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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)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2026;
RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS;
APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS;
AND
CHANGE IN COMPOSITION OF BOARD COMMITTEES**

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, 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 announcement 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 announcement misleading.

FINANCIAL HIGHLIGHTS

- The Group recorded a revenue of approximately RMB1,309.4 million for the Year (2025: approximately RMB1,240.7 million), representing an increase of approximately RMB68.7 million compared to that of last financial year.
- Loss attributable to owners of the Company for the Year was approximately RMB148.4 million, whereas the Group recorded a loss attributable to owners of the Company of approximately RMB207.7 million for the last financial year.
- Basic losses per share for the Year was approximately RMB3.11 cents (2025: basic losses per share of approximately RMB4.35 cents).
- The Board does not recommend payment of a dividend for the Year (2025: Nil).

ANNUAL RESULTS

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”) hereby announces the consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 March 2026 (the “Year”), together with the relevant comparative figures for the previous financial year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2026

	<i>Notes</i>	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
REVENUE	4	1,309,382	1,240,654
Cost of services		(1,203,965)	(1,199,889)
Gross profit		105,417	40,765
Other income and gains	5	20,904	19,552
Marketing expenses		(9,803)	(7,607)
Research and development expenses		(64,626)	(60,252)
Administrative expenses		(126,752)	(95,816)
Impairment loss of goodwill		–	(56,742)
Impairment losses on financial assets, net		(27,382)	(23,267)
Gain on recovery of accounts receivable written-off		–	24
Impairment of investment in an associate		(23,451)	–
Other expenses and losses		(1,915)	(1,347)
Finance costs	6	(19,553)	(19,455)
Share of losses of:			
Associates		(1,283)	(2,918)
A joint venture		(323)	–
LOSS BEFORE TAX	7	(148,767)	(207,063)
Income tax credit	8	3,661	3,680
LOSS FOR THE YEAR		(145,106)	(203,383)

	<i>Notes</i>	2026 RMB'000	2025 <i>RMB'000</i>
OTHER COMPREHENSIVE INCOME/(LOSS)			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of subsidiaries not established in the Chinese mainland		<u>(98)</u>	<u>341</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX		<u>(98)</u>	<u>341</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(145,204)</u>	<u>(203,042)</u>
Profit/(loss) for the year attributable to:			
Owners of the Company		(148,357)	(207,729)
Non-controlling interests		<u>3,251</u>	<u>4,346</u>
		<u>(145,106)</u>	<u>(203,383)</u>
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		(148,455)	(207,388)
Non-controlling interests		<u>3,251</u>	<u>4,346</u>
		<u>(145,204)</u>	<u>(203,042)</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted (RMB cents)	<i>10</i>	<u>(3.11)</u>	<u>(4.35)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2026

	<i>Notes</i>	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
NON-CURRENT ASSETS			
Property and equipment		45,287	62,082
Investment properties		9,800	12,280
Right-of-use assets		49,701	67,347
Goodwill		–	–
Other intangible assets		109,095	131,090
Investment in associates		49	24,734
Investment in a joint venture		9,677	–
Equity investments designated at fair value through other comprehensive income		–	–
Prepayments, other receivables and other assets		6,317	6,135
Pledged deposits		3,830	2,865
Deferred tax assets		22,051	16,925
Total non-current assets		255,807	323,458
CURRENT ASSETS			
Inventories		58	86
Accounts receivable	<i>11</i>	479,953	537,343
Prepayments, other receivables and other assets		74,085	58,639
Financial assets at fair value through profit or loss		–	–
Prepaid tax		1,253	1,529
Restricted cash		10,270	11
Pledged deposits		965	3,257
Cash and cash equivalents		102,740	104,758
Total current assets		669,324	705,623

	<i>Notes</i>	2026 RMB'000	2025 <i>RMB'000</i>
CURRENT LIABILITIES			
Accounts payable	<i>12</i>	31,770	9,334
Other payables and accruals		80,414	69,766
Contract liabilities		689	1,867
Interest-bearing bank and other borrowings	<i>13</i>	25,140	26,000
Lease liabilities		27,657	28,809
Tax payable		11,746	12,067
Total current liabilities		177,416	147,843
NET CURRENT ASSETS		491,908	557,780
TOTAL ASSETS LESS CURRENT LIABILITIES		747,715	881,238
NON-CURRENT LIABILITIES			
Other payables and accruals		238	626
Interest-bearing bank and other borrowings	<i>13</i>	244,251	208,644
Lease liabilities		21,482	40,377
Deferred tax liabilities		13,193	13,942
Total non-current liabilities		279,164	263,589
Net assets		468,551	617,649
EQUITY			
Equity attributable to owners of the Company			
Share capital	<i>14</i>	40,442	40,442
Reserves		421,647	568,771
		462,089	609,213
Non-controlling interests		6,462	8,436
Total equity		468,551	617,649

