



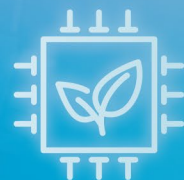
医渡科技
YIDUTECH

Yidu Tech Inc.
醫渡科技有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock code 股份代號: 2158



2022/2023

Interim Report 中期報告



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CORPORATE INFORMATION

Executive Directors

Ms. Gong Yingying (宮盈盈)
(Chairlady and Chief Executive Officer)
Ms. Yang Jing (楊晶)
Dr. Yan Jun (閔峻)
Ms. Zhang Shi (張實)

Non-executive Director

Mr. Zeng Ming (曾鳴)

Independent non-executive Directors

Dr. Ma Wei-Ying (馬維英)
Ms. Pan Rongrong (潘蓉蓉)
Prof. Zhang Linqi (張林琦)

Audit committee

Ms. Pan Rongrong *(Chairperson)*
Dr. Ma Wei-Ying
Prof. Zhang Linqi

Remuneration committee

Dr. Ma Wei-Ying *(Chairperson)*
Ms. Gong Yingying
Prof. Zhang Linqi

Nomination committee

Ms. Gong Yingying *(Chairperson)*
Dr. Ma Wei-Ying
Prof. Zhang Linqi

Joint Company secretaries

Ms. Bai Rui
Ms. Li Ching Yi

Authorized representatives

Ms. Yang Jing
Ms. Li Ching Yi

Headquarters

8/F Health Work
No. 9 Building of Huayuan North Road
Haidian District, Beijing, China

Principal place of business in Hong Kong

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Registered Office

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PO Box 32311
Grand Cayman KY1-1209, Cayman Islands

Auditor

PricewaterhouseCoopers
*Certified Public Accountants and
Registered Public Interest Entity Auditor*
22/F, Prince's Building
Central, Hong Kong

Legal advisers

As to Hong Kong and U.S. laws

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42/F, Edinburgh Tower, The Landmark
15 Queen's Road Central, Hong Kong

As to PRC law

Han Kun Law Offices
9/F, Office Tower C1, Oriental Plaza
1 East Chang An Ave.
Dongcheng District, Beijing 100738, PRC

As to Cayman Islands law

Maples and Calder (Hong Kong) LLP
26th Floor, Central Plaza
18 Harbour Road, Wan Chai, Hong Kong

Compliance adviser

Somerley Capital Limited
20th Floor, China Building
29 Queen's Road Central, Hong Kong

Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East, Wanchai, Hong Kong

Principal share registrar and transfer office

Maples Fund Services (Cayman) Limited
PO Box 1093, Boundary Hall
Cricket Square
Grand Cayman KY1-1102, Cayman Islands

Principal banks

Citibank, N.A., Hong Kong branch
Citi Tower, One Bay East
83 Hoi Bun Road
Kwun Tong, Kowloon, Hong Kong

China CITIC Bank, Beijing branch,
Beijing Fuhua Mansion sub-branch
1st Floor, Tower E, Fuhua Mansion
8 Chaoyangmen North Street
Doncheng District, Beijing, China

Shanghai Pudong Development Bank,
Beijing branch, Dong Changan Street sub-branch
1st Floor, Tower B, Minsheng Financial Center
28 Jianguomen Inner Street
Dongcheng District, Beijing, China

Stock code

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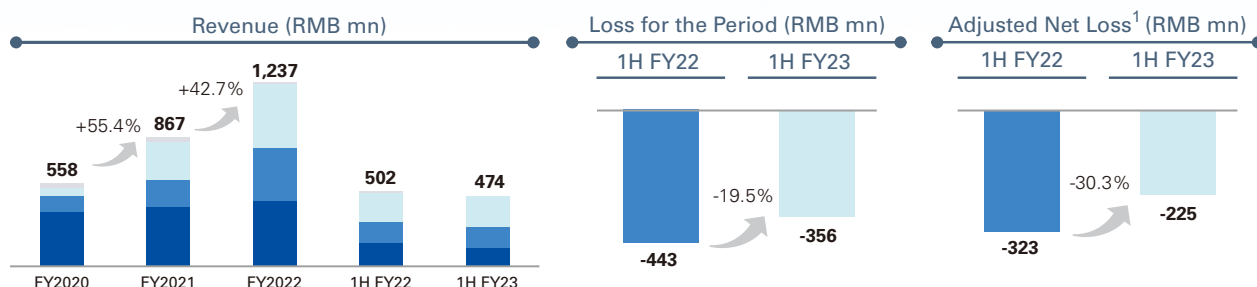
Company website

www.yidutechgroup.com

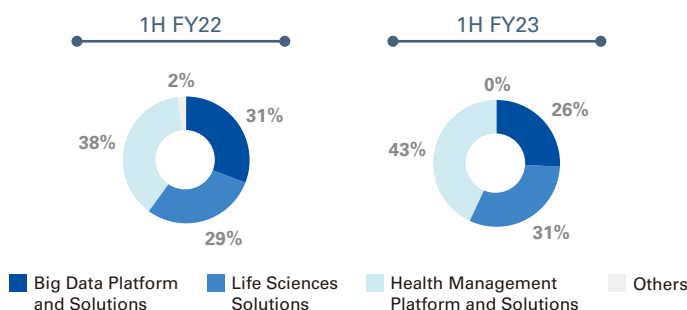
KEY FINANCIAL AND OPERATING DATA

1H FY2023 Highlights

Financial Performance



Business Structure



Market Shares²

Ranked No. 1 in terms of revenue in China's healthcare intelligence market and its segments



China's Overall Healthcare Intelligence Market: 2.3%
(The market shares of 2nd to 5th place are 1.3%, 0.9%, 0.6% and 0.6%)



Medical Institutions and Regulators Segment: 3.3%
(The market shares of 2nd to 5th place are 1.9%, 1.3%, 1.0% and 0.9%)



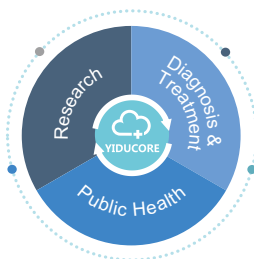
China's Emerging Healthcare Intelligence Companies Segment: 25.6%
(The market shares of 2nd to 5th place are 6.0%, 5.8%, 3.7% and 2.7%)

Business Highlights Under the Strategic Focus

Scenario-driven

Business Focus

- Focus on the healthcare intelligence industry, and continue to concentrate on three categories of scenarios, namely **research, diagnosis and treatment, and public health**.
- Focus on the **construction of core competence**, promote the multiple use-case scenarios application under three categories of scenarios, and realize the iteration and optimization of intelligence **driven by scenarios**.



Disease Focus

- Concentrate on key disease research areas including **solid tumor, hematology, ophthalmology and immunology**.
- The disease registry covers **60** disease areas, including more than **20** major cancers.
- Public health solutions can cope with all of the **40** infectious diseases defined by China CDC.

Client Focus

- Constantly upgrade and iterate the specialized product matrix to continuously improve the revenue retention rate of core customers. Continuously provide high-quality professional services to meet the diverse needs of core customers.
- The Big Data Platform and Solution segment launched the **All Disease Data Platform** to achieve the DIY creation of disease registries by hospitals.
- Achieved a **119%** revenue retention rate for top 10 clients, and served **15** out of the Top 20 MNCs in the Life Science Solutions segment.

Organization Focus

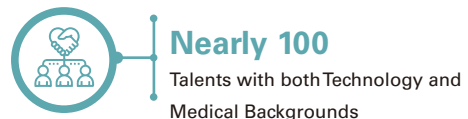
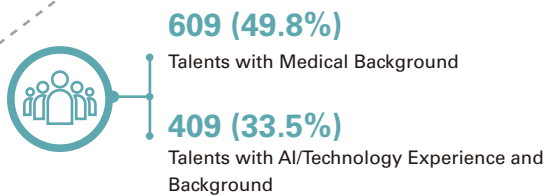
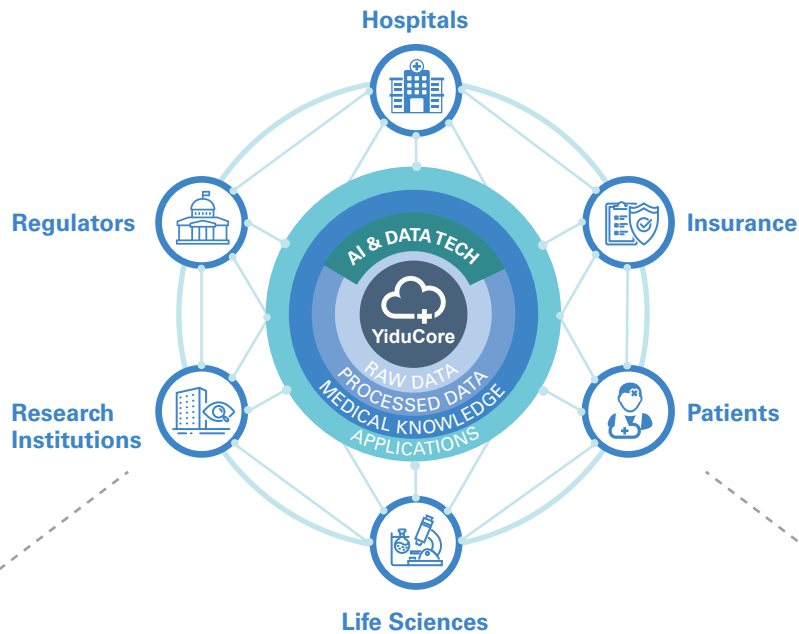
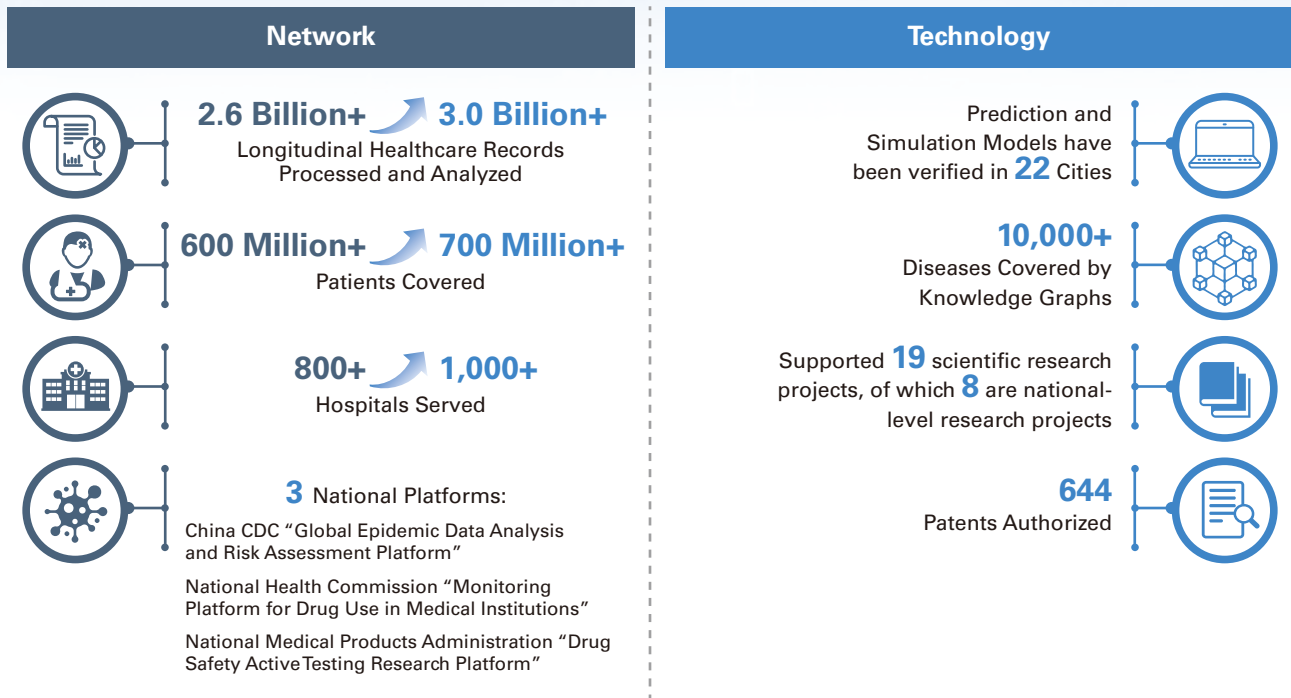
- Based on the YiduCore and reuse of the core competencies, we continuously improve the collaboration among the three business segments to enhance customer awareness, business penetration and internal operating efficiency.
- Actively expand a network with key opinion leaders and industry experts. We have invited **35** industry leaders and clinical experts to share their insights in the "Happy and Smart Study" live events held by the Life Science Solutions segment, and attracted more than **4,600** clinical researchers.
- Total operating expense as a percentage of revenue decreased by **32.1** percentage points on a YoY basis.

Note 1 : We define Adjusted Net Loss as loss for the period by adding back (i) share-based compensation expenses; (ii) net exchange loss (gain)

Note 2 : Frost & Sullivan report

Key Financial and Operating Data (Continued)

Core Competency



Multi-Domain Team

FINANCIAL HIGHLIGHTS

	Six months ended		
	30 September		
	2022	2021	Change (%)
	(RMB'000, except percentages)		
Revenue	474,366	501,931	(5.5%)
— Big Data Platform and Solutions	124,028	157,948	(21.5%)
— Life Sciences Solutions	146,531	145,627	0.6%
— Health Management Platform and Solutions	203,807	190,438	7.0%
— Others	—	7,918	(100.0%)
Gross profit	123,675	144,070	(14.2%)
Operating loss	(356,251)	(442,214)	(19.4%)
Loss for the period	(356,347)	(442,542)	(19.5%)
Non-IFRS adjusted net loss ⁽¹⁾	(224,802)	(322,512)	(30.3%)

(1) We define "adjusted net loss" as loss for the period and adding back share-based compensation expenses and net foreign exchange gains or losses.

The Board did not recommend the distribution of an interim dividend for the six months ended 30 September 2022.



BUSINESS OVERVIEW

Although the long-lasting repeated COVID-19 pandemic has created enormous challenges and uncertainties to societies and economies, it has also catalyzed the transformation of digitalization and intelligentization, empowered by the advanced digital technologies and artificial intelligence (AI), in the healthcare sector. We deeply believe that our economy is resilient, the principal core of the healthcare sector remains healthy, and technology is playing an increasingly important role.

Guided by the national strategy of high-quality development driven by innovation, the “14th Five-Year Plan” and the “Healthy China 2030”, China has implemented a series of regulations and guidance to speed up the transformation, especially encouraging the scenario-driven proprietary innovation. Such market-friendly policies and better regulated market conditions enable us to deepen our core technologies and capabilities to meet the diverse needs of our customers, and achieve our vision of precision healthcare for all (“**green healthcare**”) in the long run.

YiduCore, our intelligent “medical brain”, supports our customers and partners to unlock the value of health data to drive better outcomes by enabling the secured applicability of high-quality data in different use-case scenarios. As of 30 September 2022, YiduCore has processed and analyzed more than 3 billion healthcare records from over 700 million patients. YiduCore consists of algorithms and insightful medical knowledge that are continuously accumulated and constantly iterated as we expand our use-case scenarios with proper authorization. That in turn attracts more hospitals, leading principal investigators (PIs), pharmaceutical companies and researchers to join our network.

As of 30 September 2022, we have provided solutions for 84 top research hospitals in China and 29 regulators and policy makers, and covered 1,000 hospitals, most of which are in tier 1 and tier 2 cities in China. The number of active life science customers that the Group served reached 143 as of 30 September 2022. The number of active users who completed at least one transaction on our health management platform reached 15 million.

According to the Frost & Sullivan Report, we ranked No. 1 in terms of revenue in the medical institutions and regulators healthcare intelligence market, No. 1 in terms of revenue in the emerging healthcare intelligence market, and No. 1 in terms of revenue in the total healthcare intelligence market. Specifically, we have a 25.6% share of the emerging healthcare intelligence market. In addition, according to the Frost & Sullivan Report, the market size of China’s healthcare intelligence industry is expected to exceed RMB1.1 trillion in 2030.

