUE

An analysis of the Group's revenue from contracts with customers arising from the value-added telecommunication and related services is as follows:

	Six months ended 30 September 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Back-office services:		
Provision of customer service solutions	600,178	589,163
Set up of contact service systems and centres	1,137	–
	601,315	589,163
Comprehensive marketing and agency services	1,180	2,163
Data centre services	16,362	11,882
	618,857	603,208

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

	Six months ended 30 September 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Over time	617,720	603,208
At a point in time	1,137	–
	618,857	603,208

Notes to the Unaudited Condensed Consolidated Financial Statements

30 September 2025

6. OTHER INCOME AND GAINS

	Six months ended	
	30 September	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income:		
— Bank interest income	233	386
— Other interest income	75	787
Foreign exchange difference, net	(114)	42
Government grants and subsidies	6,252	10,358
Value-Add Tax (“VAT”) refund	725	1,668
Others	670	937
Total	7,841	14,178

Notes to the Unaudited Condensed Consolidated Financial Statements

30 September 2025

7. FINANCE COSTS

	Six months ended 30 September	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on bank borrowings	88	92
Interest on other borrowings from a related company	7,967	7,822
Interest on lease liabilities	1,421	1,274
Interest on consideration payable	—	142
	9,476	9,330

8. LOSS BEFORE TAX

Loss before tax has been arrived at after charging:

	Six months ended 30 September	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Directors' and chief executives' emoluments	2,138	1,709
Employee benefit expenses (excluding directors' and chief executives' emoluments)		
— Salaries and other benefits	434,041	423,065
— Amount capitalised	—	(3,493)
	436,179	421,281
Legal and professional fees	1,353	1,806
Depreciation of property and equipment	16,344	21,752
Depreciation of right-of-use assets	19,669	20,135
Amortisation of intangible assets	12,362	14,810

Notes to the Unaudited Condensed Consolidated Financial Statements

30 September 2025

9. INCOME TAX CREDIT

Pursuant to the Corporate Income Tax Law of the People's Republic of China (the "PRC") and the respective regulations, the Group's entities which operate in Mainland China are subject to corporate income tax ("CIT") at a rate of 25% on the taxable income, except for certain subsidiaries which were entitled to a preferential tax rate of 15% because they were accredited as "High and New Technology Enterprises" and certain subsidiaries which were entitled to a preferential tax rate of 5% of the taxable income between RMB1,000,000 and RMB3,000,000 because they were regarded as "small-scaled minimal profit enterprises", one of the criteria of which is with annual taxable income no more than RMB3,000,000 during the corresponding year. No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the periods.

	Six months ended 30 September	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax — Mainland China		
Provision for the period	(1,519)	(1,650)
Over provision in prior periods	1,564	4,467
Deferred tax	4,582	4,843
Income tax credit	4,627	7,660

10. LOSS PER SHARE

The calculation of the basic loss per share amount is based on the loss for the period attributable to owners, i.e., ordinary equity holders, of the Company and the weighted average number of ordinary shares in issue during the period.

No adjustment has been made to the basic loss per share amount presented for the six months ended 30 September 2025 in respect of a dilution because the Group had no potentially dilutive ordinary shares in issue during the six months ended 30 September 2025 (2024: Nil).

Notes to the Unaudited Condensed Consolidated Financial Statements

30 September 2025

10. LOSS PER SHARE (Continued)

The calculations of basic and diluted loss per share are based on:

	Six months ended 30 September 2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<hr/>		
Loss		
Loss attributable to ordinary equity holders of the Company used in the basic and diluted loss per share calculation	(54,399)	(52,142)
	<hr/>	
	Number of shares Six months ended 30 September 2025	2024
	'000	'000
	<hr/>	
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted loss per share calculation	4,776,020	4,776,020
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11. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2025 (2024: Nil).

12. PROPERTY AND EQUIPMENT

During the six months ended 30 September 2025, the Group acquired items of property and equipment with a cost of approximately RMB8,136,000 (2024: RMB29,844,000).

