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TI Cloud Inc.

天潤云股份有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2167)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2025

The board (the “**Board**”) of directors (the “**Directors**”) of TI Cloud Inc. (the “**Company**” or “**TI Cloud**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries and consolidated affiliated entities (collectively, the “**Group**”) for the year ended December 31, 2025 (the “**Reporting Period**”), together with the comparative figures for the same period of 2024. These annual results have been audited by the Company’s auditor and reviewed by the audit committee of the Company (the “**Audit Committee**”).

In this announcement, “**we**”, “**us**”, and “**our**” refer to the Company (as defined above) and where the context otherwise requires, the Group (as defined above).

FINANCIAL HIGHLIGHTS

	Year ended December 31,		Year-on-year change
	2025	2024	
	<i>RMB’ in thousands, except percentages</i>	<i>RMB’ in thousands, except percentages</i>	
Revenue	549,685	506,355	8.6%
AI Digital Labor Solutions	10,033	333	2,920.0%
AI-Augmented Solutions	45,728	26,857	70.3%
Cloud Contact Center Solutions	461,677	447,238	3.2%
VPC and Other Solutions	32,247	31,927	1.0%
Gross profit	277,165	262,396	5.6%
Gross profit margin	50.4%	51.8%	-2.7%
Profit for the year	60,822	34,000	78.9%

The Board recommends the distribution of a final dividend of HK\$0.1 per share for the year ended December 31, 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

We reached a strategic inflection point in 2025. With the emergence of agentic AI, the customer contact industry is undergoing a fundamental paradigm shift: AI is evolving from an assistive tool into an independent source of productivity. During the Reporting Period, we committed to an “AI-first” strategy, transitioning from providing contact tools to delivering measurable productivity outcomes, and establishing the Group’s second growth curve. Based on an in-depth assessment of industry trends, we believe the competitive focus has shifted from “feature-stacking software systems” to an “AI productivity platform that can deliver sustainable, measurable business outcomes.” Accordingly, our business model is also evolving from traditional “per-seat subscription” toward outcome-based pricing tied to measurable business results.

We officially launched ZENAVA, an AI productivity platform for customer service and marketing scenarios, achieving a paradigm shift from “providing tools” to “delivering measurable productivity”:

- **Scaled growth:** During the Reporting Period, revenue from AI digital labor solutions reached RMB10.0 million, Reporting increasing approximately 30-fold from RMB0.3 million in 2024; as of the end of the period, annual recurring revenue for this business had reached RMB18.6 million. As the core engine of our AI strategy, ZENAVA demonstrated strong business penetration, with the platform’s daily token usage surpassing 10 billion, reflecting the volume and depth of AI-driven conversations processed by our platform. This milestone demonstrates that we now possess the foundational capability to support large-scale enterprise AI applications.
- **Depth of implementation:** We have successfully delivered AI digital labor solutions to more than 120 enterprise customers, taking on multiple end-to-end business processes, including service consultation, transaction processing, precision marketing, merchant operations, and in-store invitation/appointment.
- **Competitive moat:** The closed-loop decision data accumulated by ZENAVA.AI across hundreds of millions of interactions on a monthly basis is one of our core competitive advantages, making it difficult for competitors to catch up through algorithms alone. Through continuous iteration of data assets, our AI solutions demonstrate competitive advantages of “continuous evolution and increasing moat.”

At the same time, our core SaaS business is also comprehensively transforming toward AI. Driven by our mission of “reshaping enterprise interactions with AI and delivering measurable productivity improvement,” we continue to promote deep integration of AI technology with products and operational processes:

- **Empowering human employees:** Through a real-time agent assistant, we empower human agents to achieve significant improvements in service and marketing efficiency.
- **Empowering AI agents:** We provide enterprise-grade customer-contact infrastructure for third-party AI agents, embedding two decades of interaction “base layer” capabilities into the AI agent ecosystem.
- **Performance:** During the Reporting Period, revenue from AI-Augmented Solutions grew 70.3%, from RMB26.8 million in 2024 to RMB45.7 million in 2025.

Benefiting from the strong performance of these two AI businesses, revenue from our AI-related products (AI Digital Labor Solutions and AI-Augmented Solutions) increased 105.1%, from RMB27.2 million in 2024 to RMB55.8 million in 2025, with the revenue contribution surpassing 10% for the first time. Over the past year, more than 50% of newly signed customers chose our AI solutions, reflecting the market’s recognition of both “AI replacing labor” and “human – machine collaboration,” and reflecting the Group’s enhanced ability to commercialize AI solutions at scale. Driven by AI, together with structural optimization of the core SaaS business and higher operating efficiency, our net profit grew 78.9%, from RMB34.0 million in 2024 to RMB60.8 million in 2025.

Overall, our revenue increased by 8.6% from RMB506.4 million in 2024 to RMB549.7 million in 2025, primarily due to the increase in revenue generated from AI-related solutions.

We have built a broad, high-quality, and loyal customer base across multiple industries, including technology, insurance, automotive, education, healthcare, FMCG, and manufacturing. By continuously creating measurable business value for customers, we have established long-term, stable partnerships. During the Reporting Period, we maintained solid retention and, through deep service, helped customers improve service efficiency, optimize cost structure, and achieve growth goals – reinforcing our commitment to mutual growth with our customers. We evaluate customer operating quality through both customer retention rate (defined as the proportion of existing customers from the immediately previous period that remain our customers in the current period) and dollar-based net retention rate. Although retention and net retention slightly declined year-over-year due to budget tightening and the natural churn of some low-value customers, they remain within a healthy range, and expansion among high-value customers is becoming more pronounced. In 2025, customer retention rate and dollar-based net retention rate for all of our SaaS customers were 75.5% and 108.4%, respectively (versus 77.9% and 111.2% in 2024).

INDUSTRY INSIGHTS: CONTACT CENTERS ARE THE FIRST TO MOVE INTO AN “AI-DRIVEN” PARADIGM

Our management believes customer contact centers have become a primary application scenario for large-model commercialization. This paradigm shift is underpinned by four reinforcing dynamics:

- **Conversation is productivity:** The core work form of customer contact is high-frequency, intensive natural-language interaction, which naturally matches the capability boundary of large language models. The maturity of real-time speech processing and low-latency inference enables AI to assume the primary role in conversations, systematically alleviating efficiency bottlenecks in traditional manual handling.
- **Closed-loop business processes and explicit ROI:** Customer service and marketing tasks have clear start/end points and quantifiable outcome metrics. This makes it easier to translate AI agent output directly into measurable operating benefits and cost savings, significantly shortening enterprise procurement decision cycles.
- **High-density data-driven feedback loop:** Large-scale unstructured voice and text data accumulated daily in contact centers provides valuable corpora for model fine-tuning and knowledge engineering.
- **End-to-end workflow automation:** Customer contact work is highly digitized. AI agents can seamlessly access internal enterprise systems such as ERP and CRM, and reliably handle the full process from data collection to task execution and result write-back, achieving true end-to-end automation.

BUSINESS OVERVIEW

We offer a broad array of AI-native and cloud-native customer contact solutions to create exceptional customer experiences for enterprise clients and expand the frontiers of artificial intelligence applications, thereby achieving measurable business impact.

Our Offerings

We classify our products and solutions into four categories: (i) AI Digital Labor Solutions, (ii) AI-Augmented Solutions, (iii) Cloud Contact Center Solutions (collectively, the “**SaaS Model**”), and (iv) VPC and Other Solutions.

AI Digital Labor Solutions

Built on an agentic architecture, our AI digital employees operate with full autonomy across a closed loop of perception, decision and execution. Unlike traditional rule-based bots, AI digital employees are capable of handling end-to-end tasks in complex business interaction scenarios, delivering measurable productivity improvements while fundamentally reshaping the enterprise labour structure.

Core value 1: End-to-end automated delivery. Through deep integration with enterprise back-end systems (ERP, CRM, and other core business systems), AI digital employees achieve a leap from “semantic understanding” to “business operations.” In high-frequency scenarios such as customer service consultation, proactive marketing, and existing-customer operations, AI digital employees can independently complete complex transaction flows such as order changes and returns, account opening and applications, and benefit redemption – delivering a “zero human intervention” closed loop for standardized business processes.

Core value 2: Structural reshaping of ROI. We help enterprises shift contact centers from “labor-intensive” to “compute-intensive,” significantly reducing marginal cost per interaction and providing near-infinite elasticity for service scaling. Meanwhile, AI digital employees eliminate performance inconsistencies that arise when human agents handle high volumes over extended periods, ensuring consistently high-quality output at all times.