Business Overview (Continued)

The long-lasting pandemic resulted in a temporary revenue decrease. For the six months ended 30 September 2022, our total revenue amounted to RMB474 million, representing a year-on-year decrease of 5.5%, mainly attributable to delays in the bidding, on-site implementation and client acceptance of certain projects. Despite external pressure, we stay committed to improving profitability with strategic focus. We continue to focus on three categories of scenarios, namely research, diagnosis and treatment, and public health by applying digital and intelligent applications to multiple use-case scenarios. In the use-case scenarios, we concentrate on the key disease research areas including solid tumors, hematology, ophthalmology and immunology to further strengthen our core competence, improve customer experience and enlarge average transaction value of customers. We focus on retaining core hospitals and core pharmaceutical companies with high revenue retention, and keep providing the high-quality product offerings and solutions. For example, we launched the All Disease Data Platform to cope with the increasing diverse demands in hospitals during the Reporting Period. We have streamlined our organization related to the customer value delivery. We have a focus on synergies and collaboration across business segments not only from technical aspect, but also from commercial aspect. As a result, our loss for the period reduced to RMB356 million, representing a year-on-year decrease of 19.5%, and the adjusted net loss decreased to RMB225 million, representing a year-on-year decrease of 30.3%. Total operating expense as a percentage of revenue decreased by 32.1 percentage point compared with the same period last year. We expect continuous improvement in operating efficiency going forward.

Healthcare intelligence covers all the important scenarios of each stakeholder, from accelerating new drug development to assisting doctors in clinical diagnosis and treatment, from empowering precise decision-making in public health to personalized proactive health management at every level. As we adhere to our mission “to make value-based precision healthcare accessible to everyone”, we look forward to creating greater value for major participants of the healthcare ecosystem and ultimately delivering better services and outcomes for patients.

Yiducore

YiduCore, our intelligent “medical brain”, represents our core capabilities that can be understood in terms of three layers. The first layer is our data processing capabilities, which allow us to aggregate and convert raw and scattered data on the information technology systems of hospitals and healthcare institutions into computable, structured and standardized data that can be analyzed with speed, accuracy and cost-efficiency. The second layer consists of our medical knowledge, insights and disease models that are continuously reinforced and expanded as they are applied to our data-analytics driven solutions for our customers in various use-case scenarios. The final layer is our scenario-specific operations and service capabilities that we develop to help our customers better realize the value of our solutions and ecosystem to achieve their target outcomes.

We have been committed, since day one, to research, development and independent innovation. We have continuously invested resources to deepen our understanding of diseases while ensuring the security of our technical architecture as the foundation. As of 30 September 2022, the YiduCore's medical knowledge graph covered over 80,000 medical objects, of which the number of diseases covered by the disease knowledge graph has exceeded 10,000, an increase of over 1,000 compared to six months earlier. As of 30 September 2022, we have undertaken a total of 19 scientific research projects with our partners, including renowned hospitals, regulators and universities, of which 8 are national-level research projects sponsored by the Ministry of Science and Technology of China and other national ministries. In addition to the key disease research areas of solid tumors, hematology and ophthalmology, we have further deepened our research in the field of immunology. During the Reporting Period, the national-level research project "Research on the Interaction, Prevention and Control Technology of Geriatric Immunology and Infectious Diseases" applied by us was successfully approved. This project aims to provide technical support for immune intervention and the construction of infectious diseases prevention and control system for the elderly.

We improved the productivity of research-grade evidence generation and accelerated the delivery of affordable and high-quality care to patients in need. During the Reporting Period, we provided solutions to assist Henan Children's Hospital in clinical researches so as to improve the precision diagnosis and treatment of rare pediatric diseases. The Real-World Data Clinical Research Platform (Phase I) in Hainan Boao Lecheng, constructed by us, has put into operation and accelerated the fast-track approval of drugs and devices that are urgently needed in China for clinical purposes. Our comprehensive public health solutions provide large-scale simulation and prediction that enables efficient and dynamic decision-making. As of 30 September 2022, the effectiveness and accuracy of our pandemic response and prediction algorithms have been validated in 22 cities. Our epidemic prediction and simulation products have been standardized, and can be instantly deployed in a remote manner.

During the Reporting Period, we participated in the preparation of the *Research Report on the Application of Privacy Computing (2022)* (《隱私計算應用研究報告(2022年)》) issued by the Institute of Cloud Computing and Big Data of the China Academy of Information and Communication Technology (CAICT). In addition, by virtue of our outstanding remote operation and maintenance technology, we have obtained the *Certificate of Remote Operation and Maintenance Safety Capability Inspection* (《遠程運維安全能力檢驗證書》) issued by the Internet Health Care Industry Alliance (互聯網醫療健康產業聯盟) and CAICT. We will continue to improve the security protection capabilities of YiduCore and jointly promote the data security capabilities of healthcare sector.

Business Overview (Continued)

Big Data Platform and Solutions (“BDPS”)

In the BDPS segment, we provide AI-based intelligence platforms and data analytics-driven solutions to hospitals, other healthcare institutions, regulators and policy makers. Upon proper authorization, we install our data intelligence platform for hospitals, regulators and policy-makers to assist our customers to achieve in-depth governance of their multi-source heterogeneous data and transform it into structured, standardized and high-quality data. We also provide data analytics-driven applications and solutions to unlock the value of healthcare data and help clients conduct in-depth medical research and make precise and efficient decisions.

For hospitals, we provide applications and solutions with a focus on three use-case scenarios, namely research, clinical diagnosis and treatment, and hospital operation management. By using our disease registries and disease research networks, top hospitals and experts can accelerate the production of research-grade evidence and scale up their clinical research in a faster and safer manner. During the Reporting Period, we launched the All Disease Data Platform that could achieve the DIY creation of disease registries by hospitals.

We continuously iterate the real-world disease model by using AI technologies such as symbolic knowledge inference models and deep learning, and continue to deepen our disease insights and engage top-grade hospitals and experts in our research network. In the field of hematology, we have partnered with two of China’s only three hematologic disease National Clinical Research Center hospitals in developing a hematologic disease research network to conduct efficient clinical trials and multi-institutional real-world studies. We have assisted our clients to develop a number of disease registries and large clinical research cohorts for major hematological diseases, including leukemia, coagulation disorders and aplastic anemia. The hematologic diseases database and applications we supported were awarded by the National Health Commission. The related scientific research results have been published in top professional journals including *Leukemia* and *Blood Advances*. With the successful precedented cases in hematology, we made breakthroughs in the field of dermatology by winning the contract with Institute of Dermatology, Chinese Academy of Medical Sciences, one of China’s top 2 hospitals in the field of dermatology, to build the disease research platform.

Upon authorization, we provide AI-empowered data-analytics driven solutions for regulators and policy makers to optimize the level of governance in public health. Regulators can assess basic medicare burden and risk trends of the regional populations to develop corresponding policies and measures and, at the same time, manage and allocate healthcare resources more effectively. During the Reporting Period, we led a consortium and won the *Infectious Disease Intelligent Multi-point Surveillance Early Warning Platform* for Beijing, with a contract value of more than RMB20 million. With the AI-empowered analytical tools and top-notch simulation models, we expand our solution offerings from public health to population health. During the Reporting Period, we won the construction of regional healthcare profiling for local residents in Beijing Chaoyang District with a contract value of nearly RMB10 million. In addition, we won the construction and application of lipid management system for high-risk patients of atherosclerotic cardiovascular disease. This is a major project of “Science and Technology Innovation 2025” of Ningbo, led by Ningbo First Hospital which has the largest, most comprehensive and strongest cardiovascular disease treatment center in eastern Zhejiang. We assisted Ningbo First Hospital to integrate the hospital-level clinical data-analytics outcome to support efficient scientific research in cardiovascular diseases.

For the six months ended 30 September 2022, the segment recorded a total revenue of RMB124.0 million, representing a year-on-year decrease of 21.5%, which was mainly due to the prolonged COVID-19 pandemic that resulted in delays in bidding, on-site implementation, delivery and client acceptance of certain projects.

Life Science Solutions (“LSS”)

Leveraging YiduCore and our network of top-grade hospitals and experts accumulated through our BDPS segment, we currently provide analytics-driven clinical development, real-world studies and digital commercialization solutions in respect of the full life-cycle of a drug or a medical device from clinical development to post-market commercialization. With deep AI-empowered disease insights, we help pharmaceutical, biotech, medical device companies and other companies involved in the clinical development process to reduce the time and costs of drug and medical device development while enhancing commercial success.

Over the past years, the LSS segment maintained strong growth momentum, especially in the analytics-driven clinical development solutions. However, the prolonged COVID-19 pandemic delayed the bidding process and on-site execution, and resulted in the decrease of revenue growth rate in this segment during the Reporting Period. For the six months ended 30 September 2022, the segment’s revenue amounted to RMB146.5 million, representing a year-on-year increase of 0.6%. To respond, we focus on customer experience, channel innovation, and improvement of operating efficiency.

With accumulated credentials in focused disease research areas, especially for solid tumors, hematology, ophthalmology and immunology, we have earned a good reputation in the life science industry. During the Reporting Period, based on the overall score ranking No. 1, we won the bid for the Phase I Clinical Trial of China Resources Biopharmaceutical Co., Ltd., which evaluates the safety, tolerability, pharmacokinetics and pharmacodynamics of a single dose of CRB4101 in healthy adult subjects, with a consideration of RMB13.7 million. As of 30 September 2022, we have performed 232 clinical researches, including clinical trials sponsored by pharmaceutical companies and investigator-initiated trials (IIT). We have performed 185 prospective and retrospective real-world studies. Our Intelligent Site Management Organization (iSMO) services have covered 163 sites, more than doubling the number last year. The growing show cases enable us to continuously develop our competence and maintain the high quality of customer base. As of 30 September 2022, we have 143 active clients, of which 114 is core pharmaceutical, biotech and medical device company customers. During the Reporting Period, we achieved a 119% year-on-year revenue retention rate for our top 10 clients. Among our top 20 clients, there are 7 multi-national pharmaceutical companies (MNC) and 16 listed companies.

Our capabilities in generating high-quality real-world evidences (RWE) to empower life science clients to manage and optimize the entire product life-cycle, from obtaining drug approval, peri-launch evidence support, post-marketing growth, to label extension, have all been validated. During the Reporting Period, we have conducted a comprehensive retrospective real-world study, which related to the evaluation of the efficacy, safety and treatment modalities of a new drug for patients with complex abdominal infections in ICU, for a top 20 MNC client to assist it to obtain the approval from the Center for Drug Evaluation, National Medical Products Administration.

Business Overview (Continued)

We actively seek new channels to network with key opinion leaders and industry experts and to develop business. For example, we host “Happy and Smart Study” live event to help industry participants and potential clients understand the latest breakthroughs in the industry and our core competence. As of 30 September 2022, we have organized a total of 13 live events, covering hot topics of ADC and CAR-T drug development, experience sharing of real-world studies in regulatory approvals, research-oriented awards, Causa Research DCT platform press conference, etc. We have invited 35 industry leaders and clinical experts to share insights, and attracted more than 4,600 clinical researchers.

We have a team of professionals with rich experience and cross-domain expertise. As of 30 September 2022, we have approximately 500 employees in our LSS segment with an average of 8 years of relevant experience in clinical research, data science, epidemiology, biostatistics, medical informatics, AI and others. We remain committed to improving the operating efficiency not only by developing the high-caliber talent pool but also by optimizing the processes in client value creation. In this half year, we have established intelligent comprehensive project management tools with higher quality control standards. Our intelligent quality management system covers all stages of the project from clinical design and project planning, to quality control and assurance, and to retrospective and prospective real-world studies. We even established special SOP for CAR-T service offerings to ensure high-quality service. Like algorithm, digitized SOP are timely iterated by the feedback from real cases so as to form a closed loop.

Health Management Platform and Solutions (“HMPS”)

In this segment, we provide one-stop closed-loop health management solutions, including health management solutions, chronic disease management services, commercial health insurance and Hui Min Bao, a city-level supplementary insurance to the existing national social medical insurance, to provide multi-level healthcare solutions for the city population. During the Reporting Period, the revenue of our HMPS segment amounted to RMB203.8 million, representing a year-on-year increase of 7.0%.

In order to achieve our mission “to make value-based precision healthcare accessible to everyone”, we provide innovative insurance technologies and solutions to insurers, brokers and relevant regulators and policy makers in this segment. Leveraging our data processing capabilities and medical insights powered by YiduCore, our solutions aim to facilitate our customers to design and develop innovative insurance products, enabling faster and more accurate insurance underwriting and expediting claim processing. During the Reporting Period, we continued to increase the market penetration of the Hui Min Bao business. As of 30 September 2022, we served 3 provinces and 10 cities, including Fujian province, Anhui province, Jiangsu province, Tianjin, Beijing, Ningbo and Chongqing, etc. We have assisted three of the four municipalities directly under the central government in China to launch the Hui Min Bao products, including Tianjin, Beijing and Chongqing. We focus on core cities to expand the region network, nearly 90% of our users are in the China’s top 15 provincial-level administrative regions in terms of GDP in 2021.

Take Tianjin Hui Min Bao (天津惠民保) for example. As the main operating platform, we provided operational services including product design, user acquisition, promotion, intelligent customer services and intelligent claim management for Tianjin Hui Min Bao. In addition to operational services, we also provided 10 innovative value-added health management services, including early screening of critical illnesses, chronic disease consultations, online drug purchases and door-to-door nursing.

Our advanced intelligence technologies largely improve the operating efficiency of Hui Min Bao. As the main operating platform for Jiangsu Hui Min Bao (江蘇惠民保), we underwrote more than 3 millions Jiangsu Hui Min Bao policies and approximately 76% of total claim amount were completed by our intelligent claim settlement services. Compared with traditional ways, our intelligent claim settlement services tripled the productivity of processing claims. The instant settlement reduces the financial burden of the insured and thus further encourages the participation.

The high-quality user base and large-scale user operation enable us to increase user traffic from Hui Min Bao and improve our brand awareness among the general population. Our technology-empowered Hui Min Bao products have been widely recognized by the market. Our blockbuster Hui Min Bao products in Beijing and Jiangsu were both awarded in the “2022 National Excellent Cases of Hui Min Bao” released by Sina Finance. At the 2022 Global Digital Economy Conference, our data intelligence-driven one-stop operation of Hui Min Bao was awarded the “Digital Economy Industrial Innovation Achievements”.

As of 30 September 2022, the number of active users who have completed at least one transaction on our health management platform reached 15 million.

Business Outlook

To achieve our mission “to make value-based precision healthcare accessible to everyone” and further solidify our leadership in the healthcare intelligence industry, we will continue to (i) deepen and broaden our knowledge and applications in each key disease area, (ii) improve operation efficiency in customer value delivery, (iii) strengthen our analytics-driven study and AI capabilities to further increase our productivity, (iv) improve customer penetration and synergy among the business sectors, (v) explore opportunities in international markets, and (vi) further enrich our ecosystem through strategic partnerships, investments and acquisitions.

In respect of Big Data Platform and Solutions, we will continue to strengthen our two-pronged strategy. Horizontally, we will strengthen YiduCore by (i) expanding our network of hospitals and regions, (ii) enriching the use-case scenarios of existing customers, and (iii) investing in core technology capabilities to enhance the functionality, reliability and usability of our products. Vertically, we will continue to deepen and optimize our insights and knowledge within each disease area by enabling multi-site research to be carried out in our network.

Business Overview (Continued)

In respect of Life Sciences Solutions, we will continue to accelerate the generation of research-grade evidence and drive the development of our one-stop solutions from analytics-driven clinical development to post-market commercialization in line with evolving regulations and policies. We will continue to focus on (i) generation and application of RWE in focused three categories of use-base scenarios, (ii) key disease areas we excelled at in clinical development, (iii) enlargement and preservation of our customer base with high-quality, and (iv) improvement in our operational efficiency.

In respect of Health Management Platform and Solutions, we will continue to leverage our disease insights, knowledge and expert network to provide effective health management solutions to benefit more people with “patient-centered, outcome-oriented” care. We will continue to (i) increase the number of active users on our platform from diversified channels, (ii) expand our health management product offerings to meet the multi-level mass medical needs, and (iii) enrich user experience to solidify brand loyalty.

We are well positioned to serve as a leading player in the rapidly evolving healthcare intelligence industry. In the future, we will continue to introduce innovative AI-driven applications and solutions to capture the massive market opportunities in China and beyond, to enable stakeholders in the ecosystem to derive more value from our healthcare intelligence infrastructure.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenues

Our revenues decreased by 5.5% from RMB501.9 million for the six months ended 30 September 2021 to RMB474.4 million for the six months ended 30 September 2022. The decrease was primarily attributable to the decrease in revenue realized from Big Data Platform and Solutions.

