

百望股份有限公司 BAIWANG CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code : 6657



2025 Interim Report

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Ms. Chen Jie (*Chairlady*)

Mr. Fu Yingbo

Mr. Zou Yan

Ms. Jin Xin

Non-Executive Directors

Mr. Huang Miao

Mr. Diao Juanhuan

Independent Non-Executive Directors

Mr. Tian Lixin

Dr. Wu Changhai

Dr. Song Hua

Mr. Ng Kwok Yin

SUPERVISORS

Mr. Li Yunfeng

Ms. Shi Haixia

Mr. Luo Wenhong

AUDIT COMMITTEE

Mr. Ng Kwok Yin (*Chairman*)

Mr. Tian Lixin

Dr. Song Hua

REMUNERATION AND APPRAISAL COMMITTEE

Dr. Wu Changhai (*Chairman*)

Mr. Fu Yingbo

Mr. Ng Kwok Yin

NOMINATION COMMITTEE

Ms. Chen Jie (*Chairlady*)

Dr. Song Hua

Mr. Tian Lixin

COMPANY SECRETARY

Mr. Chiu Ming King

AUTHORIZED REPRESENTATIVE

Ms. Chen Jie

Mr. Fu Yingbo (appointed on June 3, 2025)

ALTERNATE AUTHORIZED REPRESENTATIVE

Mr. Chiu Ming King

AUDITOR

Rongcheng (Hong Kong) CPA Limited

Certified Public Accountants

Registered Public Interest Entity Auditors

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Lippo Centre

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COMPLIANCE ADVISOR

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Hong Kong

CORPORATE INFORMATION

REGISTERED OFFICE

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HONG KONG SHARE REGISTRAR

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COMPANY'S WEBSITE

www.baiwang.com

STOCK SHORT NAME

BAIWANG CO

STOCK CODE

6657

RESULTS SUMMARY

- Our revenue increased by 23.5% from RMB281.6 million for the six months ended June 30, 2024 to RMB347.6 million for the six months ended June 30, 2025.
- Our gross profit increased by 46.8% from RMB110.3 million for the six months ended June 30, 2024 to RMB162.0 million for the six months ended June 30, 2025.
- Our gross profit margin increased from 39.2% for the six months ended June 30, 2024 to 46.6% for the six months ended June 30, 2025.
- We recorded a net profit of RMB3.6 million for the six months ended June 30, 2025, as compared to a net loss of RMB445.8 million for the six months ended June 30, 2024.
- We recorded an adjusted net profit (non-IFRS measure) of RMB4.6 million for the six months ended June 30, 2025, as compared to an adjusted net loss of RMB81.2 million for the six months ended June 30, 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW AND OUTLOOK

I. Operational Overview

In the first half of 2025, the Company continued to advance its dual-engine strategy of “Data Intelligence Infrastructure + Vertical Industry AI Agents”, focusing on two cores: Compliance as a Service (票證智能合規即服務) (CaaS) and Data Intelligence (數據智能服務) (DI). The Company enhanced product iteration speed and industry penetration by leveraging its 30,000+ dynamic tax rule engine, 200+ multimodal document parsing technologies, and self-developed Tax Swift Agent, establishing a global transaction compliance system to accelerate the digital transformation of the global commercial credit ecosystem.

As of June 30, 2025, the Company had processed a cumulative total of approximately 23.1 billion invoices, representing a transaction value of RMB1,055.1 trillion. The Company served over 90.7 million taxpayer identification clients, including 2,825 enterprise group clients and 28.5 million SME clients, demonstrating steady growth in core business operations and further strengthening customer trust and market penetration.

II. Core Business Performance

In the first half of 2025, the Company pursued dual-track development in “cloud financial & tax digitalization solutions” and “on-premises financial & tax digitalization solutions”, achieving steady growth. The cloud solutions recorded double-digit growth in key operational metrics, including invoice issuance volume and total transaction value, while the on-premises solutions also saw a steady expansion in customer base, further consolidating the Company’s leading position in the financial & tax digitalization services sector.

The Company successfully completed the compatible upgrade of digital invoices for financial & tax digitization solutions, while enhancing its core competitiveness in compliance processing, full lifecycle invoice management, and risk monitoring through its low-code platform and proprietary software products. By integrating advanced AI capabilities, the Company significantly improved operational efficiency and tax compliance for clients, delivering substantial cost savings and user experience enhancements, while also strengthening customer retention and new client acquisition potential.

MANAGEMENT DISCUSSION AND ANALYSIS

III. Progress in DI Transformation Business & Product Matrix

Leveraging years of expertise in document digitization technologies and data resources, the Company has developed a matrix of three major intelligent agents tailored to enterprise operational scenarios:

1. **“Jin Dun” (金盾) Transaction Management Intelligent Agent (智能體):** Integrating AI-powered large language models with invoice compliance processing capabilities, this solution delivers comprehensive financial risk monitoring and automated invoice processing, enabling clients to optimize transaction workflows and reduce operational costs. Powered by multimodal recognition and large model technologies, “Jin Dun” delivers intelligent upgrades in document identification, parsing, verification, and qualification review, covering the entire accounts receivable and payable compliance process. To support Belt and Road (一帶一路) enterprises in global expansion, the Company has built a cross-border transaction compliance solution capable of processing multilingual, multi-country, and multi-format invoices, including AI-generated invoices and tax policy Q&A, effectively mitigating tax risks in international operations.
2. **“Rui Jie” (睿界) Financial Business Intelligent Agent:** Supported by a 3,000+ metrics commercial credit assessment system, this solution provides precise risk evaluation and intelligent risk control services for banks and fintech institutions, enhancing end-to-end service capabilities and product capabilities of financial business. Leveraging its profound expertise in the financial sector, the Company has established an intelligent application matrix that integrates financial risk control, financial marketing, and financial policy compliance:
 - **Financial Risk Control Intelligent Agent:** Utilizes MCP services and 2,000+ metrics credit evaluation indicators to rapidly generate enterprise risk profiles, catering to inclusive finance and supply chain finance scenario needs.
 - **Financial Marketing Intelligent Agent:** A generative AI-powered marketing platform that enables customer profiling, precision targeting, and cross-selling, significantly improving financial institutions’ marketing efficiency.
 - **Financial Policy Compliance Intelligent Agent:** Combines regulatory guidelines and compliance requirements with highly interpretable policy models, covering policy determination, traceable justification, and post-loan management, substantially reducing compliance costs.

MANAGEMENT DISCUSSION AND ANALYSIS

3. **“Wen Shu” (問數) Operational Decision-Making Intelligent Agent:** Integrating natural language processing, knowledge graphs, and predictive modeling, “Wen Shu” enables enterprises to consolidate internal and external data resources, facilitating comprehensive industry landscape and market trend analysis. The solution automatically generates reports and visual analytics, creating a dual-perspective framework of “internal performance vs. market dynamics” to support data-driven strategic decision-making for enterprises.

This product matrix not only reinforces the Company’s market positioning across three key customer segments – large enterprise groups, SMEs, and financial institutions – but also marks a strategic evolution in DI transformation from traditional document digitization to holistic data governance and intelligent analytics.

IV. Industry Collaboration & Strategic Partnerships

During the Reporting Period, the Company accelerated the deployment of its intelligent agents across vertical industries through strategic synergies:

- **International Shipping:** Partnered with leading domestic shipping enterprises to develop a cross-border document compliance intelligent agent, enhancing customs clearance efficiency and risk mitigation.
- **International Brand Sales:** Enabled a leading international consumer goods manufacturer to deploy an overseas invoice recognition compliance agent, resulting in enhanced financial processing efficiency and mitigated tax compliance risks.
- **Electric Vehicle Sales:** Enabled a top Chinese electric vehicle manufacturer to deploy a multimodal invoicing agent, achieving intelligent cross-document association recognition at the dealership level to enhance transactional efficiency.
- **Commercial Real Estate:** Collaborated with the top 3 property groups in the industry to deliver intelligent site selection and transparent risk control solutions powered by corporate billing volumes, industry distribution and rental tier data analytics.
- **Financial Services:** Jointly launched “Tax Compliance” and inclusive finance AI advisory agents with top-tier fintech institutions and Big Four accounting firms, significantly strengthening clients’ capabilities in risk pricing and credit enhancement.

The Company’s collaboration ecosystem continued to expand, creating hundreds of intelligent application scenarios that reinforce industry barriers and customer stickiness.

MANAGEMENT DISCUSSION AND ANALYSIS

V. National Strategy & Data Asset Value Realization

The Company actively supports the National Data Administration's "Market-oriented Allocation of Data Factors" strategy by participating in the development of the National Public Data Resource Registration Platform (公共數據資源登記平台), undertaking core architecture design and system R&D. The platform integrates multi-dimensional data from business registration, judicial, taxation, and customs systems, effectively eliminating information silos in public data.

Concurrently, the Company is advancing the development of provincial-level data registration platforms in Fujian, Anhui and other regions, exploring end-to-end value realization mechanisms covering data registration, coding, circulation and application. Moving forward, through deepened collaboration with data consortiums, data exchanges, and industrial internet platforms, the Company will expand data intelligence convergence scenarios, positioning itself as a core ecosystem hub for data asset value realization.

VI. Global Expansion & Future Outlook

Building upon our extensive service experience covering 90.7 million tax entities, the Company has successfully deployed its global tax compliance infrastructure Tax Swift Agent, achieving compatibility with over 100 languages, 200 invoice types and 30,000 international tax regulations. This platform currently serves countries including Malaysia, Singapore and Argentina, with ongoing expansion into emerging markets across Southeast Asia, the Middle East, Africa and South America. Through standardized API modules delivering comprehensive functionality for invoice transmission, tax filing and data management, the platform has demonstrated significant reduction in multinational corporations' tax compliance costs while substantially strengthening the Company's competitive position in global markets.

Looking ahead, the Company will continue to advance its dual-engine strategy of "AI Agents + Data Intelligence Infrastructure" to drive progress in the following key areas:

- **Deepening Financial & Tax Digitalization Solutions:** Against the backdrop of nationwide digital electricity invoice adoption, we will expand invoice lifecycle management and risk monitoring applications to enhance profitability through dynamic, high-value data scenarios.
- **Promoting Inclusive Finance:** We will empower SMEs and financial institutions with intelligent tools to accelerate the development of digital inclusive finance.
- **Expanding Intelligent Agent Matrix:** Leveraging open-source LLMs, RAG and MoE technologies, we will build cross-scenario autonomous networks to enable large-scale industry knowledge applications.
- **Building Ecosystem Alliances:** We will enhance collaboration with AI and data partners to expand high-value data dimensions and improve data asset quality.

MANAGEMENT DISCUSSION AND ANALYSIS

- Advancing Global Expansion:** We will continue optimizing our global intelligent tax infrastructure Tax Swift Agent to better serve cross-border e-commerce and Chinese enterprises expanding overseas, thereby strengthening our overseas market presence.

In the evolving business landscape, competition will increasingly center on the efficiency of “cognition” and “execution” rather than traditional product and market rivalry. The Company remains firmly committed to its Data Intelligence strategy, transforming data from a singular resource into measurable, value-added digital productivity. This approach enables us to help clients enhance operational efficiency and risk management capabilities while driving the restructuring and upgrading of global commercial credit systems.

FINANCIAL REVIEW

The following discussions are based on the financial information and notes set out in other sections of this report and should be read in conjunction with them.

Revenue

Our revenue increased by 23.5% from RMB281.6 million for the six months ended June 30, 2024 to RMB347.6 million for the six months ended June 30, 2025. The following table sets forth a breakdown of our revenue, both in absolute amounts and as a percentage of total revenue, by business line for the periods indicated.