Flagship product: ZENAVA

In 2025, we launched ZENAVA, an AI productivity platform for customer service and marketing. Unlike fixed-rule automation tools, ZENAVA centers on “AI employees,” enabling natural conversation, tool invocation to execute tasks, and continuous iteration through operations – helping enterprises deliver more efficient and scalable customer service and marketing execution. ZENAVA has already been implemented across industries including consumer retail, automotive, software & IT services, hotels, and tourism, becoming a new form of “perceivable and measurable” productivity that helps enterprises drive incremental revenue, restructure cost, and improve service experience.

Case 1: A leading payments giant – A cost reduction & efficiency improvement engine under high concurrency

- **Background & pain points:** Annual transaction volume exceeded RMB1 trillion. Business growth far outpaced service capacity; the traditional manual model faced extremely high labor costs and regulatory compliance pressure.
- **AI implementation:** Introduced ZENAVA voice agents and built a 24/7 service matrix; 50 AI voice agents effectively replaced the workload of 75 traditional human roles.
- **Results:** Reduced annual operating costs by approximately RMB9 million. While sustaining rapid business growth, it effectively curbed complaint rates and achieved a closed loop from regulatory risk reduction to financial returns.

Case 2: A top Smart Lock brand – “AI installation & after-sales end-to-end digital employees” for smart home

- **Background & pain points:** Smart lock installation appointments and after-sales inquiries (e.g., battery replacement, network setup) generated massive standardized demand; manual handling was inefficient and user wait experience was poor.
- **AI implementation:** Deployed ZENAVA AI digital employees, including both text and voice agents. In voice interaction scenarios, AI employees can naturally collect information like a real person, create installation tickets, and automatically follow up after completion; in after-sales, through multi-turn dialogue combined with images, ZENAVA AI employees can accurately identify issues and guide users to resolve standardized problems quickly.
- **Results:** Independent AI handling rate increased to 86%, saving over 50% of labor costs.

AI-Augmented Solutions

Our AI-augmented product system is the hub for contact centers to leap from the “human era” to the “intelligent era,” providing enterprises with a flexible and progressive AI upgrade path. This solution both enhances human performance and serves as infrastructure to empower a broader AI agent ecosystem, mainly including:

- **Real-time agent assistant (AI Copilot):** Centered on a collaboration paradigm of “human-led, AI-assisted,” providing millisecond-level decision support for human agents, the AI Copilot spans the full interaction lifecycle: automatically summarizing customer profiles before the conversation, providing real-time scripts, knowledge recommendations, and emotion alerts during the conversation, and automatically

generating business summaries and analysis after the conversation. With real-time AI empowerment, enterprises can ensure consistently high-quality interaction output, significantly improving first-contact resolution (FCR) and lead conversion rate. This product is designed to narrow the performance gap among human agents and elevate each agent to top-performer standards.

- **Cloud contact platform capabilities for AI Agents:** Positioned as the customer-contact hub for the AI agent ecosystem, our cloud contact platform provides third-party agents with high-concurrency, low-latency, secure, and compliant interaction interfaces, enabling external AI agents to connect to our conversational foundation reliably and securely, reach end users, and complete closed-loop tasks.
- **Intelligent NLP bots:** Focused on intent recognition, semantic understanding, and intelligent routing in high-frequency business scenarios. By accurately intercepting simple repetitive inquiries, the system can automatically distribute traffic, freeing core human resources to handle more complex and high-value customer needs.

Cloud Contact Center Solutions

We deliver cloud-native customer contact services in a SaaS model. Customers can build contact capabilities without upfront software/hardware investment. Services are deployed in a public cloud environment on a subscription basis and customers can adjust the number of seats flexibly according to their business needs. This category covers products such as call centers and online customer service, aiming to help enterprises conduct customer interactions efficiently anytime, anywhere, and improve service efficiency and operating quality with intelligent tools.

VPC and Other Solutions

- **VPC solutions:** Deployed in a virtual private cloud environment for customers with stringent security requirements (typically large state-owned enterprises and multinational companies). VPC projects are often delivered in a project-based model and may include customized services.
- **Other services and product sales:** To meet the temporary needs of existing customers, we provide other services and sell supporting products.

BUSINESS OUTLOOK

Historically, when software served primarily as an assistive tool for corporate employees, TI Cloud focused on providing operational software tools for enterprise customer service and marketing teams to enhance their productivity and process standardization.

The advent of the Agentic AI era marks a paradigm shift in the customer contact domain. To this end, TI Cloud has introduced an organisational model centred on “Business Experts supported by AI Employees,” which is being increasingly adopted and recognized by enterprise clients. In this paradigm of “Led by human, executed by AI Agents,” AI Agents are no longer simple auxiliary tools but “AI Employees” capable of independently planning, executing, and optimizing business processes. These AI digital employees will work side by side with our clients’ full-time employees. These AI employees can understand customer needs, independently handle inquiries and marketing tasks, and proactively complete work alongside human colleagues, creating value on their own. AI Agents are becoming a “new workforce” that our enterprise clients can flexibly configure and call upon on-demand. Human employees, in turn, transition from executing routine tasks to planning strategy and overseeing AI performance. In the future, we are committed to providing AI digital employees for our enterprise clients’ customer contact scenarios, becoming a business partner for enterprise clients.

As AI Agents enter the acceleration phase, TI Cloud will implement the following strategies to drive market expansion and strengthen corporate competitiveness in the AI era:

- Establish a “scenario → data → model → value” AI growth flywheel in multiple customer market verticals. In the field of customer contact, a successful AI growth model does not stem from a single technological breakthrough but from a closed-loop growth flywheel. Similarly, a successful AI Agent product is not a general-purpose solution but a specialised digital employee designed to address a specific business need. We believe this growth flywheel, composed of four key links – scenario definition, data accumulation, model optimization, and customer value – is the key path for AI Agents to achieve large-scale commercialization in the customer contact domain.
- Transform “conversational AI Agents” into TI Cloud’s core product, and invest the company’s main R&D resources into AI-related technology, especially in the practical application of model fine-tuning, knowledge engineering, and natural human-machine integration based on industry scenarios. Meanwhile, we will actively explore the latest AIGC and Agentic AI technology both domestically and internationally, and continue to advance the application of “AI + customer contact solutions.”
- Effectively strengthen our sales and marketing capabilities, advancing AI Agents from concept to a proven productivity solution for customer contact. This involves clearly defining the contact scenarios for clients in different industries, enabling us to provide digital employees for more enterprise clients. In the future, we will continue to expand our sales coverage in the Bohai Rim, East China, Pearl River Delta, and Chengdu-Chongqing regions and implement the Account-Based Marketing methodology to enhance customer acquisition efficiency.

FINANCIAL REVIEW

Revenue

Our revenue increased by 8.6% from RMB506.4 million in 2024 to RMB549.7 million in 2025, primarily attributable to an increase in revenue generated from AI-related solutions.

Revenue by businesses

In 2025, we derived our revenue from providing (i) AI Digital Labor Solutions, (ii) AI-Augmented Solutions, (iii) Cloud Contact Center Solutions, and (iv) VPC and Other Solutions. The following table sets forth a breakdown of our revenue by businesses for the periods indicated.

	For the Year Ended December 31,				Year-on-year change
	2025	Percentage	2024	Percentage	
	<i>RMB'000</i>	<i>of total</i>	<i>RMB'000</i>	<i>of total</i>	
SaaS Model	517,438	94.1%	474,428	93.7%	9.1%
AI Digital Labor Solutions	10,033	1.8%	333	0.1%	2920.0%
AI-Augmented Solutions	45,728	8.3%	26,857	5.3%	70.3%
Cloud Contact Center Solutions	461,677	84.0%	447,238	88.3%	3.2%
VPC and Other Solutions	32,247	5.9%	31,927	6.3%	1.0%
Total	<u>549,685</u>	<u>100.0%</u>	<u>506,355</u>	<u>100.0%</u>	<u>8.6%</u>

In 2025, we generated a revenue of RMB517.4 million from the SaaS model, representing an increase of 9.1% from RMB474.4 million in 2024. In the same period, we served a total number of 3,019 group clients under the SaaS model, decreasing by 13.6% from 3,496 in 2024, as a result of our increased focus on high-value clients.

In 2025, we generated a revenue of RMB32.2 million from the VPC and other solutions, representing a slight increase of 1.0% from RMB31.9 million in 2024. In the same period, we served 89 VPC clients, as compared to 91 in 2024.

Cost of sales

Our cost of sales increased by 11.7% from RMB244.0 million in 2024 to RMB272.5 million in 2025. The increase was mainly driven by the increase in our revenue during the same period.

The following table sets forth our cost of sales by businesses both in absolute amount and as a percentage of our total revenue for the periods indicated.