Big Data Platform and Solutions. Revenue from Big Data Platform and Solutions decreased by 21.5% from RMB157.9 million for the six months ended 30 September 2021 to RMB124.0 million for the six months ended 30 September 2022, primarily due to the unexpected delay in the clients' tendering processes and the Group's on-site operations resulting from the prolonged impact of the COVID-19 pandemic in China.

Life Sciences Solutions. Revenue from Life Sciences Solutions keeps relatively flat with an increase of 0.6% from RMB145.6 million for the six months ended 30 September 2021 to RMB146.5 million for the six months ended 30 September 2022.

Health Management Platform and Solutions. Revenue from Health Management Platform and Solutions increased by 7.0% from RMB190.4 million for the six months ended 30 September 2021 to RMB203.8 million for the six months ended 30 September 2022, primarily due to the growth of platform solutions.

Others. Other revenue decreased by 100.0% from RMB7.9 million for the six months ended 30 September 2021 to nil for the six months ended 30 September 2022.

Cost of Sales and Services

Our cost of sales and services decreased by 2.0% from RMB357.9 million for the six months ended 30 September 2021 to RMB350.7 million for the six months ended 30 September 2022. Share-based compensation expenses included in cost of sales and services were RMB6.0 million and RMB3.0 million for the six months ended 30 September 2021 and 2022 respectively. The decrease was caused by cost saving in the Big Data Platform and Solutions segment in the first half of fiscal year 2023.

Big Data Platform and Solutions. Cost of sales and services from the Big Data Platform and Solutions segment decreased by 20.9% from RMB92.0 million for the six months ended 30 September 2021 to RMB72.8 million for the six months ended 30 September 2022, primarily due to the decrease in (i) employee benefits and expenses of employees engaging in the Big Data Platform and Solutions business from RMB35.7 million to RMB29.8 million, which included share-based compensation expenses of RMB3.4 million and RMB1.4 million in the respective periods, and (ii) cost of software and hardware as well as outsourcing service fee from RMB54.5 million to RMB42.2 million.

Life Sciences Solutions. Cost of sales and services from Life Sciences Solutions increased by 7.6% from RMB116.5 million for the six months ended 30 September 2021 to RMB125.3 million for the six months ended 30 September 2022, primarily due to the increase in outsourcing service fee from RMB56.7 million to RMB67.5 million.

Management Discussion and Analysis (Continued)

Health Management Platform and Solutions. Cost of sales and services from the Health Management Platform and Solutions segment increased by 7.3% from RMB142.2 million for the six months ended 30 September 2021 to RMB152.6 million for the six months ended 30 September 2022, primarily due to the increase in cost of pharmaceutical products and services from RMB118.1 million to RMB125.1 million.

Others. Other cost of sales and services decreased by 100.0% from RMB7.1 million for the six months ended 30 September 2021 to nil for the six months ended 30 September 2022.

Gross profit and gross margin

As a result of the foregoing, our overall gross profit for the six months ended 30 September 2021 and 2022 were RMB144.1 million and RMB123.7 million respectively, and our overall gross margin was 28.7% and 26.1% respectively.

Big Data Platform and Solutions. Our gross margin in Big Data Platform and Solutions slightly decreased from 41.7% for the six months ended 30 September 2021 to 41.3% for the six months ended 30 September 2022.

Life Sciences Solutions. Our gross margin in Life Sciences Solutions decreased from 20.0% for the six months ended 30 September 2021 to 14.5% for the six months ended 30 September 2022, primarily due to the increase of cost at a faster rate in respect that the Company retained the delivery team for foreseeable business opportunities despite the slowdown of revenue generation as the result of prolonged impact of the COVID-19 pandemic for the six months ended 30 September 2022.

Health Management Platform and Solutions. Our gross margin in Health Management Platform and Solutions has remained relatively flat at 25.1% for the six months ended 30 September 2022 compared with 25.3% for the six months ended 30 September 2021.

Selling and marketing expenses

Our selling and marketing expenses decreased by 46.8% from RMB233.1 million for the six months ended 30 September 2021 to RMB124.1 million for the six months ended 30 September 2022, primarily attributable to decrease in (i) employee benefits and expenses of employees engaging in selling and marketing function from RMB133.2 million to RMB80.8 million, which included share-based compensation of RMB21.6 million and RMB5.3 million in the respective periods; and (ii) business development, promotion and advertising expenses targeting to promote the Group's brand awareness and insurance services from RMB83.5 million to RMB28.2 million as we made more investment in brand awareness in the six months ended 30 September 2021, right after the Initial Public Offering, and the annual renewal of certain Hui Min Bao products shifted from the first half of fiscal year 2023 to the second half of fiscal year 2023.

Management Discussion and Analysis (Continued)

Selling and marketing expenses as a percentage of revenue decreased from 46.4% for the six months ended 30 September 2021 to 26.2% for the six months ended 30 September 2022 as a result of the foregoing reasons.

Administrative expenses

Our administrative expenses decreased by 37.6% from RMB175.3 million for the six months ended 30 September 2021 to RMB109.4 million for the six months ended 30 September 2022, primarily attributable to decrease in (i) employee benefits and expenses of employees engaging in administrative function from RMB131.7 million to RMB91.4 million, which included share-based compensation of RMB67.6 million and RMB25.8 million in the respective periods; and (ii) consulting fee from RMB20.9 million to RMB6.1 million, mainly attributable to the decline of recruitment fee from RMB10.5 million to RMB1.1 million.

As a percentage of revenue, administrative expenses declined from 34.9% for the six months ended 30 September 2021 to 23.1% for the six months ended 30 September 2022 as a result of the expense reduction.

Research and development expenses

Our research and development expenses decreased by 5.3% from RMB192.0 million for the six months ended 30 September 2021 to RMB181.9 million for the six months ended 30 September 2022. The decrease in research and development expenses was primarily due to decrease in employee benefit and expenses for employees engaging in research and development function, labour dispatching and consulting and other professional fee from RMB174.6 million to RMB167.5 million, including share-based compensation of RMB25.8 million and RMB10.2 million in the respective periods.

As a percentage of revenue, research and development expenses has remained relatively flat at 38.3% for the six months ended 30 September 2022 compared with 38.2% for the six months ended 30 September 2021.

Operating loss

As a result of the foregoing, operating loss of the Group decreased from RMB442.2 million for the six months ended 30 September 2021 to RMB356.3 million for the six months ended 30 September 2022.

Taxation

Income tax (credit)/expense of the Group increased from RMB(151) thousand for the six months ended 30 September 2021 to RMB1,836 thousand for the six months ended 30 September 2022.

Loss for the period

As a result of the foregoing, our loss for the period decreased by 19.5% from RMB442.5 million for the six months ended 30 September 2021 to RMB356.3 million for the six months ended 30 September 2022.

Management Discussion and Analysis (Continued)

Non-IFRS Measure — Adjusted Net Loss

To supplement our consolidated financial statements which are presented in accordance with International Financial Reporting Standards (“IFRS”), we also use adjusted net loss (defined below) as an additional financial measure, which is not required by, or presented in accordance with IFRS. We believe that the presentation of this non-IFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impact of items that our management does not consider to be indicative of our operating performance such as certain non-cash items and certain impact of investment transactions. We believe that this measure provides useful information to investors in understanding and evaluating the Group’s consolidated results of operations in the same manner as they help our management. However, the use of non-IFRS measure has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under IFRS. In addition, the non-IFRS financial measure may be defined differently from similar terms used by other companies.

We define “adjusted net loss” as loss for the period and adding back share-based compensation expenses and foreign exchange gains or losses.

For the six months ended 30 September 2021 and 2022, our adjusted net loss was RMB322.5 million and RMB224.8 million respectively.

The following table sets forth the reconciliation of our non-IFRS financial measure for the six months ended 30 September 2021 and 2022 to the nearest measure prepared in accordance with IFRS.

	Six months ended 30 September	
	2022	2021
	(RMB'000)	
Loss for the period	(356,347)	(442,542)
Add:		
Share-based compensation expenses ⁽¹⁾	44,307	121,038
Net foreign exchange losses/(gains) ⁽²⁾	87,238	(1,008)
Non-IFRS adjusted net loss	(224,802)	(322,512)
Non-IFRS adjusted net loss margin (%)⁽³⁾	(47.4%)	(64.3%)

Management Discussion and Analysis (Continued)

- (1) Share-based compensation expenses relate to the share awards we offered to our employees, directors and consultants under the Share Incentive Plans, which are primarily non-cash in nature and commonly not included in similar non-IFRS measures adopted by other companies in our industry.
- (2) Net foreign exchange gains or losses are primarily non-cash in nature and commonly not included in similar non-IFRS measures adopted by other companies in our industry.
- (3) Represents non-IFRS adjusted net loss divided by the total revenue for the period indicated.

Liquidity and capital resources

During the Reporting Period, we had funded our cash requirements principally from capital contribution from shareholders and financing through issuance and sales of convertible redeemable preferred shares in private placement transactions and the proceedings from initial public offering. We had cash and cash equivalents, term deposits, restricted bank balance and deposits of RMB3,732.1 million and RMB3,014.9 million as at 31 March 2022 and 30 September 2022 respectively.

Significant Investments

The Group did not make or hold any significant investments (including any investment in an investee company with a value of 5 per cent. or more of the Company's total assets as at 30 September 2022) during the six months ended 30 September 2022.

Material acquisitions and disposals

The Group did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies for the six months ended 30 September 2022.

Pledge of assets

As at 30 September 2022, the Group had no material pledge of assets.

Future plans for material investments or capital asset

Save as disclosed on page 20 of this interim report, as at 30 September 2022, the Group did not have detailed future plans for material investments or capital assets.

Foreign exchange exposure

During the Reporting Period, the Group mainly operated in China with most of the transactions settled in Renminbi. The functional currency of our Company, the subsidiaries and the consolidated affiliated entities that operate in the PRC, and the subsidiary operate in the Brunei are U.S. dollar, Renminbi and Brunei dollar respectively. During the Reporting Period, we had currency translation gain of RMB371.3 million and net foreign exchange loss of RMB87.2 million, as compared with currency translation loss of RMB60.2 million and net foreign exchange gain of RMB1.0 million during the six months ended 30 September 2021. We did not hedge against any fluctuation in foreign currency during the six months ended 30 September 2021 and 2022.

Management Discussion and Analysis (Continued)

Contingent liabilities

As at 30 September 2022, we did not have any material contingent liabilities (as at 30 September 2021: nil).

Capital commitment

As at 30 September 2022, capital commitment of the Group was RMB17.1 million (as at 30 September 2021: RMB30.6 million), mainly for decoration expenditure. Please refer to page 20 for details on subsequent event.

Employees and remuneration

As at 30 September 2022, the Group had a total of 1,222 employees, 682 employees were based in Beijing, 167 employees were based in Shanghai and 373 employees were based in other offices in China and overseas. The following table sets forth the total number of employees by function as at 30 September 2022:

Function	Number of employees
Product Development and Technology	540
Medical Function	382
Sales and Marketing	128
General and Administrative	172
Total	1,222

Our people are our most valued assets. We are able to continue to attract the best talents across multiple domains due to their faith in the potential of YiduCore to transform healthcare. As at 30 September 2022, about 49.8% of our employees have clinical research experiences and medical background, about 33.5% have AI and technology experiences and background respectively. The total remuneration cost incurred by the Group for the six months ended 30 September 2022 was RMB410.4 million, as compared to RMB526.2 million for the six months ended 30 September 2021. The Company has also adopted a post-IPO share award scheme and a post-IPO share option scheme.

Subsequent Event

On 28 October 2022, Marvelous Panda Inc, a wholly-owned subsidiary of the Company, entered into a Subscription Agreement with Causa Capital Investment Limited to invest US\$40 million into YD Capital L.P. (the “Fund”) representing 40% of the initial Fund commitment. Please refer to the Company’s announcements on 28 October 2022 and 20 December 2022 for details. Save as disclosed, no significant events occurred after the Reporting Period and up to 20 December 2022, being the latest practicable date for ascertaining certain information in this interim report before its publication.

Management Discussion and Analysis (Continued)

Use of proceeds from Listing

On 15 January 2021, the shares of the Company were listed on the Main Board of the Stock Exchange. The net proceeds from the global offering (following full exercise of the Over-allotment Option, as defined in the prospectus of the Company dated 31 December 2020 (the “**Prospectus**”) were approximately RMB3,825 million (the “**Net Proceeds**”), which are intended to be applied in the manner set out in the Prospectus. There was no change in the intended use of proceeds as previously disclosed.

Set out below is the status of use of proceeds from the global offering as at 30 September 2022.

Purpose	% of use of proceeds	Net proceeds (RMB million)	Unutilised	Amount used	Unutilised	Expected time of full utilisation
			amount as at 31 March 2022 (RMB million)	for the six months ended 30 September 2022 (RMB million)	amount as at 30 September 2022 (RMB million)	
Strengthen our core capabilities	35%	1,339	1,339	99	1,240	31 March 2025
Further our business expansion	35%	1,339	1,339	385	954	31 March 2025
Further enrich our ecosystem through strategic partnerships, investments and acquisitions	20%	765	765	6	759	31 March 2024
Working capital and general corporate purposes	10%	382	382	38	344	31 March 2025

The above Net Proceeds were translated with spot rates on the Listing Date, while the cash and cash equivalents, term deposits, restricted bank balance and deposits as of 30 September 2022 were translated with spot rates on its balance sheet date.

As at 30 September 2022, the Company had utilised RMB528 million of the Net Proceeds.

Interim dividend

The Board did not recommend the distribution of an interim dividend for the six months ended 30 September 2022.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company was incorporated in the Cayman Islands on 9 December 2014 as an exempted company with limited liability, and the shares of the Company were listed on the Main Board of the Stock Exchange on 15 January 2021.

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and to enhance corporate value and accountability.

Compliance with the Code on Corporate Governance Practices

During the Reporting Period, the Company has complied with the applicable provisions of the Corporate Governance Code (the “**Corporate Governance Code**”) set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), save for the following deviations.

Code provision C.2.1 of the Corporate Governance Code recommends, but does not require, that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Ms. Gong performs both the roles of the Chairlady of the Board and the chief executive officer of the Company. Ms. Gong is the founder of the Group and has extensive experience in the business operations and management of the Group. The Board believes that vesting the roles of both Chairlady and chief executive officer in Ms. Gong has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairperson of the Board and the chief executive officer of the Company if and when it is appropriate taking into account the circumstances of the Group as a whole.

Code provision F.1.1 of the Corporate Governance Code provides that the issuer should have a policy on payment of dividends and should disclose it in the annual report. As the Company intends to retain its available funds and earnings to fund the development and growth of our business, the performance of which will continue to be impacted by the relevant industry’s and economic outlook in the foreseeable future, the Board is of the opinion that it is not appropriate to adopt a dividend policy at this stage. The Board will review the Company’s status periodically and consider to adopt a dividend policy if and when appropriate.

The amendments to the Corporate Governance Code which became effective on 1 January 2022 (the “**New Corporate Governance Code**”) apply to corporate governance reports for a financial year commencing on or after 1 January 2022. The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the measures and standards set out in the New Corporate Governance Code, and report on its compliance with the New Corporate Governance Code in its corporate governance report for the financial year ending 31 March 2023.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors’ securities transactions.

Specific enquiry has been made of all the Directors and the relevant employees and they have confirmed that they have complied with the Model Code during the Reporting Period.

Model Code for Securities Transactions

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors’ securities transactions.

The Company’s relevant employees, who because of his/her office or employment, are likely to be in possession of inside information of the Company, are also subject to the Model Code.

Having made specific enquiries of all the Directors and the relevant employees, they have confirmed that they have complied with the Model Code during the Reporting Period.

