



瑞和数智科技控股有限公司

RUIHE DATA TECHNOLOGY HOLDINGS LIMITED

(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)

STOCK CODE: 3680

2025
INTERIM REPORT

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Corporate Information

Board of Directors

Executive Directors

Mr. Xue Shouguang (*Chairman of the Board*)
Mr. Sun Dexin
Mr. Xue Xindi

Non-executive Directors

Dr. Wu Fu-Shea
Mr. Wu Xiaohua
Mr. Fei Xiang

Independent Non-executive Directors

Dr. Tian Yu
Mr. Wei Junheng
Ms. Chu Jijun
Mr. Yang Huan

Chief Executive Officer

Mr. Xue Shouguang

Company Secretary

Ms. So Ka Man (*FCG, HKFCG(PE)*)

Authorised Representatives

Ms. So Ka Man
Mr. Fei Xiang

Audit Committee

Dr. Tian Yu (*Committee Chairman*)
Mr. Wei Junheng
Ms. Chu Jijun

Remuneration Committee

Mr. Wei Junheng (*Committee Chairman*)
Mr. Fei Xiang
Dr. Tian Yu

Nomination Committee

Mr. Xue Shouguang (*Committee Chairman*)
Dr. Tian Yu
Mr. Wei Junheng
Ms. Chu Jijun

Independent Auditor

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
23/F, Tower 2
Enterprise Square Five
38 Wang Chiu Road
Kowloon Bay
Hong Kong

Hong Kong Legal Advisor

Jia Yuan Law Office
Suites 3502-3503, 35/F
One Exchange Square
8 Connaught Place
Hong Kong

Corporate Information

Registered Office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Principal Place of Business in the PRC	Room 523, 5/F, Building 3 26 Longquan Road Cangqian Street, Yuhang District Hangzhou City Zhejiang Province the PRC
Principal Place of Business in Hong Kong	Room 1928, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Principal Share Registrar and Transfer Office in the Cayman Islands	Conyers Trust Company (Cayman) Limited Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Hong Kong Branch Share Registrar and Transfer Office	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Principal Banks	China Construction Bank Shenzhen Jinsha Branch Shop 137, 1st Floor KK ONE Mall Jingji Binhe Times Square No.9289 Binhe Avenue Futian District, Shenzhen the PRC China Merchants Bank Shenzhen Hanking Center Branch 102-1, Hanking Center North of Shennan Avenue, East of Keji Zhong 1st Road Yuehai Street, Nanshan District Shenzhen the PRC
Website	www.datamargin.com
Stock Code	3680

Financial Highlights

Revenue of Ruihe Data Technology Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**”) was approximately RMB120,392,000, marking a decrease of approximately 33.5% or approximately RMB60,619,000 as compared to the first half of 2024. The change was mainly due to the Group strategically adjusted its business composition during the Reporting Period. The followings were main changes in the composition of revenue during the Reporting Period: the revenue from the Group’s data solutions business decreased by approximately 54.4% or approximately RMB37,251,000; the revenue from sales of hardware and software and related services as an integrated service decreased by approximately 39.1% or approximately RMB18,376,000; and the revenue from information technology (“**IT**”) maintenance and support services decreased by approximately 88.9% or approximately RMB3,406,000.

During the Reporting Period, the gross profit was approximately RMB9,111,000, marking a decrease of approximately 37.5% compared to the first half of 2024. The main reason for the decrease in gross profit was the adjustment in the revenue structure in the first half of 2025, with an increase in the proportion of trading of commodities.

During the Reporting Period, the net profit was approximately RMB41,098,000 (1H2024: net loss of approximately RMB38,635,000). The main reasons for the profit during the Reporting Period were as follows:

- 1) During the Reporting Period, the Company held 15,000,000 shares of Tokyo Chuo Auction Holdings Limited (whose shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (stock code: 1939)) (the “**Target Company**”), and recognized a fair value gain of approximately RMB63,015,000.
- 2) The Group vigorously promoted cost reduction and efficiency improvement measures during the Reporting Period, resulting in a decrease in research and development expenses, administrative expenses, financing costs, and sales expenses compared to the same period last year.

For the Reporting Period, the basic and diluted earnings per share were approximately RMB6.28 cents (1H 2024: basic and diluted loss per share was approximately RMB5.48 cents).