	2025		2024		Year-on- Year change
	<i>RMB'000</i>	<i>Percentage of total</i>	<i>RMB'000</i>	<i>Percentage of total</i>	
SaaS Model	256,238	94.0%	227,977	93.4%	12.4%
AI Digital Labor					
Solutions	5,944	2.2%	209	0.1%	2757.0%
AI-Augmented					
Solutions	15,592	5.7%	10,017	4.1%	55.7%
Cloud Contact Center					
Solutions	234,702	86.1%	217,751	89.3%	7.8%
VPC and Other					
Solutions	16,282	6.0%	15,982	6.6%	1.9%
Total	<u>272,520</u>	<u>100.0%</u>	<u>243,959</u>	<u>100.0%</u>	<u>11.7%</u>

Gross profit and gross profit margin

As a result of the foregoing, we recorded (i) a gross profit of RMB262.4 million and RMB277.2 million in 2024 and 2025, respectively, and (ii) a gross profit margin of 51.8% and 50.4% in 2024 and 2025, respectively.

The following table sets forth a breakdown of our gross profit and gross profit margin by businesses for the periods indicated.

	For the Year Ended December 31,			
	2025		2024	
	Gross profit <i>RMB'000</i>	Gross profit margin	Gross profit <i>RMB'000</i>	Gross profit margin
SaaS Model	261,200	50.5%	246,451	51.9%
AI Digital Labor Solutions	4,089	40.8%	124	37.4%
AI-Augmented Solutions	30,136	65.9%	16,840	62.7%
Cloud Contact Center Solutions	226,975	49.2%	229,487	51.3%
VPC and Other Solutions	15,965	49.5%	15,945	49.9%
Total	277,165	50.4%	262,396	51.8%

Other income and gains

Our other income and gains decreased by 5.1% from RMB11.8 million in 2024 to RMB11.2 million in 2025, primarily due to a decrease in bank interest income.

The following table sets forth a breakdown of the components of our other income and gains in absolute amount and as a percentage of our total other income and gains for the periods indicated.

	For the Year Ended December 31,			
	2025		2024	
	<i>RMB'000</i>	<i>Percentage of total</i>	<i>RMB'000</i>	<i>Percentage of total</i>
Other Income:				
Bank interest income	6,731	60.0%	8,126	68.7%
Investment income from financial investments at amortised cost	811	7.2%	485	4.1%
Investment income from financial investments at fair value through profit or loss	769	6.9%	1,298	11.0%
Government grant	1,539	13.7%	1,793	15.1%
Others	463	4.1%	42	0.4%
Gains:				
Fair value gains on financial investments at fair value through profit or loss	685	6.1%	0	0.0%
Foreign exchange gains, net	226	2.0%	0	0.0%
Gain on early termination of leases	2	0.0%	84	0.7%
Total	11,226	100%	11,828	100%

Selling and distribution expenses

Our selling and distribution expenses stayed relatively stable at RMB111.4 million in 2024 and RMB111.5 million in 2025.

Administrative expenses

Our administrative expenses increased by 22.8% from RMB38.8 million in 2024 to RMB47.7 million in 2025, mainly due to an increase in employee compensation.

Research and development expenses

Our research and development expenses decreased by 15.6% from RMB82.3 million in 2024 to RMB69.4 million in 2025, mainly due to the effective optimization of our R&D processes, which improved our R&D efficiency and productivity.

The following table sets forth a breakdown of the major components of our research and development expenses both in absolute amount and as a percentage of revenue for the periods indicated.

	For the Year Ended December 31,			
	2025		2024	
	<i>RMB'000</i>	<i>Percentage of total</i>	<i>RMB'000</i>	<i>Percentage of total</i>
Research and Development Expenses:				
Employee benefit expenses	60,148	86.7%	75,662	92.0%
Others ⁽¹⁾	9,264	13.3%	6,602	8.0%
Total	69,412	100.0%	82,264	100.0%

Note:

- (1) Our other research and development expenses mainly consisted of (i) depreciation of property, plant and equipment, (ii) amortisation of intangible assets, and (iii) other miscellaneous fees.

Impairment losses on financial assets

We recorded a reversal of impairment loss on financial assets of RMB1.2 million in 2025, as compared to an impairment loss on financial assets of RMB4.6 million in 2024, due to a decrease in the proportion of long-term receivables.

Other expenses and losses

We recorded other expenses and losses of RMB1,203 thousand in 2024 and RMB167 thousand in 2025.

Finance cost

Our finance costs represent interest expenses on our lease liabilities. Our finance costs amounted to RMB469 thousand and RMB334 thousand in 2024 and 2025, respectively.

Profit for the year

As a result of the foregoing, we generated a profit of RMB34.0 million in 2024 and a profit of RMB60.8 million in 2025, which was primarily attributable to an increase in revenue generated from AI-Augmented Solutions and Cloud Contact Center Solutions.

Contract assets

Our contract assets decreased by 76.6% from RMB1.1 million as of December 31, 2024 to RMB0.3 million as of December 31, 2025, mainly due to a decrease in our VPC and other solutions business.

Financial investments at fair value through profit or loss

Our financial investments at fair value through profit or loss decreased by 24.8% from RMB58.4 million as of December 31, 2024 to RMB44.0 million as of December 31, 2025, primarily due to a decrease in structured deposits as of December 31, 2025.

Financial Position, Liquidity and Capital Resources

We have adopted a prudent treasury management policy. To manage the liquidity risk, we monitor and maintain a level of cash and cash equivalents deemed adequate by our senior management to finance our operations and mitigate the effects of fluctuations in cash flows.

In 2025, we funded our cash requirements principally from cash generated from operating activities. Our cash and cash equivalents represent cash and bank balances. We had cash and cash equivalents of RMB158.6 million as stated in the consolidated statement of financial position as of December 31, 2025. As of December 31, 2025, our Group did not have any interest-bearing bank and other borrowings. Thus, neither the gearing ratio nor the debt-to-equity ratio was applicable to our Group.

The following table sets forth our cash flows for the periods indicated:

	Year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Net cash generated from operating activities	42,514	37,112
Net cash generated from/(used in) investing activities	2,869	(62,413)
Net cash used in financing activities	(23,125)	(7,764)
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	22,258	(33,065)
Cash and cash equivalents at the beginning of the year	136,579	169,472
Effects of foreign exchange rate changes, net	(220)	172
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	<u>158,617</u>	<u>136,579</u>

Going forward, we believe that our liquidity requirements will be satisfied by using a combination of cash generated from operating activities and the net proceeds received from the Global Offering. We currently do not have any other plans for material additional external financing.

Net Cash Generated from Operating Activities

In 2025, net cash generated from operating activities was RMB42.5 million, which was primarily attributable to our profit before tax of RMB60.5 million, as adjusted by (i) non-cash items, which primarily comprised of depreciation of right-of-use assets of RMB6.7 million and interest income of RMB6.7 million, and (ii) changes in working capital, which primarily comprised of an increase in trade receivables of RMB28.7 million, an increase in restricted cash of RMB17.0 million, and an increase in contract liabilities of RMB15.6 million.

In 2024, net cash generated from operating activities was RMB37.1 million, which was primarily attributable to our profit before tax of RMB35.4 million, as adjusted by (i) non-cash items, which primarily comprised of depreciation of right-of-use assets of RMB7.4 million and interest income of RMB8.1 million, and (ii) changes in working capital, which primarily comprised of an increase in trade receivables of RMB19.5 million, and an increase in contract liabilities of RMB6.1 million.

Net Cash Generated from/(Used in) Investing Activities

In 2025, net cash generated from investing activities was RMB2.9 million, which was primarily attributable to payments of RMB230.2 million for placement of time deposits with original maturity over three months, and purchase of financial investments at fair value through profit or loss of RMB201.0 million, which was partially offset by proceeds of RMB253.4 million from withdrawal of time deposits with original maturity over three months when acquired.

In 2024, net cash used in investing activities was RMB62.4 million, which was primarily attributable to payments of RMB381.0 million for placement of time deposits with original maturity over three months, which was partially offset by proceeds of RMB337.8 million from withdrawal of time deposits with original maturity over three months when acquired.

Net Cash Used in Financing Activities

In 2025, net cash used in financing activities was RMB23.1 million, which was attributable to payments of dividend of RMB15.9 million.

In 2024, net cash used in financing activities was RMB7.8 million, which was attributable to payments of lease principal.

Significant Investments Held

The Group did not make or hold any significant investments during the Reporting Period.

Future Plans for Material Investments and Capital Assets

As of December 31, 2025, we did not have plans for material investments and capital assets.

Material Acquisitions and/or Disposals of Subsidiaries and Affiliated Companies

We did not have any material acquisitions and/or disposals of subsidiaries and affiliated companies for the year ended December 31, 2025.