Change in Directors’ and the Senior Management’s Information

Save as disclosed in this interim report, during the Reporting Period, there has been no change to the information of the Directors and the senior management which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Corporate Governance and Other Information (Continued)

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or Any of Its Associated Corporations

As at 30 September 2022, the interests and short positions of the Directors and chief executives 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 had been 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 were recorded in the register required to be kept pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director	Nature of interest	Relevant entity	Number of Shares	Approximate % of interest ⁽¹⁾
Ms. Gong	Interest in controlled corporation/Interest of spouse	Sweet Panda Limited ⁽²⁾	416,634,675(L) ⁽³⁾	41.99%
Yan Jun	Beneficial owner/Interest of spouse	Company	2,628,540(L) ⁽⁴⁾	0.26%
Yang Jing	Beneficial owner	Company	8,042,640(L) ⁽⁵⁾	0.81%
Zhang Shi	Beneficial owner/Interest of spouse	Company	14,753,205(L) ⁽⁶⁾	1.49%
Zeng Ming	Interest in controlled corporation	Perfect Sword Limited ⁽⁷⁾	2,163,845(L) ⁽⁸⁾	0.22%

Notes:

- (1) The calculation is based on the total number of 992,271,677 Shares in issue as at 30 September 2022.
- (2) Sweet Panda Limited is wholly-owned by Ms. Gong.
- (3) Ms. Gong's spouse, Mr. Xu Jiming, is entitled to receive up to 17,332,785 Shares pursuant to the exercise of options granted to him under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options, 321,750 shares pursuant to the exercise of options granted to him under the Post-IPO Share Option Scheme, and 107,250 award shares granted to him under the Post-IPO Award Scheme. Ms. Gong is deemed to be interested in these Shares.

Corporate Governance and Other Information (Continued)

- (4) Represents Mr. Yan Jun's entitlement to receive up to 2,500,640 Shares pursuant to the exercise of options granted to him under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options, 333,000 shares pursuant to the exercise of options granted to him under the Post-IPO Share Option Scheme, and 111,000 award shares granted to him under the Post-IPO Share Award Scheme, Ms. Liu Ning, spouse of Mr. Yan Jun, purchased 127,900 shares in total. Mr. Yan Jun is deemed to be interested in the shares held by Ms. Liu Ning.
- (5) Represents Ms. Yang Jing's entitlement to receive up to 8,000,640 Shares pursuant to the exercise of options granted to her under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options, 3,750 shares pursuant to the exercise of options granted to her under the Post-IPO Share Option Scheme, 1,250 award shares granted to her under the Post-IPO Share Award Scheme, and 42,000 shares purchased by her.
- (6) Represents Ms. Zhang Shi's entitlement to receive up to 14,624,205 Shares pursuant to the exercise of options granted to her under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options, 627,750 shares pursuant to the exercise of options granted to her under the Post-IPO Share Option Scheme, 209,250 award shares granted to her under the Post-IPO Share Award Scheme, and 65,000 Shares purchased by her. Mr. Zhao Sheng, spouse of Ms. Zhang Shi, purchased 64,000 shares. Ms. Zhang Shi is deemed to be interested in the shares held by Mr. Zhao Sheng.
- (7) Perfect Sword Limited is controlled by Mr. Zeng Ming and his spouse, Ms. Tan Qing.
- (8) Represents Mr. Zeng Ming, through Perfect Sword Limited, is entitled to receive up to 750,000 shares pursuant to the exercise of options granted to it under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of these options, and 1,413,845 shares exercised under the Pre-IPO Share Option Plans. Mr. Zeng Ming is deemed to be interested in these shares.
- (9) The letter (L) denotes a long position in the Shares.

Save as disclosed above, as at 30 September 2022, none of the Directors and chief executives of the Company has any interest or short position 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) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Model Code.

Corporate Governance and Other Information (Continued)

Substantial shareholders' interests and short positions in shares and underlying shares

As at 30 September 2022, so far as our Directors are aware, the following persons (other than the Directors and chief executives whose interests have been disclosed in this interim report) had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company, pursuant to Section 336 of the SFO:

Name of Shareholder	Capacity/Nature of interest	Number of Shares	Approximate % of interest ⁽¹⁾
Sweet Panda Limited ⁽²⁾	Beneficial interest	398,888,890	40.20%
Ms. Gong Yingying ⁽²⁾	Interest in a controlled corporation/Interest of spouse	416,650,675	41.99%
Mr. Xu Jiming ⁽²⁾	Beneficial interest/Interest of spouse	416,650,675	41.99%
Sunshine Longevity Limited ⁽³⁾	Beneficial interest	96,068,715	9.68%
Sunshine Life Insurance Corporation Limited ⁽³⁾	Interest in a controlled corporation	96,068,715	9.68%
Sunshine Insurance Group Inc., Ltd. ⁽³⁾	Interest in a controlled corporation	96,068,715	9.68%
MSA China Fund I L.P. ⁽⁴⁾	Beneficial interest	33,625,730	3.39%
Magic Stone Alternative Private Equity Fund GP, Ltd. ⁽⁴⁾	Interest in a controlled corporation	33,625,730	3.39%
MSA Management Holdings Pte. Ltd. ⁽⁴⁾	Interest in a controlled corporation	33,625,730	3.39%
Ms. Zeng Yu ⁽⁴⁾	Interest in a controlled corporation	33,625,730	3.39%

Notes:

- (1) The calculation is based on the total number of 992,271,677 Shares in issue as at 30 September 2022.
- (2) Sweet Panda Limited is wholly-owned by Ms. Gong. Ms. Gong's spouse, Mr. Xu Jiming, is entitled to receive up to 17,332,785 Shares pursuant to the exercise of options granted to him under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options, 321,750 shares pursuant to the exercise of options granted to him under the Post-IPO Share Option Scheme, and 107,250 award shares granted to him under the Post-IPO Award Scheme. Ms. Gong is deemed to be interested in these Shares.
- (3) Sunshine Longevity Limited is wholly-owned by Sunshine Life Insurance Corporation Limited, which is a non-wholly owned subsidiary of Sunshine Insurance Group Inc., Ltd.. Under the SFO, each of Sunshine Life Insurance Corporation Limited and Sunshine Insurance Group Inc., Ltd. is deemed to be interested in the Shares held by Sunshine Longevity Limited.

Corporate Governance and Other Information (Continued)

- (4) MSA China Fund I L.P. (formerly named Magic Stone Alternative Private Equity Fund, L.P.) is managed by its general partner, Magic Stone Alternative Private Equity Fund GP, Ltd.. Magic Stone Alternative Private Equity Fund GP, Ltd. is controlled by MSA Management Holding Pte. Ltd.. MSA Management Holding Pte. Ltd. is controlled by Ms. Zeng Yu. Under the SFO, (i) Magic Stone Alternative Private Equity Fund GP, Ltd. is deemed to be interested in Shares held by MSA China Fund I L.P.; and (ii) each of MSA Management Holding Pte. Ltd. and Ms. Zeng Yu is deemed to be interested in the Shares held by MSA China Fund I L.P..

Save as disclosed herein, as at 30 September 2022, no person, other than the Directors and chief executives whose interests are set out in this interim report, had any interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Share Schemes

Pre-IPO Share Option Plans

The two Pre-IPO Share Option Plans of the Company were approved and adopted pursuant to a Shareholders' resolution of the Company passed on 16 March 2015 (the "**Pre-IPO ESOP I**" and the "**Pre-IPO ESOP II**", respectively).

The purposes of the Pre-IPO Share Option Plans are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentives to selected employees, directors, and consultants of the Group and to promote the success of the Company's business by offering these individuals or entities an opportunity to acquire a proprietary interest in the success of the Company.

Persons eligible to participate in the Pre-IPO Share Option Plans include employees, including officers and directors, of the Group and consultants of the Group or any parent company of the Company.

The maximum aggregate number of Shares under the Pre-IPO ESOP I which may be issued by the Company is 68,333,335. The maximum aggregate number of Shares under the Pre-IPO ESOP II which may be issued by the Company is 83,333,335.

As of 30 September 2022, the Company had granted options under the Pre-IPO Share Option Plans to 1,173 grantees (including Directors, senior management and other connected persons of the Company, external consultants, external grantee(s), grantee(s) who have been granted options to subscribe for five million Shares or more, and other employees of the Company). The exercise price of the options under the Pre-IPO Share Option Plans is between US\$0.0028 per Share and US\$2.56 per Share. No consideration was paid by the grantees for the grant of options under the Pre-IPO Share Option Plans. No options were granted under the Pre-IPO Share Option Plans during the Reporting Period. As of 30 September 2022, under the Pre-IPO Share Option Plans, 54,678,030 options had been exercised, 396,160 options had been cancelled and 8,411,439 options had been lapsed.

The aggregate number of Shares underlying the outstanding options as at 30 September 2022 were 86,949,541 Shares, represents approximately 8.76% of the issued Shares.

Corporate Governance and Other Information (Continued)

Each of the Pre-IPO Share Option Plans commenced on 16 March 2015 and shall continue in effect for a term of ten years.

Further details of the Pre-IPO Share Option Plans are set out in the Prospectus.

Details of the outstanding options granted under the Pre-IPO ESOP I during the Reporting Period are as follows:

Name	Role	Date of Grant	Vesting Period ⁽¹⁾	Exercise Price (US\$)	Outstanding as at 1 April 2022	Weighted average		Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as at 30 September 2022
						Exercised during the Reporting Period	closing price immediately before exercise ⁽³⁾			
Directors and members of the senior management of the Company										
Zhang Shi	Executive Director, Senior Vice President, Head of Government Affairs	17 July 2017	4 years	0.018	10,000,000	—	—	—	—	10,000,000
Xu Jiming	Senior Vice President	24 August 2016	4 years	0.018	15,000,000	—	—	—	—	15,000,000
		1 December 2020	0 years	0.018	50,000	—	—	—	—	50,000
External consultant, grantee who has been granted options to subscribe for five million Share or more, and the remaining grantees										
Lv Dongchen ⁽²⁾	Finance Vice President	24 August 2016	4 years	0.0028	—	—	—	—	—	—
		1 December 2020	4 years	0.018	1,489,735	—	—	—	—	1,489,735
Other 21 employees	N/A	9 December 2014 to 1 December 2020	2-4 years	0.0028-0.018	2,099,250	783,250	8.72	45,000	—	1,271,000
Total	24 grantees				28,638,985	783,250	8.72	45,000	—	27,810,735

Notes:

- (1) The exercise period of the options granted under Pre-IPO ESOP I shall commence from the date on which the relevant options become vested and end on the 10th anniversary of the grant date, subject to the terms of the Pre-IPO ESOP I and the share option award agreement signed by the grantee.
- (2) Lv Dongchen has been granted options under both the Pre-IPO Share Option Plans to subscribe for a total of 16,547,290 Shares (that is, over five million Shares).
- (3) Weighted average closing price of the securities immediately before the dates on which the options were exercised.

Corporate Governance and Other Information (Continued)

Details of the outstanding options granted under the Pre-IPO ESOP II during the Reporting Period are as follows:

Name	Role	Date of Grant	Vesting Period ⁽¹⁾	Exercise Price (US\$)	Outstanding as at 1 April 2022	Weighted average		Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as at 30 September 2022
						Exercised during the Reporting Period	closing price immediately before exercise ⁽⁴⁾			
Directors and members of the senior management of the Company										
Yan Jun	Executive Director, Chief Technology Officer	5 December 2017	4 years	0.018	750,000	—	—	—	—	750,000
		30 November 2018	4 years	0.018	750,000	—	—	—	—	750,000
	30 December 2019	4 years	0.018	416,745	—	—	—	—	416,745	
	1 December 2020	4 years	0.018	583,255	—	—	—	—	583,255	
	11 December 2020	1 year	0.018	640	—	—	—	—	640	
Yang Jing	Executive Director, President, Chief Financial Officer	16 October 2017	4 years	0.018	8,000,000	—	—	—	—	8,000,000
		11 December 2020	1 year	0.018	640	—	—	—	—	640
Zhang Shi	Executive Director, Senior Vice President, Head of Government Affairs	17 July 2017	4 years	0.018	1,140,000	—	—	—	—	1,140,000
		12 October 2017	4 years	0.018	2,500,000	—	—	—	—	2,500,000
	31 December 2018	2 years	0.018	267,285	—	—	—	—	267,285	
	23 May 2019	1 year	0.018	166,000	—	—	—	—	166,000	
	30 December 2019	4 years	0.018	550,280	—	—	—	—	550,280	
He Zhi	Chief Innovation Officer	11 December 2020	1 year	0.018	640	—	—	—	—	640
		24 August 2016	4 years	0.018	14,790,000	—	—	—	—	14,790,000
		30 December 2019	4 years	0.018	192,855	—	—	—	—	192,855
Xu Jiming	Senior Vice President	11 December 2020	1 year	0.018	640	—	—	—	—	640
		30 December 2019	4 years	0.018	2,282,145	—	—	—	—	2,282,145
		11 December 2020	1 year	0.018	640	—	—	—	—	640

Corporate Governance and Other Information (Continued)

Name	Role	Date of Grant	Vesting Period ⁽¹⁾	Exercise Price (US\$)	Outstanding as at 1 April 2022	Weighted average		Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as at 30 September 2022
						Exercised during the Reporting Period	closing price immediately before exercise ⁽⁴⁾			
Connected persons of the Company										
Mr. San Zhiyuan	N/A	12 May 2015	4 years	0.018	558,835	—	—	—	—	558,835
		29 April 2016	4 years	0.018	500,000	—	—	—	—	500,000
		29 April 2016	4 years	0.018	500,000	—	—	—	—	500,000
		11 December 2020	1 year	0.018	640	—	—	—	—	640
Mr. Guo Xiaoyu	N/A	29 April 2016	4 years	0.018	36,400	—	—	—	—	36,400
		24 January 2017	4 years	0.018	75,000	—	—	—	—	75,000
		26 Mar 2018	4 years	0.018	5,000	—	—	—	—	5,000
		1 July 2018	4 years	0.018	20,000	20,000	9.35	—	—	—
		1 January 2019	4 years	0.018	20,000	15,000	9.36	—	—	5,000
		1 December 2020	4 years	0.018	30,000	7,500	9.36	—	—	22,500
Mr. Hao Yiming	N/A	11 December 2020	1 year	0.018	640	640	9.36	—	—	—
		4 May 2018	4 years	0.018	93,400	—	—	—	—	93,400
		30 November 2018	4 years	0.018	300,000	—	—	—	—	300,000
		30 December 2019	4 years	0.018	154,900	—	—	—	—	154,900
		1 December 2020	4 years	0.018	300,000	—	—	—	300,000	—
Mr. Chua Mingjie	N/A	11 December 2020	1 year	0.018	440	—	—	—	—	440
		24 June 2019	4 years	0.018	200,000	—	—	—	—	200,000
		30 December 2019	4 years	0.018	483,600	—	—	—	—	483,600
		24 June 2019	4 years	0.018	50,000	—	—	—	—	50,000
		11 December 2020	1 year	0.018	440	—	—	—	—	440

Corporate Governance and Other Information (Continued)

Name	Role	Date of Grant	Vesting Period ⁽¹⁾	Exercise Price (US\$)	Outstanding as at 1 April 2022	Weighted average		Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as at 30 September 2022
						Exercised during the Reporting Period	closing price immediately before exercise ⁽⁴⁾			
External consultant, external grantee who is not an external consultant, grantee who has been granted options to subscribe for five million Share or more, and the remaining grantees										
Pei Xi	External consultant	31 May 2017	4 years	0.018	—	—	—	—	—	—
Wang Yongxiong	External consultant	1 October 2017	5 years	0.018	1,152,875	—	—	—	—	1,152,875
Zhang Xiaoming	External expert	1 December 2017	2 years	0.018	25,000	—	—	—	—	25,000
Wang Yufeng	External consultant	15 June 2018	2 years	0.018	12,500	12,500	10.30	—	—	—
Wei Bo	External consultant	1 September 2018	2 years	0.018	25,000	—	—	—	—	25,000
Tan Xiaosheng	External consultant	22 May 2020	4 years	0.018	250,000	—	—	—	—	250,000
Perfect Sword Limited	External consultant	2 June 2020	4 years	0.018	750,000	—	—	—	—	750,000
		5 June 2020	0 year	1.71844	—	—	—	—	—	—
Liu Yuqi	External consultant	1 April 2020	4 years	0.018	44,640	—	—	—	—	44,640
		15 April 2020	0 year	2.56	279,020	—	—	—	—	279,020
Radek	External consultant	1 January 2020	4 years	0.018	27,970	—	—	—	—	27,970
		1 January 2021	4 years	0.018	18,220	—	—	—	—	18,220
Zhang Ya-Qin	External consultant	10 July 2020	0 year	1.71844	—	—	—	—	—	—
Wang Xiuzhen	External consultant	10 October 2020	0 year	1.702	550,000	—	—	—	—	550,000
Wei Xiujuan	External consultant	10 October 2020	0 year	1.702	950,000	—	—	—	—	950,000
Wang He	External consultant	1 December 2020	0 year	0.018	18,500	—	—	—	—	18,500
Hao Tianyong	External consultant	7 March 2018	4 years	0.018	4,000	—	—	—	—	4,000
		2 September 2020	Until 30 December 2021	0.018	—	—	—	—	—	—
Tang Buzhou	External consultant	2 April 2018	2 years	0.018	5,000	—	—	—	—	5,000
Jiang Huimin	External consultant	1 October 2020	4 years	0.018	15,000	—	—	—	—	15,000
		1 November 2020	4 years	0.018	5,000	—	—	—	—	5,000
		11 December 2020	1 year	0.018	440	—	—	—	—	440