Management Discussion and Analysis

BUSINESS REVIEW

I. Industry Background Analysis

In the first half of 2025, China's GDP grew by 5.3% year-on-year, representing an increase of 0.3 percentage point in average as compared with that of the same period of last year and throughout last year, with overall stable economic operation. In the first half of 2025, in the service industry, the growth rate of information transmission, software and IT services in relation to digital informatization reached 11.1%, indicating that the digital economy and digital transformation are becoming new engines of growth for enterprises in the PRC. The growth rate of the financial industry also reached 7.3% (data source: National Bureau of Statistics).

In 2025, the financial regulatory authorities issued the "Guidelines for Implementation of Digital Transformation in the Banking Industry", requiring commercial banks to increase the proportion of technology investment to more than 3% of operating income, focusing on core technologies such as artificial intelligence ("AI"), big data and blockchain. This policy orientation has accelerated the technological upgrade of the banking industry, and the construction of technological infrastructure has entered the fast track, with large-scale state-owned banks having upgraded their core systems.

Technology is the key driving force for the development of banks. According to the 2024 annual report data of six large-scale state-owned banks, the six state-owned banks invested a total of RMB125.459 billion in financial technology in 2024, representing an increase of 2.15% as compared with 2023. According to the information as shown in the annual report, keywords such as AI, big models, computing algorithms and data systems frequently appear. Overall, banks are undergoing a new stage of digital transformation with data governance and AI scenario applications as the core in terms of technology construction.

According to the report of "China Banking IT Solutions Market Share, 2024" released by International Data Corporation ("IDC") in 2025, the market size of the PRC's banking IT solutions will be RMB71.305 billion in 2024, representing an increase of 2.9% as compared with 2023. IDC predicts that by 2029, the market size of the PRC's banking IT solutions will reach RMB103.939 billion, representing a growth rate of 7.8% as compared with 2024. IDC also pointed out that due to the reduction of incremental space, the refined operation of existing customers has become an important feature of the current development of the banking industry. IDC predicts that by the end of 2025, 65% of financial institutions will, with the help of AI large model platforms/tools, enhance the digitalization capabilities of their financial business.

Management Discussion and Analysis

The “2025-2030 Big Data Industry In-depth Research and Future Development Trend Forecast Report” of Zero Power Intelligence Industrial Research Institute (中研普華產業研究院) mentioned that the PRC’s big data industry was reshaping the digital economy with an average annual growth rate of 20%, and it was expected to exceed RMB2.8 trillion in 2025. The institute analyzed and predicted that from 2025 to 2030, the PRC’s big data industry would maintain an average annual growth rate of 12%, and the market size is expected to exceed RMB6.5 trillion in 2030.

The Group focuses on the fields of AI big data and marketing technology, providing customers with localized big data, AI and digital marketing solutions. With the support of national policies and industry development trends, the Group is seizing opportunities in the fields of digital economy, data elements, AI technology, localization of information technology, etc., and has broad room for future development.

II. Business Review

During the Reporting Period, the Group continued to consolidate its core competitiveness in the fields of data intelligence and marketing technology, deepen existing customer bases such as banking, securities and manufacturing, continue to expand new strategic business tracks, innovate new business models, and actively explore new fields such as inclusion of data asset in financial statements, financial AI large model, localization of IT, and software and hardware information technology. The Group is committed to transforming into an intelligent comprehensive service provider.

1. Consolidate existing business

During the Reporting Period, the Group continued to sign cooperation projects with the head office, Shenzhen branch and Macau branch of a large-scale state-owned bank to expand the bank’s new business in multiple fields. The Group has cooperated in data warehouse application migration, credit business cards, basic platform upgrades and renovations, precision marketing, information technology transformation, payroll system, operations and maintenance, etc., which reflects the Group’s market influence and comprehensive competitive advantages in data application fields such as data warehouse construction, data governance, data analysis applications, intelligent marketing, data maintenance and data security. It also shows that the domestic leading banks fully recognize and have a high degree of trust in the Group’s comprehensive strength in products, technical solutions and professional delivery capabilities.