	Six months ended June 30,			
	2025	Percentage of total revenue	2024	Percentage of total revenue
	RMB'000	(%)	RMB'000	(%)
AI business	60,860	17.5	—	—
– Jin Dun transaction management intelligent agents	59,964	17.3	—	—
– Rui Jie financial business intelligent agents	896	0.2	—	—
Core business	285,214	82.1	281,267	99.9
– Cloud financial & tax digitalization solutions	111,169	32.0	95,575	33.9
– On-premises financial & tax digitalization solutions	81,663	23.5	42,286	15.0
– Data-driven analytics services	92,382	26.6	143,406	51.0
Others	1,514	0.4	284	0.1
Total	347,588	100.0	281,551	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

- *AI business.* Our AI business encompasses the “Jin Dun” (金盾) Transaction Management Intelligent Agents and the “Rui Jie” (睿界) Financial Business Intelligent Agents, which combine Data+AI to apply our extensive high-quality transaction data resources and domain expertise in fiscal and tax fields to vertical AI model training. These solutions are fully integrated into enterprise and financial service scenarios, advancing AI applications in key areas including intelligent fiscal management, intelligent supply chains, intelligent transaction compliance, intelligent risk control, and intelligent financial marketing, enabling industrial and financial clients to maximize data value and capitalize on AI benefits. For the six months ended June 30, 2025, our AI business generated revenue of RMB60.9 million, compared to nil in the same period in 2024, primarily attributable to the growth in the “Jin Dun” (金盾) Transaction Management Intelligent Agents business.
- *Cloud financial & tax digitalization solutions.* Our cloud financial & tax compliance solutions comprise tax invoice compliance management solutions, financial and tax management solutions and supply chain collaboration solutions, which can be subscribed separately or in combination. Our revenue generated from cloud financial & tax digitalization solutions increased by 16.3% from RMB95.6 million for the six months ended June 30, 2024 to RMB111.2 million for the six months ended June 30, 2025, primarily due to the increased product competitiveness and an increase in the business volume of financial and tax management solutions and tax invoice compliance management solutions due to AI empowerment.
- *On-premises financial & tax digitalization solutions.* Revenue generated from on-premises financial & tax digitalization solutions primarily represented service fees generated by software license fees for customers to access and use our solutions, implementation and maintenance service fees, and hardware equipment purchase fees. Our revenue generated from on-premises financial & tax digitalization solutions increased by 93.1% from RMB42.3 million for the six months ended June 30, 2024 to RMB81.7 million for the six months ended June 30, 2025, due to, on the one hand, the significant market opportunities provided by the fourth phase of the digital electricity invoice reform of Golden Tax Project. During the Reporting Period, the delivery of projects connected to the electronic invoice service platform of the State Administration of Taxation through local deployment was higher than the same period last year, which brought about an increase in implementation fee income. On the other hand, AI empowerment has enhanced our product competitiveness and business volume.
- *Data-driven analytics services.* Our data-driven analytics services primarily comprise risk management services and digital precision marketing services. Our revenue generated from data-driven analytics services decreased by 35.6% from RMB143.4 million for the six months ended June 30, 2024 to RMB92.4 million for the six months ended June 30, 2025, mainly due to that we strategically reduced the revenue proportion of low-margin digital precision marketing services.
- *Other services.* We recorded revenue generated from other services of RMB1.5 million for the six months ended June 30, 2025. Other services primarily include advertising services and financial and tax training services.

MANAGEMENT DISCUSSION AND ANALYSIS

Cost of sales

Our cost of sales increased by 8.4% from RMB171.2 million for the six months ended June 30, 2024 to RMB185.6 million for the six months ended June 30, 2025. The following table sets forth a breakdown of our cost of sales by business lines, both in absolute amount and as a percentage of total cost of sales, for the periods indicated.

	Six months ended June 30,			
	2025		2024	
	RMB'000	Percentage of total cost of sales (%)	RMB'000	Percentage of total cost of sales (%)
AI business	54,357	29.3	—	—
– Jin Dun transaction management intelligent agent	54,194	29.2	—	—
– Rui Jie financial business intelligent agent	163	0.1	—	—
Core businesses	131,224	70.7	170,576	99.6
– Cloud financial & tax digitalization solutions	44,498	24.0	49,251	28.8
– On-premises financial & tax digitalization solutions	50,427	27.2	38,459	22.4
– Data-driven analytics services	36,299	19.5	82,866	48.4
Others	20	0.0	661	0.4
Total	185,601	100.0	171,237	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

Gross profit and gross profit margin

Our gross profit increased by 46.8% from RMB110.3 million for the six months ended June 30, 2024 to RMB162.0 million for the six months ended June 30, 2025. The gross profit margin for the six months ended June 30, 2025 was 46.6%, as compared with 39.2% for the six months ended June 30, 2024. The increase in gross profit margin was partly due to our strategic reduction of the proportion of low-margin business revenue, and partly due to AI-enabled low-code platforms, which have improved automation deployment and configuration capabilities, reduced delivery costs, and increased overall profit margins. The following table sets forth a breakdown of our gross profit and gross profit margin by business line for the periods indicated.

	Six months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	Gross profit RMB'000	Gross profit margin (%)	Gross profit RMB'000	Gross profit margin (%)
AI business	6,503	10.7	–	–
– Jin Dun transaction management intelligent agent	5,770	9.6	–	–
– Rui Jie financial business intelligent agent	733	81.8	–	–
Core businesses	153,990	54.0	110,691	39.4
– Cloud financial & tax digitalization solutions	66,671	60.0	46,324	48.5
– On-premises financial & tax digitalization solutions	31,236	38.2	3,827	9.1
– Data-driven analytics services	56,083	60.7	60,540	42.2
Others	1,494	98.7	(377)	(132.7)
Total	161,987	46.6	110,314	39.2

Other income

We recorded other income of RMB0.9 million for the six months ended June 30, 2025, as compared with RMB4.4 million for the six months ended June 30, 2024, primarily due to the year-on-year decrease in government grants received by the Group.

Other gains and Losses

We recorded other gains of RMB0.1 million for the six months ended June 30, 2025, which was primarily consisted of the Group's foreign exchange losses and the reversal of litigation expenses accrued in the previous year in accordance with the judgment, as compared with other losses of RMB5.6 million for the six months ended June 30, 2024, which was primarily consisted of the Group's donation and the litigation expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

Research and development expenses

Our research and development expenses decreased by 33.5% from RMB102.6 million for the six months ended June 30, 2024 to RMB68.3 million for the six months ended June 30, 2025, primarily due to a reduction in share-based payment expenses, and the efficient product development resulted from the introduction of AI-driven IPD R&D management best practices, which cover end-to-end bidirectional traceability from “requirements – code – defects – changes”. In scenarios such as intelligent coding, code generation, unit testing, code debugging, and intelligent question answering, it effectively promotes an approximately 12% increase in software development production line efficiency.

To fully implement the Data+AI strategy, we have made strategic adjustments to our R&D resources and structure. During the six months ended June 30, 2025, RMB12.6 million of our R&D expenses were allocated to Data+AI R&D initiatives, while Data+AI R&D investments were nil during the six months ended June 30, 2024.

Administrative expenses

Our administrative expenses increased by 17.6% from RMB38.0 million for the six months ended June 30, 2024 to RMB44.8 million for the six months ended June 30, 2025, primarily due to the improvement in organizational efficiency and increase in one-off costs caused by the Company's talent structure strategic upgrade.

Distribution and selling expenses

Our distribution and selling expenses decreased by 38.6% from RMB80.0 million for the six months ended June 30, 2024 to RMB49.3 million for the six months ended June 30, 2025, primarily due to the decrease in share-based payment expenses and improvements in operating efficiency and savings in various operating expenses achieved through refined operations.

Finance income

Our finance income increased by 6.1% from RMB1.5 million for the six months ended June 30, 2024 to RMB1.6 million for the six months ended June 30, 2025.

Finance costs

We recorded the finance costs of RMB0.3 million for the six months ended June 30, 2025, as compared to RMB0.3 million for the six months ended June 30, 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Fair value changes of financial assets and liabilities at FVTPL

We recorded fair value gains of financial assets at FVTPL of RMB5.4 million for the six months ended June 30, 2025, mainly from wealth management income. We recorded losses of RMB303.0 million for the six months ended June 30, 2024, primarily due to the fact that the launch of the Company's Hong Kong initial public offering was confirmed in 2024, which resulted in an increase in the valuation of the Company and the fair value of the shares with preferred rights, resulting in an increase in the fair value losses of financial liabilities at FVTPL. Since the successful listing of the Company on July 9, 2024, the shares with preferred rights have been derecognized and included in the Company's equity.

Share of results of associates and joint ventures

We recorded share of losses of associates and joint ventures of RMB0.8 million for the six months ended June 30, 2025, as compared to share of losses of RMB5.2 million for the six months ended June 30, 2024, primarily due to the losses that such associates and joint ventures recorded in the first half of 2025.

Income tax expenses

Our income tax expenses was relatively stable at RMB0.2 million and RMB0.02 million for the six months ended June 30, 2024 and 2025, respectively.

Net profit/loss for the period

As a result of the foregoing, we recorded a net profit of RMB3.6 million for the six months ended June 30, 2025, as compared to a net loss of RMB445.8 million for the six months ended June 30, 2024.

Adjusted net profit/(loss) for the period (non-IFRS measure)

To supplement our consolidated financial statements, which are presented in accordance with IFRSs, we also use adjusted net profit/(loss) (non-IFRS measure) as an additional financial measure. We define adjusted net profit/(loss) (non-IFRS measure) as net profit/(loss) for the period, adjusted by adding share-based payment expenses, listing expenses, and fair value changes of financial liabilities at FVTPL relating to shares with preferential rights issued by us, which are non-cash or non-recurring in nature. Share-based payments are non-cash expenses arising from granting share economic rights in our share incentive platforms to senior management and employees. Listing expenses were incurred in connection with the Global Offering. Fair value changes of financial liabilities at FVTPL represent fair value changes relating to shares with preferential rights issued by us.

MANAGEMENT DISCUSSION AND ANALYSIS

The following table reconciles our adjusted net profit/(loss) (non-IFRS measure) for the years presented:

	Six months ended June 30,	
	2025	2024
	(RMB'000)	
Reconciliation of net profit/(loss) to adjusted net profit/(loss) (non-IFRS measure):		
Net profit/(loss) for the period	3,647	(445,802)
Add		
Share-based payment expenses	950	35,743
Listing expenses	–	23,214
Fair value changes of financial liabilities at FVTPL – shares with preferential rights	–	305,648
Adjusted net profit/(loss) (non-IFRS measure)	4,597	(81,197)

We recorded an adjusted net profit of RMB3.6 million for the six months ended June 30, 2025, as compared to an adjusted net loss of RMB445.8 million for the six months ended June 30, 2024. The increase in adjusted net profit was primarily attributable to the increase in total revenue achieved through the implementation of a scenario-based data intelligence strategy. Additionally, we achieved an expansion in gross margin, improved operational efficiency, and reduced operating expenses through refined operation.

Source of liquidity and working capital

In the six months ended June 30, 2025, our primary use of cash was to fund our working capital requirements and other recurring expenses. We financed our capital expenditures and working capital requirements primarily through cash flows generated from our operating activities, net proceeds from the Global Offering (as defined below) and other funds raise from the capital markets from time to time.

We monitor our cash flows and cash balance and funding requirement on a regular basis. We strive to maintain optimal liquidity that meets our working capital requirement. Our current assets decreased from RMB945.5 million as of December 31, 2024 to RMB901.6 million as of June 30, 2025, primarily due to the working capital requirements of the Company.

Cash and cash equivalents

Our cash and cash equivalents primarily consisted of cash at banks. Our cash and cash equivalents decreased from RMB443.9 million as of December 31, 2024 to RMB340.1 million as of June 30, 2025.

As at June 30, 2025, the total amount of cash and cash equivalents as well as wealth management products under financial assets at fair value through profit or loss was RMB579.6 million.

MANAGEMENT DISCUSSION AND ANALYSIS

Foreign exchange rate risk management

Our functional currency is RMB. Our business is principally conducted in RMB, and substantially all of our assets are denominated in RMB. Foreign exchange risk arises when commercial transactions or recognized assets and liabilities are denominated in a currency that is not our functional currency. We are subject to foreign exchange risk arising from commercial transactions and recognized assets and liabilities which are denominated in non-RMB.

We recognized net foreign exchange loss of RMB1.5 million for the six months ended June 30, 2025, mainly affected by fluctuations in the exchange rates of Hong Kong dollar assets in cash and cash equivalents.

We have not implemented any hedging arrangements. We manage our foreign exchange risk by closely monitoring the movement of the foreign currency rates. We will mitigate such a risk by constantly reviewing the economic situation and foreign exchange risk, and applying hedging measures when necessary.

Interest rate risk

We are exposed to cash flow interest rate risk relating to our bank balances and cash with market interest rate and market interest rate-indexed wealth management products. Our income and operating cash flows are substantially independent of changes in market interest rates. We are exposed to fair value interest risk relating to our term deposits and lease liabilities. We manage our interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. As of June 30, 2025, we have not used any interest rate swaps to hedge our exposure to interest rate risk.

Price risk

We are exposed to price risk in respect of part of our market price indexed wealth management products, investments in associates with preferential rights, investment in convertible loan and arrangement/right to receive additional shares at nominal consideration. We currently do not have a policy to hedge the price risk. However, we closely monitor such risk by maintaining a portfolio of investments with different risks.