Environmental, Social and Governance

We are committed to promoting corporate social responsibility and sustainable development and integrating it into all major aspects of our business operations.

While our business operations do not produce pollutants that directly affect the environment, we have implemented internal policies to reduce our environmental impact and carbon footprint, such as sending daily energy-saving reminders to employees, which urge them to turn off indoor lights, electronic equipment and air conditioning in time after leaving the meeting room and before getting off work; imposing temperature controls for air conditioning; and setting up a wastebasket to recycle paper that can be reused (such as those with only one side used).

We are committed to corporate responsibility projects, both through charitable endeavors and by extending the benefits of our ecosystem to the society at large. We have been continuously dedicating ourselves to the development of social and public welfare undertakings. By building staff volunteer teams, we encourage and organize our employees to participate in various voluntary activities. We also keep close ties with the public and continuously strive to improve people's well-being. Since 2020, the Company has donated around RMB556,600 for charity and other purposes.

We are committed to cultivating a collaborative company culture that inspires teamwork. We value the contribution of each employee in different roles and strive to provide a fair and balanced compensation scheme that provides proper incentives.

During the Reporting Period, our Board has the collective responsibility for formulating, adopting and reviewing our environmental, social and corporate governance (“**ESG**”) vision, policy and target, and evaluating, determining and addressing our ESG-related risks at least once a year. During the Reporting Period, our Board engaged an independent third party to evaluate our ESG risks and review our existing strategy, target and internal controls.

Employee and Remuneration Policy

The following table sets forth the numbers of our employees dedicated to our business and operations categorized by function as of December 31, 2025.

Function	Number of Employees	% of Total
Research and development	167	37.4%
Sales	144	32.3%
Operations	103	23.1%
Management	32	7.2%
Total	446	100.0%

As required by laws and regulations in the People’s Republic of China (“**PRC**”), we participate in various employee social security plans that are organized by municipal and provincial governments, including, among other things, pension, medical insurance, unemployment insurance, maternity insurance, on-the-job injury insurance and housing fund plans through a PRC government-mandated benefit contribution plan. We are required under PRC law to make contributions to employee benefit plans at specified percentages of the salaries, bonuses and certain allowances of our staff, up to a maximum amount specified by the local government from time to time.

We continuously invest in the training and career development of our employees. We have established a comprehensive training and development system covering corporate culture, employee rights and responsibilities, job performance, technical skills and safety management. We also support the health and well-being of our employees by, among other measures, offering free annual health checkups.

The Company also has a pre-IPO employee share incentive plan (“**Share Incentive Plan**”).

The Share Incentive Plan provides for awards of RSUs, shares issued subject to forfeiture or repurchase by the Company until vested, and other share-based awards or rights. The Share Incentive Plan shall be valid and effective until the close of business of the Company on the date which falls ten years after May 13, 2021 (being the adoption date). During the Reporting Period, no new grants were made under the Share Incentive Plan.

The total remuneration expenses, including share-based payments, for the year ended December 31, 2025 were RMB180.2 million, as compared to RMB197.2 million for the year ended December 31, 2024, representing a year-on-year decrease of 8.6%.

Foreign Exchange Risk

We conduct our businesses mainly in Renminbi (“**RMB**”). Foreign exchange risk arises when future commercial transactions or recognized financial assets and liabilities are denominated in a currency that is not the respective functional currency of our entities. Throughout the year ended December 31, 2025, exchange gains and losses from foreign currency transactions denominated in a currency other than the functional currency were insignificant. The Board does not expect that the fluctuation of RMB exchange rate and other foreign exchange fluctuations will have a material impact on the business operations of the Group. The Group currently has no hedging policy with respect to foreign exchange risks. Therefore, the Group has not entered into any hedging transactions to manage potential fluctuation in foreign currencies.

Capital Commitments

As of December 31, 2025, the Group had no capital commitment.

Contingent Liabilities

As of December 31, 2025, we did not have any material contingent liabilities or guarantees.

Important Events after the End of the Reporting Period

The Company repurchased a total of 115,400 ordinary shares of the Company (the “**Shares**”) at an aggregate consideration of HK\$487,628 from January 2026 to February 2026, see “Purchase, Sale or Redemption of the Company’s Listed Securities.”

As of the date of this announcement, there were no other significant events that might affect the Group since December 31, 2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
REVENUE	5	549,685	506,355
Cost of sales		(272,520)	(243,959)
Gross profit		277,165	262,396
Other income and gains	5	11,226	11,828
Selling and distribution expenses		(111,487)	(111,430)
Administrative expenses		(47,683)	(38,829)
Research and development expenses		(69,412)	(82,264)
Reversal of impairment losses/(Impairment losses) on financial and contract assets, net		1,226	(4,636)
Other expenses and losses		(167)	(1,203)
Finance costs	7	(334)	(469)
PROFIT BEFORE TAX	6	60,534	35,393
Income tax credit/(expense)	8	288	(1,393)
PROFIT FOR THE YEAR		60,822	34,000
EARNINGS PER SHARE			
Basic and diluted (RMB cents)	10	34.99	19.55

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
PROFIT FOR THE YEAR	<u>60,822</u>	<u>34,000</u>
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of a subsidiary not operating in Chinese mainland	<u>676</u>	<u>(3,889)</u>
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the Company	<u>(5,724)</u>	<u>5,176</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	<u>(5,048)</u>	<u>1,287</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>55,774</u></u>	<u><u>35,287</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		2,090	1,876
Right-of-use assets		8,623	8,670
Goodwill	<i>11</i>	96,220	97,852
Other intangible assets		9,355	11,725
Prepayments, other receivables and other assets		1,593	552
Financial investments		44,114	3,379
Restricted cash		–	168
Time deposits		31,507	35,452
Deferred tax assets		–	3
		<hr/>	<hr/>
Total non-current assets		193,502	159,677
CURRENT ASSETS			
Trade and bills receivables	<i>12</i>	137,680	107,364
Contract assets	<i>13</i>	262	1,120
Contract costs	<i>14</i>	2,559	5,122
Prepayments, other receivables and other assets		20,219	24,802
Prepaid tax		1,783	–
Financial investments		65,660	70,201
Restricted cash		19,585	2,405
Time deposits		107,488	137,828
Cash and cash equivalents		158,617	136,579
		<hr/>	<hr/>
Total current assets		513,853	485,421

	<i>Notes</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
CURRENT LIABILITIES			
Trade payables	<i>15</i>	35,069	28,744
Contract liabilities	<i>16</i>	67,474	51,894
Other payables and accruals		47,766	46,509
Lease liabilities		4,268	6,336
Tax payable		460	1,280
		<hr/>	<hr/>
Total current liabilities		155,037	134,763
		<hr/>	<hr/>
NET CURRENT ASSETS		358,816	350,658
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		552,318	510,335
		<hr/>	<hr/>
NON-CURRENT LIABILITIES			
Lease liabilities		4,033	2,045
Deferred tax liabilities		285	837
		<hr/>	<hr/>
Total non-current liabilities		4,318	2,882
		<hr/>	<hr/>
Net assets		548,000	507,453
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
Share capital		114	114
Treasury shares		(1,085)	(576)
Reserves		548,971	507,915
		<hr/>	<hr/>
Total equity		548,000	507,453
		<hr/> <hr/>	<hr/> <hr/>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Notes	Share capital RMB'000	Treasury shares RMB'000	Share premium* RMB'000	Capital reserve* RMB'000	Share-based payment reserve* RMB'000	Reserve funds* RMB'000	Exchange fluctuation reserve* RMB'000	Retained profits* RMB'000	Total RMB'000
At 1 January 2025		114	(576)	247,984	95,790	6,355	28,065	14,500	115,221	507,453
Profit for the year		-	-	-	-	-	-	-	60,822	60,822
Other comprehensive loss for the year:										
Exchange differences on translation of the Company and a subsidiary not operating in Chinese mainland		-	-	-	-	-	-	(5,048)	-	(5,048)
Total comprehensive income for the year		-	-	-	-	-	-	(5,048)	60,822	55,774
Equity-settled share-based payment arrangements		-	-	-	-	1,206	-	-	-	1,206
Transfer of share-based payment reserve upon the release and conversion of restricted share units into ordinary shares		-	-	-	327	(327)	-	-	-	-
Final 2024 dividend	10	-	-	-	-	-	-	-	(15,924)	(15,924)
Shares repurchased		-	(509)	-	-	-	-	-	-	(509)
Transfer from retained profits		-	-	-	-	-	264	-	(264)	-
At 31 December 2025		<u>114</u>	<u>(1,085)</u>	<u>247,984</u>	<u>96,117</u>	<u>7,234</u>	<u>28,329</u>	<u>9,452</u>	<u>159,855</u>	<u>548,000</u>