NOTES TO FINANCIAL STATEMENTS

31 March 2026

1. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, equity investments at fair value through other comprehensive income and financial assets at fair value through profit or loss, which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2026. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, joint ventures and associates for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the HKICPA has issued amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding HKFRS Accounting Standards. These examples reflect existing requirements in the corresponding HKFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions. The amendments did not have any impact on the Group's financial statements.

3. 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

(a) Revenue from external customers

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Chinese mainland	<u>1,309,382</u>	<u>1,240,654</u>

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

(b) Non-current assets

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Chinese mainland	223,327	296,726
Hong Kong	<u>282</u>	<u>807</u>
Total	<u>223,609</u>	<u>297,533</u>

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers

During the year, revenues from transactions with single external customers (including entities under common control with those customers) amounting to 10% or more of the Group's revenues are as follows:

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Customer A	343,662	432,096
Customer B	265,718	259,012
Customer C	<u>146,423</u>	<u>*</u>

* The revenue from transactions with that customer was less than 10% of the Group's revenue in the indicated year.

4. REVENUE

An analysis of revenue is as follows:

	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
<i>Revenue from contracts with customers</i>		
<i>Back-office services:</i>		
Provision of customer service solutions	1,270,509	1,188,765
Set up of contact service system and centres	15	1,690
	<hr/>	<hr/>
Subtotal	1,270,524	1,190,455
Comprehensive marketing and agency services	2,766	22,859
Data centre services	35,909	26,423
	<hr/>	<hr/>
Total revenue from contracts with customers	1,309,199	1,239,737
<i>Revenue from other sources</i>		
Gross rental income from investment property operating leases	183	917
	<hr/>	<hr/>
Total revenue	1,309,382	1,240,654
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Disaggregation of the Group's revenue from contracts with customers is set out below:

	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
<i>Timing of revenue recognition</i>		
Over time	1,309,131	1,215,188
At a point in time	68	24,549
	<hr/>	<hr/>
Total	1,309,199	1,239,737
	<hr/> <hr/>	<hr/> <hr/>
<i>Geographical markets</i>		
Chinese mainland	1,309,199	1,239,737
	<hr/> <hr/>	<hr/> <hr/>

5. OTHER INCOME AND GAINS

	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Fair value losses on financial assets at fair value through profit or loss, net	–	(3,729)
Bank interest income	630	591
Fair value loss on investment properties	(2,480)	(1,354)
Government grants [#]	18,273	18,906
Value-added tax (“VAT”) refund [^]	1,446	4,457
Foreign exchange differences, net	–	76
Gain on early termination of leases	587	237
Others	2,448	368
	<u>20,904</u>	<u>19,552</u>
Total other income and gains	<u>20,904</u>	<u>19,552</u>

[#] Government grants mainly represented incentives received for investments in certain regions in the Chinese mainland in which the Company’s subsidiaries operate, employment subsidies and other tax incentives. There are no unfulfilled conditions or contingencies relating to these grants.

[^] Value-added tax refund mainly attributable to the Value-Added Tax Policy for Software Products (Cai Shui 2011 No. 100), in which for sale of self-developed software products by a general VAT tax payer, after VAT is levied at a tax rate of 17%, the refund-upon-collection policy shall be applied and the portion of the actual VAT burden that is in excess of 3% shall be refunded; and the Tax Policy for Further Supporting and Promoting Entrepreneurship and Employment of Focus Group (Cai Shui 2024 No.17), in which value-added tax deduction is granted for entering into employment contracts with the focus group.

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Interest on lease liabilities	2,364	2,649
Interest on consideration payables	–	696
Interest on bank borrowings	462	510
Interest on other borrowings	16,727	15,600
	<u>19,553</u>	<u>19,455</u>
Total	<u>19,553</u>	<u>19,455</u>

7. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Depreciation of property and equipment	34,629	45,955
Depreciation of right-of-use assets	30,434	29,209
Amortisation of other intangible assets included in		
Cost of services	9,033	13,714
Administrative expenses	13,448	17,491
	<hr/>	<hr/>
Total	22,481	31,205
Impairment loss on goodwill	–	56,742
Impairment losses on financial assets, net		
Accounts receivable	18,950	19,163
Other receivables	8,432	4,104
	<hr/>	<hr/>
Total	27,382	23,267
Loss on disposal of property and equipment*	416	496
Lease payments not included in the measurement of lease liabilities	6,850	7,495
Auditor's remuneration	3,840	3,840
Employee benefit expense (including directors' and chief executive's remuneration)		
Wages, salaries and other social welfare benefits	860,434	775,272
Pension scheme contributions [^]	78,419	75,730
Termination benefits	3,154	1,829
	<hr/>	<hr/>
Total	942,007	852,831
	<hr/> <hr/>	<hr/> <hr/>

* It is included in "Other expenses and losses" in profit or loss.