Corporate Governance and Other Information (Continued)

Name	Role	Date of Grant	Vesting Period ⁽¹⁾	Exercise Price (US\$)	Outstanding as at 1 April 2022	Weighted average		Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as at 30 September 2022
						Exercised during the Reporting Period	closing price immediately before exercise ⁽⁴⁾			
Wang Jingyuan	External consultant	2 November 2020	2 years	0.018	10,000	—	—	—	—	10,000
Lv Dongchen ⁽²⁾	Finance Vice President	1 August 2017	4 years	0.018	—	—	—	—	—	—
		26 March 2018	4 years	0.018	—	—	—	—	—	—
		1 July 2020	1 year	0.018	10,000	—	—	—	—	10,000
		11 December 2020	1 year	0.018	—	—	—	—	—	—
		1 December 2020	4 years	0.018	41,915	—	—	—	—	41,915
Cyberland Investment Limited ⁽³⁾	External grantee	21 August 2019	0 year	0.018	614,765	—	—	—	—	614,765
Other 1,145 employees	N/A	3 July 2015 to 11 December 2020	2–4 years	0.0028–0.018	22,895,322	1,965,110	7.90	1,966,671	—	18,963,541
Total	1,173 grantees				63,426,227	2,020,750	7.95	1,966,671	300,000	59,138,806

Notes:

- (1) The exercise period of the options granted under Pre-IPO ESOP II shall commence from the date on which the relevant options become vested and end on the 10th anniversary of the grant date, subject to the terms of the Pre-IPO ESOP II and the share option award agreement signed by the grantee.
- (2) Lv Dongchen has been granted options under both the Pre-IPO Share Option Plans to subscribe for a total of 16,547,290 Shares (that is, five million Shares or more).
- (3) On 21 August 2019, the Group acquired 85% equity interest in Xinhexin Technology (Beijing) Co., Ltd., and, as part of the consideration, granted options to purchase 122,953 Class B ordinary shares with a par value of US\$0.0001 each of the Company (or 614,765 Shares as adjusted following the Share Subdivision (as defined in the Prospectus)) to Cyberland Investment Limited, a nominee company of one of the vendors.
- (4) Weighted average closing price of the securities immediately before the dates on which the options were exercised.

Post-IPO Share Award Scheme

The Post-IPO Share Award Scheme was conditionally adopted pursuant to the resolutions of the Shareholders on 28 December 2020. The Post-IPO Share Award Scheme is not a share option scheme and is not subject to the provisions of Chapter 17 of the Listing Rules.

The purpose of the Post-IPO Share Award Scheme is to align the interests of eligible persons with those of our Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares, and to encourage and retain eligible persons to make contributions to the long-term growth and profits of our Group.

Corporate Governance and Other Information (Continued)

Any individual, being an employee, director, officer, consultant, adviser, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of any member of our Group or any affiliate of the Group who the Board or its delegate(s) considers, in its sole discretion, to have contributed or will contribute to our Group is eligible to receive an award.

The maximum aggregate number of Shares underlying all grants made pursuant to the Post-IPO Share Award Scheme (excluding Shares which have been forfeited in accordance with the Post-IPO Share Award Scheme) will not exceed 45,088,100 Shares without further Shareholders' approval, subject to an annual limit of 3% of the total number of issued Shares of the relevant times.

The Post-IPO Share Award Scheme shall be valid and effective for ten years from the Listing Date (after which no awards will be granted), and thereafter for so long as there are any non-vested Shares granted prior to the expiration of the Post-IPO Share Award Scheme, for the purpose of giving effect to the vesting of such Shares or otherwise as may be required in accordance with the provisions of the Post-IPO Share Award Scheme.

During the Reporting Period, 4,374,100 Shares have been granted or agreed to be granted under the Post-IPO Share Award Scheme. The Directors established performance conditions for certain employees, against the attainment of these conditions the options vested to them. The performance conditions include business, financials and operations for the Group's business segments.

Further details of the Post-IPO Share Award Scheme are set out in the Prospectus.

Post-IPO Share Option Scheme

The Post-IPO Share Option Scheme was conditionally adopted pursuant to the resolutions of the Shareholders on 28 December 2020. The Post-IPO Share Option Scheme shall be valid and effective for the period of ten years commencing on the Listing Date (after which, no further options shall be offered or granted). The remaining life of the Post-IPO Share Option Scheme is approximately eight years.

The purpose of the Post-IPO Share Option Scheme is to provide selected participants with the opportunity to acquire proprietary interests in our Company and to encourage the selected participants to work towards enhancing the value of our Company and its Shares for the benefit of our Company and Shareholders as a whole. The Post-IPO Share Option Scheme will provide our Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to eligible persons.

Any individual, being an employee, director, officer, consultant, advisor, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of any member of our Group or any of our Group's affiliates who the Board or its delegate(s) considers, in its sole discretion, to have contributed or will contribute to our Group is entitled to be offered and granted options.

The total number of Shares which may be issued upon exercise of all options to be granted under the Post-IPO Share Option Scheme and any other schemes is 90,176,201, being no more than 10% of the Shares in issue on the Listing Date (the "**Option Scheme Mandate Limit**"). Options which have lapsed in accordance with the terms of the rules of the Post-IPO Share Option Scheme (or any other share option schemes of our Company) shall not be counted for the purpose of calculating the Option Scheme Mandate Limit.

Corporate Governance and Other Information (Continued)

Details of the outstanding options granted under the Post-IPO Share Option Scheme during the Reporting Period are as follows:

Name	Role	Date of Grant	Vesting Period ⁽¹⁾	Exercise Price	Outstanding as at 1 April 2022	Granted during the Reporting Period	Exercise during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as at 30 September 2022
Directors and members of the senior management of the Company										
Zhang Shi	Executive Director, Senior Vice President, Head of Government Affairs	29 July 2021	4 years	34.52	627,750	—	—	—	627,750	—
Yan Jun	Executive Director, Chief Technology Officer	29 July 2021	4 years	34.52	333,000	—	—	—	333,000	—
Yang Jing	Executive Director, President, Chief Financial Officer	29 July 2021	4 years	34.52	3,750	—	—	—	3,750	—
He Zhi	Chief Innovation Officer	29 July 2021	4 years	34.52	227,250	—	—	—	227,250	—
Xu Jiming	Senior Vice President	29 July 2021	4 years	34.52	321,750	—	—	—	12,000	309,750
Connected persons of the Company										
Ming Jie Chua	N/A	29 July 2021	4 years	34.52	485,250	—	—	—	41,100	444,150
Hao Yiming	N/A	29 July 2021	4 years	34.52	199,500	—	—	—	199,500	—
Guo Xiaoyu	N/A	29 July 2021	4 years	34.52	54,700	—	—	—	—	54,700
External consultant										
Jiang Huimin ⁽⁴⁾	External consultant	29 July 2021	4 years	34.52	10,900	—	—	—	—	10,900
Other 175 employees	N/A	29 July 2021 to 22 April 2022	0-4 years	8.83-34.52	1,992,300	612,900	—	236,200	57,100	2,311,900
Total	184 grantees				4,256,150	612,900	—	236,200	1,501,450	3,131,400

Notes:

- (1) The exercise period of the options granted under the Post-IPO Share Option Scheme shall commence from the date on which the relevant options become vested and end on the tenth anniversary of the grant date, subject to the terms of the Post-IPO Share Option Scheme signed by the grantee.
- (2) The fair value of the options granted during the Reporting Period is HK\$69,956,776.

Corporate Governance and Other Information (Continued)

- (3) In respect of the options granted under the Post-IPO Share Option Scheme (including to Ms. Jiang Huimin), there was no consideration amount payable upon acceptance of such options and there were no payments or calls which must or may be made or loans for such purposes which must be repaid.
- (4) In respect of the options granted to Ms. Jiang Huimin under the Post-IPO Share Option Scheme, Ms. Jiang Huimin's role is akin to that of a part-time employee of the Company, and the rationale for granting share options to Ms. Jiang is to remunerate and compensate her for her continuing services to the Group in the same manner the Company remunerates and compensates other employees of the Group, which serves the purpose of the Post-IPO Share Option Scheme set out above.

The overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Post-IPO Share Option Scheme and any other share option schemes of our Company at any time (and to which the provisions of Chapter 17 of the Listing Rules are applicable) must not exceed 30% of the Shares in issue from time to time (the "**Option Scheme Limit**"). No options may be granted under any schemes of our Company (or its subsidiaries) if this will result in the Option Scheme Limit being exceeded.

The Option Scheme Mandate Limit may be refreshed at any time by obtaining prior approval of our Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time. However, the refreshed Option Scheme Mandate Limit as refreshed cannot exceed 10% of the Shares in issue as at the date of such approval. Options previously granted under the Post-IPO Share Option Scheme and any other share option schemes of our Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) (including those outstanding, cancelled or lapsed in accordance with its terms or exercised), shall not be counted for the purpose of calculating the refreshed Option Scheme Mandate Limit.

Our Company may also grant options in excess of the Option Scheme Mandate Limit, provided such grant is to specifically identified selected participant and is first approved by Shareholders in general meeting.

Unless approved by our Shareholders, the total number of Shares issued and to be issued upon exercise of the options granted and to be granted under the Post-IPO Share Option Scheme and any other share option scheme(s) of our Company to each selected participant (including both exercised and outstanding options) in any 12 month period shall not exceed 1% of the total number of Shares in issue.

An option may, subject to the rules of the Post-IPO Share Option Scheme and the terms and conditions upon which such option is granted, be exercised in whole or in part by the grantee giving notice in writing to our Company in such form as our Board may from time to time determine stating that the option is thereby exercised and the number of Shares in respect of which it is exercised.

An offer shall be made to selected participants by a letter in duplicate which specifies the terms on which the option is to be granted. Such terms may include any minimum period(s) for which an option must be held and/or any minimum performance target(s) that must be achieved, before the option can be exercised in whole or in part, and may include at the discretion of the Board or its delegate(s) such other terms either on a case basis or generally.

Corporate Governance and Other Information (Continued)

Pursuant to the Post-IPO Share Option Scheme, the participants may subscribe for the shares on the exercise of an option at the price determined by the Board provided that it shall not be less than the greater of (a) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant; (b) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and (c) the nominal value of a Share on the date of grant. The Directors established performance conditions for certain employees, against the attainment of these conditions the options vested to them. The performance conditions include business, financials and operations for the Group's business segments.

As of 30 September 2022, 5,455,350 options have been granted, 242,700 options have been cancelled, and 2,081,250 options have lapsed under the Post-IPO Share Option Scheme. The total number of Shares available for grant under the Post-IPO Share Option Scheme was 87,044,801 Shares, representing 8.77% of the issued share capital of the Company.

Further details of the Post-IPO Share Option Scheme are set out in the Prospectus.

Directors' Rights to Acquire Shares or Debentures

Save as otherwise disclosed in this interim report, at no time during the Reporting Period, was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

Purchase, Sale or Redemption of Listed Securities

During the Reporting Period, neither the Company nor any of its subsidiaries or consolidated attributed entities purchased, sold or redeemed any of the Company's listed securities.

Audit Committee

The Group has established an audit committee comprising three members, being Ms. Pan Rongrong, Dr. Ma Wei-Ying and Prof. Zhang Linqi, with Ms. Pan Rongrong (being the Company's independent non-executive Director with the appropriate professional qualifications) as chair of the audit committee.

The audit committee has reviewed the consolidated financial information of the Group for the six months ended 30 September 2022 and has met with the independent auditor, PricewaterhouseCoopers. The audit committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control and financial reporting matters with senior management members of the Company.

Auditors scope of work

The Company's external auditor, PricewaterhouseCoopers, has performed a review of the Group's unaudited interim condensed consolidated financial information for the six months ended 30 September 2022 in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". PricewaterhouseCoopers confirmed that nothing has come to their attention that causes them to believe that the interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

On behalf of the Board

Ms. Gong Yingying

Chairlady, Chief Executive Officer and Founder

Hong Kong, 25 November 2022

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



羅兵咸永道

To the Board of Directors of Yidu Tech Inc.

(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 39 to 81, which comprises the interim condensed consolidated balance sheet of Yidu Tech Inc. (the “Company”) and its subsidiaries (together, the “Group”) as at 30 September 2022 and the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six months then ended, and notes, comprising significant accounting policies and other explanatory information. 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”. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information 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 International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information 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 International 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 interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 25 November 2022

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Six months ended 30 September	
		2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Revenue from contracts with customers	6	474,366	501,931
Cost of sales and services	6, 9	(350,691)	(357,861)
Gross profit		123,675	144,070
Selling and marketing expenses	9	(124,106)	(233,126)
Administrative expenses	9	(109,366)	(175,325)
Research and development expenses	9	(181,850)	(191,952)
Net impairment losses on financial assets and contract assets		(11,501)	(5,350)
Other income	7	37,528	20,987
Other losses	8	(90,631)	(1,518)
Operating loss		(356,251)	(442,214)
Finance income		3,932	1,534
Finance costs		(1,639)	(1,818)
Finance income/(costs) — net	10	2,293	(284)
Share of loss from investments in associates	11	(553)	(195)
Loss before income tax		(354,511)	(442,693)
Income tax (expense)/credit	12	(1,836)	151
Loss for the period		(356,347)	(442,542)
Loss is attributable to:			
— Owners of the Company		(353,517)	(440,768)
— Non-controlling interests		(2,830)	(1,774)
		(356,347)	(442,542)

Interim Condensed Consolidated Statement of Comprehensive Income (Continued)

	Note	Six months ended 30 September	
		2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Other comprehensive income/(loss)			
<i>Item that will not be reclassified to profit or loss:</i>			
Currency translation differences		681,126	(78,041)
<i>Item that will be reclassified to profit or loss:</i>			
Currency translation differences		(309,840)	17,799
Other comprehensive income/(loss) for the period, net of tax		371,286	(60,242)
Total comprehensive income/(loss) for the period		14,939	(502,784)
Total comprehensive income/(loss) for the period is attributable to:			
— Owners of the Company		15,154	(500,574)
— Non-controlling interests		(215)	(2,210)
		14,939	(502,784)
Loss per share, basic and diluted (RMB)	13	(0.36)	(0.47)

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

	Note	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	14	74,096	59,344
Right-of-use assets	15	22,495	43,381
Intangible assets	16	39,477	35,249
Deferred income tax assets	29	626	1,238
Investments accounted for using the equity method	11	6,825	9,915
Financial assets at fair value through profit or loss	21	26,186	16,461
Investments measured at amortised cost	17	248,493	—
Restricted bank balance and deposits	22	5,054	5,024
Other non-current assets	23	3,627	—
Total non-current assets		426,879	170,612
Current assets			
Inventories	20	6,799	5,736
Contract assets	6	181,557	158,749
Trade receivables	19	524,372	513,244
Other financial assets at amortised cost	18	93,872	70,656
Financial assets at fair value through profit or loss	21	371,033	36,927
Term deposits	22	2,136,895	318,595
Cash and cash equivalents	22	872,979	3,408,505
Other current assets	23	41,245	39,786
Total current assets		4,228,752	4,552,198
Total assets		4,655,631	4,722,810
Equity			
Equity attributable to owners of the Company			
Share capital	24	125	124
Treasury shares		(1)	(1)
Other reserves	25	12,640,993	12,227,727
Accumulated deficits		(8,591,567)	(8,238,050)
		4,049,550	3,989,800
Non-controlling interests		17,451	17,666
Total equity		4,067,001	4,007,466