Notes to the Unaudited Condensed Consolidated Financial Statements

30 September 2025

13. ACCOUNTS RECEIVABLE

	At 30 September 2025 RMB'000 (Unaudited)	At 31 March 2025 RMB'000 (Audited)
Accounts receivable	524,365	569,008
Impairment	(31,367)	(31,665)
Net carrying amount	492,998	537,343

The Group generally allows a credit period of within three months to its customers upon issuance of customer billings. The directors of the Company are of the view that there have been no significant increase in credit risk of default because the amounts are from customers with good credit rating and continuous repayment. Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed periodically. The Group does not hold any collateral or other credit enhancements over its accounts receivable balances. Accounts receivable are non-interest-bearing.

An ageing analysis of the accounts receivable as at the end of the reporting period, based on the date of services rendered and net of loss allowance for impairment, is as follows:

	At 30 September 2025 RMB'000 (Unaudited)	At 31 March 2025 RMB'000 (Audited)
0–60 days	261,602	213,399
61–120 days	113,283	155,083
121–180 days	35,467	55,540
Over 180 days	82,646	113,321
Total	492,998	537,343

Notes to the Unaudited Condensed Consolidated Financial Statements

30 September 2025

14. ACCOUNTS PAYABLE

An ageing analysis of the accounts payable as at the end of the reporting period, based on the date of service received, is as follows:

	At 30 September 2025 RMB'000 (Unaudited)	At 31 March 2025 RMB'000 (Audited)
0–60 days	3,919	4,011
61–120 days	1,984	919
121–180 days	1,093	150
Over 180 days	3,853	4,254
Total	10,849	9,334

The average credit period on accounts payable is 30 days. The accounts payable are non-interest-bearing.

15. SHARE CAPITAL

	Number of shares	Amount RMB'000
Ordinary shares of HK\$0.01 each		
Authorised:		
As at 1 April 2024, 30 September 2024, 1 April 2025 and 30 September 2025	10,000,000,000	87,661
Issued and fully paid:		
As at 30 September 2024, 1 April 2025 and 30 September 2025	4,776,019,590	40,442

16. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed in Note 7 to the Interim Financial Statements, the Group had the following transactions and balances with related parties:

(a) Compensation of key management personnel of the Group

The directors and chief executives of the Company are the key management personnel of the Group. Details of their remuneration are disclosed in Note 8 to the Interim Financial Statements.

(b) Borrowings from related companies

As at 30 September 2025, the carrying amount of the other borrowings from related companies of the Company amounted to approximately RMB236,466,000 (31 March 2025: approximately RMB229,644,000).

(c) Transactions with an associate

During the six months ended 30 September 2025, the Group purchased comprehensive marketing services from an associate and incurred cost of approximately RMB29.5 million (2024: Nil). The prepaid service fee amount as of the end of the reporting period was approximately RMB24.8 million (31 March 2025: approximately RMB12.1 million). These transactions were conducted in accordance with the terms agreed between the parties involved.

17. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

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

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The information about how the fair value of these financial assets are determined (in particular, the valuation techniques and inputs used) are disclosed in respective notes to the Annual Financial Statements.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed statement of financial position approximate their fair value.

Notes to the Unaudited Condensed Consolidated Financial Statements

30 September 2025

17. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

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

During the six months ended 30 September 2025 and year ended 31 March 2025, there were no transfers between Level 1, Level 2 and Level 3.

Fair value hierarchy as at 30 September 2025

	Level 1 RMB'000 (Unaudited)	Level 2 RMB'000 (Unaudited)	Level 3 RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Financial assets				
Financial assets at fair value through profit or loss	–	–	–	–
	–	–	–	–

Fair value hierarchy as at 31 March 2025

	Level 1 RMB'000 (Audited)	Level 2 RMB'000 (Audited)	Level 3 RMB'000 (Audited)	Total RMB'000 (Audited)
Financial assets				
Financial assets at fair value through profit or loss	–	–	–	–
	–	–	–	–

18. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The Interim Financial Statements were approved and authorised for issue by the Board on 20 November 2025.