[^] There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

8. INCOME TAX

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 the Chinese mainland are subject to corporate income tax (“CIT”) at a rate of 25% (2025: 25%) on the taxable income, except for certain subsidiaries which were entitled to a preferential tax rate of 15% (2025:15%) because they were regarded as “High and New Technology Enterprises”, and certain subsidiaries which were entitled to an effective preferential tax rate of 5% (2025: 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 year (2025: Nil).

	2026	2025
	<i>RMB’000</i>	<i>RMB’000</i>
Current tax — Chinese mainland		
Charge for the year	235	4,307
Underprovision in prior years	1,979	3,362
	2,214	7,669
Deferred	(5,875)	(11,349)
Total tax credit for the year	<u>(3,661)</u>	<u>(3,680)</u>

The share of tax expenses attributable to associates and a joint venture amounting to RMB14,000 (2025: tax credit of RMB659,000) and Nil (2025: Nil), respectively, is included in “Share of losses of associates and a joint venture” in profit or loss.

9. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the year ended 31 March 2026, nor has any dividend been proposed since the end of the reporting period (2025: Nil).

10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the year attributable to owners, i.e., ordinary equity holders, of the Company of RMB148,357,000 (2025: RMB207,729,000), and the weighted average number of ordinary shares of 4,776,019,590 outstanding during the year (2025: 4,776,019,590).

No adjustment has been made to the basic loss per share amount presented for the year ended 31 March 2026 in respect of a dilution because the Group had no potentially dilutive ordinary shares in issue during the year ended 31 March 2026 (2025: Nil).

11. ACCOUNTS RECEIVABLE

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Accounts receivable	530,568	569,008
Impairment	(50,615)	(31,665)
Net carrying amount	<u>479,953</u>	<u>537,343</u>

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:

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Within 60 days	224,342	213,399
61 to 120 days	157,707	155,083
121 to 180 days	55,193	55,540
Over 180 days	42,711	113,321
Total	<u>479,953</u>	<u>537,343</u>

The movements in the loss allowance for impairment of accounts receivable are as follows:

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
At beginning of the reporting period	31,665	12,502
Impairment losses, net (<i>note 7</i>)	18,950	19,163
	<hr/>	<hr/>
At end of the reporting period	50,615	31,665
	<hr/> <hr/>	<hr/> <hr/>

12. 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:

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Within 60 days	23,246	4,011
61 to 120 days	2,180	919
121 to 180 days	794	150
Over 180 days	5,550	4,254
	<hr/>	<hr/>
Total	31,770	9,334
	<hr/> <hr/>	<hr/> <hr/>

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

13. INTEREST-BEARING BANK AND OTHER BORROWINGS

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Bank borrowings repayable:		
Within one year	<u>25,000</u>	<u>5,000</u>
Other borrowings repayable:		
Within one year	140	21,000
In the second year	224,251	208,644
In the third year	<u>20,000</u>	<u>–</u>
Subtotal	<u>244,391</u>	<u>229,644</u>
Total	<u><u>269,391</u></u>	<u><u>234,644</u></u>
Analysed into:		
Current liabilities	25,140	26,000
Non-current liabilities	<u>244,251</u>	<u>208,644</u>

The Group's bank borrowings are unsecured and interest-bearing at fixed rates from 2.20% to 2.55% (2025: 3.45%) per annum. The Group's bank borrowings amounting to RMB15,000,000 (2025: Nil) are guaranteed by Mr. HU Shilong, and RMB10,000,000 (2025: Nil) are guaranteed by a third-party guarantee company which is counter guaranteed by Mr. HU Shilong and Ms. ZHOU Fang.