Credit risk

We are exposed to credit risk relating to trade and other receivables, cash and cash equivalents, restricted bank deposits, term deposits, amounts due from related parties and contract assets. The carrying amounts of each class of the above financial assets represent our maximum exposure to credit risk in relation to financial assets.

Our bank balances and cash, restricted bank deposits, and term deposits are mainly deposited in state-owned or reputable financial institutions in PRC. There has been no recent history of default in relation to these financial institutions. We consider the instruments have low credit risk because they have a low risk of default and the counterparties have a strong capacity to meet its contractual cash flow obligations in the near term. The identified credit losses are insignificant during the year. We consider that there is no significant credit risk and no material losses due to the default of the other parties.

MANAGEMENT DISCUSSION AND ANALYSIS

To manage risk arising from trade receivables, contract assets and amounts due from related parties of trade nature, we have policies in place to ensure that credit terms are made to counterparties with an appropriate credit history and management performs ongoing credit evaluations of the counterparties. The credit period granted to the customers is typically within 180 days from invoice date and the credit quality of these customers is assessed, which takes into account their financial position, past experience and other factors. In view of the sound collection history of receivables due from them, for measuring expected credit loss, trade receivables, contract assets and amounts due from related parties of trade nature have been grouped based on shared credit risk characteristics and aging. In addition, trade receivables and amounts due from related parties of trade nature with significant balances and contract assets with significant balances or credit-impaired are assessed for expected credit loss individually.

Capital expenditure

For the six months ended June 30, 2025, our total capital expenditure amounted to approximately RMB4.9 million, which was mainly the intangible assets formed by internal R&D, compared to RMB0.8 million for the six months ended June 30, 2024, which primarily consisted of purchases of property, plant and equipment and intangible assets.

Capital commitments

As at June 30, 2025 and December 31, 2024, we had capital commitments of RMB68.5 million and RMB71.7 million, respectively, primarily in connection with our capital expenditure in acquisition of equity interests in associates and joint ventures.

Indebtedness

Our indebtedness during the Reporting Period was primarily lease liabilities. During the Reporting Period, we obtained credit line of RMB100.0 million granted to us by a reputable commercial bank in China, and we have not utilized such credit line as of the date of this report. Save as disclosed, during the Reporting Period, we did not maintain banking facilities, nor did we unutilize banking facilities. As of June 30, 2025, we recorded lease liabilities of RMB20.8 million, as compared with RMB3.0 million as of December 31, 2024.

Contingent liabilities

As of June 30, 2025, we did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of our Group.

MANAGEMENT DISCUSSION AND ANALYSIS

Significant investments, material acquisitions and disposals

As of June 30, 2025, the Group held an investment which carries a value of 5% or more of the Group's total assets, the details of which are set out as follows:

Company Name	Investment Costs (RMB million)	Share of post- acquisition profit (RMB million)	Book value as at June 30, 2025 (RMB million)	Fair value as at June 30 2025 ⁽¹⁾ (RMB million)	Percentage of the investment held as at June 30 2025 (%)	Size as	Unrealized gain/(loss) during the Reporting Period (RMB million)	Dividend received during the Reporting Period (RMB million)
						compared to		
						the Group's total assets as at June 30 2025 (%)		
Boya Zhongke (Beijing) Information Technology Co., Ltd. (博雅中科(北 京)信息技术有限公司) ("Boya Zhongke")	66.7	3.2	69.9	N/A	40	5.74	N/A	N/A

Note:

- (1) The Group's investment in Boya Zhongke, a company primarily engaged in the sales of finance management software in the PRC, was a strategic investment for business synergy with its industrial chain, and such investment was made prior to the Listing. During the Reporting Period, the investment in Boya Zhongke, an associate of the Company, was recognized with equity method by the Company.

During the Reporting Period, the Company had followed a prudent investment strategy for its external equity investments, strictly monitoring investments outside its core business areas. As of the date of this annual report, there was no new plans for significant external investments. Regarding the existing investments, on one hand, the Company has formulated timely and effective risk control measures, and strengthened its post-investment management to promptly identify risks associated with the investees. On the other hand, the Company has been actively seeking opportunities for exits or refinancing of such investees to achieve gains on the investments.

Save as disclosed above, the Group did not have other significant investments, or had any material acquisitions or disposals of subsidiaries and affiliated companies during the Reporting Period.

Charge on Group's assets

As of June 30, 2025, we had no charges on our assets.

MANAGEMENT DISCUSSION AND ANALYSIS

Future plans for material investments and capital assets

Save as disclosed in the prospectus of the Company dated June 28, 2024 and this report, as of the date of this report, we did not have other substantial future plans for material investments and capital assets.

Key financial indicators

The following table sets forth certain of our key financial ratios as of the dates and for the periods indicated.

	For the six months ended June 30,	
	2025	2024
Profitability ratios		
Gross profit margin ⁽¹⁾	46.6%	39.2%
Net profit/(loss) margin ⁽²⁾	1.0%	(158.3%)
Revenue growth rate ⁽³⁾	23.5%	(16.1%)
	As of June 30, 2025	As of December 31, 2024
Liquidity ratios		
Current ratio ⁽⁴⁾	3.3	3.4

- (1) The calculation of gross profit margin is based on gross profit for the period divided by revenue for the respective period.
- (2) The calculation of net profit/(loss) margin is based on profit/(loss) for the period divided by revenue for the respective period.
- (3) The calculation of revenue growth rate is based on revenue for the period divided by revenue for the previous respective period minus one.
- (4) The calculation of current ratio is based on current assets divided by current liabilities as of period end.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND SUPERVISORS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As of June 30, 2025, to the best knowledge of the Directors, the interests and short positions of the Directors and Supervisors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Directors/ Chief Executive	Capacity/ Nature of Interest	Description of Shares ⁽¹⁾	Number of Shares held	Approximate Percentage of Shareholding in the Domestic Shares/H Shares (as appropriate) (%)	Approximate Percentage of Shareholding in the Total Issued Share Capital (%)
Ms. Chen Jie ⁽²⁾	Beneficial owner	Domestic Shares	58,700,000 (L)	43.46	25.98
	Interest in controlled corporation		24,445,522 (L)	18.10	10.82
	Beneficial owner	H Shares	10,476,652 (L)	11.53	4.64
Mr. Huang Miao	Beneficial owner	Domestic Shares	45,215 (L)	0.03	0.02

The letter "L" denotes the person's long position in the Shares.

- (1) For the avoidance of doubt, both Domestic Shares and H Shares are ordinary Shares in the share capital of our Company, and are considered as one class of Shares.
- (2) As of June 30, 2025, Ms. Chen (i) acted as the general partner of Ningbo Xiu'an; and (ii) acted as the general partner of Tianjin Duoying and Tianjin Piaoying, the latter of which was a limited partner holding 43.16% of the partnership interest in Tianjin Duoying. Under the SFO, Ms. Chen is deemed to be interested in the entire Shares held by Ningbo Xiu'an and Tianjin Duoying.

Save as disclosed above, as of June 30, 2025, none of the Directors, Supervisors or chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO); or which would be required to be recorded in the register to be kept by the Company pursuant to Section 352 of the SFO, or which would be required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As of June 30, 2025, to the best knowledge of the Directors, the following persons, other than Directors, Supervisors or chief executive of the Company, had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Shareholders	Capacity/ Nature of Interest	Description of Shares ⁽¹⁾	Number of Shares held	Approximate Percentage of Shareholding in the Domestic Shares/H Shares (as appropriate) (%)	Approximate Percentage of Shareholding in the Total Issued Share Capital (%)
Ningbo Xiu'an ⁽²⁾	Beneficial owner	Domestic Shares	14,000,000 (L)	10.37	6.20
		H Shares	6,000,000 (L)	6.60	2.66
Tianjin Duoying ⁽²⁾	Beneficial owner	Domestic Shares	10,445,522 (L)	7.73	4.62
		H Shares	4,476,652 (L)	4.93	1.98
Tianjin Piaoying ⁽²⁾	Interest in controlled corporation	Domestic Shares	10,445,522 (L)	7.73	4.62
		H Shares	4,476,652 (L)	4.93	1.98
Alibaba (China) Technology Co., Ltd. (阿里巴巴(中國)網絡 技術有限公司) ("Alibaba") ⁽³⁾	Beneficial owner	Domestic Shares	9,338,074 (L)	6.91	4.13
		H Shares	16,386,647 (L)	18.04	7.25
Alibaba Group Holding Limited ⁽³⁾	Interest in controlled corporation	Domestic Shares	9,338,074 (L)	6.91	4.13
		H Shares	16,386,647 (L)	18.04	7.25
Beijing Watertek Information Technology Co., Ltd. (北京旋極信息技術股份 有限公司) ("Watertek") ⁽⁴⁾	Beneficial owner	Domestic Shares	15,024,426 (L)	11.12	6.65
		H Shares	6,439,040 (L)	7.09	2.85
Mr. Chen Jiangtao (陳江濤) ⁽⁴⁾	Interest in controlled corporation	Domestic Shares	15,024,426 (L)	11.12	6.65
		H Shares	6,439,040 (L)	7.09	2.85
Fosun International Limited (復星國際有限公司) ⁽⁵⁾	Interest in controlled corporation	Domestic Shares	4,179,173 (L)	3.09	1.85
		H Shares	7,333,700 (L)	8.07	3.25
Shenzhen Oriental Fortune Capital Investment Management Co., Ltd. (深圳市東方富海 投資管理股份有限公司) ⁽⁶⁾	Interest in controlled corporation	Domestic Shares	3,784,642 (L)	2.80	1.68
		H Shares	6,641,369 (L)	7.31	2.94

CORPORATE GOVERNANCE AND OTHER INFORMATION

Name of Shareholders	Capacity/ Nature of Interest	Description of Shares ⁽¹⁾	Number of Shares held	Approximate Percentage of Shareholding in the Domestic Shares/H Shares (as appropriate) (%)	Approximate Percentage of Shareholding in the Total Issued Share Capital (%)
Jiangsu Yuanli Industrial Investment Co., Ltd. (江蘇原力產業投資有限公司) ("Jiangsu Yuanli") ⁽⁷⁾	Beneficial owner	H Shares	7,222,200 (L)	7.95	3.20
Zhonghai Trust Co., Ltd. (on behalf of "Zhonghai Yuanli QDII Single Fund Trust") (中海信託股份有限公司) (代表"中海原力QDII單一 資金信託") ⁽⁷⁾	Trustee	H Shares	7,222,200 (L)	7.95	3.20

The letter "L" denotes the person's long position in the Shares.

- (1) For the avoidance of doubt, both Domestic Shares and H Shares are ordinary Shares in the share capital of our Company, and are considered as one class of Shares.
- (2) As of June 30, 2025, Ms. Chen (i) acted as the general partner of Ningbo Xiu'an; and (ii) acted as the general partner of Tianjin Duoying and Tianjin Piaoying, the latter of which was a limited partner holding 43.16% of the partnership interest in Tianjin Duoying. Under the SFO, Ms. Chen is deemed to be interested in the entire Shares held by Ningbo Xiu'an and Tianjin Duoying, and Tianjin Piaoying is deemed to be interested in the entire Shares held by Tianjin Duoying.
- (3) As of June 30, 2025, Alibaba was an indirectly wholly-owned subsidiary of Alibaba Group Holding Limited, a company incorporated in the Cayman Islands, with its American depositary shares, each representing eight ordinary shares, listed on the New York Stock Exchange (ticker: BABA), and its ordinary shares listed on the Main Board of the Stock Exchange (stock code: 9988). Under the SFO, Alibaba Group Holding Limited, and its intermediary subsidiary entities through which it holds interest in Alibaba, are deemed to be interested in the entire Shares held by Alibaba.
- (4) As of June 30, 2025, Watertek, a company incorporated in the PRC with its shares listed on the Shanghai Stock Exchange (stock code: 300324), was ultimately controlled by Mr. Chen Jiangtao. Under the SFO, Mr. Chen Jiangtao is deemed to be interested in the entire Shares held by Watertek.