BUSINESS REVIEW

In 2025, the global economic situation is complex and volatile. Geopolitical conflicts, coupled with persistent trade frictions, have further exacerbated regional development imbalances and restrained overall growth momentum. Supported by targeted macroeconomic policies, the domestic economy has maintained stable operation and demonstrated strong resilience. However, issues such as insufficient effective demand and the growing pains from the transition between old and new drivers have not yet been fully resolved, while the slowdown in growth across certain sectors has constrained overall expansion. At the same time, market demand has become increasingly fragmented. Enterprises generally face dual challenges of cost pressures and the need for efficiency improvements. Industry competition has intensified into a “low-margin game”, compressing overall profitability.

In addition, against the backdrop of deepening integration between the digital and real economies, the artificial intelligence and data services industries are benefiting from both policy support and technological breakthroughs. The value of data factors is being unlocked at an accelerated pace, while demands such as the implementation of large-scale model applications and the deepening of industry digital transformation are driving segments like data annotation and AI training into a phase of rapid development. This opens up new growth opportunities for enterprises with forward-looking strategic layouts.

In the face of global economic uncertainties and technological revolutions, the Group has always insisted on focusing on improving customer satisfaction and healthy and sustainable development of its business. It has proactively responded to changes and actively embraced the wave of AI industry advancement, seizing policy opportunities arising from the value release of data factors. The Group has shifted its business structure toward high-potential sectors, with a focus on core areas such as data annotation and AI training. By continuing to tap into the field of enterprise services, expanding into new service scenarios, increasing resource allocation, and building professional service teams, the Group has established robust digital service capabilities. It continuously innovates and applies technologies to provide customers with professional services, ensuring smooth business operations and stable growth in core business revenue. Meanwhile, the Group is building data annotation capabilities tailored to the development of large models and expanding service scenarios related to AI training, thereby laying a solid foundation for long-term growth.

The Group’s revenue for the six months ended 30 September 2025 amounted to approximately RMB618.9 million, representing an increase of 2.6% over the same period last year. In particular, revenue from back-office services was approximately RMB601.3 million, accounting for 97.2% of our total revenue. Insisting on innovation is the long-term strategy of the Group. With the changes in consumer habits and behaviours brought about by the gradual economic recovery, the scope and depth of our innovative business initiatives continue to expand and elevate.



Management Discussion and Analysis

During the reporting period, we continued to strengthen and broaden our business relationships with leading clients in the fields of Internet, finance and securities, manufacturing, retail, logistics. Our top five clients remain fairly stable, with a leading internet technology enterprise, which adheres to the core philosophy of “Tech for Good” and is deeply engaged in the digital economy and industrial Internet sectors, joining the roster. Meanwhile, in terms of new clients and new business development, the Group leveraged its deep presence in the enterprise services market to fortify its leading industry position. By actively embracing cutting-edge technologies such as AI, it has acquired a number of clients and service projects in the areas of data annotation, auditing and commercialisation services.

The Group, which has always adhered to independent innovation and research and development, focuses on the innovation in artificial intelligence and big data technologies and their integration with and application in business scenarios, with positive results achieved. The developed business scenarios cover enterprise service business systems, data annotation services, digital operation and talent management, training and practice, as well as quality and efficiency management tools for digital marketing. During the reporting period, with quality professional services and leading innovation capability, the Group’s companies obtained 29 new software copyrights closely related to the Group’s business, with a cumulative total of 5 invention patents and 379 software copyrights, and obtained DCMM (Data Management Capability Maturity) (Party B) Level 3 certification, CMMI (Capability Maturity Model Integration) Level 3 certification, and ITSS (Information Technology Service Standards) Level 3 certification.