The Group's other borrowings are unsecured and due to related companies, details of which are as follows:

- (i) The other borrowings from an entity indirectly controlled by the Company's ultimate beneficial owner with principal amounts of RMB60,000,000 (2025: RMB60,000,000) and RMB70,000,000 (2025: RMB70,000,000) are interest-bearing at fixed rates of 12.0% and 12.0%, respectively, per annum (2025: 12.0% and 12.0%, respectively, per annum), and a principal amount of RMB27,000,000 (2025: RMB27,000,000) is interest-free (2025: interest-free). The repayment date of the principal and interest amounts of the Group's other borrowings has been extended from 31 March 2027 to 31 March 2028.
- (ii) The other borrowing from NINEGO Corporation with an aggregate principal amount of RMB20,000,000 (2025: RMB20,000,000) is interest-free from 1 April 2025 to 31 July 2025, and interest-bearing at a fixed rate of 8.40% per annum since 1 August 2025 (2025: interest-free), and is repayable on 1 August 2028 (2025: repayable at the first anniversary of the loan drawdown date).
- (iii) The other borrowing from FUNGHWA Ltd. with an aggregate principal amount of RMB1,000,000 as at 31 March 2025 was interest-free and has been fully repaid during the year.

14. SHARE CAPITAL

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Authorised: 10,000,000,000 (2025: 10,000,000,000) ordinary shares of HK\$0.01 each	<u>87,661</u>	<u>87,661</u>
Issued and fully paid: 4,776,019,590 (2025: 4,776,019,590) ordinary shares of HK\$0.01 each	<u>40,442</u>	<u>40,442</u>

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Year (2025: Nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 12 August 2026 to Monday, 17 August 2026 (both days inclusive) for the purpose of determining the entitlement to attend and vote at the forthcoming annual general meeting of the Company (the “AGM”). During which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all completed transfer documents accompanied by the relevant share certificate(s) must be lodged with the Hong Kong Branch Share Registrar of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 11 August 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

During the Reporting Period, the global economic recovery slowed down amidst multiple external uncertainties. Persistent geopolitical tensions and increasing cross-border trade barriers, coupled with diverging monetary policy directions of major economies, have kept the complexity, volatility, and risk level of the external business environment high. The mainland economy achieved a moderate recovery underpinned by pro-stability macroeconomic measures, yet it continued to face structural challenges such as insufficient domestic demand, overcapacity in certain sectors, and subdued market expectations, with the transition between old and new growth drivers still in a painful adjustment phase.

Meanwhile, artificial intelligence (AI) technology has been evolving at an unprecedented pace, with large language models transitioning from the early stage of intense industry-wide competition to large-scale commercial application. As a new factor of production, the strategic value of data elements has been elevated to the national level in the mainland, with supporting top-level policies being successively introduced, injecting strong growth momentum into the enterprise services and data services sectors where the Group operates.

In the face of various uncertainties in the macro environment and the definitive opportunities brought by technological transformation, the Group proactively adapted to market changes, consistently maintaining its core operational focus on enhancing customer satisfaction and sustaining steady and sustainable business development. While consolidating its inherent competitive advantages in traditional back-office services, the Group strategically intensified business development for new data-related back-office services, successfully completed the optimization and upgrading of its business structure, and achieved continuous growth in its main business revenue.

For the financial year ended 31 March 2026, the Group achieved revenue of approximately RMB1,309.4 million, an increase of 5.5% over the previous financial year, of which back-office service revenue was approximately RMB1,270.5 million, accounting for 97.0% of the Group's total revenue. The Group's long-term development strategy is underpinned by a commitment to technological innovation. With the accelerating industrialisation of artificial intelligence and the deepening iteration of enterprise customer needs, the connotation and scope of the Group's innovative businesses have continued to expand.

During the Reporting Period, the Group continued to deepen its presence in the enterprise services market across a number of specialised sectors, including the internet, financial securities, telecommunications operators, advanced manufacturing, retail, and logistics, further consolidating and broadening its cooperative relationships with leading customers in various industries. The Group maintained stable cooperation with its top five customers, while successfully securing new orders from a number of leading internet enterprises. At the operational level of traditional business, the Group actively promoted the integration of digital operation tools into the entire back-office service process, enhancing overall service delivery efficiency and customer satisfaction through tools such as intelligent scheduling, automated quality inspection, and real-time data analysis dashboards. The profitability of the traditional business segment was further optimized.

During the Reporting Period, the Group made milestone progress in the field of data services. Leveraging its years of accumulated enterprise service capabilities, large-scale talent team, and mature quality management system, the Company has, in terms of data annotation, established annotation capabilities covering text, image, voice, video, and multi-modal data. It has also entered into cooperative relationships with a number of leading domestic large model enterprises and participated in the preparation of training data for multiple large models.