In the first half of 2025, the Group won the bid for the “model development” project of a state-owned commercial bank in the southeast region. By providing the bank with data algorithm model development services covering the entire process of data mining, algorithm optimization, model building and application, the Group helped the bank dig deep into the value of data, comprehensively improve the accuracy of the bank’s decision-making in operation, the efficiency of marketing management and the timeliness of risk warning, and focus on strengthening the AI analysis and modeling capabilities with business empowerment as the core to achieve data-driven scientific decision-making. The Group also won the bid for the bank’s “database” and “business system information innovation transformation” projects.

Management Discussion and Analysis

In the first half of 2025, the Group successfully won the bid for the new projects of “one warehouse and four markets” (data warehouse) development of a large city commercial bank in the southwest region, helping customers continue to deepen the “one warehouse and four markets” project. The project will focus on breaking through the agile development of the new data needs of the regulatory market, and simultaneously complete the optimization of the data warehouse table structure after the upgrade of the national settlement system, helping the bank continuously improve its data service capabilities.

The Group also signed a marketing system construction cooperation agreement with a joint-stock commercial bank in the Pearl River Delta region to help the bank build a platform for intelligent marketing and label profiling.

2. Expand strategic new track

While consolidating and maintaining long-term cooperation with financial institution customers represented by the banking industry, the Group continues to explore new businesses, new scenarios, new models and new tracks.

During the Reporting Period, the Group reached a cooperation with Quanzhou Data Group Co., Ltd. (泉州市數據集團有限責任公司) (Quanzhou Data Group Co., Ltd. is a wholly-owned state-owned big data enterprise under Quanzhou City, mainly responsible for the technical services of the municipal government data aggregation and sharing platform and the development of public data resources) to jointly operate the “Quanxinrong Platform”, which is an exploration of an innovative cooperation model. Both parties will give full play to their respective advantages to achieve resource sharing, complementary advantages and win-win cooperation. The Group will be responsible for the daily operation, data integration, model development, system optimization and special financial product design of the platform, and make full use of the big data analysis technology accumulated by the Group over the years to turn “data” into gold, helping small and medium-sized enterprises in Quanzhou to obtain more convenient and efficient financial services. This cooperation not only marks that the Group’s practice in the financial field of data empowerment has reached a new level, but also an important milestone for the Company to actively innovate cooperation models, open up new tracks and create new advantages.

On 25 April 2025, the Company acquired 15,000,000 ordinary shares of the Target Company at a consideration of HK\$6.6 million, equivalent to 3% of the issued ordinary shares of the Target Company. The Target Company is mainly engaged in the provision of auction and related services and the sale of artworks in Hong Kong and Japan. During the Reporting Period, the Company recognized a fair value gain of approximately HK\$67.65 million through its investment in the Target Company. Such investment in the Target Company is an important beginning for the Group to engage in diversified development.

Management Discussion and Analysis

3. *Expand the Company's financing channels*

References are made to the announcements of the Company dated 2 May 2025, 9 May 2025 and 21 May 2025 (collectively, the “**Announcements**”), in relation to the placing. Unless otherwise stated, the terms used in this interim report shall have the same meaning as those defined in the Announcements.

After trading hours on 2 May 2025, the Company and Theia Securities Limited entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best endeavour basis, up to 130,000,000 Placing Shares, to not less than six Placees who and whose ultimate beneficial owners are Independent Third Parties at a price of HK\$0.301 per Placing Share.

The Placing Price of HK\$0.301 per Placing Share represents: (i) a discount of approximately 18.65% to the closing price of HK\$0.370 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) a discount of approximately 19.73% to the average closing price of approximately HK\$0.375 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the Last Trading Day.

Completion of the placing of the Placing Shares in accordance with the terms and conditions as set out in the Placing Agreement took place on 21 May 2025. A total of 130,000,000 Placing Shares (representing approximately 16.44% of the issued share capital of the Company immediately after the Completion, i.e. 21 May 2025) were placed to not less than six Placees at the Placing Price of HK\$0.301 per Placing Share.

The net proceeds from the Placing (after deduction of placing fee and other expenses of the Placing) was approximately HK\$38.6 million, which was intended to be used as to 80% (approximately HK\$30.9 million) for repayment of the Group's borrowings and as to the remaining 20% (approximately HK\$7.7 million) for replenishment of general working capital of the Company to support its business operations in various aspects including but not limited to staff costs, professional fees and rental and interest expenses.