Interim Condensed Consolidated Balance Sheet (Continued)

	Note	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Liabilities			
Non-current liabilities			
Lease liabilities	15	9,432	25,987
Deferred income	28	73,719	77,774
Total non-current liabilities		83,151	103,761
Current liabilities			
Trade and other payables	27	262,080	329,506
Deferred income		10,292	10,500
Salary and welfare payable		170,971	205,656
Contract liabilities	6	38,173	33,256
Current income tax liabilities		245	245
Lease liabilities	15	17,476	26,178
Provisions		6,242	6,242
Total current liabilities		505,479	611,583
Total liabilities		588,630	715,344
Total equity and liabilities		4,655,631	4,722,810

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

On behalf of the Board

Gong Yingying
Director

Yang Jing
Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company					Non- controlling interests	Total equity	
	Note	Share capital	Treasury shares	Other reserves	Accumulated deficits			Sub-total
		RMB'000	RMB'000	RMB'000	RMB'000			
Balance at 1 April 2022 (Audited)		124	(1)	12,227,727	(8,238,050)	3,989,800	17,666	4,007,466
Comprehensive losses								
Loss for the period		—	—	—	(353,517)	(353,517)	(2,830)	(356,347)
Currency translation differences		—	—	368,671	—	368,671	2,615	371,286
Total comprehensive losses for the period		—	—	368,671	(353,517)	15,154	(215)	14,939
Transactions with owners in their capacity as owners:								
Share-based compensation	26(a)	—	—	44,307	—	44,307	—	44,307
Issuance of ordinary shares	24(a)	—	—	—	—	—	—	—
Exercise of option vesting	25	1	—	288	—	289	—	289
Total transactions with owners in their capacity as owners		1	—	44,595	—	44,596	—	44,596
Balance at 30 September 2022 (Unaudited)		125	(1)	12,640,993	(8,591,567)	4,049,550	17,451	4,067,001
Balance at 1 April 2021 (Audited)		116	(1)	12,205,187	(7,475,732)	4,729,570	22,618	4,752,188
Comprehensive losses								
Loss for the period		—	—	—	(440,768)	(440,768)	(1,774)	(442,542)
Currency translation differences		—	—	(59,806)	—	(59,806)	(436)	(60,242)
Total comprehensive losses for the period		—	—	(59,806)	(440,768)	(500,574)	(2,210)	(502,784)
Transactions with owners in their capacity as owners:								
Share-based compensation		—	—	116,430	—	116,430	—	116,430
Issuance of ordinary shares		6	—	(6)	—	—	—	—
Exercise of option vesting		1	—	667	—	668	—	668
Total transactions with owners in their capacity as owners		7	—	117,091	—	117,098	—	117,098
Balance at 30 September 2021 (Unaudited)		123	(1)	12,262,472	(7,916,500)	4,346,094	20,408	4,366,502

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Six months ended 30 September	
		2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Cash flows from operating activities			
Cash used in operations		(239,018)	(279,101)
Interest received		3,932	1,534
Interest paid		(1,639)	(1,818)
Income taxes paid		(1,224)	(1,944)
Net cash used in operating activities		(237,949)	(281,329)
Cash flows from investing activities			
Payments for investments in wealth management products		(998,010)	(4,205,024)
Proceeds from wealth management products		657,824	4,205,300
Payment for investments measured at amortized cost		(248,493)	—
Placement of term deposits		(1,970,583)	—
Payments for property, plant and equipment		(28,700)	(29,971)
Payments for acquisition of intangible assets		(8,356)	(5,776)
Payments for investments in venture capital fund		(10,007)	(6,116)
Withdrawals of term deposits and restricted bank balance and deposits	22	222,217	3,860,723
Interest on term deposits and restricted bank balance and deposits received		9,194	1,786
Proceeds from disposal of investments accounted for using the equity method		2,537	—
Net cash (used in)/generated from investing activities		(2,372,377)	3,820,922

Interim Condensed Consolidated Statement of Cash Flows (Continued)

	Six months ended 30 September	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cash flows from financing activities		
Proceeds from exercise of option	269	500
Principal elements of lease payments	(13,024)	(7,269)
Net cash used in financing activities	(12,755)	(6,769)
Net (decrease)/increase in cash and cash equivalents	(2,623,081)	3,532,824
Cash and cash equivalents at beginning of the period	3,408,505	739,846
Exchange effect on cash and cash equivalents	87,555	(58,227)
Cash and cash equivalents at the end of the period	872,979	4,214,443

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 General information

Yidu Tech Inc. (the “Company”) was incorporated in the Cayman Islands on 9 December 2014 as an exempted company with limited liability under the Companies Act of the Cayman Islands (Cap. 22, Law 3 of 1961 as consolidated and revised). The address of the Company is Suite #4-210, Governors Square, 23 Lime Tree Bay Avenue, PO Box 32311, Grand Cayman KY1-1209, Cayman Islands.

The Company is an investment holding company and its subsidiaries (together, the “Group”) are primarily engaged in the provision of the following services: i) big data platform and solutions, ii) life sciences solutions, iii) health management platform and solutions, and iv) others in the People’s Republic of China (“PRC”), Brunei and Singapore.

The interim condensed consolidated financial information comprises the interim condensed consolidated balance sheet as at 30 September 2022, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory notes (the “Interim Financial Information”). The Interim Financial Information is presented in Renminbi (“RMB”), unless otherwise stated.

2 Basis of preparation

The Interim Financial Information for the six months ended 30 September 2022 has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”).

The Interim Financial Information does not include all the notes of the type normally included in an annual financial statements. Accordingly, it should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 March 2022, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by International Accounting Standards Board (“IASB”) and any public announcements made by the Company during the interim reporting period.

3 Accounting policies

The accounting policies applied to the preparation of the Interim Financial Information are consistent with those of applied in the preparation of the Group’s consolidated financial statements for the year ended 31 March 2022.

In addition, certain new and amended standards and annual improvements have been published that are not mandatory for the current reporting period and have not been early adopted by the Group. These new and amended standards and annual improvements are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Notes to the Interim Condensed Consolidated Financial Information (Continued)

4 Critical accounting estimates and judgements

The preparation of the Interim Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the Interim Financial Information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied in the preparation of the Group's consolidated financial statements for the year ended 31 March 2022.

5 Financial risk management

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

The Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 March 2022. There have been no changes in the risk management policies since 31 March 2022.

(b) Fair value estimation

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value in the consolidated financial information. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Recurring fair value measurements As at 30 September 2022 (Unaudited)	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets at fair value through profit or loss				
Wealth management products	—	—	371,033	371,033
Investment in venture capital fund	—	—	19,122	19,122
Investment in unlisted equity securities	—	—	7,064	7,064
Total financial assets	—	—	397,219	397,219

5 Financial risk management (Continued)

(b) Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

Recurring fair value measurements As at 31 March 2022 (Audited)	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets at fair value through profit or loss				
Wealth management products	—	—	25,000	25,000
Loan to a third party with warrants to purchase their preferred shares	—	—	11,927	11,927
Investment in venture capital fund	—	—	7,891	7,891
Investment in unlisted equity securities	—	—	8,570	8,570
Total financial assets	—	—	53,388	53,388

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- for other financial instruments — discounted cash flow analysis.

For unlisted equity securities, a contingent consideration receivable and certain derivative contracts, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

5 Financial risk management (Continued)

(b) Fair value estimation (Continued)

(ii) Valuation techniques used to determine fair values (Continued)

As at 30 September 2022 and 31 March 2022, investments in venture capital fund are subject to the terms and conditions set forth in the offering prospectus of each fund. The fair value of the investments in venture capital fund are based primarily on the portion of the net asset value ("NAV") reported by the fund that is attributable to the Group. The NAV is derived from the fair value of these fund at the reporting date of the Group (the vast majority of the financial assets reported by the fund are measured at fair value), and the Group understands and evaluates the valuations provided by the general partners of the fund and make necessary adjustments based on the results of the evaluation. The Group has not made any adjustments to the underlying values.

(iii) Valuation processes

The Group engages an independent valuer that performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values of investment in unlisted equity securities and loan to a third party with warrants to purchase their preferred shares. The independent valuer communicates with finance team and the chief financial officer (CFO). Discussions of valuation processes and results are held between finance team, the CFO and the independent valuer on a periodical basis, in line with the Group's reporting periods.

The main level 3 inputs used by the Group are derived and evaluated as follows:

Discount rates for financial assets are determined using a capital asset pricing model to calculate discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. Credit risk factors specific to the Group (including assumptions about credit default rates) are derived from credit risk gradings determined by the Group's internal credit risk management group. Expected revenue growth and profit margins factors for unlisted equity securities are estimated based on market information of comparable companies with similar business.

5 Financial risk management (Continued)

(b) Fair value estimation (Continued)

(iv) Fair value measurements using significant unobservable inputs (level 3)

	Wealth management products RMB'000	Loan to a third party with warrants to purchase their preferred shares* RMB'000	Investment in venture capital fund RMB'000	Investment in unlisted equity securities RMB'000	Total RMB'000
Opening balance at 1 April 2022 (Audited)	25,000	11,927	7,891	8,570	53,388
Acquisitions	998,010	—	7,877	—	1,005,887
Redemption	(657,824)	—	—	—	(657,824)
Changes in fair value recognized in profit or loss	5,847	(11,927)	2,292	(2,388)	(6,176)
Currency translation differences	—	—	1,062	882	1,944
Closing balance at 30 September 2022 (Unaudited)	371,033	—	19,122	7,064	397,219
Opening balance at 1 April 2021 (Audited)	—	20,945	—	—	20,945
Changes in fair value recognized in profit or loss	—	86	—	—	86
Closing balance at 30 September 2021 (Unaudited)	—	21,031	—	—	21,031

* Please refer to note 21(iv) for details.

5 Financial risk management (Continued)

(b) Fair value estimation (Continued)

(iv) Fair value measurements using significant unobservable inputs (level 3) (Continued)

Description	Fair value		Significant unobservable inputs	Range of inputs		Relationship of unobservable inputs to fair value
	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)		As at 30 September 2022	As at 31 March 2022	
Financial assets at fair value through profit or loss — Wealth management products	371,033	25,000	Expected interest rate	1.65%–2.95%	1.65%–4.90%	The higher the expected interest rate, the higher the fair value
Financial assets at fair value through profit or loss — Investment in venture capital fund	19,122	7,891	NAV of the fund	/	/	The higher the NAV, the higher the fair value
Financial assets at fair value through profit or loss — Investment in unlisted equity securities	7,064	8,570	Discount rate	15%	—	The higher the discount rate, the lower the fair value
			Risk-free interest rate	2.5%	—	The higher the risk-free rate, the lower the fair value
			Discount for lack of marketability ("DLOM")	20%	—	The higher the DLOM, the lower the fair value

Notes to the Interim Condensed Consolidated Financial Information (Continued)

5 Financial risk management (Continued)

(b) Fair value estimation (Continued)

(iv) Fair value measurements using significant unobservable inputs (level 3) (Continued)

Description	Fair value		Significant unobservable inputs	Range of inputs		Relationship of unobservable inputs to fair value
	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)		As at 30 September 2022	As at 31 March 2022	
Financial assets at fair value through profit or loss — Loan to a third party with warrants to purchase their preferred shares	—	11,927	Discount rate	—	25.0%	The higher the discount rate, the lower the fair value
			Risk-free interest rate	—	3.4%	The higher the risk-free rate, the lower the fair value
			Discount for lack of marketability ("DLOM")	—	25.0%	The higher the DLOM, the lower the fair value

The fair value of financial assets at fair value through profit or loss — Wealth management products is affected by changes in the interest rate. If the expected interest rate had increased/decreased by 1% with all other variables held constant, the loss before income tax for the six months ended 30 September 2022 would have been lower/higher by approximately RMB0.4 million.

If the fair values of financial assets at fair value through profit or loss — Investment in venture capital fund held by the Group had been 10% higher/lower, the loss before income tax for the six months ended 30 September 2022 would have been lower/higher by approximately RMB1.9 million.

If the fair values of financial assets at fair value through profit or loss — Investment in unlisted equity securities held by the Group had been 10% higher/lower, the loss before income tax for the six months ended 30 September 2022 would have been lower/higher by approximately RMB0.7 million.

There were no transfers between level 1, 2 and 3 of fair value hierarchy classifications during the six months ended 30 September 2022 and 2021.

6 Segment information

(a) Disaggregation of revenue from contracts with customers

The Group's business activities, for which discrete financial information are available, are regularly reviewed and evaluated by the Chief Operating Decision Maker ("CODM"). As a result of this evaluation, the Group determined that it has operating segments as follows:

- Big data platform and solutions
- Life sciences solutions
- Health management platform and solutions
- Others

CODM assesses the performance of the operating segments mainly based on segment revenue and gross profit of each operating segment which is used by management as a basis for the purpose of resource allocation and assessment of segment performance. The selling and marketing expenses, administrative expenses and research and development expenses are not included in the measurement of the segments' performance. Net impairment losses on financial assets and contract assets, impairment of non-financial assets, other income, other losses, finance income/(costs) — net, shares of loss from investments in associates and income tax expenses are also not allocated to individual operating segments. Revenues from external customers reported to CODM are measured as segment revenue, which is derived from the customers in each segment. Cost of sales and services primarily comprises cost for purchasing of hardware and software, cost of development services, salary and compensation expenses, and others. The segment information provided to CODM is measured in a manner consistent with that applied in these financial information. There was no information on separate segment assets and segment liabilities provided to CODM, as CODM does not use such information to allocate resources to or evaluate the performance of the operating segments. The revenue segment information reported to CODM for the six months ended 30 September 2022 and 2021 is as follows:

	Six months ended 30 September 2022 (Unaudited)				
	Big data platform and solutions RMB'000	Life sciences solutions RMB'000	Health management platform and solutions RMB'000	Others RMB'000	Total RMB'000
Revenue from contracts with Customers	124,028	146,531	203,807	—	474,366
Cost of sales and services	(72,817)	(125,288)	(152,586)	—	(350,691)
Gross profit	51,211	21,243	51,221	—	123,675

Notes to the Interim Condensed Consolidated Financial Information (Continued)

6 Segment information (Continued)

(a) Disaggregation of revenue from contracts with customers (Continued)

Six months ended 30 September 2021 (Unaudited)					
	Big data platform and solutions RMB'000	Life sciences solutions RMB'000	Health management platform and solutions RMB'000	Others RMB'000	Total RMB'000
Revenue from contracts with Customers	157,948	145,627	190,438	7,918	501,931
Cost of sales and services	(92,027)	(116,532)	(142,235)	(7,067)	(357,861)
Gross profit	65,921	29,095	48,203	851	144,070

For the six months ended 30 September 2022 and 2021, the geographical information on the total revenue is as follows:

Six months ended 30 September (Unaudited)				
	2022		2021	
	RMB'000	%	RMB'000	%
Mainland China	384,166	81.0%	425,087	85.0%
Rest of the world	90,200	19.0%	76,844	15.0%
	474,366	100%	501,931	100%

The Company is domiciled in the Cayman Islands while the Group mainly operates its businesses in the PRC. For the six months ended 30 September 2022 and 2021, the Group earns approximately 81% and 19%, 85% and 15%, of total revenue from external customers located in the PRC and other countries, respectively.

As at 30 September 2022 and 31 March 2022, majority of the non-current assets of the Group were located in the PRC, Brunei and Singapore.

6 Segment information (Continued)

(b) Contract assets and contract liabilities

The Group has recognized the following revenue-related contract assets and liabilities:

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Contract assets (i)		
Big data platform and solutions	27,037	34,447
Life sciences solutions	122,772	130,985
Health management platform and solutions	42,135	2,931
Less: allowance for impairment of contract assets	(10,387)	(9,614)
	181,557	158,749

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Contract liabilities (ii)		
Big data platform and solutions	16,209	7,899
Life sciences solutions	21,248	22,238
Health management platform and solutions	716	3,119
	38,173	33,256

- (i) Contract assets are the Group's right to consideration in exchange for goods or services that the Group has transferred to the customer. The increase in the contract assets is mainly attributable to the increase of sales of health management platform and solutions segment.
- (ii) Contract liabilities mainly arise from the advanced payments from customers of the i) big data platform and solutions, ii) life sciences solutions, and iii) health management platform and solutions segments upon which the performance obligations have been established while the underlying services are yet to be provided.