A company under the Group was selected as one of “Dalian’s First Batch of Chief Data Officer Pilot Enterprises”. Two of its products were included in the “2025 Liaoning Provincial Industrial Enterprise Innovative Products Catalogue”. It was honoured with the titles of “2025 Digital Services & Service Outsourcing Industry Leading Enterprise (Customer Centre)” and “2025 Digital Services & Service Outsourcing Industry Top 100 Enterprise”, and was also selected for the “2025 Digital Services & Service Outsourcing Industry Outstanding Cases”. Multiple management innovation achievements were again recognised, receiving the “Second Prize for Enterprise Management Innovation Achievement in Liaoning Province” and the “First Prize for Enterprise Management Innovation Achievement in Dalian City”. Furthermore, the Company’s talent development model, “Scenario-Driven High-Quality Vertical-Specific Data Annotation Talent Cultivation”, was included in the National Data Administration’s Collection of Outstanding Data Annotation Cases. These accomplishments collectively signify a new stage in the Group’s continuous research and development of technology scenarios and its service capability to facilitate digital transformation of enterprises.

Furthermore, the Company actively responded to the business changes brought about by new technologies such as artificial intelligence and made preparations for expansion and upgrading in advance in terms of personnel, equipment and working environment. During the reporting period, the Group built and reconstructed a number of self-operated contact service centres in places such as Dalian, Chengdu, Changchun, etc. With a total of 19,483 operational stations now established, the Group has developed a capability that serves a multi-dimensional and three-dimensional network covering tier 1 to tier 4 cities and is able to fully satisfy the Company's business requirements in new service scenarios.

FINANCIAL REVIEW

The Group recorded a revenue of approximately RMB618.9 million for the Interim Period 2025 (2024: approximately RMB603.2 million), representing 2.6% increase as compared to that of the corresponding period in 2024. The increase in revenue was mainly attributable to the increase in revenue generated from back-office services.

During the Interim Period 2025, the Group incurred cost of services of approximately RMB582.6 million (2024: approximately RMB595.1 million). Cost of services primarily consisted of staff costs, subcontracting fees, rental expenses, depreciation and amortisation.

Net other income for the Interim Period 2025 was approximately RMB7.8 million (2024: approximately RMB14.2 million). The decrease in net other income was mainly attributable to the decrease in government grants and subsidies as compared to that of the corresponding period in 2024.

The Group incurred marketing, research and development expenses of approximately RMB33.2 million (2024: approximately RMB28.4 million) in aggregate during the Interim Period 2025. The increase was mainly attributable to the increase in staff costs during the Interim Period 2025.

Administrative expenses for the Interim Period 2025 was approximately RMB57.6 million (2024: approximately RMB43.6 million). To address the application and management needs of new business scenarios, the Group has increased its investment in research and development related to new businesses and adopted more refined project management, leading to an increase in research and development expenses and administrative expenses.

During the Interim Period 2025, the Group incurred finance costs of approximately RMB9.5 million (2024: approximately RMB9.3 million) which mainly consisted of interests on bank and other borrowings and lease liabilities.



Management Discussion and Analysis

The Group recorded an income tax credit for the Interim Period 2025 of approximately RMB4.6 million (2024: approximately RMB7.7 million) which mainly consisted of provision of PRC Enterprise Income Tax of approximately RMB1.5 million (2024: approximately RMB1.7 million), offset by an overprovision in prior period of approximately RMB1.5 million (2024: approximately RMB4.5 million) and deferred tax credit of approximately RMB4.6 million (2024: approximately RMB4.8 million).

Loss attributable to owners of the Company for the Interim Period 2025 was approximately RMB54.4 million (2024: approximately RMB52.1 million).

Basic loss per share for the Interim Period 2025 was approximately RMB1.14 cents (2024: approximately RMB1.09 cents).

Total assets as at 30 September 2025 was approximately RMB974.7 million (31 March 2025: approximately RMB1,029.1 million). Net assets value as at 30 September 2025 was approximately RMB561.8 million (31 March 2025: approximately RMB617.6 million).

Capital Structure, liquidity and financial resources

The Board monitors the Group's capital structure by reviewing its cash flow requirements and considering its future financial obligations and commitments.

The Group's operation and investments were financed by internal resources as well as interest-bearing bank and other borrowings.