CORPORATE GOVERNANCE AND OTHER INFORMATION

- (5) As of June 30, 2025, Shanghai Fosun High Technology (Group) Co., Ltd. (上海復星高科技(集團)有限公司), Shanghai Fosun Weishi Fund (上海復星惟實一期股權投資基金合夥企業(有限合夥)) and Wuxi Fosun Venture Capital Investment Partnership (無錫復星創業投資合夥企業(有限合夥)) were ultimately controlled by Fosun International Limited, a company incorporated in Hong Kong and listed on the Stock Exchange (stock code: 656). As of the date of this interim report, the general partner of Beijing Xingshi Investment Management Center (Limited Partnership) (北京星實投資管理中心(有限合夥)) was Beijing Xingyuan Innovation Equity Investment Fund Management Co., Ltd. (北京星元創新股權投資基金管理有限公司), an indirectly non-wholly-owned subsidiary of Fosun International Limited. Under the SFO, Fosun International Limited is deemed to be interest in the entire Shares held by Shanghai Fosun High Technology (Group) Co., Ltd., Shanghai Fosun Weishi Fund, Wuxi Fosun Venture Capital Investment Partnership and Beijing Xingshi Investment Management Center (Limited Partnership).
- (6) As of June 30, 2025, Shenzhen Fortune Gutoubang No. 6 Investment Enterprise (Limited Partnership) (深圳富海股投邦六號投資企業(有限合夥)) and Small and Medium-sized Enterprises Development Fund (Shenzhen Nanshan Limited Partnership) (中小企業發展基金(深圳南山有限合夥)) were ultimately controlled by Shenzhen Oriental Fortune Capital Investment Management Co., Ltd. Under the SFO, Shenzhen Oriental Fortune Capital Investment Management Co., Ltd. is deemed to be interested in the entire Shares held by Shenzhen Fortune Gutoubang No. 6 Investment Enterprise (Limited Partnership) and Small and Medium-sized Enterprises Development Fund (Shenzhen Nanshan Limited Partnership).
- (7) On June 26, 2024, the Company and Jiangsu Yuanli entered into a cornerstone investment agreement, pursuant to which, Jiangsu Yuanli agreed to subscribe for such number of the Offer Shares (rounded down to the nearest whole board lot of 100 Shares) which may be purchased at the Offer Price with an aggregate amount of approximately HK\$260.0 million) (exclusive of the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee). For the purpose of this cornerstone investment, Jiangsu Yuanli has engaged Zhonghai Trust Co., Ltd. (中海信託股份有限公司), which is a QDII and the asset manager of Zhonghai Yuanli QDII Single Fund Trust (中海原力QDII 單一資金信託), to subscribe for and hold such Offer Shares on its behalf.

Save as disclosed above, as of June 30, 2025, the Directors, Supervisors and the chief executive of the Company are not aware of any other person, other than the Directors, Supervisors and the chief executive of the Company, who had an interest or short position in the Shares or underlying Shares which would be required to be notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be required to be recorded in the register to be kept by the Company pursuant to Section 336 of the SFO.

SHARE INCENTIVE SCHEMES

2025 Share Incentive Scheme (ESOP Platforms)

The 2025 Share Incentive Scheme (ESOP Platforms) was approved and adopted by the Company on June 27, 2025. The terms of the 2025 Share Incentive Scheme (ESOP Platforms) are subject to the provisions of Chapter 17 of the Listing Rules. Summary of major terms of the Schemes are as follows:

(i) Purposes of the 2025 Share Incentive Scheme (ESOP Platforms)

The purpose of the 2025 Share Incentive Scheme (ESOP Platforms) is to further improve the corporate governance structure, promote a performance culture that is oriented towards value creation, fully incentivize senior management and other personnel, effectively align the interests of Shareholders, the Company, and the operators, and enable all parties to focus on the long-term development of the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(ii) Grantees of the 2025 Share Incentive Scheme (ESOP Platforms)

The Grantees under the 2025 Share Incentive Scheme (ESOP Platforms) are the senior management members and core employees of the Company.

A person shall not be considered as eligible for being granted the Restricted Shares under the 2025 Share Incentive Scheme (ESOP Platforms) if he/she:

- (1) is prohibited from serving as a senior management member of the Company as stipulated by the Company Law of the PRC (中華人民共和國公司法) (the “**Company Law**”), the Securities Law of the PRC (中華人民共和國證券法) (the “**Securities Law**”), the rules and regulations of the securities authority of the listing place, and other relevant laws, regulations and rules, or determined by the securities authority of the listing place and the Stock Exchange;
- (2) is criminally punished for violation of laws or regulations; or
- (3) is prohibited from participating in a share incentive scheme by the Company Law, the Securities Law, the rules and regulations of the securities authority of the listing place, and other relevant laws, regulations and rules, and the Articles or other internal governance documents of the Company, or determined by the securities authority of the listing place and the Stock Exchange.

(iii) Scheme Limit

No more than 5,500,000 Restricted Shares (representing 2.4346% of the total issued share capital of the Company as at the adoption date of this Scheme) represented by the proprietary interest in the Shareholding Platforms can be granted to the Grantees.

(iv) Limit for each Grantee

In any event, within a period of 12 months from the Grant Date (inclusive) of the Restricted Shares, the maximum number of Restricted Shares granted to any single Grantee shall not exceed 2% of the total issued share capital of the Company in aggregate as of the Grant Date. The specific number of Shares shall be determined by the Board within such range.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(v) Grant of Restricted Shares

Upon adoption of the 2025 Share Incentive Scheme (ESOP Platforms), the Incentive Scheme Administrator shall, under the authorization of the Board, arrange the Company and the Grantees to enter into the grant agreements and other relevant legal documents, thereby stipulating the rights and obligations of the parties. The Incentive Scheme Administrator is responsible for handling the specific matters in relation to the grant of the Restricted Shares and the relevant industrial and commercial filings (if any).

The Board and/or the Incentive Scheme Administrator(s) shall not grant Restricted Shares during the following periods:

- (1) during the period from any time when inside information of the Company arises and up to the date of the announcement of such inside information;
- (2) during the period commencing 60 days immediately preceding the publication date of the annual results and ending on the date of publication (both days inclusive);
- (3) during the period commencing 30 days immediately preceding the publication date of the interim results and quarterly results (if applicable) and ending on the date of publication (both days inclusive); or
- (4) other restrictions stipulated by the laws and regulations of the places where the Company is incorporated or listed, the China Securities Regulatory Commission (中國證券監督管理委員會) (the “CSRC”), the Securities and Futures Commission of Hong Kong (the “SFC”) and the Stock Exchange.

(vi) Unlocking of the Restricted Shares

The Lock-up Period shall be the period from the grant date of the relevant Restricted Shares to the date of Unlocking. Subject to the relevant laws and regulations, the Unlocking shall be implemented in accordance with the terms of the grant agreements.

(vii) Grant Price

The grant price of each Restricted Share underlying the 2025 Share Incentive Scheme (ESOP Platforms) is RMB2.51/Share or the equivalent amount in Hong Kong dollars.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(viii) Remaining life of the 2025 Share Incentive Scheme (ESOP Platforms)

The 2025 Share Incentive Scheme (ESOP Platforms) will be valid and effective for a period of ten years commencing on June 27, 2025. For further information of the 2025 Share Incentive Scheme (ESOP Platforms) and related information, please refer to the circular of the Company dated June 3, 2025, and the poll results announcement of the AGM dated June 27, 2025 of the Company.

As of June 30, 2025, no Restricted Share have been granted under the 2025 Share Incentive Scheme (ESOP Platforms).

The 2025 Share Incentive Scheme (Trust Units)

The 2025 Share Incentive Scheme (Trust Units) was approved and adopted by the Company on June 27, 2025. The terms of the 2025 Share Incentive Scheme (Trust Units) are subject to the provisions of Chapter 17 of the Listing Rules. Summary of major terms of the Schemes are as follows:

(i) Purposes of the 2025 Share Incentive Scheme (Trust Units)

The purpose of the 2025 Share Incentive Scheme (Trust Units) is to further improve the corporate governance structure, promote a performance culture that is oriented towards value creation, fully incentivize senior management and other personnel, effectively align the interests of Shareholders, the Company, and the operators, and enable all parties to focus on the long-term development of the Company.

(ii) Grantees of the 2025 Share Incentive Scheme (Trust Units)

The Grantees under the 2025 Share Incentive Scheme (Trust Units) are the senior management members and core employees of the Company.

A person shall not be considered as eligible for being granted the Restricted Shares under the 2025 Share Incentive Scheme (Trust Units) if he/she:

- (1) is prohibited from serving as a senior management member of the Company as stipulated by the Company Law, the Securities Law, the rules and regulations of the securities authority of the listing place, and other relevant laws, regulations and rules, or determined by the securities authority of the listing place and the Stock Exchange;
- (2) is criminally punished for violation of laws or regulations; or
- (3) is prohibited from participating in a share incentive scheme by the Company Law, the Securities Law, the rules and regulations of the securities authority of the listing place, and other relevant laws, regulations and rules, and the Articles or other internal governance documents of the Company, or determined by the securities authority of the listing place and the Stock Exchange.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(iii) Scheme Limit

No more than 11,295,337 Restricted Shares (representing 5% of the total issued share capital of the Company as at the adoption date of the (Trust Units) Schemes) represented by the Trust Units of the Trust administered by the Trust Administrator under the 2025 Share Incentive Scheme (Trust Units) can be granted to the Grantees.

(iv) Limit for each Grantee

In any event, within a period of 12 months from the Grant Date (inclusive) of the Trust Units, the maximum number of Trust Units granted to any single Grantee shall not exceed 2% of the total issued share capital of the Company in aggregate as of the Grant Date. The specific number of Shares shall be determined by the Board within such range.

(v) Grant of Trust Units

Upon adoption of the 2025 Share Incentive Scheme (Trust Units), the Incentive Scheme Administrator shall, under the authorization of the Board, arrange the Company and the Grantees to enter into the grant agreements and other relevant legal documents, thereby stipulating the rights and obligations of the parties. The Incentive Scheme Administrator is responsible for handling the specific matters in relation to the grant of the Trust Units and the relevant industrial and commercial filings (if any).

The Board and/or the Incentive Scheme Administrator(s) shall not grant Trust Units during the following periods:

- (1) during the period from any time when inside information of the Company arises and up to the date of the announcement of such inside information;
- (2) during the period commencing 60 days immediately preceding the publication date of the annual results and ending on the date of publication (both days inclusive);
- (3) during the period commencing 30 days immediately preceding the publication date of the interim results and quarterly results (if applicable) and ending on the date of publication (both days inclusive);
or
- (4) other restrictions stipulated by the laws and regulations of the places where the Company is incorporated or listed, the CSRC, the SFC and the Stock Exchange.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(vi) Unlocking of the Restricted Shares

The Lock-up Period shall be the period from the grant date of the relevant Restricted Shares to the date of Unlocking. Subject to the relevant laws and regulations, the Unlocking shall be implemented in accordance with the terms of the grant agreements.

(vii) Grant Price

The grant price of each Restricted Share underlying the 2025 Share Incentive Scheme (Trust Units) is nil. The Board shall make corresponding adjustments if there are mandatory adjustments in the grant price due to changes in the market, the relevant laws and regulations, and the rules of the securities authority of the place where the Company is listed, or comments raised by the relevant securities regulatory authorities.

(viii) Remaining life of the 2025 Share Incentive Scheme (Trust Units)

The 2025 Share Incentive Scheme (Trust Units) will be valid and effective for a period of ten years commencing on June 27, 2025. For further information of the 2025 Share Incentive Scheme (Trust Units) and related information, please refer to the circular of the Company dated June 3, 2025, and the poll results announcement of the AGM dated June 27, 2025 of the Company.

As of June 30, 2025, no Trust Units have been granted, vested, cancelled or lapsed since the adoption of the 2025 Share Incentive Scheme (Trust Units).

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend for the six months ended June 30, 2025.

COMPLIANCE WITH THE CG CODE

The Group is committed to maintaining high standards of corporate governance practices. The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of the Shareholders and corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions set out in the CG Code under Appendix C1 of the Listing Rules as its own code of corporate governance. During the Reporting Period, the Company had complied with all applicable code provisions under the CG Code.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors' securities transactions.

Having made specific enquiries of all Directors and Supervisors, each of the Directors and the Supervisors has confirmed that he/she has complied with the requirements of the Model Code as of June 30, 2025.

CHANGES OF INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES

During the Reporting Period, the change to the information of Directors, Supervisors and chief executives of the Company which are confirmed as requiring to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules is as follows:

Mr. Fu Yingbo, an executive Director, has been appointed to act as an authorized representative of the Company under Rule 3.05 of the Listing Rules on June 3, 2025.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company did not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

CHANGE OF AUDITOR

On June 27, 2025, the Board approved to replace the Company's auditor for the financial year ended December 31, 2025 from Deloitte Touche Tohmatsu to Rongcheng (Hong Kong) CPA Limited. Please refer to the announcements of the Company in relation to the change of auditor dated June 3, 2025 and June 4, 2025, and the circular of annual general meeting of the Company dated June 3, 2025 for further details.