Notes to the Interim Condensed Consolidated Financial Information (Continued)

6 Segment information (Continued)

(c) Revenue recognized in relation to contract liabilities

The following table shows how much of the revenue recognized in the current reporting period relates to carried-forward contract liabilities.

	Six months ended 30 September	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Big data platform and solutions	5,052	3,137
Life sciences solutions	9,579	5,582
Health management platform and solutions	2,531	2,373
	17,162	11,092

7 Other income

	Six months ended 30 September	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Government grants (i)	5,684	19,371
Value added tax ("VAT") refund and VAT reduction	3,181	1,105
Interest income (ii)	28,663	511
	37,528	20,987

(i) Government grants

Government grants are mainly funds for scientific and innovation research projects and awards for scientific and technological innovation enterprises.

(ii) Interest income is from investments measured at amortized cost and term deposits.

Notes to the Interim Condensed Consolidated Financial Information (Continued)

8 Other losses

	Six months ended	
	30 September	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Net loss on impairment of goodwill	—	(4,362)
Net fair value (losses)/gains on financial assets at fair value through profit or loss (i)	(6,176)	3,340
Net foreign exchange (losses)/gains	(87,238)	1,008
Donation	(388)	(2,015)
Other items	3,171	511
	(90,631)	(1,518)

- (i) Net fair value (losses)/gains on financial assets at fair value through profit or loss consists of fair value changes of (a) wealth management products; (b) investment in venture capital fund; (c) investment in unlisted equity securities and (d) loan to a third party with warrants to purchase their preferred shares (note 21).

Notes to the Interim Condensed Consolidated Financial Information (Continued)

9 Expenses by nature

Expenses included in cost of sales and services, selling and marketing expenses, administrative expenses and research and development expenses are further analysed as follows:

	Six months ended	
	30 September	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Employee benefits expenses	410,362	526,193
Cost of sales	157,744	162,168
Outsourcing services fee	91,464	89,260
Travelling, entertainment and general office expenses	31,621	39,585
Consulting and other professional fee	26,877	35,678
Promotion and advertising expenses	13,059	67,542
Depreciation of property, plant and equipment (note 14)	12,216	8,561
Depreciation of right-of-use assets (note 15)	8,620	8,396
Labour dispatching	6,195	10,898
Amortization of intangible assets (note 16)	3,362	2,187
Auditors' remuneration — Audit services	2,848	2,836
Taxes and surcharges	1,411	2,228
Other expenses	234	2,732
Total cost of sales and services, selling and marketing expenses, administrative expenses and research and development expenses	766,013	958,264

Notes to the Interim Condensed Consolidated Financial Information (Continued)

10 Finance income and costs

	Six months ended 30 September	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Finance income		
Interest income on current deposits	3,932	1,534
Finance costs		
Interest expenses for lease liabilities	(1,639)	(1,818)
Finance income/(costs) – net	2,293	(284)

11 Investments accounted for using the equity method

	Six months ended 30 September	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
At beginning of the period	9,915	5,217
Share of loss from investment in associates	(553)	(195)
Liquidation of an associate(i)	(2,537)	—
At end of the period	6,825	5,022

- (i) On 19 August 2022, Guiyang Wudang Yiduyun Medical Healthcare Industry Investment Fund (“Guiyang Wudang Yiduyun”), an associate company completed its liquidation and deregistration. The Group received cash equivalent to approximately RMB2.5 million from Guiyang Wudang Yiduyun upon its liquidation.

Notes to the Interim Condensed Consolidated Financial Information (Continued)

12 Income tax expense/(credit)

	Six months ended 30 September	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax	1,224	—
Deferred income tax (note 29)	612	(151)
Total income tax expense/(credit) — net	1,836	(151)

Income tax expense/(credit) are recognized based on the management's best knowledge of the income tax rates that would be applicable to the full financial year.

13 Loss per share

- (a) Basic loss per share is calculated by dividing the loss attributable to the Company's owners by the weighted average number of ordinary shares in issue during the six months ended 30 September 2022 and 2021.

The calculation of loss per share is based on the following:

	Six months ended 30 September	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss attributable to owners of the Company	(353,517)	(440,768)
Weighted average number of ordinary shares in issue ('000)	988,812	935,086
Basic loss per share (RMB yuan)	(0.36)	(0.47)

- (b) Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

As the Group incurred losses for the six months ended 30 September 2022 and 2021, the potential ordinary shares were not included in the calculation of dilutive loss per share, as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the six months ended 30 September 2022 and 2021 are the same as basic loss per share for the respective periods.

14 Property, plant and equipment

	Electronic equipment RMB'000	Office furniture RMB'000	Leasehold improvement RMB'000	Total RMB'000
Cost:				
As at 1 April 2022	104,781	2,910	43,838	151,529
Additions	10,897	76	16,108	27,081
Disposal	(468)	—	—	(468)
As at 30 September 2022	115,210	2,986	59,946	178,142
Accumulated depreciation:				
As at 1 April 2022	(74,498)	(1,909)	(15,778)	(92,185)
Depreciation	(7,902)	(280)	(4,034)	(12,216)
Disposal	355	—	—	355
As at 30 September 2022	(82,045)	(2,189)	(19,812)	(104,046)
Net carrying amount:				
As at 1 April 2022 (Audited)	30,283	1,001	28,060	59,344
As at 30 September 2022 (Unaudited)	33,165	797	40,134	74,096
	Electronic equipment RMB'000	Office furniture RMB'000	Leasehold improvement RMB'000	Total RMB'000
Cost:				
As at 1 April 2021	80,043	7,364	14,021	101,428
Additions	7,420	1,358	25,909	34,687
Disposal	(52)	—	—	(52)
As at 30 September 2021	87,411	8,722	39,930	136,063
Accumulated depreciation:				
As at 1 April 2021	(57,717)	(7,042)	(8,454)	(73,213)
Depreciation	(6,254)	(437)	(1,870)	(8,561)
Disposal	26	—	—	26
As at 30 September 2021 (Unaudited)	(63,945)	(7,479)	(10,324)	(81,748)
Net carrying amount:				
As at 1 April 2021 (Audited)	22,326	322	5,567	28,215
As at 30 September 2021 (Unaudited)	23,466	1,243	29,606	54,315

Notes to the Interim Condensed Consolidated Financial Information (Continued)

15 Leases

(a) Amounts recognized in the interim condensed consolidated balance sheets

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Right-of-use assets		
Buildings	22,495	43,381
Lease liabilities		
Current	17,476	26,178
Non-current	9,432	25,987
	26,908	52,165

(b) Amounts recognized in the interim condensed consolidated statements of comprehensive income

	Six months ended 30 September 2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Depreciation charge of right-of-use assets	8,620	8,396
Interest expense	1,639	1,818

16 Intangible assets

	Goodwill RMB'000	License RMB'000	Software RMB'000	Technology RMB'000	Total RMB'000
Cost:					
As at 1 April 2022	4,362	33,451	13,359	3,900	55,072
Additions	—	1,700	5,890	—	7,590
As at 30 September 2022	4,362	35,151	19,249	3,900	62,662
Accumulated amortization					
As at 1 April 2022	(4,362)	(7,794)	(3,767)	(3,900)	(19,823)
Amortization	—	(823)	(2,539)	—	(3,362)
As at 30 September 2022	(4,362)	(8,617)	(6,306)	(3,900)	(23,185)
Net carrying amount:					
As at 1 April 2022 (Audited)	—	25,657	9,592	—	35,249
As at 30 September 2022 (Unaudited)	—	26,534	12,943	—	39,477
	Goodwill RMB'000	License RMB'000	Software RMB'000	Technology RMB'000	Total RMB'000
Cost:					
As at 1 April 2021	4,362	33,451	3,964	3,900	45,677
Additions	—	—	5,158	—	5,158
As at 30 September 2021	4,362	33,451	9,122	3,900	50,835
Accumulated amortization					
As at 1 April 2021	—	(3,683)	(1,496)	(1,300)	(6,479)
Impairment	(4,362)	—	—	—	(4,362)
Amortization	—	(907)	(890)	(390)	(2,187)
As at 30 September 2021	(4,362)	(4,590)	(2,386)	(1,690)	(13,028)
Net carrying amount:					
As at 1 April 2021 (Audited)	4,362	29,768	2,468	2,600	39,198
As at 30 September 2021 (Unaudited)	—	28,861	6,736	2,210	37,807

Notes to the Interim Condensed Consolidated Financial Information (Continued)

17 Investments measured at amortised cost

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Fixed rate notes	248,493	—

- (a) Investments measured at amortised cost were investments of fixed rate notes with a maturity of two years, where the contractual cash flows are solely payments of principal and interest.

18 Other financial assets at amortised cost

Other financial assets at amortised cost include the following:

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Rental, projects and other deposits	25,679	24,630
Deposits of share award scheme trusts (a)	27,327	24,434
Payments on behalf of the third parties (b)	10,201	10,158
Prepayments for traveling and other expenses	940	2,199
Loans to third parties	752	752
Interests receivable(c)	19,469	—
Others	11,744	10,723
	96,112	72,896
Less: provision for impairment of other receivables	(2,240)	(2,240)
	93,872	70,656

18 Other financial assets at amortised cost (Continued)

- (a) In November 2021, the Company entered into a Trust Deed constituting Yidu Tech Share Award Trust (the “Trust Deed”) with Trident Trust Company (HK) Limited (“Trustee”). The Company and the Trustee established the Trust by the execution of the Trust Deed, and together with the adoption by the Company of the share award scheme rules, for the purpose of encouraging and facilitating the Trustee’s purchase and holding, either directly or indirectly, of the shares of the Company, for the benefit of the eligible persons of the Group pursuant to the share award scheme rules and the Trust Deed. The balance represented that the Group from time to time at its sole discretion transferred, paid or credited sums of money to the Trustee for the acquisition of shares to be held on trust in accordance with the Trust Deed and the share award scheme rules.
- (b) In life sciences solutions segment, the Group’s travelling and related expenses incurred by its employees that will be reimbursed by the customers as agreed in the contracts.
- (c) Interests receivable is mainly the interest generated by investments measured at amortised cost and term deposits.

19 Trade receivables

	As at 30 September 2022 RMB’000 (Unaudited)	As at 31 March 2022 RMB’000 (Audited)
Trade receivables from contracts with customers		
— Third parties	585,151	597,186
— Related parties (note 30)	1,787	1,787
Less: allowance for impairment of trade receivables	(62,566)	(85,729)
	524,372	513,244

Notes to the Interim Condensed Consolidated Financial Information (Continued)

19 Trade receivables (Continued)

- (a) The credit terms given to trade customers are determined on an individual basis with normal credit period mainly around 180 days. The aging analysis of the trade receivables based on invoice date is as follows:

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
— Up to 3 months	137,284	376,413
— 3 to 6 months	69,527	26,118
— 6 months to 1 year	246,560	87,308
— 1–2 years	91,824	45,746
— Over 2 years	41,743	63,388
	586,938	598,973
Less: allowance for impairment of trade receivables	(62,566)	(85,729)
Total	524,372	513,244

(b) **Fair values of trade receivables**

Due to the short-term nature of the current receivables, their carrying amounts are considered to be approximately the same as their fair values.

- (c) The movements on the provision for impairment of trade receivables are as follows:

	Six months ended 30 September 2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
At beginning of the period	(85,729)	(43,848)
Provision for impairment of trade receivables	(10,728)	(2,366)
Write off of trade receivables	33,891	—
At end of the period	(62,566)	(46,214)

20 Inventories

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Purchased goods — at cost	8,923	8,286
Less: allowance for impairment of inventories	(2,124)	(2,550)
	6,799	5,736

21 Financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Non-Current assets		
Investment in venture capital fund (i)	19,122	7,891
Investment in unlisted equity securities (ii)	7,064	8,570
	26,186	16,461
Current assets		
Investment in wealth management products (iii)	371,033	25,000
Loan to a third party with warrants to purchase their preferred shares (iv)	—	11,927
	371,033	36,927

- (i) On 12 May 2021, the Company entered into an subscription agreement with Bits x Bites Growth Fund I, L.P. for a subscription of US\$1.5 million in this venture capital fund, of which the remaining US\$0.15 million will be paid in 2023 and 2024.

On 11 May 2022, the Company entered into an subscription agreement with TruMed Health Innovation Fund LP for a subscription of US\$3 million in this venture capital fund, of which the remaining US\$2.18 million will be paid by 2028.

21 Financial assets at fair value through profit or loss (Continued)

- (ii) On 6 September 2021, the Group, among other investors, entered into an Series A+ preferred shares investment agreement with Kidney Health Limited (“Kidney”), a Chronic Kidney Disease Whole Course Management Platform, for a subscription of approximately 2.7% of the total issued share capital of Kidney for a total consideration of US\$1.35 million. This transaction was completed on 8 October 2021. The Group has no right to appoint representative to the Board of Kidney, and therefore the Group concluded that they do not have significant influence over Kidney. The Group managed and evaluated the performance of the equity securities on a fair value basis.

Key valuation assumptions used to determine the fair value of investment in unlisted equity securities are as follows:

	As at 30 September 2022
Discount rate	15%
Risk-free interest rate	2.5%
Discount for lack of marketability (“DLOM”)	20%

- (iii) The wealth management products (“WMP”) of the Group as of 30 September 2022 were purchased from local banks in China. The WMP were principal protected with maturity within 3 months. The expected interest rate of WMP was 1.65%–2.95% per annum and interest will be paid on the maturity date.
- (iv) On 3 January 2020, a subsidiary of the Group, Guizhou Yidu Cloud Technology Co., Ltd. (“Yidu Cloud Guizhou”), entered into an agreement to grant a loan of RMB20 million to Nanjing Trifo Technology Co., Ltd. (“Nanjing Trifo”). The loan was secured by guarantee of Nanjing Trifo’s affiliates (including its ultimate parent company incorporated in Cayman, Trifo) and pledge of shares in Trifo indirectly held by Mr. Zhang (the founder of Trifo). The interest rate is 10% per annum and the loan matures in 18 months from the actual payment by Yidu Cloud Guizhou (“Term of Loan”). On 3 March 2022, Yidu Cloud Guizhou entered into a supplementary agreement with Nanjing Trifo and extended the loan maturity to June 2022.

On the same date, Yidu Cloud Guizhou, Nanjing Trifo and Nanjing Trifo’s affiliates entered into a Warrants Purchase Agreement, pursuant to which Trifo issued warrants to Yidu Cloud Guizhou or its designated party a right to purchase up to 762,776 newly issued Series C-4 preferred shares of Trifo (the “Warrants Shares”). Before the expiration of the loan, if Yidu Cloud Guizhou completed the governmental registration or filings with respect to its Outbound Direct Investment (“ODI Filings”) into Trifo, Nanjing Trifo should repay the loan to Yidu Cloud Guizhou with the interest waived by Yidu Cloud Guizhou and Yidu Cloud Guizhou will exercise the right to subscribe the Warrants Shares.

As at 30 September 2022, since Yidu Cloud Guizhou had no reasonable expectations of recovering the financial asset, the carrying amount of this financial asset has been directly reduced to zero.

Notes to the Interim Condensed Consolidated Financial Information (Continued)

22 Cash and bank balances

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Bank balances, term deposits and restricted bank balance and deposits	3,014,928	3,732,124
Less:	(2,141,949)	(323,619)
Term deposits	(2,136,895)	(318,595)
Restricted bank balance and deposits with original maturities over one year*	(5,054)	(5,024)
Cash and cash equivalents	872,979	3,408,505

* Restricted bank balance and deposits are deposited in an escrow account with China CITIC Bank Co., LTD. Ningbo Branch for the registered capital of subsidiary Ningbo Century Kangtai Insurance Brokerage Co., Ltd. to operate insurance brokerage business.