As at 30 September 2025, aggregate of cash and bank balances and pledged bank deposits of the Group amounted to approximately RMB103.6 million (31 March 2025: approximately RMB110.9 million), which were mainly denominated in Renminbi ("RMB") and Hong Kong dollar.

As at 30 September 2025, the Group had interest-bearing bank and other borrowings of approximately RMB241.5 million (31 March 2025: approximately RMB234.6 million), which were mainly denominated in RMB.

As at 30 September 2025, the Group had a current ratio of 5.2 and a gearing ratio of 43.0% (31 March 2025: 4.8 and 38.0%, respectively). The gearing ratio is computed by dividing the Group's interest-bearing bank and other borrowings of approximately RMB241.5 million (31 March 2025: approximately RMB234.6 million) by the Group's equity of approximately RMB561.8 million (31 March 2025: approximately RMB617.6 million).

For foreign currency risk, the Group will continue to monitor its foreign currency exposure and will consider using hedging instruments if available in respect of significant foreign currency exposure should the need arise.

Commitments

The Group and the Company did not have any significant commitment as at 30 September 2025 and 31 March 2025.

Employees and remuneration policies

As of 30 September 2025, the Group employed 14,283 employees including Directors (31 March 2025: 14,377). Total staff costs (including Directors' emoluments) for the Interim Period 2025 amounted to approximately RMB436.2 million (2024: approximately RMB424.8 million). Employees' remuneration packages are decided based on their job responsibilities, local market benchmarks and industry trends. Employee discretionary bonus is distributable according to the performance of the respective subsidiaries and employees concerned.

Charge on the Group's assets

There was no material change in charge on the Group's assets as compared to the most recently published annual report.

Contingent liabilities

As at 30 September 2025, the Group had no material contingent liabilities (31 March 2025: Nil).

Material acquisitions and disposals of subsidiaries and affiliated companies

The Group had no material acquisitions and disposals of subsidiaries and affiliated companies during the Interim Period 2025.

Future plans for material investments or capital assets

The Group will focus on premium corporate clients in the Internet and finance sectors to diversify its categories of services and strengthen our customers' stickiness, which in turn help the Group to generate economics of scale and gain more market share.



Management Discussion and Analysis

The Group will look into our business development and consider acquiring or investing in relevant assets which form synergistic effects with our principal business as and when appropriate. Through the acquisition and investment, the Group can expand its services categories and premium customer base and strengthen our capability in research and development, which in turn identify and meet demands from customers in a view to raise our core competitiveness and profitability.

FUTURE OUTLOOK

In a comprehensive assessment of the domestic and global situation, as the complexity, severity and uncertainty of the international situation are increasing, the process of domestic economic recovery and improvement still faces challenges such as insufficient effective demand, overcapacity in some industries, weak social expectations, and numerous risks and potential dangers. In the complex environment where global industrial chain restructuring and market fluctuations are intertwined, artificial intelligence and data factors are advancing at a breakthrough pace, reshaping industrial logic and injecting new vitality. Cross-industry or intra-industry integration is an irreversible trend of industrial change in the era of the new technological revolution and digital economy, and is also the inevitable path of modern industrial development and evolution.

As the Group's major clients are participants from various service industries such as finance and securities, operators and Internet, these industries are expected to recover at an accelerated pace with the continued economic recovery and the rise of new endogenous momentum. Despite ongoing challenges such as insufficient effective demand and increasingly complicated, severe and uncertain external environment, the deep evolution of AI technology, the innovative empowerment of digital technologies in consumption scenarios, the release of accumulated demand, and the dynamism of new business formats in the service sector are collectively creating vast smart-digital development opportunities for the corporate services industry in which the Company operates. We will pay close attention to the impact of macro policies and emerging technologies on our clients' businesses, deepen customer collaboration, and take multiple initiatives to proactively address challenges. Meanwhile, we will actively explore and seek new business opportunities in the financial industry and the Internet industry, actively grasp the good opportunities for business development. In addition, the Company will continuously and effectively expand its business presence in China, enhance technology empowerment, drive business innovation and enhance profitability to realise healthy growth, thereby enhancing shareholder value.