AUDIT COMMITTEE AND REVIEW OF INTERIM FINANCIAL RESULTS

As of June 30, 2025, the Audit Committee comprises three independent non-executive Directors, namely, Mr. Ng Kwok Yin, Mr. Tian Lixin and Dr. Song Hua, and Mr. Ng Kwok Yin serves as the chairman of the Audit Committee.

The Audit Committee has reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended June 30, 2025. The Audit Committee has also reviewed the accounting policies and practices adopted by the Company and discussed matters in relation to, among others, risk management, internal control and financial reporting of the Group with the management and Rongcheng (Hong Kong) CPA Limited, the independent auditor of the Company. Based on this review and discussions with the management and the independent auditor of the Company, the Audit Committee was satisfied that the Group's unaudited interim condensed consolidated financial information were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the six months ended June 30, 2025.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Rongcheng (Hong Kong) CPA Limited, the Company's independent auditor, has carried out a review of the unaudited interim financial report for the six months ended June 30, 2025 in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) from January 1, 2025 to the date of this interim report. The Company did not hold any treasury shares as at the date of this report.

EMPLOYEES, TRAINING AND REMUNERATION POLICIES

As of June 30, 2025, the Group had 835 employees (as of December 31, 2024: 934). The Group enters into employment contracts with its employees to cover matters such as position, term of employment, wage, employee benefits and liabilities for breaches and grounds for termination.

The remuneration of the Group's employees includes basic salaries, allowances, bonus, share options and other employee benefits, and is determined with reference to their experience, qualifications and general market conditions. We provide regular trainings to our employees in order to improve their skills and knowledge. The training courses range from further educational studies to skill training to professional development course for management personnel.

PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Board, as of the date of this interim report, the Company has maintained sufficient public float as required by the Listing Rules.

CORPORATE GOVERNANCE AND OTHER INFORMATION

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

The H Shares were listed on the Stock Exchange on July 9, 2024 by way of a Global Offering. The net proceeds raised from the Global Offering were approximately HK\$228.9 million.

The table below sets out the planned and actual applications of the net proceeds up to June 30, 2025.

	Allocation of net proceeds from the Global Offering (HKD in millions)	Percentage of net proceeds (%)	Unutilized proceeds as of January 1, 2025 (HKD in millions)	Utilized proceeds during the Reporting Period (HKD in millions)	Utilization up to June 30, 2025 (HKD in millions)	Unutilized proceeds as of June 30, 2025 (HKD in millions)
Solution upgrade and function enhancement	72.1	31.5	58.0	11.1	25.2	46.9
Research & development	67.3	29.4	48.9	21.3	39.7	27.6
Sales and marketing initiatives	44.2	19.3	44.2	–	–	44.2
Selective acquisitions and investment	26.3	11.5	20.9	–	5.4	20.9
Working capital and other general purposes	19.0	8.3	19.0	–	–	19.0
Total	228.9	100.0	191.0	32.4	70.3	158.6

As of June 30, 2025, there had been no change in the intended use of net proceeds as previously disclosed in the Prospectus and the Company expects to fully utilised the residual amount of the net proceed in accordance with such intended purpose by December 2029, subject to changes in light of the Company's evolving business needs and changing market conditions.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in Note 24 to the Condensed Consolidated Financial Statements, there has been no significant event since the end of the Reporting Period.

CORPORATE GOVERNANCE AND OTHER INFORMATION

APPRECIATION

On behalf of the Board, I would like to express our sincere gratitude to customers and business partners for their trust in the Company, our staff and management team for their diligence, dedication, loyalty and integrity, and our Shareholders for their continuous support.

By order of the Board

Baiwang Co., Ltd.

百望股份有限公司

Ms. Chen Jie

Chairlady and Executive Director

Hong Kong, August 20, 2025

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of Baiwang Co., Ltd.

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Baiwang Co., Ltd. (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 35 to 68, which comprise the condensed consolidated statement of financial position as at June 30, 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting” (“**IAS 34**”) issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” (“**HKSRE 2410**”) issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

OTHER MATTER

The comparative condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period ended June 30, 2024 and the relevant explanatory notes included in these condensed consolidated financial statements were extracted from the interim financial information of the Group for six-month period ended June 30, 2024 reviewed by another auditor who expressed an unmodified conclusion on the interim financial information on August 28, 2024. The comparative condensed consolidated statement of financial position as at December 31, 2024 were extracted from consolidated financial statements of the Group for the year ended December 31, 2024 audited by the same auditor who expressed an unmodified opinion on those statements on March 31, 2025.

Rongcheng (Hong Kong) CPA Limited

Certified Public Accountants

Hong Kong

August 20, 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2025

	NOTES	Six months ended June 30,	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Revenue	4	347,588	281,551
Cost of sales	8	(185,601)	(171,237)
Gross profit		161,987	110,314
Other income	5	910	4,434
Impairment losses under expected credit loss model, net of reversal	6	(2,983)	(3,814)
Other gains and losses	7	99	(5,552)
Research and development expenses	8	(68,255)	(102,597)
Administrative expenses	8	(44,758)	(38,045)
Listing expenses	8	–	(23,214)
Distribution and selling expenses	8	(49,259)	(80,162)
Operating loss		(2,259)	(138,636)
Finance income	9	1,590	1,498
Finance costs		(274)	(252)
Fair value changes of financial assets and liabilities at fair value through profit or loss (the "FVTPL")		5,396	(302,992)
Share of results of associates and joint ventures		(783)	(5,220)
Profit/(loss) before tax		3,670	(445,602)
Income tax expenses	10	(23)	(200)
Profit/(loss) for the period		3,647	(445,802)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2025

		Six months ended June 30,	
	NOTES	2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Other comprehensive expense for the period			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating of foreign operations		(47)	–
Total comprehensive income/(expense) for the period		3,600	(445,802)
Profit/(loss) attributable to:			
Owners of the Company		3,717	(445,505)
Non-controlling interests		(70)	(297)
		3,647	(445,802)
Total comprehensive income/(expense) attributable to:			
Owners of the Company		3,670	(445,505)
Non-controlling interests		(70)	(297)
		3,600	(445,802)
Earnings/(loss) per share attributable to owners of the Company during the period:			
– Basic and diluted (RMB)	12	0.02	(3.18)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at June 30, 2025

	NOTES	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000
Non-current assets			
Property, plant and equipment	13	7,928	8,586
Right-of-use assets	13	19,110	3,278
Intangible assets	14	13,044	9,524
Investments in associates		103,377	103,297
Investments in joint ventures		1,676	2,539
Financial assets at FVTPL	22	142,459	110,839
Contract costs		28,810	31,690
Contract assets	17	1,149	673
		317,553	270,426
Current assets			
Inventories		2,304	2,391
Contract costs		42,594	44,971
Contract assets	17	46,489	61,940
Trade and other receivables, deposits and prepayments	15	193,061	87,183
Amounts due from related parties		33,291	23,045
Financial assets at FVTPL	22	239,430	277,896
Restricted bank deposits		4,324	4,180
Cash and cash equivalents		340,124	443,899
		901,617	945,505
Current liabilities			
Lease liabilities		14,638	1,710
Trade and other payables	16	130,112	133,957
Tax liabilities		–	91
Contract liabilities	17	105,638	114,720
Amounts due to related parties		23,144	29,219
		273,532	279,697
Net current assets		628,085	665,808
Total assets less current liabilities		945,638	936,234

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at June 30, 2025

	NOTES	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000
Capital and reserves			
Share capital	18	225,907	225,907
Reserves		719,257	714,637
Equity attributable to owners of the Company		945,164	940,544
Non-controlling interests		(5,644)	(5,574)
Total equity		939,520	934,970
Non-current liabilities			
Lease liabilities		6,118	1,264
Total equity and non-current liabilities		945,638	936,234

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the six months ended June 30, 2025

	Attributable to owners of the Company							Non-controlling interests	Total equity
	Share capital	Share Premium	Capital reserves	Share-based payments reserves	Other comprehensive losses	Accumulated losses	Subtotal		
	RMB'000	RMB'000	RMB'000 (Note)	RMB'000 (Note 19)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Six months ended June 30, 2024 (unaudited)									
As at January 1, 2024	140,000	–	570,170	130,219	–	(2,236,604)	(1,396,215)	(5,468)	(1,401,683)
Loss for the period	–	–	–	–	–	(445,505)	(445,505)	(297)	(445,802)
Recognition of share-based payment expenses (Note 19)	–	–	–	35,743	–	–	35,743	–	35,743
As at June 30, 2024	140,000	–	570,170	165,962	–	(2,682,109)	(1,805,977)	(5,765)	(1,811,742)
Six months ended June 30, 2025 (unaudited)									
As at January 1, 2025	225,907	2,698,083	570,170	184,198	–	(2,737,814)	940,544	(5,574)	934,970
Profit/(loss) for the period	–	–	–	–	–	3,717	3,717	(70)	3,647
Currency translation differences	–	–	–	–	(47)	–	(47)	–	(47)
Recognition of share-based payment expenses (Note 19)	–	–	–	950	–	–	950	–	950
As at June 30, 2025	225,907	2,698,083	570,170	185,148	(47)	(2,734,097)	945,164	(5,644)	939,520

Note:

Capital reserves mainly represents the difference between the fair values of the equity instruments of the Company contributed by the shareholders to the employees and a consultant, and the consideration paid by the employees and a service provider.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the six months ended June 30, 2025

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Profit/(loss) before tax	3,670	(445,602)
Adjustments for:		
Share of results of associates and joint ventures	783	5,220
Share-based payment expenses	950	35,743
Depreciation of property, plant and equipment	1,549	2,083
Amortization of intangible assets	754	910
Depreciation of right-of-use assets	5,721	6,783
Finance costs	274	252
Impairment losses under expected credit loss model, net of reversal	2,983	3,814
Foreign exchange loss	1,651	—
Impairment loss of property, plant and equipment and inventory	31	—
Fair value changes of financial assets and liabilities at FVTPL	(5,396)	302,992
Operating cash flows before movements in working capital	12,970	(87,805)
Decrease in inventories	88	183
(Increase)/decrease in trade and other receivables, deposits and prepayments	(107,953)	4,660
Increase in amounts due from related parties	(10,387)	(10,501)
(Decrease)/increase in amounts due to related parties	(6,075)	773
Decrease/(increase) in contract costs	5,258	(11,102)
Decrease in contract assets	14,192	4,098
Decrease in contract liabilities	(9,082)	(8,929)
Decrease in trade and other payables	(3,834)	(4,289)
Net cash used in operations	(104,823)	(112,912)
Income taxes paid	(122)	(177)
NET CASH USED IN OPERATING ACTIVITIES	(104,945)	(113,089)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the six months ended June 30, 2025

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(668)	(341)
Purchases of intangible assets	(4,275)	(499)
Purchases of wealth management products	(385,000)	(667,000)
Redemption of wealth management products	425,000	607,865
Withdrawal of term deposits	–	100,000
Investments in financial assets	(30,000)	(40,000)
Interest of term deposits and wealth management products	2,242	9,827
Placement of restricted bank deposits	(545)	(3,705)
Withdrawal of restricted bank deposits	401	177
NET CASH FROM INVESTING ACTIVITIES	7,155	6,324
FINANCING ACTIVITIES		
Prepayments of share issued costs	–	(1,996)
Repayments of lease liabilities	(4,287)	(10,374)
CASH USED IN FINANCING ACTIVITIES	(4,287)	(12,370)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(102,077)	(119,135)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	443,899	335,031
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(1,698)	–
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	340,124	215,896

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Baiwang Co., Ltd. was incorporated in Beijing, People's Republic of China (the "**PRC**") on May 4, 2015 as a joint stock company with limited liability under the Company Law (PRC, 2013 Revision). The registered office and principal place of business of the Company is 14/F & 15/F, Building 1, Division 1, No. 81 Beiqing Road, Haidian District, Beijing, the PRC.

The Company and its subsidiaries (collectively referred to as "**the Group**") is principally engaged in the artificial intelligence business (the "**AI Business**"), the cloud financial & tax digitalization solutions business, on-premises financial & tax digitalization solutions business and data-driven analytics services in the PRC. As at June 30, 2025, Ms. Chen Jie, Ningbo Xiu'an Enterprise Management Partnership (Limited Partnership) 寧波修安企業管理合夥企業(有限合夥) ("**Ningbo Xiu'an**") (formerly known as Ningbo Xiu'an Equity Investment Partnership (Limited Partnership) (寧波修安股權投資合夥企業(有限合夥))) and Tianjin Duoying Technology Center (Limited Partnership) (天津多盈科技中心(有限合夥)) ("**Tianjin Duoying**") are controlling shareholders of the Company.