The Group has always adhered to independent innovation and research and development, focusing on the integration and implementation of artificial intelligence and big data technologies with business scenarios. During the Reporting Period, R&D scenarios were further expanded to areas including data annotation products, data standard practical training systems, as well as digital operations and talent management. By virtue of its high-quality professional services and leading innovation capabilities, a subsidiary of the Group newly obtained 1 invention patent and 66 software copyrights closely related to the Group's business, accumulating a total of 6 invention patents and 438 software copyrights. It participated in the compilation of 4 group standards, including the "Technical Requirements for Multi-modal Data Fusion Processing of AI Large Models". A subsidiary of the Group was awarded the "Outstanding Contribution Enterprise in Liaoning Province's Three-Year Action for Comprehensive Revitalization and New Breakthroughs (Year of Tackling Key Problems)", and once again won honors such as the "Second Prize for Enterprise Management Innovation Achievement" in Liaoning Province and "China's Leading Enterprise in Digital Services and Service Outsourcing". Meanwhile, one of its subsidiaries was newly recognized as a "Specialized, Refined, Special and New Small and Medium-sized Enterprise", and several subsidiaries were recognized as "Fledgling Enterprises", marking a new stage for the Group's continuous scenario-based technology R&D and its service capabilities in assisting enterprise digital transformation.

To accommodate the high-growth demand of the data services business, the Group carried out forward-looking expansion and intelligent upgrades of its personnel allocation, professional equipment, and office space in advance. During the Reporting Period, the Company built or expanded its self-operated contact service centers in Dalian, Chengdu, Yibin, Hefei, Puyang and other locations, adding work environments tailored for data annotation and large model training services. As of the end of the Reporting Period, the total number of completed workstations in self-operated contact service centers reached 22,791, an increase of 3,778 from the same period last year. This further consolidated the multi-dimensional and comprehensive service capabilities covering tier 1-4 cities, providing a solid infrastructure guarantee for the high-quality delivery of data services business.

Financial Review

Results of the Group

The Group recorded a revenue of approximately RMB1,309.4 million for the Year (2025: approximately RMB1,240.7 million), representing an increase of approximately RMB68.7 million compared to that of last financial year.

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

	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
<i>Revenue from contracts with customers</i>		
Back-office services:		
Provision of customer service solutions	1,270,509	1,188,765
Set up of contact service system and centres	15	1,690
Subtotal	1,270,524	1,190,455
Comprehensive marketing and agency services	2,766	22,859
Data centre services	35,909	26,423
Total revenue from contracts with customers	1,309,199	1,239,737
<i>Revenue from other sources</i>		
Gross rental income from investment property operating leases	183	917
Total revenue	1,309,382	1,240,654

During the Year, the Group incurred cost of services of approximately RMB1,204.0 million (2025: approximately RMB1,199.9 million) which primarily consisted of staff costs, subcontracting fees, rental expenses, depreciation and amortisation. Benefiting from effective cost control and improved operational efficiency amid business optimisation, the Group's gross profit margin increased year on year.

Net other income and gains for the Year was approximately RMB20.9 million (2025: approximately RMB19.6 million).

During the year, no goodwill impairment loss was recognised for the cash-generating unit (“CGU”) of KingNine Holdings Limited and its subsidiaries (2025: approximately RMB56.7 million). The Group’s goodwill was fully impaired as at 31 March 2025.

During the Year, the Group recorded net impairment losses on financial assets of approximately RMB27.4 million (2025: approximately RMB23.3 million) for the provision of expected credit loss on accounts and other receivables.

During the Year, the Group recorded impairment of investment in an associate approximately RMB23.5 million (2025: Nil).

The Group incurred marketing, research and development expenses of approximately RMB74.4 million (2025: approximately RMB67.9 million) in aggregate during the Year. Administrative expenses for the Year was approximately RMB126.8 million (2025: approximately RMB95.8 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 Year, the Group incurred finance costs of approximately RMB19.6 million (2025: approximately RMB19.5 million) which mainly consisted of interests of bank and other borrowings and lease liabilities.

The Group’s income tax credit for the Year was approximately RMB3.7 million (2025: income tax credit of approximately RMB3.7 million) which mainly consisted of provision of PRC Enterprise Income Tax of approximately RMB0.2 million (2025: approximately RMB4.3 million), and an underprovision in prior period of approximately RMB2.0 million (2025: underprovision of approximately RMB3.4 million) and deferred tax credit of approximately RMB5.9 million (2025: approximately RMB11.3 million).

Loss attributable to owners of the Company for the Year was approximately RMB148.4 million, whereas the Group recorded a loss attributable to owners of the Company of approximately RMB207.7 million for the last financial year.