Management Discussion and Analysis

The Group will continue to advance its dual strategy of deepening operational excellence while expanding into new growth areas in the back-office services segment. We anticipate sustained organic order growth from existing clients as their businesses evolve, while actively pursuing new contracts with telecom operators, traditional financial institutions, and new leading Internet companies. Our focused expansion in digital services — particularly in data annotation, auditing, and large-scale model training — is expected to be progressively. We will continue to promote project bidding and implementation, while strengthening the optimisation and development of our self-operated contact centres. This will provide comprehensive support in areas such as personnel and facilities for new orders. Remaining focused on our core strategy, we will optimise resource allocation by enhancing operational efficiency in traditional business segments to improve profitability, while simultaneously accelerating the scalable deployment of digital annotation and AI training services. Leveraging their technologically advanced and high-value application characteristics, these initiatives are positioned to unlock new growth potential and progressively drive synchronised improvement in both revenue and profit.

The Internet marketing segment has continued to expand its digital service capabilities, deeply integrating existing marketing expertise to explore brand-and-performance synergy pathways. We are driving the integration and synergy between marketing and back-office services, while actively expanding into local lifestyle and digital marketing businesses. This strategic focus has already resulted in the addition of multiple new service clients within this business segment. The Company is deepening the integration of its digital marketing services with emerging consumer scenarios, building a healthy industrial ecosystem, and strengthening its core service capabilities. These efforts are establishing a robust foundation to navigate economic cycles, withstand external shocks, and reinforce our strength and confidence for our development.

Other Information

DIVIDENDS

The Board does not recommend the payment of an interim dividend for the Interim Period 2025 (2024: Nil).

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 September 2025, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors to be notified to the Company and the Stock Exchange were as follows:

Long positions in share of the Company

Name of director/ Chief executive	Capacity	Number of shares held	Approximate percentage of shareholding in the Company
Mr. Hu Shilong ("Mr. Hu") (Note 1 & 2)	Interest of controlled corporation	212,640,219	4.45%
	Interest of a party to a voting rights entrustment deed	2,865,644,243	60.00%
Ms. Zhou Fang ("Ms. Zhou") (Note 3)	Interest of controlled corporation	113,560,919	2.38%

Notes:

1. These shares were held directly by NINEGO Corporation ("NINEGO"). NINEGO is held by Mr. Hu as to 40.60%. As Such, Mr. Hu is deemed to be interested in 212,640,219 shares of the Company held by NINEGO by virtue of the SFO.

- On 28 August 2023, Mr. Hu, Zhong Zhi Xin Zhuo Capital Company Limited (“Zhongzhi Xinzhuo”) and Kang Bang Qi Hui (HK) Company Limited (“Kang Bang (HK)”) entered into a voting rights entrustment deed, pursuant to which each of Zhongzhi Xinzhuo and Kang Bang (HK) has entrusted the voting rights over all of its 2,409,823,718 shares of the Company and 455,820,525 shares of the Company respectively to Mr. Hu. As such, Mr. Hu is deemed to be interested in an aggregate of 2,865,644,243 shares of the Company held by Zhongzhi Xinzhuo and Kang Bang (HK) by virtue of the SFO.
- These shares were held directly by FUNGHWA Ltd. (“FUNGHWA”). FUNGHWA is held by Ms. Zhou as to 100%. As Such, Ms. Zhou is deemed to be interested in 113,560,919 shares of the Company held by FUNGHWA by virtue of the SFO.