The condensed consolidated financial statements are presented in the currency of Renminbi ("**RMB**"), which is also the functional currency of the Company.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") issued by the International Accounting Standards Board as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

2. PRINCIPAL ACCOUNTING POLICIES

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

Other than additional/change in accounting policies resulting from application of amendments to IFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended December 31, 2024.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the International Accounting Standards Board, for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IAS 21

Lack of Exchangeability

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods.

3. SEGMENT INFORMATION

The Group does not distinguish revenue, costs and expenses between markets or segments in its internal reporting, and reports costs and expenses by nature as a whole.

While the Group offers cloud-based SaaS solutions and on-premises solutions for financial and tax digitalization solutions, data-driven analytics services, the AI Business as well as other enterprise needs, the Group's business operates in one operating segment because most of the Group's sales operate on the Group's financial and tax digitalization, data-driven analytics as well as the AI Business related know-hows and the corresponding products and/or services offered are delivered through same pool of resources. In addition, most of the Group's products and/or services for various revenue types are deployed in a nearly identical way. Therefore, the Group's chief operating decision maker, who has been identified as the Chief Executive Officer (the "CEO"), reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole and hence, the Group has only one reportable segment. As the Group's non-current assets are all located in the PRC and all the Group's revenue are derived from the PRC, no geographical information is presented.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

4. REVENUE

Revenue is substantially derived from the PRC and comprises the following:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
AI business	60,860	—
– Jin Dun transaction management intelligent agents	59,964	—
– Rui Jie financial business intelligent agents	896	—
Core business	285,214	281,267
– Cloud financial and tax digitalization solutions	111,169	95,575
– On-premises financial and tax digitalization solutions	81,663	42,286
– Data-driven analytics services	92,382	143,406
Others	1,514	284
	347,588	281,551

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Timing of revenue recognition		
– Over time	184,007	188,512
– At a point in time	163,581	93,039
	347,588	281,551

5. OTHER INCOME

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Government grants	501	3,851
Tax refund (Note)	409	583
	910	4,434

Note: Tax refund is the withholding and payment of individual income tax and VAT additional deduction.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

6. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Impairment losses, net of reversal, recognised (reversed) on:		
– Trade receivables	2,090	3,753
– Other receivables	(31)	(24)
– Contract assets	783	85
– Amounts due from related parties	141	–
	2,983	3,814

7. OTHER GAINS AND LOSSES

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Exchange loss, net	(1,503)	–
Reversal of/(provision for) litigation	1,633	(2,442)
Written off of property, plant and equipment	(31)	–
Others	–	(3,110)
	99	(5,552)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

8. EXPENSES BY NATURES

	Six months ended June 30,	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Employee benefit expenses	194,058	212,069
Share-based payment expenses	950	35,743
Commission and channel expenses	2,516	3,177
Professional service fees	37,583	34,317
Referral fees	22,073	61,748
Outsourcing expenses	16,705	10,244
Traveling and marketing expenses	7,081	12,671
Exhibition and promotion charges	365	4,628
Costs of inventories sold	50,142	355
Rental and utilities expenses	2,302	3,419
Depreciation of property, plant and equipment	1,549	2,083
Depreciation of right-of-use assets	5,721	6,783
Amortisation of intangible assets	754	910
Listing expenses	–	23,214
Others	6,074	3,894
Total	347,873	415,255

9. FINANCE INCOME

	Six months ended June 30,	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Interest income		
– Bank deposits	1,590	1,498

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

10. INCOME TAX EXPENSES

Under the Law of the PRC on Enterprise Income Tax (the “EIT”) and Implementation Regulation of the EIT Law, the tax rate of the Company and its subsidiaries is 25%.

The Company has been accredited as a “High and New Technical Enterprise” by the Science and Technology Bureau of Beijing and relevant authorities in December 2022 for a term of three years from December 1, 2022 to November 30, 2025. In accordance with the “Notice of the State Tax Bureau of the Ministry of Finance Regarding Certain Preferential Treatment Policies on Enterprise Income Tax”, High and New Technical Enterprise is subject to income tax at a tax rate of 15%.

According to the relevant laws and regulations in the PRC, enterprises engaging in research and development activities are entitled to claim 200% of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for that year (the “Super Deduction”) from October 1, 2022 onwards.

The income tax expenses of the Group is analysed as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
PRC Enterprise Income Tax		
Current tax	23	200

11. DIVIDENDS

No dividends were declared or paid by the Company for the six months ended June 30, 2025 and for the year ended December 31, 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

12. EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share is calculated by dividing the profit or loss by the weighted-average number of ordinary shares outstanding during the six months ended June 30, 2025 and 2024. Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. During the six months ended June 30, 2025, there were no potential ordinary shares in issue. As the Group incurred net losses for the period ended June 30, 2024, the diluted potential ordinary shares were not included in the calculation of dilutive loss per share, as their inclusion would be anti-dilutive. Accordingly, dilutive earnings/(loss) per share for the six months ended June 30, 2025 and 2024 are the same as basic earnings/(loss) per share of the respective periods.

The following table sets forth the computation of the basic and diluted loss per share attributable to the owners of the Company during the six months ended June 30, 2025 and 2024:

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Earnings/(loss) attributable to owners of the Company (RMB'000)	3,717	(445,505)
Weighted average number of ordinary shares outstanding ('000)	225,907	140,000

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

13. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

	Office equipment RMB'000	Electronic equipment RMB'000	Special equipment RMB'000	Leasehold improvement RMB'000	Owned properties RMB'000	Total RMB'000
COST						
As at January 1, 2024	352	6,031	22,108	14,974	–	43,465
Additions	85	197	243	1,252	1,387	3,164
Disposals	(83)	(1,617)	(1,251)	–	–	(2,951)
As at December 31, 2024	354	4,611	21,100	16,226	1,387	43,678
Additions	–	24	429	469	–	922
Disposals	–	(21)	(190)	–	–	(211)
As at June 30, 2025 (Unaudited)	354	4,614	21,339	16,695	1,387	44,389
DEPRECIATION						
As at January 1, 2024	314	4,648	15,076	13,478	–	33,516
Provided for the year	21	504	2,093	1,493	28	4,139
Eliminated upon disposals	(78)	(1,536)	(949)	–	–	(2,563)
As at December 31, 2024	257	3,616	16,220	14,971	28	35,092
Provided for the period	9	233	839	435	33	1,549
Eliminated upon disposal	–	(20)	(160)	–	–	(180)
As at June 30, 2025 (Unaudited)	266	3,829	16,899	15,406	61	36,461
PROVISION FOR IMPAIRMENT						
As at December 31, 2024	–	–	–	–	–	–
Provided for the period	–	1	30	–	–	31
Eliminated upon disposal	–	(1)	(30)	–	–	(31)
As at June 30, 2025 (Unaudited)	–	–	–	–	–	–
CARRYING VALUES						
As at June 30, 2025 (Unaudited)	88	785	4,440	1,289	1,326	7,928
As at December 31, 2024	97	995	4,880	1,255	1,359	8,586

Right-of-use assets

The right-of-use assets increased from RMB3,278 thousand as of December 31, 2024 to RMB19,110 thousand as of June 30, 2025, primarily due to renewal of leases.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

14. INTANGIBLE ASSETS

	Development project RMB'000	Software RMB'000	Patents RMB'000	Total RMB'000
COST				
As at January 1, 2024	–	2,929	7,767	10,696
Additions	4,063	498	–	4,561
As at December 31, 2024	4,063	3,427	7,767	15,257
Additions	4,274	–	–	4,274
As at June 30, 2025 (Unaudited)	8,337	3,427	7,767	19,531
DEPRECIATION				
As at January 1, 2024	–	1,829	2,365	4,194
Charge for the year	31	720	788	1,539
As at December 31, 2024	31	2,549	3,153	5,733
Charge for the period	189	177	388	754
As at June 30, 2025 (Unaudited)	220	2,726	3,541	6,487
CARRYING VALUES				
As at June 30, 2025 (Unaudited)	8,117	701	4,226	13,044
As at December 31, 2024	4,032	878	4,614	9,524

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

15. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000
Trade receivables – contracts with customers	171,956	74,921
Less: allowance for credit losses	(14,050)	(11,960)
	157,906	62,961
Notes receivables	267	569
Prepayments		
– to suppliers	9,213	6,239
– to others	1,776	1,182
Value-added tax recoverable	5,661	1,837
Deposits refundable within one year	3,786	4,724
Other receivables		
– bid security	3,405	3,612
– advances to suppliers	7,223	1,898
– others	3,935	4,287
Less: allowance for credit losses	(111)	(126)
	35,155	24,222
Total	193,061	87,183

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

15. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS *(Continued)*

The following is an aging analysis of the Group's trade receivables presented based on the date of revenue recognition:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000
Within 30 days	79,174	21,415
31 to 180 days	43,967	22,730
181 to 365 days	25,385	12,742
Over 1 year	23,430	18,034
	171,956	74,921

Out of the past due balances of RMB82,398,000 (December 31, 2024: RMB44,791,000), RMB65,488,000 (December 31, 2024: RMB34,126,000) has been past due 90 days or more and is not considered as in default by considering the background of the debtors and historical payment arrangement as at June 30, 2025. The Group does not hold any collateral over these balances or charge any interest thereon. The Group ordinarily grants a credit period within 180 days from invoice date.

There is no significant concentration of credit risk with respect to customers receivables, as the Group has a large number of customers.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

16. TRADE AND OTHER PAYABLES

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000
Trade payables	73,310	41,593
Other payables		
Accrued staff costs	28,071	62,564
Other tax payables	15,380	9,986
Others	13,351	19,814
	56,802	92,364
Total	130,112	133,957

The following is an aging analysis of the Group's trade payables presented based on the date of purchase recognised:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000
Within 3 months	62,477	28,959
3 to 6 months	3,662	1,778
6 to 12 months	1,400	1,587
1 to 2 years	1,280	4,155
Over 2 years	4,491	5,114
Total	73,310	41,593

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

17. CONTRACT ASSETS AND CONTRACT LIABILITIES

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000
Contract assets	53,928	68,120
Less: Allowance for credit losses	(6,290)	(5,507)
	47,638	62,613
Analysed as:		
Current	46,489	61,940
Non-current	1,149	673
Total	47,638	62,613
Contract liabilities	105,638	114,720

18. SHARE CAPITAL

Authorised and issued

	Number of ordinary shares '000	Number of ordinary shares with preferential rights '000	Nominal value of ordinary shares RMB'000
As at January 1, 2024	140,000	76,645	216,645
Issuance of new shares upon global offering (Note (a))	9,262	–	9,262
Automatic conversion of preferred shares into ordinary shares upon global offering (Note (b))	76,645	(76,645)	–
As at December 31, 2024 and June 30, 2025 (Unaudited)	225,907	–	225,907

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

18. SHARE CAPITAL (Continued)

Presented as:

	Share capital RMB'000
As at January 1, 2024	140,000
Issuance of new shares upon global offering (Note (a))	9,262
Automatic conversion of preferred shares into ordinary shares upon global offering (Note (b))	76,645
As at December 31, 2024 and June 30, 2025 (Unaudited)	225,907

Note:

- (a) On July 9, 2024, upon its listing on the Main Board of the Stock Exchange, the Company issued 9,262,000 new ordinary shares at par value of RMB1 per share for cash consideration of HKD36 each, and raised gross proceeds of approximately HKD333,432,000 (equivalent to approximately RMB304,437,000). The respective share capital amount was approximately RMB9,262,000 and share premium arising from the issuance was approximately RMB255,458,000, net of the share issuance costs. The share issuance costs paid mainly include share underwriting commissions, lawyers' fees, reporting accountant's fee and other related costs associated with the listing, which are incremental costs directly attributable to the issuance of new shares. These costs amounting to RMB39,717,000, were treated as a deduction against the share premium arising from issuance.

Included in the share capital was 135,064,706 domestic unlisted shares (the "Domestic Shares") of the Company with par value of RMB1.00 per share. In March 2025, the Company submitted an application to the e China Securities Regulatory Commission (the "CSRC") in respect of the conversion of the Domestic Shares into H shares (the "H Shares") with par value of RMB1.00 each that are listed on the Main board of the Stock Exchange. Upon obtaining all the relevant approvals (including the filings with and/or approvals from the CSRC and the Stock Exchange) and having complied with all the applicable laws, regulations and rules, such Domestic Shares will be converted into H Shares, and the Company will apply to the Stock Exchange for the listing of and permission to deal in such H Shares.

- (b) During the years from 2016 to 2021, the Group entered into several share subscription agreements with independent investors and issued eight series of shares with preferential rights.