Basic losses per share for the Year was approximately RMB3.11 cents (2025: basic losses per share of approximately RMB4.35 cents), while diluted losses per share for the Year was the same as basic losses per share of approximately RMB3.11 cents (2025: diluted losses per share of approximately RMB4.35 cents).

The total assets of the Group as at 31 March 2026 decreased by approximately RMB104.0 million to approximately RMB925.1 million as compared with that of approximately RMB1,029.1 million as at 31 March 2025. The total liabilities of the Group as at 31 March 2026 increased by approximately RMB45.2 million to approximately RMB456.6 million as compared with that of approximately RMB411.4 million as at 31 March 2025. Net assets as at 31 March 2026 was approximately RMB468.6 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, interest-bearing bank and other borrowings during the Year.

As at 31 March 2026, aggregate of cash and bank balances, restricted cash and pledged bank deposits of the Group amounted to approximately RMB117.8 million (2025: approximately RMB110.9 million), which were mainly denominated in Hong Kong dollar and Renminbi ("RMB").

As at 31 March 2026, the Group had interest-bearing bank and other borrowings of approximately RMB269.4 million (2025: approximately RMB234.6 million), which were mainly denominated in RMB. The interest-bearing bank and other borrowings amounted to approximately RMB25.1 million (2025: approximately RMB26.0 million) are repayable within one year with the rest are repayable more than one year.

As at 31 March 2026, the Group had a current ratio of 3.8 and a gearing ratio of 57.5% (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 RMB269.4 million (2025: approximately RMB234.6 million) by the Group's equity of approximately RMB468.6 million (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

As at 31 March 2026, the Group had commitments of approximately RMB11.4 million (2025: Nil).

Charge on the Group's assets

As at 31 March 2026, there were no interest-bearing bank and other borrowings of the Group secured by any assets (2025: Nil).

Employees and remuneration policies

As of 31 March 2026, the Group had 15,575 employees including Directors (2025: 14,377 employees). Total staff cost (including Directors' emoluments) for the Year amounted to approximately RMB942.0 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.

The Remuneration Committee will review and determine the remuneration and compensation packages of the Directors and senior management of the Company with reference to salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group.

Contingent liabilities

As at 31 March 2026, the Group had no material contingent liabilities (2025: Nil).

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 economies of scale and gain more market share.

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.

Material acquisitions and disposals of subsidiaries and affiliated companies

The Group had no material acquisitions or disposal of subsidiaries and affiliated companies during the Year.

Future Outlook

Based on a comprehensive assessment of the global and mainland macroeconomic situation, the complexity, severity, and uncertainty of the international geopolitical landscape continue to rise. Global economic growth momentum remains weak, and the risks of trade protectionism and technological barriers will continue to exert pressure on global industrial and supply chains. The further recovery and improvement of the mainland economy still need to overcome challenges such as insufficient domestic demand, capacity mismatch in certain industries, and weak market expectations. Nevertheless, amidst the downward macro-economic pressures, there are also clear structural opportunities in specific industries.

Since 2025, AI technology, represented by large models, has been comprehensively moving from the “capability verification” stage to the “large-scale application” stage. The in-depth implementation of the State Council’s “AI+” initiative signifies that the integration of AI with the real economy has evolved from a spontaneous corporate action to a systematic project driven by national strategy.

High-quality, specialized, and compliant data has become the most core and scarce factor of production in the AI era. The industry is shifting from “competing on scale” to “competing on quality, professionalism, and compliance”. The demand for data in large model training is shifting from “volume-driven” to “quality-driven”. The demand for new types of data, such as high-quality human feedback data, multi-modal alignment data, and embodied intelligent interaction data, is growing rapidly. The premium for expert-level annotated data and vertical domain data has increased significantly. The introduction of the implementation opinions on the high-quality development of China’s data annotation industry, together with the ongoing reforms in the market-oriented allocation of data elements, provides clear policy guidance and broad market space for data service enterprises, while also imposing higher demands on their professional capabilities. Enterprises with advantages in both technology platforms and large-scale talent pools will be well-positioned to gain a competitive edge.

In addition, the BPO industry is iterating from the traditional logic of human cost compression to a new trinity model of digital and intelligent empowerment, compliance and risk control, and industrial ecosystem collaboration. With the continuous increase in the penetration of AI and automation technologies, leading service providers with proprietary digital technologies and full-chain closed-loop service capabilities are expanding their market share. For the Group, this presents both challenges and opportunities — we must accelerate our transformation into a technology-driven data services enterprise while maintaining our competitiveness in traditional services.