SUBSTANTIAL SHAREHOLDERS’ INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2025, so far as was known to the Directors, the following persons (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or who were 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 any member of the Group:

Long positions in shares of the Company

Name of shareholder	Capacity	Number of shares held	Approximate percentage of shareholding in the Company
Zhong Zhi Xin Zhuo Capital Company Limited (“Zhongzhi Xinzhuo”) (Note 1)	Beneficial owner	2,409,823,718	50.46%
Kang Bang Qi Hui (HK) Company Limited (“Kang Bang (HK)”) (Note 1)	Beneficial owner	455,820,525	9.54%
Tian Xi Capital Company Limited (“Tian Xi Capital”) (Note 1)	Interest of controlled corporation	2,865,644,243	60.00%
Zhong Zhi Ze Yun Capital Company Limited (“Ze Yun Capital”) (Note 1)	Interest of controlled corporation	2,865,644,243	60.00%

Other Information

Name of shareholder	Capacity	Number of shares held	Approximate percentage of shareholding in the Company
Mr. XIE Zhikun [#] ("Mr. Xie") (Note 1)	Interest of controlled corporation	2,865,644,243	60.00%
Gfly Ltd (Note 2)	Beneficial owner	437,500,000	9.16%
LVYY Cayman Limited (Note 2)	Interest of controlled corporation	437,500,000	9.16%
LVYY Holding Limited (Note 2)	Interest of controlled corporation	437,500,000	9.16%
Mr. Lyu Wenyang (Note 2)	Interest of controlled corporation	437,500,000	9.16%
NINEGO Corporation ("NINEGO") (Note 3)	Beneficial Owner	212,640,219	4.45%
Ms. Liu Yingying ("Ms. Liu") (Note 3)	Interest of controlled corporation	212,640,219	4.45%

[#] Mr. Xie passed away on 18 December 2021.

Notes:

- Each of Zhongzhi Xinzhuo and Kang Bang (HK) is a wholly-owned subsidiary of Tian Xi Capital. Ze Yun Capital, a company wholly-owned by Mr. Xie, controls 100% of the voting power at general meetings of Tian Xi Capital. As such, each of Tian Xi Capital, Ze Yun Capital and Mr. Xie is deemed to be interested in an aggregate of 2,865,644,243 shares of the Company held by Zhongzhi Xinzhuo and Kang Bang (HK) by virtue of the SFO.
- Gfly Ltd is a wholly-owned subsidiary of LVYY Cayman Limited. LVYY Cayman Limited is a wholly-owned subsidiary of LVYY Holding Limited, a company wholly-owned by Mr. Lyu Wenyang. As such, each of LVYY Cayman Limited, LVYY Holding Limited and Mr. Lyu Wenyang is deemed to be interested in 437,500,000 shares of the Company held by Gfly Ltd by virtue of the SFO.
- NINEGO is held by Ms. Liu as to 59.40%. As such, Ms. Liu is deemed to be interested in 212,640,219 shares of the Company held by NINEGO by virtue of the SFO.

Save as disclosed above, as at 30 September 2025, the Directors were not aware of any other person (other than the Directors and chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or who was 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 any member of the Group.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Interim Period 2025.

COMPETING BUSINESS

During the Interim Period 2025, none of the Directors, controlling shareholder of the Company or their respective close associates had any direct or indirect interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had made specific enquiries to all the relevant Directors who confirmed their compliance with the required standard of dealings and the code of conduct regarding securities transactions by the Directors throughout the Interim Period 2025. No incident of non-compliance was noted by the Company during the Interim Period 2025.



Other Information

CORPORATE GOVERNANCE

The Company has applied the principles and complied with all code provisions set out in the Corporate Governance Code (“CG Code”) contained in Appendix C1 of the GEM Listing Rules throughout the Interim Period 2025.

REVIEW OF UNAUDITED FINANCIAL RESULTS

The Audit Committee has reviewed the Interim Financial Statements and is of the opinion that the preparation of those statements complies with the applicable accounting standards and that adequate disclosures have been made.

By Order of the Board
Kingwisoft Technology Group Company Limited
金慧科技集團股份有限公司
QIU Xiaojian
Chairman

Hong Kong, 20 November 2025

As at the date of this report, the executive Directors are Mr. QIU Xiaojian (Chairman), Mr. LI Xiang, Mr. HU Shilong, Ms. ZHOU Fang, Ms. LIU Xiaochen, Mr. XU Gang and Mr. WANG Rui; and the independent non-executive Directors are Mr. ZENG Liang, Mr. WANG Li, Mr. YANG Hongjun and Ms. LI Guiying.