All the shares with preferential rights were automatically converted into 76,645,000 ordinary shares of the Company upon the global offering on July 9, 2024. As a result of the automatic conversion, fair value change of the shares with preferential rights amounting to RMB306,641,000 was recognized immediately in profit or loss with reference to the offer price of HKD36 per share of the global offering on the same date.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

19. SHARE-BASED PAYMENTS

Share-based payments plans

(a) 2017 and 2018 Share Incentive

On September 5, 2017, the Company's shareholders' meeting passed a resolution, according to which 40,000,000 ordinary shares of the Company were issued to Ms. Chen Jie, the Controlling Shareholder and Chairlady of the Company, at RMB1.23 per share. On October 6, 2017 and April 4, 2018, two other shareholders of the Company transferred an aggregate of 20,000,000 ordinary shares of the Company to Tianjin Duoying, a company controlled by Ms. Chen Jie, at RMB1.23 per share. On December 29, 2017, another shareholder of the Company transferred 30,000,000 ordinary shares of the Company to Ningbo Xiuan, a company controlled by Ms. Chen Jie, at RMB1.23 per share.

The Group recognized these shares transactions as equity-settled share-based payments with no vesting conditions in recognition of Ms. Chen Jie's contribution to the Group.

Since 2018, share-based compensation benefits are provided to certain directors, senior management and employees via the Company's share incentive schemes, which includes the grant of share options and share economic rights ("**SERs**") through the limited partnerships, including Tianjin Duoying, Tianjin Shuitong Technology Center (Limited Partnership) (天津税通科技中心(有限合伙)), Tianjin Piaoying Technology Center (Limited Partnership) (天津票盈科技中心(有限合伙)), Tianjin Piaowang Technology Center (Limited Partnership) (天津票旺科技中心(有限合伙)), Tianjin Piaofu Technology Center (Limited Partnership) (天津票福科技中心(有限合伙)), Ningbo Xiuan, Tianjin Piaoxiang Technology Center (Limited Partnership) (天津票享科技中心(有限合伙)), and Tianjin Piaohui Technology Center (Limited Partnership) (天津票匯科技中心(有限合伙)) (hereinafter collectively referred to as "**LLPs**"). As at June 30, 2025, the LLPs held 15.4587% in total of the shares of the Company (December 31, 2024: 15.4587%).

(b) 2018 and 2019 Share Economic Rights (the "2018 and 2019 SERs")

SERs were granted to eligible employees from 2018 to 2020 through the LLPs. The value of SERs is indexed to the equity value of the Company. The vesting of SERs is subject to the requisite service until the completion of IPO. If eligible employees resign before the IPO, the controlling shareholder or parties designated by the Company have the right to repurchase and the resigned employees have to sell the SERs granted and vested at the subscription price. Therefore, the completion of the IPO constitutes a vesting condition. Upon meeting the condition, the grantees may choose to dispose the vested SERs through the LLPs and the LLPs shall dispose the shares of the Company underlying such vested SERs and transfer the proceeds to the grantees. The Group does not bear the obligation to settle the SERs plan for employees, the SERs plan was accounted as an equity transaction for share-based payments. The share-based payment expenses are not recognized until the IPO becomes probable.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

19. SHARE-BASED PAYMENTS *(Continued)*

Share-based payments plans *(Continued)*

(b) 2018 and 2019 Share Economic Rights (the "2018 and 2019 SERs") *(Continued)*

In 2020 and 2021, two employees resigned and Ms. Chen Jie and the Company decided to waive the repurchase right of service period related vesting condition in recognition of their contribution to the Group, which resulted in a modification with removal of the vesting condition.

In December 2020, except for the 2018 and 2019 SERs granted to these two employees, the Company canceled the 2018 and 2019 SERs and accounted for the cancellation as an acceleration of vesting and recognized immediately the amount that otherwise would have been recognized for services received.

The movement of the 2018 and 2019 SERs during the year ended of December 31, 2024 and the six months ended June 30, 2025 is as follows:

	Number of 2018 and 2019 SERs '000	Weighted-average grant date fair value RMB
As at January 1, 2024	700	11.92
Vested and exercised	(700)	11.92
As at December 31, 2024 and June 30, 2025	—	11.92

The 2018 and 2019 SERs were priced using the value of the ordinary shares determined by using the discounted cash flow method with a DLOM. The key inputs used to evaluate the grant date fair value are as follows:

	2018 and 2019 SERs %
Discount rate	19.00–21.00
DLOM	16.00–21.00

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

19. SHARE-BASED PAYMENTS *(Continued)*

Share-based payments plans *(Continued)*

(c) The 2020 SERs Scheme

In 2021 and 2022, pursuant to 2020 SERs Scheme, an aggregate of 13,780,000 SERs of the LLPs were granted, representing 13,780,000 ordinary shares of par value of RMB1 each in the share capital of the Company with the subscription price at RMB1.23 (the “**2020 SERs I**”) or RMB2.51 (the “**2020 SERs II**”) each SER to eligible employees. The vesting is subject to the requisite service until the completion of the IPO of which 25% of the SERs are to be vested upon the completion of the IPO, and 25% in each of the subsequent three years. The SERs could not be sold during the period from date of grant to 3 years after the completion of the IPO (the “**Lock-up Period**”), after which 50% of vested SERs can be sold by the SERs holders in each of the subsequent two years. If the eligible employees resign during the Lock-up Period, the controlling shareholder or parties designated by the Company have the right to repurchase and the resigned employees have to sell the unvested SERs at the subscription price. The share-based payment expenses are not recognized until the IPO becomes probable.

In addition, in 2021, an aggregate of 6,700,000 SERs of the LLPs were granted, representing 6,700,000 ordinary shares of par value at RMB1 each in the share capital of the Company with the price of RMB1.23/2.51 (the “**2020 SERs III**”) for each SER. The 2020 SERs III were not subject to the IPO condition and were fully vested upon the grant.

In 2022, the Company made the following modifications to the 2020 SERs I and 2020 SERs II:

- 1) For 2020 SERs I, the SERs could not be sold from the date of grant to 1 year after the completion of the IPO (“**Revised Lock-up Period**”), after which 50%, 25% and 25% of vested SERs can be sold in each of the subsequent three years. If the eligible employees resign during the Revised Lock-up Period and first 2 years of after the Revised Lock-up Period, the controlling shareholder or parties designated by the Company have the right to repurchase and the resigned employees have to sell the unvested SERs at the subscription price (“**2022 SERs I**”).
- 2) For 2020 SERs II, the SERs could not be sold from the date of grant to 1 year after the completion of the IPO, after which 20%, 20%, 30% and 30% of vested SERs could be sold in each of the subsequent four years. If the eligible employees resign during the Revised Lock-up Period and first 2 years after the Revised Lock-up Period, the controlling shareholder or parties designated the Company have the right to repurchase and the resigned employees have to sell the unvested SERs at the subscription price (“**2022 SERs II**”).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

19. SHARE-BASED PAYMENTS *(Continued)*

Share-based payments plans *(Continued)*

(c) The 2020 SERs Scheme *(Continued)*

In 2023, pursuant to the 2020 SERs III, an aggregate of 5,450,000 SERs of the LLPs were granted to two key management personnel and a consultant, representing 5,450,000 ordinary shares at par value of RMB1 each in the share capital of the Company with the price of RMB1.23/2.51 for each SER. The share-based payment expenses of RMB114,126,000 were recognized in the year ended 31 December 2023.

In 2024, several employees resigned from the Company, Ms. Chen Jie and the Company decided to waive the repurchase right of service period related vesting condition in recognition of their contribution to the Group, which resulted in a modification with removal of the vesting condition, the remuneration committee, in its ultimate discretion, made a decision in 2024 (that is, before the several employees failed to meet the service vesting condition by resign) that the Company would still provide award on termination of service. This would be accounted for as a beneficial modification (that is, a reduction in the vesting period) and a change in the number of SERs expected to repurchase, the share-based payment expenses of RMB10,956,000 was recognized during the year ended December 31, 2024. It would not be viewed as a substantive forfeiture of the original award and grant of a new award.

In 2025, several employees resigned from the Company, Ms. Chen Jie and the Company decided to waive the repurchase right of service period related vesting condition in recognition of their contribution to the Group, which resulted in a modification with removal of the vesting condition, the remuneration committee, in its ultimate discretion, made a decision in 2025 (that is, before the several employees failed to meet the service vesting condition by resign) that the Company would still provide award on termination of service. This would be accounted for as a beneficial modification (that is, a reduction in the vesting period) and a change in the number of SERs expected to repurchase, the share-based payment expenses of RMB8,073,000 was recognized during the six months ended June 30, 2025. It would not be viewed as a substantive forfeiture of the original award and grant of a new award.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

19. SHARE-BASED PAYMENTS *(Continued)*

Share-based payments plans *(Continued)*

(c) The 2020 SERs Scheme *(Continued)*

A summary of the 2020 SERs' movement is as follows:

	Number of 2020 SERs '000	Weighted-average grant date fair value RMB
As at January 1, 2024	20,840	17.72
Forfeited	(735)	16.07
Vested and exercised	(14,441)	18.54
As at December 31, 2024	5,664	15.85
Forfeited	(97)	15.38
Vested and exercised	(1,413)	15.81
As at June 30, 2025	4,154	16.00

The 2020 SERs were priced using the value of the ordinary shares determined by using the discounted cash flow method with a DLOM. The key inputs used to evaluate the grant date fair value are as follows:

	2020 SERs %
Discount rate	18.00
DLOM	11.00–23.00

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

19. SHARE-BASED PAYMENTS *(Continued)*

Share-based payments plans *(Continued)*

(d) The 2022 SERs Scheme

In 2022, pursuant to the 2022 SERs II, an aggregate of 445,000 SERs were granted, representing 445,000 ordinary shares at par value of RMB1 each in the share capital of the Company with the price of RMB2.51 each SER was granted to eligible employees.

In 2023, pursuant to the 2022 SERs I and 2022 SERs II, an aggregate of 7,355,000 SERs of the LLPs were granted, representing 7,355,000 ordinary shares at par value of RMB1 each in the share capital of the Company with the subscription price of RMB1.23 or RMB2.51 each SER to eligible employees.

The following table discloses movements of the newly granted 2022 SERs.

	Number of 2022 SERs '000	Weighted-average grant date fair value RMB
As at December 1, 2024	7,590	17.79
Forfeited	(936)	17.43
Vested and exercised	(1,821)	17.82
As at December 31, 2024	4,833	17.85
Forfeited	(866)	17.81
Vested and exercised	(1,404)	17.92
As at June 30, 2025 (Unaudited)	2,563	17.87

The 2022 SERs were priced using the value of the ordinary shares determined by using the discounted cash flow method with a DLOM. The key inputs used to evaluate the grant date fair value are as follows:

	2022 SERs %
Discount rate	18.00
DLOM	19.00–21.00

The share-based payment expenses of RMB950,000 and RMB35,743,000 were recognized during the six months ended June 30, 2025 and 2024, respectively.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

20. CONTINGENT LIABILITIES

As at June 30, 2025, the Company involved in two pending litigations. These pending litigations relate to the appeal of two labour dispute case, in which the plaintiffs sought salaries and compensation over RMB1,702,000. In 2025, the plaintiffs appealed to the Haidian District Arbitration Commission, which has accepted the plaintiffs' applications. Up to June 30, 2025, the Haidian District Arbitration Commission has not issued a judgment.

21. CAPITAL COMMITMENTS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000
Capital expenditure in respect of acquisition of equity interests in joint ventures and associates	68,515	71,651

The capital commitment mainly represents the outstanding capital injection commitments in certain investments in associates in accordance with the agreements entered with other shareholders, in proportion to the existing shareholdings. Such commitments can be nullified by agreements with all the shareholders involved.

22. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Determination of fair value and fair value hierarchy

IFRS 13 Fair Value Measurement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurement for assets and liabilities required or permitted to be recorded at fair value, the Group considers the principal or most advantageous market in which it would transact and it considers assumptions that market participants would use when pricing the asset or liability.

The level of fair value calculation is determined by the lowest level input that is significant in the overall calculation. As such, the significance of the input should be considered from an overall perspective in the calculation of fair value.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

22. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS *(Continued)*

Determination of fair value and fair value hierarchy *(Continued)*

For Level 2 financial instruments, valuations are generally obtained from third party pricing services for identical or comparable assets, or through the use of valuation methodologies using observable market inputs, or recent quoted market prices. Valuation service providers typically gather, analyze and interpret information related to market transactions and other key valuation model inputs from multiple sources, and through the use of widely accepted internal valuation models, provide a theoretical quote on various securities.