	Notes	Share capital RMB'000	Treasury shares RMB'000	Share premium* RMB'000	Capital reserve* RMB'000	Share-based payment reserve* RMB'000	Reserve funds* RMB'000	Exchange fluctuation reserve* RMB'000	Retained profits* RMB'000	Total RMB'000
At 1 January 2024		114	-	247,984	95,790	3,978	27,719	13,213	81,567	470,365
Profit for the year		-	-	-	-	-	-	-	34,000	34,000
Other comprehensive income for the year:										
Exchange differences on translation of the Company and a subsidiary not operating in Chinese mainland		-	-	-	-	-	-	1,287	-	1,287
Total comprehensive income for the year		-	-	-	-	-	-	1,287	34,000	35,287
Equity-settled share-based payment arrangements		-	-	-	-	2,377	-	-	-	2,377
Shares repurchased		-	(576)	-	-	-	-	-	-	(576)
Transfer from retained profits		-	-	-	-	-	346	-	(346)	-
At 31 December 2024		<u>114</u>	<u>(576)</u>	<u>247,984</u>	<u>95,790</u>	<u>6,355</u>	<u>28,065</u>	<u>14,500</u>	<u>115,221</u>	<u>507,453</u>

* These reserve accounts comprise the consolidated reserves of RMB548,971,000 (2024: RMB507,915,000) in the consolidated statement of financial position as at 31 December 2025.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	<i>Notes</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		60,534	35,393
Adjustments for:			
Finance costs	7	334	469
Interest income	5	(6,731)	(8,126)
Investment income	5	(1,580)	(1,783)
Fair value losses/(gains) on financial investments at fair value through profit or loss, net	5, 6	(685)	169
Loss on disposal/write-off of property, plant and equipment	6	22	61
Gain on early termination of a lease	5	(2)	(84)
Loss on lease modifications	6	34	–
Depreciation of property, plant and equipment	6	692	932
Depreciation of right-of-use assets	6	6,681	7,402
Amortisation of other intangible assets	6	3,265	3,176
Impairment/(reversal of impairment) of financial and contract assets, net	6	(1,226)	4,636
Equity-settled share-based payment expense		1,206	2,377
		62,544	44,622
Increase in trade and bills receivables		(28,679)	(19,484)
Decrease in contract assets		401	150
Decrease in contract costs		2,563	3,423
Decrease in prepayments, other receivables and other assets		3,494	2,647
Increase in trade payables		6,325	1,787
Increase in contract liabilities		15,580	6,050
Decrease/(increase) in other payables and accruals		1,203	(2,054)
Increase in restricted cash		(17,012)	(1,903)
Effect of foreign exchange rate changes, net		(1,927)	1,575
		44,492	36,813
Cash generated from operations		44,492	36,813
Interest received		1,220	927
Interest paid		(334)	(469)
Chinese mainland corporate income tax paid, net		(2,662)	(159)
Hong Kong profits tax paid		(202)	–
		42,514	37,112
Net cash flows from operating activities		42,514	37,112

<i>Notes</i>	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	5,277	6,586
Purchases of property, plant and equipment	(946)	(874)
Proceeds from disposal of property, plant and equipment	18	15
Purchases of other intangible assets	(895)	(2,088)
Acquisition of a business	–	(1,000)
Placement of time deposits with original maturity over three months when acquired	(230,215)	(380,987)
Withdrawal of time deposits with original maturity over three months when acquired	253,378	337,750
Investment in financial investments at fair value through profit or loss	–	(3,553)
Purchases of financial investments at fair value through profit or loss	(201,000)	(250,000)
Proceeds from maturity of financial investments at fair value through profit or loss	216,838	246,385
Purchase of financial investments at amortised cost	(70,000)	(40,000)
Proceeds from maturity of financial investments at amortised cost	30,414	25,353
Net cash flows from/(used in) investing activities	2,869	(62,413)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repurchase of shares	(509)	(576)
Principle portion of lease payments	(6,746)	(7,188)
Dividends paid	(15,870)	–
Net cash flows used in financing activities	(23,125)	(7,764)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		
	22,258	(33,065)
Cash and cash equivalents at beginning of year	136,579	169,472
Effect of foreign exchange rate changes, net	(220)	172
CASH AND CASH EQUIVALENTS AT END OF YEAR	158,617	136,579

	<i>Notes</i>	2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		84,959	100,760
Short-term deposits		35,000	35,000
Time deposits with original maturity dates of within three months when acquired		38,658	819
		<hr/>	<hr/>
Cash and cash equivalents as stated in the statement of cash flows and statement of financial position		158,617	136,579
		<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL INFORMATION

1. CORPORATE INFORMATION

TI Cloud Inc. (the “**Company**”) is an exempted company with limited liability incorporated in the Cayman Islands on 31 March 2021. The ordinary shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with effect from 30 June 2022. The registered office of the Company is located at the offices of ICS Corporate Services (Cayman) Limited, 3–212 Governors Square, 23 Lime Tree Bay Avenue, P.O. Box 30746, Seven Mile Beach, Grand Cayman KY1-1203, Cayman Islands.

During the year, the Company and its subsidiaries (collectively referred to as the “**Group**”) were principally engaged in the provision of artificial intelligence-based cloud customer contact solution software and related services in Software as a Service (“**SaaS**”) model and Virtual Private Cloud (“**VPC**”) model.

Information about subsidiaries

Particulars of the Company’s principal subsidiaries as at the end of the reporting period are as follows:

Name	Place and date of incorporation/ registration and place of operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
TI Cloud (HK) Limited (“ TI HK ”)	Hong Kong 16 April 2021	HK\$1	100	–	Investment holding
TI Cloud (Beijing) Technology Co., Ltd. ^① (“ WFOE ”) (天潤雲(北京)科技有限公司)	People’s Republic of China (“ PRC ”)/Chinese mainland 28 April 2021	USD50,000,000	–	100	Investment holding
Beijing T&I Net Communication Technology Co., Ltd. ^② (“ T&I Net Communication ”) (北京天潤融通科技股份有限公司)	PRC/Chinese mainland 23 February 2006	RMB51,660,000	–	100	Sales of customer contact solution software and related services and products, provision of technology support services, and research and development of communication software
Beijing Xunchuan Rongtong Technology Co., Ltd. ^③ (“ Xunchuan Rongtong Technology ”) (北京迅傳融通科技有限公司)	PRC/Chinese mainland 22 October 2007	RMB10,000,000	–	100	Sales of customer contact solution software and related services and products, and provision of technology support services
Shanghai Tianrun Rongtong Information Technology Co., Ltd. ^④ (“ Shanghai Tianrun Rongtong ”) (上海天潤融通信息科技有限公司)	PRC/Chinese mainland 21 November 2012	RMB10,000,000	–	100	Provision of technology support services
Shanghai Xinfeng Information Technology Co., Ltd. ^⑤ (“ Xinfeng Information Technology ”) (上海欣峰信息科技有限公司)	PRC/Chinese mainland 24 April 2012	RMB10,000,000	–	100	Provision of technology support services

1. CORPORATE INFORMATION (CONTINUED)

Information about subsidiaries (Continued)

Name	Place and date of incorporation/ registration and place of operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Nanjing Guanxun Information Technology Co., Ltd. ^{^*} (“Guanxun Information Technology”) (南京冠迅信息科技有限公司)	PRC/Chinese mainland 26 April 2018	RMB10,000,000	–	100	Research and development of customer contact solution
Chengdu Tianrun Golden Armor Technology Co., Ltd. ^{^*} (“Tianrun Golden Armor”) (成都天潤金鎧甲科技有限公司)	PRC/Chinese mainland 7 December 2022	RMB20,000,000	–	100	Sales of customer contact solution software and related services and products, provision of technology support services, and research and development of communication software
Beijing Yizhang Yunfeng Technology Co., Ltd. ^{^*} (“Yizhang Yunfeng”) (北京易掌雲峰科技有限公司)	PRC/Chinese mainland 27 April 2013	RMB63,550,211	–	100	Sales of customer contact solution software and related services and products, provision of technology support services, and research and development of communication software

T&I Net Communication was the immediate holding company of Xunchuan Rongtong Technology, Shanghai Tianrun Rongtong, Xinfeng Information Technology, Guanxun Information Technology and Tianrun Golden Armor.

© This company is registered as a wholly-foreign-owned enterprise under PRC law.

^ These companies are registered as limited liability enterprises under PRC law, except for T&I Net Communication which is registered as a joint stock limited enterprise under PRC law.