Data services are the Group’s most important strategic growth engine for the future. The Company will deepen its strategic cooperation with leading large model manufacturers to secure more high-value-added projects; strengthen the construction of its data security and compliance system to meet the strict requirements of sensitive industries such as finance and healthcare; and actively explore cutting-edge technologies to enhance the technological content and competitive barriers of its services.

In the traditional back-office services field, the Company will continue to maintain a dual-pronged strategy of intensive cultivation and new market expansion. On one hand, we will drive organic growth in existing client orders in tandem with clients' business expansion, and enhance service efficiency and profitability through digital tools. On the other hand, we will actively seek new clients and orders from telecom operators, traditional financial institutions, and leading emerging internet companies. At the same time, we will continue to advance the optimization and intelligent upgrading of our self-run contact service centres, providing adequate personnel, facilities and technical support for new orders.

Talent is the core competitiveness of the data services business. The Group will strengthen internal employee skill upgrade training and build a promotion channel for traditional back-office personnel to transition to data service positions; optimize the cross-regional organizational structure and operational processes, and establish an agile operational mechanism adapted to the data business. Externally, we will deepen industry-university-research collaboration with universities and research institutes, continue to participate in industry standard-setting, and enhance our industry brand influence and technological standing.

At the intersection of global industrial chain restructuring and AI-driven technological transformation, the Group maintains a clear awareness of external macro risks while firmly believing in the long-term opportunities presented by data elements and artificial intelligence. The Group will closely align with the mainland's "AI+" policy direction, take data services strategic transformation as its primary focus, and uphold customer satisfaction and steady business growth as its core objectives. Through strengthened technology-enabled innovation, the Group will continue to enhance its overall profitability, committed to delivering stable long-term returns to shareholders and contributing to the high-quality development of the mainland's AI industry.

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 Year.

CORPORATE GOVERNANCE

The Company has applied the principles of good corporate governance set out in the Corporate Governance Code contained in Appendix C1 to the GEM Listing Rules (the “CG Code”) throughout the Year.

The Board regularly monitors and reviews the Group’s progress in respect of corporate governance practices to ensure compliance with the code provisions (the “Code Provisions”) set out in the CG Code.

The Company has complied with all the Code Provisions throughout the Year.

REVIEW OF RESULTS

The Audit Committee of the Company has reviewed the accounting principles and practices adopted by the Group and the consolidated financial statements for the Year.

The figures in respect of the Group’s audited consolidated financial statement and the related notes thereto for the year ended 31 March 2026 as set out in this announcement have been agreed to the corresponding amounts set out in the Group’s consolidated financial statements for the year ended 31 March 2026, which have been audited by Ernst & Young.

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board announces that:

- (1) Mr. ZENG Liang (“Mr. ZENG”) has tendered his resignation as an independent non-executive Director, the chairman of the remuneration committee of the Company (the “Remuneration Committee”) and a member of the audit committee of the Company (the “Audit Committee”), with effect from 26 June 2026, in order to devote more time to pursue his other business commitments; and
- (2) Mr. YANG Hongjun (“Mr. YANG”) has tendered his resignation as an independent non-executive Director, a member of each of the nomination committee of the Company (the “Nomination Committee”), the Remuneration Committee and the Audit Committee, with effect from 26 June 2026, in order to devote more time to pursue his other business commitments.

Each of Mr. ZENG and Mr. YANG has confirmed that he has no disagreement with the Board and there are no matters that need to be brought to the attention of the shareholders of the Company or the Stock Exchange in relation to his resignation.

The Board would like to take this opportunity to express its appreciation to Mr. ZENG and Mr. YANG for their valuable contributions to the Company during their tenure in office.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board further announces that:

- (i) Ms. TIAN Wenyu (“Ms. TIAN”) has been appointed as an independent non-executive Director with effect from 26 June 2026; and
- (ii) Mr. JIANG Ning (“Mr. JIANG”) has been appointed as an independent non-executive Director with effect from 26 June 2026.

The biographical details of Ms. TIAN and Mr. JIANG are set out as follows:

Ms. TIAN Wenyu

Aged 37, Ms. Tian received her Bachelor's degree in Economics from the London School of Economics and Political Science, the United Kingdom in 2011 and her Master of Business Administration degree from China Europe International Business School in 2018. From July 2011 to April 2014, Ms. Tian served as a senior analyst in the investment banking division and the industrial and natural resources group of Goldman Sachs Gao Hua Securities Company Limited. From May 2014 to December 2014, Ms. Tian served as a member of the founding team and the director of marketing and sales of Beijing Guoban Technology Co., Ltd. From February 2015 to May 2016, Ms. Tian served as a member of the founding team and the director of operations of Chongzhi Network Technology (Beijing) Co., Ltd. From September 2018 to August 2020, Ms. Tian served as the associate director of commodity and structured trade finance in the Global Trade Department of HSBC Bank (China) Company Limited, Beijing Branch.