For Level 3 financial instruments, prices are determined using valuation methodologies such as discounted cash flow models and other similar techniques. Determinations to classify fair value measurement within Level 3 of the valuation hierarchy are generally based on the significance of the unobservable factors to the overall fair value measurement.

The following tables provide the fair value measurement hierarchy of the Group's financial assets and liabilities:

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at June 30, 2025 (Unaudited)				
Assets:				
Financial assets at FVTPL	–	270,734	111,155	381,889
As at December 31, 2024				
Assets:				
Financial assets at FVTPL	–	277,896	110,839	388,735

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

22. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS *(Continued)*

Determination of fair value and fair value hierarchy *(Continued)*

The following summaries the fair values of major financial assets and liabilities to determine the valuation techniques and inputs used:

Financial assets/liabilities	Carrying amount as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable inputs (s)	Relationship of unobservable inputs to fair value
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000				
Wealth management products	239,430	277,896	Level 2	Expected Rate of Return	N. A	N. A
Investment funds	31,304	—	Level 2	Market approach with adjustment	N. A	N. A
Investments in associates with preferential rights	68,480	68,305	Level 3	Income approach	Expected future cash flow	The more the cash flow, the higher the fair value
				Combination of Probability-weighted Option Price Method	DLOM	The lower the DLOM, the higher the fair value
				Black-Scholes Model	Credit Spread	The higher the rate, the lower the fair value
Investment in convertible loan	35,080	35,080	Level 3	Black-Scholes Model	Credit Spread	The higher the rate, the lower the fair value
Arrangement/right to receive additional shares at nominal consideration	7,595	7,454	Level 3	Income approach	Expected future cash flow	The more the cash flow, the higher the fair value

During the six months ended June 30, 2025 and 2024, fair value changes arose from the financial assets classified within Level 2 and Level 3 as listed in the table above were insignificant. The Directors consider that any reasonable changes in the significant unobservable inputs would not result in a significant change in the Group's results. Accordingly, no sensitivity analysis is presented.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

22. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS *(Continued)*

Determination of fair value and fair value hierarchy *(Continued)*

For assets and liabilities that are measured at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at each reporting end. During the year, there were no transfers among different levels of fair values measurement.

Reconciliation of Level 3 fair value measurements of financial assets and financial liabilities

	Investments in associates with preferential rights, investments in convertible loan, and the arrangement/right to receive additional shares at nominal consideration RMB'000	Shares with Preferential Rights RMB'000
As at January 1, 2024	32,434	(2,212,629)
Investment in FVTPL	40,000	–
Changes in fair value	(1,632)	(305,648)
As at June 30, 2024	70,802	(2,518,277)
As at December 31, 2024	110,839	–
Changes in fair value	316	–
As at June 30, 2025 (Unaudited)	111,155	–

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

For the financial assets and financial liabilities that are not measured at fair value on a recurring basis, the Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortized cost approximate their fair values at June 30, 2025 and December 31, 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

23. RELATED PARTY TRANSACTIONS

Names and relationships with related parties

The following companies are significant related parties of the Group that had transactions and/or balances with the Group.

Name of related parties	Relationship with the Group
Guomai Xin'an Technology Co., Ltd. (北京國脈信安科技有限公司) ("Guomai Xin'an") (Note 1)	Significantly influenced by the controlling shareholder
Fosun Holdings Limited and its subsidiaries ("復星國際有限公司及其子公司") (Note 1)	Non-controlling shareholder with significant influence
Boya Zhongke (Beijing) Information Technology Co., Ltd. (博雅中科(北京)信息技術有限公司) ("Boya Zhongke") (Note 1)	Associate
Guangxi United Credit Reporting Co., Ltd. (廣西聯合徵信有限公司) ("Guangxi United") (Note 1)	Associate
Shanghai Xinghan Information Technology Co., Ltd. (上海星漢信息技術有限公司)	Associate
Neimenggu Baiwangyun Digital Technology Service Co., Ltd. (內蒙古百望雲數字科技服務有限公司) ("Neimenggu Baiwangyun") (Note 1)	Associate
Wuxi United Credit Reporting Co., Ltd. (無錫企業徵信有限公司) ("Wuxi United") (Note 1)	Associate
Yunnan Baiwangyun Digital Technology Co., Ltd. (雲南百望雲數字科技有限公司) ("Yunnan Baiwangyun") (Note 1)	Joint venture
Henan Baiwangyun Digital Technology Co., Ltd. (河南百望雲數字科技有限公司) ("Henan Baiwangyun") (Note 1)	Joint venture
Guangdong Baiwangyun Technology Co., Ltd. (廣東百望雲科技有限公司) ("Guangdong Baiwangyun") (Note 1)	Joint venture

Note 1: The English name of the companies established in the PRC are for reference only and have not been registered.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

23. RELATED PARTY TRANSACTIONS *(Continued)*

Transactions with related parties

The Group have the following transactions and balances with related parties:

Name of related parties	Nature of transactions	Six months ended June 30,	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Fosun	Provision of services	5	42
Guangxi United	Provision of services	29,418	42,999
Yunnan Baiwangyun	Provision of services	217	8
Guomai Xin'an	Provision of services	354	–
Wuxi United	Provision of services	12,563	–
Others	Provision of services	770	61
Total		43,327	43,110
Guomai Xin'an	Purchases of services and products	849	634
Boya Zhongke	Purchases of services and products	–	248
Shanghai Xinghan	Purchases of services and products	904	218
Yunnan Baiwangyun	Purchases of services and products	–	277
Guangdong Baiwangyun	Purchases of services and products	288	730
Henan Baiwangyun	Purchases of services and products	2,019	797
Neimenggu Baiwangyun	Purchases of services and products	535	–
Others	Purchases of services and products	263	68
Total		4,858	2,972

In the opinion of the Directors, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

23. RELATED PARTY TRANSACTIONS *(Continued)*

Key management personnel compensation

The remuneration of Directors and other members of key management personnel during the six months ended June 30, 2025 and 2024 was as follows:

Name of related parties	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Salaries and bonuses	6,013	4,675
Share-based payments	243	2,241
Welfare, medical and other benefits	638	708
Total	6,894	7,624

The remuneration of key management personnel is determined by reference to the performance of individuals and market trends.

24. SUBSEQUENT EVENTS

As at July 29, 2025, the board announced that pursuant to the 2025 Share Incentive Scheme (ESOP Platforms), it has approved the grant of Restricted Shares representing 4,750,000 Shares ("**Shares**") to five grantees (the "**Grant**"), accounting for approximately 2.10% of the issued share capital of the Company. The source of the Grant is certain Shares indirectly held by Ms. Chen through Ningbo Xuan and Tianjin Duoying. The grantees will hold the Shares indirectly through holding the proprietary interest in such Shareholding Platforms.

DEFINITION

"2025 Share Incentive Schemes"	2025 Share Incentive Scheme (ESOP Platforms) and 2025 Share Incentive Scheme (Trust Units)
"2025 Share Incentive Scheme (ESOP Platforms)"	the Company's share incentive scheme approved and adopted by the Shareholders at the AGM, details of which are set out in Appendix IIA to the circular of the Company dated June 3, 2025
"2025 Share Incentive Scheme (Trust Units)"	the Company's share incentive scheme approved and adopted by the Shareholders at the AGM, details of which are set out in Appendix IIB to the circular of the Company dated June 3, 2025
"AGM"	the 2024 annual general meeting of the Company held on June 27, 2025
"Audit Committee"	the audit committee of the Board
"Board of Directors" or "Board"	the board of directors of our Company
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China," or "PRC"	People's Republic of China, excluding, for the purposes of this interim report and for geographical reference only and except where the context requires otherwise, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Company" or "our Company"	Baiwang Co., Ltd. (百望股份有限公司), a joint stock company incorporated under the laws of the PRC with limited liability on May 4, 2015
"Controlling Shareholders"	has the meaning ascribed thereto under the Listing Rules and unless the context requires otherwise, refers to Ms. Chen, Ningbo Xiu'an and Tianjin Duoying
"Director(s)"	the director(s) of our Company
"Domestic Shares"	ordinary Shares in the share capital of our Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB and are unlisted Shares not currently listed or traded on any stock exchange
"Group," "our Group," "we" or "us"	our Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require)

DEFINITION

“Global Offering”	the Hong Kong public offering and the international offering of the Company
“Grantee(s)”	individual(s) who, in accordance with the rules governing the operation of the 2025 Share Incentive Scheme (ESOP Platforms) and the 2025 Share Incentive Scheme (Trust Units) as well as the implementation procedures (as amended from time to time) is/are granted the Restricted Shares
“H Share(s)”	overseas-listed foreign shares in the share capital of our Company with nominal value of RMB1.00 each, which are to be subscribed for and traded in HK dollars and are to be listed on the Stock Exchange
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Incentive Scheme Administrator(s)”	the Board committee(s) and/or person(s) delegated by the Board to administer matters in relation to the relevant 2025 Share Incentive Scheme
“Listing”	the listing of the H Shares on the Main Board of the Stock Exchange
“Listing Date”	July 9, 2024, being the date on which the H Shares were listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
“Lock-up Period”	the period during which the Restricted Shares shall not be disposed of on the secondary market or by other means in accordance with the requirements of the relevant laws, regulations and rules, the relevant the rules governing the operation of the 2025 Share Incentive Schemes as well as the implementation procedures the terms of the relevant grant agreement and other relevant documents
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“Ms. Chen”	Ms. Chen Jie (陳杰), our founder, Controlling Shareholder, executive Director and chairlady of our Board

DEFINITION

“Ningbo Xiu’an”	Ningbo Xiu’an Enterprise Management Partnership (Limited Partnership) (寧波修安企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on August 2, 2017 and controlled by Ms. Chen (as the general partner who controls and manages Ningbo Xiu’an). Ningbo Xiu’an is a share incentive platform and one of our Controlling Shareholders
“Prospectus”	the prospectus of the Company dated June 28, 2024
“Renminbi” or “RMB”	Renminbi, the lawful currency of the PRC
“Reporting Period”	six months from January 1, 2025 to June 30, 2025
“Restricted Share(s)”	a certain number of Share(s) represented by the proprietary interest in the Shareholding Platform(s) under the 2025 Share Incentive Scheme (ESOP Platforms) or the trust units of the trust administered by the Trust Administrator under the 2025 Share Incentive Scheme (Trust Units) (as the case may be) and granted by the Company to the Grantee(s)
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary shares in the capital of our Company with a nominal value of RMB1.00 each, comprising Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of our Share(s)
“Shareholding Platforms”	the share incentive platforms designated under the 2025 Share Incentive Scheme (ESOP Platforms), including Tianjin Duoying, Ningbo Xiu’an and their upper-level shareholding platforms (including Tianjin Piaoying Technology Center (Limited Partnership) (天津票盈科技中心(有限合夥)), Tianjin Shuitong Technology Center (Limited Partnership) (天津稅通科技中心(有限合夥)), Tianjin Piaofu Technology Center (Limited Partnership) (天津票福科技中心(有限合夥)), Tianjin Piaowang Technology Center (Limited Partnership) (天津票旺科技中心(有限合夥)), Tianjin Piaoxiang Technology Center (Limited Partnership) (天津票享科技中心(有限合夥)), Tianjin Piaohui Technology Center (Limited Partnership) (天津票匯科技中心(有限合夥)))
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules

DEFINITION

"Substantial Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Supervisor(s)"	the supervisor(s) of our Company
"Tianjin Duoying"	Tianjin Duoying Technology Center (Limited Partnership) (天津多盈科技中心(有限合伙)), a limited partnership established under the laws of the PRC on July 27, 2017 and controlled by Ms. Chen (as the general partner who controls and manages Tianjin Duoying). Tianjin Duoying is a share incentive platform and one of our Controlling Shareholders
"Tianjin Piaoying"	Tianjin Piaoying Technology Center (Limited Partnership) (天津票盈科技中心(有限合伙))
"Trust"	the trust established for the purpose of the 2025 Share Incentive Scheme (Trust Units)
"Trust Administrator"	a qualified trust administrator to be engaged and entrusted by the Board as the trustee of the 2025 Share Incentive Scheme (Trust Units)
"Trust Unit(s)"	unit(s) of beneficial rights under the Trust as granted to the Grantees by the Board and/or the Delegatee(s) under the 2025 Share Incentive Scheme (Trust Units)
"USD" or "US\$"	US dollars, the lawful currency of the United States
"United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"Unlocking"	the Shares held by the Grantee may no longer be subject to the Lock-up Period and could be transferred in the secondary market or by other means in accordance with the respective 2025 Share Incentive Scheme
"%"	per cent