* The English names of these subsidiaries represent the best efforts made by the management of the Company to translate the Chinese names as they do not have an official English names registered in the PRC.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards (“**IASs**”) and Interpretations) as promulgated by the International Accounting Standards Board (the “**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial investments 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.

Contractual arrangements

Due to regulatory restrictions on foreign ownership in providing telecommunication services in Chinese mainland, the Group’s business was carried out by T&I Net Communication, the investment holding and operating company whose shares were indirectly held by the then registered shareholders of the Company prior to the completion of the reorganisation in preparation for the initial listing of the shares of the Company (the “**IPO**”) on the Main Board of the Stock Exchange in 2021 (the “**Reorganisation**”), as well as its subsidiaries operating in Chinese mainland during the year. As part of the Reorganisation, on 12 May 2021, WFOE, T&I Net Communication and/or the then registered shareholders of T&I Net Communication entered into a set of contractual arrangements, including an exclusive consulting services agreement, an exclusive purchase option agreement, equity pledge agreements, a voting proxy agreement, spousal consents as well as powers of attorney, which enable the Company to exercise effective control over T&I Net Communication and obtain substantially all economic benefits of T&I Net Communication. Accordingly, T&I Net Communication has since been effectively controlled by the Company based on the aforementioned contractual arrangements notwithstanding that the Company does not have any direct or indirect equity interest in T&I Net Communication.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2025. 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 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.

2. ACCOUNTING POLICIES (CONTINUED)

2.1 BASIS OF PREPARATION (CONTINUED)

Basis of consolidation (Continued)

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 parent of the Group 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 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.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to IAS 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 IAS 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 Group entities 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 IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 Disclosures about Uncertainties in the Financial Statements, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS 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. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Accounting for companies governed under the contractual arrangements as subsidiaries

The Company does not directly or indirectly hold any equity interests in T&I Net Communication and its subsidiaries. Nevertheless, under the contractual arrangements as detailed in note 2.1 to the financial statements, the directors of the Company determine that the Group has the power to govern the financial and operating policies of T&I Net Communication so as to obtain benefits from its activities. As such, T&I Net Communication is accounted for as a subsidiary of the Group for accounting purposes.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has tax losses of RMB304,878,000 (2024: RMB297,837,000) carried forward. These losses related to subsidiaries that have a history of losses, have not expired, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

Further details on deferred taxes are disclosed in the consolidated financial statements.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (Continued)

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units (the “CGUs”) to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the CGUs and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2025 was RMB96,220,000 (2024: RMB97,852,000). Further details are given in note 11 to the financial statements.

Provision for expected credit losses on trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on the ageing for groupings of various customer segments that have similar loss patterns, where applicable.

The provision matrix is initially based on the Group’s historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At the end of each reporting period, the historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of a customer’s actual default in the future. The information about the ECLs on the Group’s trade receivables and contract assets is disclosed in notes 12 and 13 to the financial statements, respectively.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group has only one reportable operating segment, which is the provision of artificial intelligence-based customer contact solution software and related services in SaaS model and VPC model. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

(a) Revenue from external customers

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Chinese mainland	548,687	504,977
Hong Kong	998	1,378
Total	549,685	506,355

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

(b) Non-current assets

All of the Group's non-current assets were located in Chinese mainland as at the end of the reporting period (2024: Chinese mainland).

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

Information about major customers

During the year, there was no customer individually accounted for more than 10% of the Group's revenue (2024: Nil).

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue from contracts with customers is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
SaaS solutions	517,438	474,428
VPC solutions	22,461	27,568
Other services and product sales	9,786	4,359
Total	549,685	506,355

5. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Transfer over time:		
SaaS solutions	517,438	474,428
VPC solutions	4,124	4,889
Other services and product sales	9,475	4,230
	<hr/>	<hr/>
Subtotal	531,037	483,547
	<hr/>	<hr/>
Transfer at a point in time:		
VPC solutions	18,337	22,679
Other services and product sales	311	129
	<hr/>	<hr/>
Subtotal	18,648	22,808
	<hr/>	<hr/>
Total	549,685	506,355
	<hr/> <hr/>	<hr/> <hr/>

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
SaaS solutions	50,453	44,902
VPC solutions	1,426	823
Other services and product sales	15	119
	<hr/>	<hr/>
Total	51,894	45,844
	<hr/> <hr/>	<hr/> <hr/>

Information about the Group's performance obligations is summarised below:

SaaS solutions

The performance obligation is satisfied over time as services are rendered and payment is generally due within 90 days from the billing date, except for small-sized customers where payment in advance is normally required.

5. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

VPC solutions

The performance obligation of customisation services is satisfied at a point of time, i.e., upon acceptance of customised services by customers, and payment is generally due within 30 days from the date of acceptance. A certain percentage of payment is retained by customers until the end of the retention period as the Group's entitlement to the final payment is conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The performance obligation of extended warranty services is satisfied over the period of extended warranty services rendered, and payment is generally due within 90 days from the billing date.

Other services and product sales

The performance obligation of other services is satisfied over time as services are rendered and payment is generally due within 90 days from the billing date. The performance obligation of product sales is satisfied upon delivery of the products and payment is generally due within 30 days from delivery, except for small-sized customers where payment in advance is normally required.

The Group has selected to choose practical expedients not to disclose the amounts of transaction prices allocated to the remaining performance obligations as at the end of the reporting period because the Group's services of SaaS solutions and VPC solutions are either (i) expected to be recognised as revenue within one year, or (ii) billed to the customers based on usage with pre-determined rates and as the performance obligations are satisfied.

An analysis of the Group's other income and gains is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Other income		
Bank interest income	6,731	8,126
Investment income from financial investments at amortised cost	811	485
Investment income from financial investments at fair value through profit or loss	769	1,298
Government grant*	1,539	1,793
Others	463	42
	<hr/>	<hr/>
Total other income	10,313	11,744
	<hr/>	<hr/>
Gains		
Fair value gains on financial investments at fair value through profit or loss	685	–
Gain on early termination of a lease	2	84
Foreign exchange gains, net	226	–
	<hr/>	<hr/>
Total gains	913	84
	<hr/>	<hr/>
Total other income and gains	11,226	11,828
	<hr/> <hr/>	<hr/> <hr/>

* Various government grants during the year were mainly attributable to the Group's development in software industry and investment in research and development, as well as tax-related benefits. There are no unfulfilled conditions or contingencies relating to these government grants.

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
Cost of services provided		272,263	243,758
Cost of products sold		257	201
Depreciation of property, plant and equipment*	<i>13</i>	692	932
Depreciation of right-of-use assets*	<i>14(a)</i>	6,681	7,402
Amortisation of other intangible assets	<i>16</i>	3,265	3,176
Lease payments not included in the measurement of lease liabilities*	<i>14(c)</i>	2,183	1,776
Auditor's remuneration		1,720	1,720
Employee benefit expense (excluding directors' and chief executive's remuneration)*:			
Wages, salaries and social welfare benefits		160,866	174,747
Equity-settled share-based payment expense		1,206	2,377
Pension scheme contributions (defined contribution scheme)**		12,629	14,416
Total		174,701	191,540
Impairment/(reversal of impairment) of financial and contract assets, net:			
Impairment/(reversal of impairment) of trade receivables	<i>17</i>	(1,124)	5,725
Reversal of impairment of contract assets	<i>18</i>	(56)	(549)
Reversal of impairment of financial assets included in prepayments, other receivables and other assets	<i>20</i>	(46)	(540)
Total		(1,226)	4,636
Penalties and late fees***		111	257
Fair value losses on financial investments at fair value through profit or loss, net***		–	169
Loss on disposal/write-off of property, plant and equipment***		22	61
Loss on lease modifications***		34	–
Foreign exchange losses, net***		–	666
		–	666

6. PROFIT BEFORE TAX (CONTINUED)

* The amounts of the following expenses are included in the cost of services provided:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Depreciation of property, plant and equipment	125	109
Depreciation of right-of-use assets	1,372	2,709
Lease payments not included in the measurement of lease liabilities	1,961	1,496
Employee benefit expense	<u>7,708</u>	<u>10,110</u>

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

*** These items are included in “Other expenses and losses” in the consolidated statement of profit or loss.

7. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on lease liabilities	<u>334</u>	<u>469</u>

8. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the countries/ jurisdictions in which members of the Group are domiciled and operate.

Cayman Islands

Pursuant to the relevant rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.

Hong Kong

The Hong Kong profits tax rate is 16.5% during the year (2024: 16.5%). Under the two-tiered profits tax rates regime, the first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of the Group's subsidiary incorporated in Hong Kong, TI Cloud (HK) Limited, arising in Hong Kong are taxed at 8.25% (2024: 8.25%) and its remaining assessable profits are taxed at 16.5% (2024: 16.5%).