Ms. TIAN has entered into an appointment letter with the Company for an initial term of three years commencing from 26 June 2026 subject to termination in certain circumstances as stipulated in the appointment letter. Ms. TIAN is entitled to receive a director fee of HK\$120,000 per annum which was determined with reference to the prevailing market rate. Pursuant to the articles of association of the Company, Ms. TIAN shall hold office until the forthcoming annual general meeting of the Company and be eligible for re-election.

Save as disclosed above and as at the date of this announcement, Ms. TIAN (i) does not hold any other positions with the Company or other members of the Group; (ii) does not have any relationship with any Directors, senior management, substantial shareholders, or controlling shareholders of the Company; (iii) does not have any interest in the shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong ("SFO"); and (iv) has not held any directorship in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Ms. TIAN has confirmed that (i) she met the independence criteria as set out in Rule 5.09(1) to (8) of the GEM Listing Rules; (ii) she has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person (as defined under the GEM Listing Rules) of the Company; and (iii) there are no other factors that may affect her independence at the time of her appointment.

Save as disclosed above, there are no other matters concerning the appointment of Ms. TIAN that are required to be brought to the attention of the shareholders of the Company, nor is there other information that is required to be disclosed pursuant to the requirements of Rule 17.50(2) of the GEM Listing Rules.

Mr. JIANG Ning

Aged 51, Mr. Jiang received his Bachelor's degree in applied electronic technology from Shanghai Tiedao University in 1995 and his Master of Business Administration degree from Donghua University in 2014. From July 1995 to September 1997, Mr. Jiang served as a communications engineer of the Linfen Branch of Beijing Railway Bureau. From October 1997 to October 2000, Mr. Jiang served as the network product manager for Shanxi Province and the head of the engineering management section of ZTE Corporation. From November 2000 to April 2014, Mr. Jiang successively served as the manager for the North China Region in the service marketing management department, the procurement manager of the Southeast Asia Region Department, and the senior procurement manager for the PRC Region at Huawei Technologies Co., Ltd. From May 2014 to April 2024, Mr. Jiang successively served as the head of the group procurement department, the general manager of the ecological employment management department, and the head of the pan-supply chain management department of Ant Technology Group.

Mr. JIANG has entered into an appointment letter with the Company for an initial term of three years commencing from 26 June 2026 subject to termination in certain circumstances as stipulated in the appointment letter. Mr. JIANG is entitled to receive a director fee of HK\$120,000 per annum which was determined with reference to the prevailing market rate. Pursuant to the articles of association of the Company, Mr. JIANG shall hold office until the forthcoming annual general meeting of the Company and be eligible for re-election.

Save as disclosed above and as at the date of this announcement, Mr. JIANG (i) does not hold any other positions with the Company or other members of the Group; (ii) does not have any relationship with any Directors, senior management, substantial shareholders, or controlling shareholders of the Company; (iii) does not have any interest in the shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong (“SFO”); and (iv) has not held any directorship in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. JIANG has confirmed that (i) he met the independence criteria as set out in Rule 5.09(1) to (8) of the GEM Listing Rules; (ii) he has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person (as defined under the GEM Listing Rules) of the Company; and (iii) there are no other factors that may affect his independence at the time of his appointment.

Save as disclosed above, there are no other matters concerning the appointment of Mr. JIANG that are required to be brought to the attention of the shareholders of the Company, nor is there other information that is required to be disclosed pursuant to the requirements of Rule 17.50(2) of the GEM Listing Rules.

The Board would like to express its warm welcome to Ms. TIAN and Mr. JIANG for joining the Board and the Group.

CHANGE IN COMPOSITION OF BOARD COMMITTEES

The Board further announces that, Ms. TIAN has been appointed as the chairman of the Remuneration Committee and a member of the Audit Committee; and Mr. JIANG has been appointed as a member of each of the Nomination Committee, the Remuneration Committee and the Audit Committee, with effect from 26 June 2026.

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, 26 June 2026

As at the date of this announcement, 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. WANG Li, Ms. LI Guiying, Ms. TIAN Wenyu and Mr. JIANG Ning.

This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its publication. This announcement will also be published on the Company’s website at www.kwtech-group.com.