Bank balances, term deposits and restricted bank balance and deposits of the Group are denominated in the following currencies:

	As at 30 September 2022 RMB'000	As at 31 March 2022 RMB'000
US\$	1,898,798	2,554,152
RMB	832,153	699,576
HK\$	263,758	373,678
BND (Brunei Dollar)	11,040	79,178
SGD (Singapore Dollar)	9,179	25,540
Total	3,014,928	3,732,124

Notes to the Interim Condensed Consolidated Financial Information (Continued)

23 Other current assets

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Prepayment:		
— Prepaid cloud storage and other service fee	8,089	10,098
— Prepayment for fixed assets and intangible assets	3,627	—
— Advance payments to suppliers for inventories	3,424	3,736
— Others	3,254	2,199
Deductible input VAT	28,387	25,662
Less: provision for impairment of prepayment	(1,909)	(1,909)
	44,872	39,786
Less: other non-current assets		
— Prepayment for fixed assets and intangible assets	(3,627)	—
Other current assets	41,245	39,786

24 Share capital

	Number of shares	Share capital US\$'000	Share capital RMB'000
Issued:			
As at 1 April 2022 (Audited)	987,141,040	20	124
Newly issued ordinary shares (a)	2,326,637	—	—
Exercise of option vesting (Note 26(a))	2,804,000	—	1
As at 30 September 2022 (Unaudited)	992,271,677	20	125
As at 1 April 2021 (Audited)	925,229,510	19	116
Newly issued ordinary shares	43,930,205	1	6
Exercise of option vesting	7,462,912	—	1
As at 30 September 2021 (Unaudited)	976,622,627	20	123

- (a) On 1 April 2022 and 1 July 2022, the Company also issued 80,137 and 2,246,500 shares under the Post-IPO Share Award Scheme.

25 Other reserves

	Share-based compensation reserve RMB'000	Currency translation differences RMB'000	Share premium RMB'000	Other reserves RMB'000	Total RMB'000
As at 1 April 2022 (Audited)	426,565	251,418	11,368,269	181,475	12,227,727
Share-based compensation (note 26)	44,307	—	—	—	44,307
Exercise of option vesting	(14,310)	—	14,598	—	288
Vesting of Post-IPO Share Award Scheme	(43,931)	—	43,931	—	—
Currency translation differences	—	368,671	—	—	368,671
As at 30 September 2022 (Unaudited)	412,631	620,089	11,426,798	181,475	12,640,993
As at 1 April 2021 (Audited)	358,744	392,315	11,450,128	4,000	12,205,187
Share-based compensation	116,430	—	—	—	116,430
Exercise of option vesting	(21,498)	—	22,165	—	667
Issuance of ordinary shares	(6)	—	—	—	(6)
Currency translation differences	—	(59,806)	—	—	(59,806)
As at 30 September 2021 (Unaudited)	453,670	332,509	11,472,293	4,000	12,262,472

26 Share-based compensation

(a) Share Option Scheme

Share Option Scheme includes Pre-IPO Option Scheme and Post-IPO Option Scheme. Please refer to the Group's consolidated financial statements for the year ended 31 March 2022 for details about the two schemes.

Pursuant to the resolution of the Shareholders on 28 December 2020, the shareholders of the Company approved the adoption of the Post-IPO Share Option Scheme to grant options to the Group's employees. The number of new shares issued under the Post-IPO Share Option Scheme will be no more than 90,176,201 shares, being no more than 10% of the shares in issue on the date the shares commence trading on the Stock Exchange. The vesting period of the Post-IPO Share Option Scheme is 2 or 4 years subject to employees' continuous service to the Company. Besides that, the Directors established performance conditions for certain employees, against the attainment of these conditions the options vested to them. The performance conditions include business, financials and operations for the Group's business segments. The Company granted 612,900 options to its employees under Post-IPO Share Option Scheme for the six months ended 30 September 2022.

26 Share-based compensation (Continued)**(a) Share Option Scheme (Continued)**

Movements in the number of share options granted to employees are as follows:

	Six months ended 30 September			
	2022		2021	
	(Unaudited)		(Unaudited)	
	Average	Number of	Average	Number of
	exercise price	options	exercise price	options
	per share		per share	
	option		option	
At beginning of the period	US\$0.301	96,321,362	US\$0.056	149,656,075
Granted during the period	US\$1.126	612,900	US\$4.443	4,842,450
Exercised during the period	US\$0.015	(2,804,000)	US\$0.014	(7,462,912)
Forfeited during the period	US\$0.010	(4,049,321)	US\$0.018	(1,509,358)
At end of the period	US\$0.328	90,080,941	US\$1.158	145,526,255

No options expired during the period covered by the above table.

The Company have used Binomial option-pricing model to determine the fair value of the share options as at the grant date. Key assumptions are set as below:

	Six months ended	
	2022	2021
	(Unaudited)	(Unaudited)
Grant date	22 April 2022	29 July 2021
Fair value per ordinary share	HK\$8.43	HK\$33.90
Exercise price	HK\$8.83	HK\$34.52
Risk-free interest rate	2.8%	0.9%
Dividend Yield	—	—
Volatility	44%	44%
Expected terms	10 years	10 years

The weighted average remaining contractual life of share options outstanding as at 31 March 2022 and 30 September 2022 is 5.33 year and 4.73 year, respectively.

26 Share-based compensation (Continued)

(b) Post-IPO Share Award Scheme

Pursuant to the resolution of the Shareholders on 28 December 2020, the Post-IPO Share Award Scheme was adopted to align the interests of eligible persons with those of the Group and to encourage and retain eligible persons to make contributions to the long-term growth and profits of the Group. An award granted under the Post-IPO Share Award Scheme may be vested in the form of award shares or the actual selling price of the award shares in cash, as the board of directors of the Company may determine in accordance with the related rules. The aggregate number of Shares underlying all grants made pursuant to the Post-IPO Share Award Scheme (excluding Award Shares which have been forfeited in accordance with the Post-IPO Share Award Scheme) will not exceed 45,088,100 Shares without Shareholders' approval subject to an annual limit of 3% of the total number of issued Shares at the relevant time. The vesting period of the Post-IPO Share Award Scheme is 2 or 4 years subject to employees' continuous service. Besides that, the Directors established performance conditions for certain employees, against the attainment of these conditions the options vested to them. The performance conditions include business, financials and operations for the Group's business segments.

(i) Grant of the shares under the Post-IPO Share Award Scheme during the six months ended 30 September 2022

On 1 April 2022 and 1 July 2022, 178,600 and 4,195,500 shares were granted to employees, respectively. Totally 4,374,100 shares and 7,013,355 shares were granted during the six months ended 30 September 2022 and 2021.

(ii) Fair value of shares under the Post-IPO Share Award Scheme

The fair value of shares granted on 1 April 2022 was assessed to approximate to the market price of the grant date at the amount of HK\$9.69 each (equivalent to RMB1,403,267 in total).

The fair value of shares granted on 1 July 2022 was assessed to approximate to the market price of the grant date at the amount of HK\$9.36 each (equivalent to RMB33,461,079 in total).

26 Share-based compensation (Continued)**(b) Post-IPO Share Award Scheme (Continued)****(ii) Fair value of shares under the Post-IPO Share Award Scheme (Continued)**

Movements in the number of shares granted and the respective weighted average grant date fair value are as follows:

	Six months ended 30 September			
	2022 (Unaudited)		2021 (Unaudited)	
	Number of shares under Post-IPO Share Award Scheme	Weighted average fair value per shares (HK\$)	Number of shares under Post-IPO Share Award Scheme	Weighted average fair value per shares (HK\$)
As at 1 April (Audited)	7,802,690	32.41	—	—
Granted during the period	4,374,100	9.37	7,013,355	40.85
Exercised during the period	(3,039,056)	16.87	—	—
Forfeited during the period	(2,094,800)	29.64	(1,036,700)	40.85
As at 30 September (Unaudited)	7,042,934	25.63	5,976,655	40.85

Total expenses arising from share-based payment transactions recognised during Six months ended 30 September 2022 and 2021 as part of employee benefits expenses were as follows:

	Six months ended 30 September	
	2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Options issued under Share Option Scheme	10,970	70,443
Shares issued under Share Award Scheme	33,337	50,595
	44,307	121,038

Notes to the Interim Condensed Consolidated Financial Information (Continued)

27 Trade and other payables

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Trade payables	170,369	210,604
Tax payables	16,093	12,368
Other payables:		
— Payables for consulting and other service fee	19,476	36,209
— Insurance premium collection payables(i)	19,262	24,680
— Payables for repurchase of options	11,103	9,928
— Accrual for marketing and sales promotion expenses	6,644	8,228
— Payables for purchase of fixed assets and intangible assets	4,768	9,015
— Reimbursement payable to employees	6,123	7,182
— Payables for leasehold improvement	544	870
— Amounts due to related parties	—	66
— Payables for investment in venture capital fund	—	1,904
— Others	7,698	8,452
	262,080	329,506

(i) Insurance premium payables are insurance premiums collected on behalf of insurance companies but not yet remitted as at 30 September 2022.

(a) The carrying amounts of trade and other payables are considered to be approximated to their fair values, due to their short-term nature.

Notes to the Interim Condensed Consolidated Financial Information (Continued)

27 Trade and other payables (Continued)

(b) Aging analysis of the trade payables based on invoice date at the end of each reporting period are as follows:

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
— Up to 3 months	46,497	173,919
— 3 to 6 months	13,880	2,449
— 6 months to 1 year	90,327	23,450
— 1 to 2 years	18,521	9,383
— 2 to 3 years	1,144	1,403
	170,369	210,604

28 Deferred income

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Deferred government grants	84,011	88,274
Less: amounts to be realised within the next 12 months	(10,292)	(10,500)
Non-current	73,719	77,774

Deferred income represents government grants received but yet to recognize in other income amounted to approximately of RMB84.0 million and RMB88.3 million, respectively, as at 30 September 2022 and 31 March 2022. These government grants are mainly for funding research and development expenditures undertaken by the Group.

Notes to the Interim Condensed Consolidated Financial Information (Continued)

29 Deferred income tax assets and liabilities

- (a) The analysis of deferred income tax assets and deferred income tax liabilities (prior to any offset pursuant to net-off provisions) is as follows:

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Deferred income tax assets:		
— Deferred income tax assets to be recovered after more than 12 months	1,128	3,885
— Deferred income tax assets to be recovered within 12 months	3,011	3,818
	4,139	7,703
Deferred income tax liabilities:		
— Deferred income tax liabilities to be settled after more than 12 months	(1,615)	(3,684)
— Deferred income tax liabilities to be settled within 12 months	(1,898)	(2,781)
	(3,513)	(6,465)
	626	1,238

- (b) The net movement on the deferred income tax account is as follows:

	Six months ended 30 September 2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
At beginning of the period	1,238	752
(Charged)/Credited to profit or loss (note 12)	(612)	151
At end of the period	626	903

30 Related party transactions

Save as those disclosed in the other notes, the following significant transactions were carried out between the Group and its related parties during the six months ended 30 September 2022 and 2021. In the opinion of the directors of the Company, 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. The Group's pricing policies of the transactions with related parties are determined on the basis of mutual negotiations between the relevant parties.

(a) Names and relationships with related parties

Name of related parties	Relationship with the Company
Sunshine Insurance Group Inc., Ltd. (together with its subsidiaries, the "Sunshine Insurance Group")	Having significant influence over the Company (Became third party since 26 August 2021)
Nanjing Yikang Technology Co., Ltd.	A company controlled by key management personnel
Beijing Causa Insurance Assessment Co., Ltd.	The Group's associate since September 2020 (previously, a subsidiary of the Group)

(b) Significant transactions with related parties

	Six months ended 30 September	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<i>Provision of services</i>		
Sunshine Insurance Group Inc., Ltd.	—	812

30 Related party transactions (Continued)

(c) Period ended balances with related parties

	As at 30 September 2022 RMB'000 (Unaudited)	As at 31 March 2022 RMB'000 (Audited)
Amount due from related parties – trade		
Beijing Causa Insurance Assessment Co., Ltd.	1,787	1,787
Amount due to related parties – non-trade		
Nanjing Yikang Technology Co., Ltd.	—	66

30 Related party transactions (Continued)

(d) Key management personnel compensation

Key management includes directors and senior officers. The compensations paid or payable to key management for employee services are shown below:

	Six months ended 30 September	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Wages, salaries and bonuses	5,198	6,835
Pension costs — defined contribution plans	149	139
Other social security costs	90	89
Housing benefits	108	101
Share-based compensation	—	13,049
	5,545	20,213

Ms. Gong Yingying, Chairlady and CEO of the Group, had voluntarily cut her monthly salary to RMB10,000 effective from August 2022 until the Group is profitable.

31 Contingencies

The Group did not have any material contingent liabilities as at 30 September 2022.

32 Dividend

No dividend has been paid or declared by the Company or the companies now comprising the Group during the six months ended 30 September 2022 and 2021.

33 Subsequent events

(a) COVID-19

The outbreak of Coronavirus Disease (“COVID-19”), which started in 2020, has re-emerged on a large scale in China in 2022, and a series of precautionary and control measures have been and continued to be implemented across the PRC. Market changes arising from the pandemic and possible quarantine and lockdown measures may affect the Group’s consolidated financial performance in 2022. The Group will continue to pay close attention to the development of the pandemic, and evaluate and take proactive measures to manage the impact of the pandemic on the Group’s operations.

(b) Subscription of interest in fund

On 28 October 2022, Marvelous Panda Inc, a wholly-owned subsidiary of the Company entered into a Subscription Agreement with Causa Capital Investment Limited to invest US\$40 million into YD Capital L.P. (the “Fund”) representing 40% of the initial Fund commitment. Please refer to the Company’s announcement on 28 October 2022 for details.

DEFINITIONS

“associate”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“China CDC”	Chinese Center for Disease Control and Prevention
“China” or “PRC”	the People’s Republic of China and for the purposes of this interim report only, except where the context requires otherwise, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “our Company”, or “the Company”	Yidu Tech Inc. (醫渡科技有限公司) (formerly known as “Yidu Inc.” and “Happy Life Tech Inc.”), a company with limited liability incorporated in the Cayman Islands on 9 December 2014
“Consolidated Affiliated Entity(ies)”	entities we control through the Contractual Arrangements, namely Guizhou Yidu Cloud Technology Co., Ltd.* (貴州醫渡雲技術有限公司), Tianjin Happy Life Technology Co., Ltd.* (天津開心生活科技有限公司), Beijing Causa Health Technology Co., Ltd.* (北京因數健康科技有限公司) and Beijing Zhongshi Hanming Enterprise Co., Ltd.* (北京中世漢明實業有限公司) and their respective subsidiaries
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules and unless the context otherwise requires, refers to Ms. Gong and Sweet Panda Limited
“Corporate Governance Code”	the Corporate Governance Code and Corporate Governance Report set out in Appendix 14 of the Listing Rules, as amended, supplemented or otherwise modified from time to time
“Director(s)”	the director(s) of our Company
“Global Offering”	the Hong Kong Public Offering and the International Offering as defined and described in the Prospectus
“Group”, “we” or “us”	the Company, its subsidiaries, and the Consolidated Affiliated Entities from time to time, and where the context requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time

“HK” or “Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“IFRS”	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	15 January 2021, the date which the Shares were listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
“MNC”	multi-national pharmaceutical companies
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules
“Ms. Gong”	Ms. Gong Yingying, our founder, executive Director, chief executive officer, Chairlady and our Controlling Shareholder
“Nomination Committee”	the Nomination Committee of the Board
“Post-IPO Share Award Scheme”	the post-IPO share award scheme approved and adopted by our Company on 28 December 2020 with effect from Listing
“Post-IPO Share Option Scheme”	the post-IPO share option scheme approved and adopted by our Company on 28 December 2020 with effect from Listing
“Pre-IPO Share Option Plans”	the two pre-IPO share option plans adopted by the Company on 16 March 2015 as amended from time to time
“Prospectus”	the prospectus of the Company dated 31 December 2020
“Remuneration Committee”	the remuneration committee of the Board

Definitions (Continued)

“Reporting Period”	six months ended 30 September 2022
“RMB”	Renminbi, the lawful currency of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	Ordinary share(s) in the share capital of our Company, currently with a par value of US\$0.00002 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the meaning ascribed thereto in section 15 of the Companies Ordinance
“United States” or “U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US\$”	United States dollars, the lawful currency of the United States
“Yidu Cloud Guizhou”	Guizhou Yidu Cloud Technology Co., Ltd.* (貴州醫渡雲技術有限公司), a limited liability company established under the laws of the PRC on 10 July 2018 and a Consolidated Affiliated Entity of our Company
“%”	per cent

* The English names of the PRC entities, PRC laws or regulations, and the PRC governmental authorities referred to in this interim report are translations from their Chinese names and are for identification purposes only.



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