8. INCOME TAX (CONTINUED)

Singapore

The Singapore profits tax rate during the year was 17% (2024: 17%). No provision for Singapore profits tax has been made as the Group did not generate any assessable profits arising in Singapore during the year.

Chinese mainland

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations, the entities which operate in Chinese mainland are subject to corporate income tax (“CIT”) at a rate of 25% (2024: 25%) on the taxable income. During the year, two subsidiaries (2024: two) were entitled to a preferential tax rate of 15% because they were “High and New Technology Enterprises”. In addition, certain other subsidiaries of the Group operating in Chinese mainland were entitled to an effective preferential tax rate of 5% of the taxable income within RMB3,000,000, for the year ended 31 December 2025 (2024: 5%), 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.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current – Hong Kong		
Charge for the year	12	69
Overprovision in prior years	(1)	(9)
Current – Chinese mainland		
Charge for the year	208	191
Underprovision in prior years	42	4
Deferred tax charged/(credited) for the year	(549)	1,138
	<hr/>	<hr/>
Total tax charge/(credit) for the year	(288)	1,393

8. INCOME TAX (CONTINUED)

A reconciliation of the tax expense/(credit) applicable to profit or loss before tax at the statutory tax rates for the countries/jurisdictions in which the Company and its subsidiaries are domiciled and/or operate to the tax expense/(credit) at the effective tax rate is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit /(loss) before tax		
Cayman Islands	1,316	656
Hong Kong	155	815
Singapore	(22)	–
Chinese mainland	59,085	33,922
	<u>60,534</u>	<u>35,393</u>
Total		
Tax at the statutory tax rates		
Cayman Islands	–	–
Hong Kong	26	134
Singapore	(4)	–
Chinese mainland	14,771	8,481
	<u>14,793</u>	<u>8,615</u>
Total tax at the statutory rates		
Lower tax rates enacted by relevant authorities	(6,523)	(3,788)
Adjustments in respect of current tax of previous periods	41	(5)
Expenses not deductible for tax	189	(238)
Additional deductible allowance for research and development expenses	(7,710)	(8,182)
Tax losses utilised from previous periods	(1,381)	–
Tax losses not recognised	100	2,179
Temporary differences not recognised	203	2,812
	<u>203</u>	<u>2,812</u>
Tax credit at the Group's effective rate	(288)	1,393
	<u>(288)</u>	<u>1,393</u>

9. DIVIDENDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Proposed final 2025 – HK10 cents per ordinary share	15,687	N/A
Declared final 2024 – HK10 cents per ordinary share	N/A	15,924
	<u>N/A</u>	<u>15,924</u>
Total	<u>15,687</u>	<u>15,924</u>

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

10. EARNINGS PER SHARE

The calculation of the basic earnings per share amount for the year is based on the profit for the year attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 173,814,058 (2024: 173,937,792) outstanding during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2025 and 2024 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2025 and 2024.

11. GOODWILL

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cost and net carrying amount at 1 January	97,852	99,544
Exchange realignment	<u>(1,632)</u>	<u>(1,692)</u>
Cost and net carrying amount at 31 December	<u><u>96,220</u></u>	<u><u>97,852</u></u>

There was no accumulated impairment of goodwill as at 31 December 2025 (2024: Nil).

Impairment testing of goodwill

Goodwill acquired through business combinations is allocated to the Group's cash-generating units group in respect of the provision of artificial intelligence-based customer contact solution software and related services in SaaS model and VPC model (the "**Customer Contact Solution CGUs group**") for impairment testing.

The recoverable amount of the Customer Contact Solution CGUs group has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Revenue growth and perpetual growth rates

Revenue growth rates were estimated ranging from 2% to 9% (2024: 4% to 13%) per annum for the Customer Contact Solution CGUs group throughout the five-year financial budgets, as determined by management with reference to the historical rates in prior years, adjusted by management's outlook of expected market development. Cash flows beyond the five-year period are extrapolated by using a perpetual growth rate of 1.8% (2024: 1.8%), which is same as the expected long-term average consumer price index growth rate of the PRC.

11. GOODWILL (CONTINUED)

Discount rate

Discount rate was estimated to be 16% (2024: 15%) which is before tax and represents the current market assessment of the risks specific to the Customer Contact Solution CGUs group, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates.

The values assigned to the key assumptions are consistent with external information sources.

12. TRADE AND BILLS RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	151,489	125,731
Impairment	<u>(16,309)</u>	<u>(18,942)</u>
Net carrying amount	135,180	106,789
Bills receivable	<u>2,500</u>	<u>575</u>
Total trade and bills receivables	<u><u>137,680</u></u>	<u><u>107,364</u></u>

The Group's trading terms with its customers are mainly on credit, except for small-sized customers, where payment in advance is normally required. The credit period is generally 30 days to 90 days. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. Trade receivables are settled in accordance with the terms of the respective contracts. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the date of services rendered and net of loss allowance, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 12 months	133,870	104,903
13 to 24 months	<u>1,310</u>	<u>1,886</u>
Total	<u><u>135,180</u></u>	<u><u>106,789</u></u>

12. TRADE AND BILLS RECEIVABLES (CONTINUED)

The movements in the loss allowance for impairment of trade receivables are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At beginning of year	18,942	13,336
Impairment losses/(reversal of impairment losses) (<i>note 6</i>)	(1,124)	5,725
Amount written off as uncollectible	(1,509)	(119)
	<u>16,309</u>	<u>18,942</u>
At end of year	<u>16,309</u>	<u>18,942</u>

The decrease in the loss allowance during the year ended 31 December 2025 was mainly due to a decrease in the loss allowance of RMB2,633,000 as a result of decrease in gross amounts of trade receivables aged within one to two years. The increase in the loss allowance during the year ended 31 December 2024 was mainly due to the increase in the loss allowance of RMB5,657,000 as a result of increases in gross amounts of trade receivables aged within one year and over two years.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on the specifically identifiable circumstances attributable to individual customers and ageing for groupings of various customer segments with similar loss patterns, where applicable. The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2025

	Ageing			Total
	Within 12 months	13 to 24 months	Over 24 months	
Expected credit loss rate	3.28%	69.00%	100.00%	10.77%
Gross carrying amount (<i>RMB'000</i>)	138,413	4,222	8,854	151,489
Expected credit losses (<i>RMB'000</i>)	4,542	2,913	8,854	16,309

As at 31 December 2024

	Ageing			Total
	Within 12 months	13 to 24 months	Over 24 months	
Expected credit loss rate	5.38%	73.35%	100.00%	15.07%
Gross carrying amount (<i>RMB'000</i>)	110,869	7,080	7,782	125,731
Expected credit losses (<i>RMB'000</i>)	5,967	5,193	7,782	18,942

Bills receivable are subject to impairment using the low credit risk simplification under the general approach. At each reporting date, the Group evaluates whether the bills receivable are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the credit ratings of the debt investments. The Group did not recognise any impairment loss on bills receivable as at 31 December 2025 (2024: Nil).

13. CONTRACT ASSETS

	31 December 2025	31 December 2024	1 January 2024
	RMB'000	<i>RMB'000</i>	<i>RMB'000</i>
Contract assets	269	1,183	5,241
Impairment	(7)	(63)	(777)
	<hr/>	<hr/>	<hr/>
Net carrying amount	262	1,120	4,464
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Contract assets are initially recognised for revenue earned from services relating to VPC solutions as the receipt of consideration is conditional on successful completion of the projects. Upon completion of services rendered and/or acceptance by the customers, the amounts recognised as contract assets are reclassified to trade receivables.

The decrease in contract assets for the years ended 31 December 2025 and 2024 was mainly due to the decrease in the ongoing services relating to VPC solutions.

The expected timing of recovery or settlement for contract assets as at the end of the reporting period is as follows:

	2025	2024
	RMB'000	<i>RMB'000</i>
Within one year	262	1,120
	<hr/> <hr/>	<hr/> <hr/>

The movements in the loss allowance for impairment of contract assets are as follows:

	2025	2024
	RMB'000	<i>RMB'000</i>
At beginning of year	63	777
Reversal of impairment loss (<i>note 6</i>)	(56)	(549)
Amount written off as uncollectible	–	(165)
	<hr/>	<hr/>
At end of year	7	63
	<hr/> <hr/>	<hr/> <hr/>

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on the ageing for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

13. CONTRACT ASSETS (CONTINUED)

Set out below is the information about the credit risk exposure on the Group's contract assets using a provision matrix:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Expected credit loss rate	2.60%	5.33%
Gross carrying amount (<i>RMB'000</i>)	269	1,183
Expected credit losses (<i>RMB'000</i>)	7	63

14. CONTRACT COSTS

Contract costs represent direct and incremental costs incurred relating to contracts of VPC solutions.

15. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the date of services rendered or the billing date, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 12 months	30,946	24,792
13 to 24 months	2,440	3,581
Over 24 months	1,683	371
Total	35,069	28,744

The trade payables are non-interest-bearing and are normally settled on ninety-day terms.

16. CONTRACT LIABILITIES

An analysis of contract liabilities arising from short-term advances received from customers is as follows:

	31 December 2025 <i>RMB'000</i>	31 December 2024 <i>RMB'000</i>	1 January 2024 <i>RMB'000</i>
SaaS solutions	66,905	50,453	44,902
VPC solutions	565	1,426	823
Other services and product sales	4	15	119
Total	67,474	51,894	45,844

The increase in contract liabilities for the year ended 31 December 2025 and 2024 was mainly due to the increase in short-term advances received from customers in relation to SaaS solutions at the end of the reporting period.

17. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, in January and February 2026, the Company purchased 115,400 of its ordinary shares at a total consideration of RMB436,000.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures and to enhance the transparency and accountability of the Board to all shareholders of the Company (the "**Shareholders**"). For the Reporting Period, the Company has applied the principles and complied with all the applicable code provisions as set out in Part 2 of the Corporate Governance Code (the "**Corporate Governance Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") except as disclosed below.

Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Company currently does not have a separate chairman and chief executive officer and Mr. Wu Qiang currently performs both roles.

The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company if and when it is appropriate taking into account the circumstances of the Group as a whole. Save as disclosed above, none of the Directors of the Company is aware of any information which would reasonably indicate that the Company has not complied with the code provisions as set out in the Corporate Governance Code for the Reporting Period.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code, and maintain a high standard of corporate governance practices of the Company.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code of conduct regarding the Directors' dealings in the securities of the Company. Having made specific enquiry of all the Directors, all the Directors confirmed that they have strictly complied with the required standards set out in the Model Code for the Reporting Period.

AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code to monitor the implementation of our risk management policies across our Company on an ongoing basis to ensure that our internal control system is effective in identifying, managing and mitigating risks involved in our business operations. The Audit Committee comprises three members, namely Mr. Li Zhiyong, Mr. Li Pengtao and Ms. Weng Yang, with Mr. Li Zhiyong (being our independent non-executive Director with the appropriate professional qualifications) as chair of the Audit Committee.

The Audit Committee has reviewed the audited consolidated results of the Group for the year ended December 31, 2025 with no disagreement and discussed matters with respect to the accounting policies and practices adopted by the Company, internal control system, risk management, and financial reporting matters with senior management members.

The figures in respect of the Group’s audited consolidated financial statements and the related notes thereto for the year ended December 31, 2025 as set out in this announcement have been agreed with the corresponding amounts set out in the Group’s consolidated financial statements for the year ended December 31, 2025, which have been audited by Ernst & Young.

OTHER BOARD COMMITTEES

In addition to the Audit Committee, the Company has also established a nomination committee, a remuneration committee and an ESG committee.

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

During the Reporting Period and as of the date of this announcement, we repurchased a total of 314,000 Shares on the Stock Exchange for an aggregate consideration of approximately HK\$1,040,638 before expenses. As at the date of this announcement, all such repurchased Shares are held by our Company as treasury shares. The repurchase was effected for the enhancement of shareholder value in the long term. Details of the Shares repurchased are as follows:

Month of Repurchase in the Reporting Period and as of the date of this announcement	Repurchase consideration per Share			
	No. of Shares purchased	Highest price paid <i>HK\$</i>	Lowest price paid <i>HK\$</i>	Aggregate consideration Paid <i>HK\$</i>
2025				
January	27,400	2.3	2.3	63,020
February	40,400	2.7	2.09	97,952
April	13,600	2.2	2.05	28,900
May	27,600	2.65	2.3	70,786
June	59,600	2.52	2.39	147,350
December	30,000	4.98	4.66	145,002
2026				
January	71,000	4.65	4.15	309,760
February	44,400	4.18	3.87	177,868
Total	314,000	4.98	2.05	1,040,638

The Company intends to resell the treasury shares on the market to raise additional funds, or to transfer or use the treasury shares for share grants under share schemes that comply with Chapter 17 of the Listing Rules and for other purposes permitted under the Listing Rules, the articles of association of the Company and the applicable laws of the Cayman Islands, which is subject to market conditions and the Group's capital management needs.

The Board is of the view that the current trading price of the Shares does not reflect their intrinsic value and the repurchase enhances the value of the Shares, thereby increasing the returns to the Shareholders. In addition, the Board believes that the Repurchase reflects the Company's confidence in its long-term business prospects and the Company's growth potential, which will ultimately benefit the Company and is in the best interests of the Company and the Shareholders as a whole.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Reporting Period.

FINAL DIVIDEND

The Board recommends the distribution of a final dividend of HK\$0.1 per Share for the year ended December 31, 2025 (2024: HK\$0.1) to be paid on Friday, July 3, 2026 to the Shareholders whose names appear on the register of members of the Company on Thursday, June 11, 2026, subject to approval of the Shareholders at the forthcoming annual general meeting ("AGM") of the Company to be held on Thursday, May 28, 2026. The actual total amount of the final dividend to be paid will be subject to the total number of issued share capital of the Company (excluding treasury shares) as at the record date for determining the entitlement of the Shareholders to the final dividend. As of the date of this announcement, we held a total of 572,400 Shares as treasury shares, which will not be entitled to the proposed final dividend.

CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

For determining the qualification as Shareholders to attend and vote at the AGM to be held on Thursday, May 28, 2026, the register of members of the Company will be closed from Friday, May 22, 2026 to Thursday, May 28, 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, 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 Thursday, May 21, 2026. The record date for determining the entitlement of the Shareholders to attend and vote at the AGM will be Thursday, May 28, 2026.

For determining the entitlement of the Shareholders to receive the proposed final dividend, the register of members of the Company will be closed from Tuesday, June 9, 2026 to Thursday, June 11, 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to receive the proposed final dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Monday, June 8, 2026. The record date for determining the entitlement of the Shareholders to receive the proposed final dividend will be Thursday, June 11, 2026.

USE OF PROCEEDS

With the Shares listed on the Main Board of the Stock Exchange on June 30, 2022, the net proceeds from the Global Offering were approximately HK\$255.7 million, after deducting underwriting commissions and offering expenses paid or payable. We received an additional net proceeds of approximately HK\$5.0 thousand pursuant to the partial exercise of the over-allotment option as disclosed in the announcement of the Company dated July 24, 2022.

The following table sets forth a summary of the utilization of the net proceeds as of December 31, 2025:

Intended use of net proceeds	Allocation of net proceeds <i>HK\$ million</i>	Percentage of total net proceeds	Amount of net proceeds unutilized as of January 1, 2025 <i>HK\$ million</i>	Amount of net proceeds utilized for the year ended December 31, 2025 <i>HK\$ million</i>	Balance of net proceeds unutilized as of December 31, 2025 <i>HK\$ million</i>	Intended timetable for use of the unutilized net proceeds
Used to further enhance our core technologies, optimize existing portfolio of solutions and develop complementary solutions with a goal to satisfy evolving client needs, provide more comprehensive solutions and improve our overall competitiveness in the market of customer contact solutions	191.8	75%	80.4	67.6	12.8	Before June 30, 2026 ^{Note}
Used over the next five years to further enhance our brand image in the market for customer contact solutions, expand our direct sales team, improve our sales capabilities and increase our marketing efforts	51.1	20%	–	–	–	
Used for working capital and general corporate purposes	12.8	5%	–	–	–	
Total	255.7	100%	80.4	67.6	12.8	

Note:

The delay in the intended timetable for fully utilizing the remaining net proceeds from December 31, 2025 to June 30, 2026 was mainly due to the improvement in the Group's R&D efficiency during 2024 and the Reporting Period, which was more cost-effective and resulted in a slower pace of capital investment than originally expected.

As of December 31, 2025, the amount of the net proceeds which has remained unutilized amounted to approximately HK\$12.8 million. Save as disclosed in the table above, there has been no material change or delay in the intended use of net proceeds as previously disclosed in the Prospectus.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.ti-net.com.cn. The annual report of the Group for the year ended December 31, 2025 will be published on the aforesaid websites of the Stock Exchange and the Company.

By order of the Board
TI Cloud Inc.
Mr. WU Qiang
Chairman of the Board

Hong Kong, March 30, 2026

As at the date of this announcement, the Board comprises Mr. WU Qiang and Mr. PAN Wei as the executive Directors; Ms. WENG Yang, Mr. LI Pengtao and Mr. LI Zhiyong as the independent non-executive Directors.