Management Discussion and Analysis

III. Future Prospects

Based on the strategic plan, the Group will continue to strengthen its core business foundation in the financial industry, consolidate its leading position in the fields of data intelligence and marketing technology, and adhere to the development concept of “data-based, intelligent-driven, and innovative empowerment”. While deepening its core business, the Group will actively explore emerging fields such as data asset in the financial statements, data factor marketization, localization of IT, and integration of information technology software and hardware. Through a diversified development strategy, the Group will promote corporate structural optimization and sustainable growth.

1. *Continue to deepen the field of data intelligence and marketing technology*

In the future, the Group will continue to deepen the field of financial technology, with the service of financial customers as the core, continuously optimize the composition of customer groups and actively expand the national market. We will continue to deepen the strategic relationship with core major customers and long-term partners, and simultaneously expand the breadth of business and depth of services in the field of leading financial institutions. By continuously upgrading the service efficiency of product quality and solutions, we will comprehensively improve customer satisfaction and market influence, and actively develop new customer resources on the basis of ensuring the continuous cooperation of major customers. The Group will actively diversify its client base horizontally, aiming to replicate its service model from financial institutions to a broader range of industries. This strategic expansion will facilitate the cross-sector migration of our technological capabilities, thereby unlocking new growth opportunities. In parallel, we will explore niche blue oceans within the financial sector, capitalizing on the global wave of digital assets sweeping across Hong Kong to seize first-mover advantages in financial infrastructure upgrades. Beyond sectoral expansion, we will also broaden our coverage across diversified institutional types and business scenarios, continuously enhancing both the breadth and depth of our financial digital transformation solutions.

In addition, the Group will firmly focus on the fields of data intelligence and marketing technology to achieve specialization and refinement. We will give full play to the advantages of end-to-end full-link data capabilities, rely on the compound data talent team and the industry experience accumulated from serving the leading banks for years, provide customers with a product system and service solutions that are both mature and stable and technologically forward-looking, and continue to strengthen the in-depth layout in professional fields.

Management Discussion and Analysis

2. *Actively expand business boundaries and innovate diversified cooperation models*

In recent years, the Group has actively developed strategic new fronts. Through diversified collaboration models including industrial investments, co-steered operations, and business integration, we propel business expansion. Relying on leading AI big data technology and extensive practical experience, the Group has started from banking business and extended service scenarios to government and enterprises and the digital transformation of the entire industry to cultivate a second growth curve.

At present, digital currency, blockchain technology and related applications are profoundly changing the global financial landscape. The global digital asset market has shown robust growth potential. The Hong Kong government has recently launched positive policies to support the development of Web3.0 and the cryptocurrency industry. While consolidating our competitive edge in AI and big data services, the Group will actively expand into Web3.0 and cryptocurrency assets. We plan to invest in digital assets and cultivate on-chain financial resources, accelerating the on-chain transformation of traditional financial services. Our focus will center on strengthening digital asset services across the Greater China.

Computing power is the core driving force for the development of digital economy. The Group plans to partner with domestic GPU manufacturers to build comprehensive capabilities integrating hardware, software, and industry-specific solutions – with locally developed GPUs at the core. This will enable our transition from a pure software technology service provider to an end-to-end digital intelligence solutions partner, broadening our business boundaries. To accelerate innovation, we will establish a dedicated Innovation Division focused on cutting-edge applications in AI, blockchain, converged hardware-software systems, and digital asset trading. These initiatives are designed to unlock new growth opportunities and position us at the forefront of the intelligent transformation era.

Investment-Driven Growth Strategy. The Group's senior management team possesses advanced investment philosophy and extensive investment experience. We will continue exploring more value investment opportunities, incorporating investments into our new growth paradigm. Going forward, we will not only focus on financial returns but also deeply enable portfolio companies' development through post-investment support, achieving collaborative innovation and value enhancement that feeds back into the Company's overall strategy.

Management Discussion and Analysis

FINANCIAL REVIEW

1. Revenue

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue		
Data solutions	31,240	68,491
Sales of hardware and software and related services as an integrated service	28,592	46,968
IT maintenance and support services	426	3,832
Trading of commodities	60,134	61,720
	120,392	181,011

Revenue of the Group for the Reporting Period was approximately RMB120,392,000, marking a decrease of approximately 33.5% or approximately RMB60,619,000 as compared to the first half of 2024. The change was mainly due to the Group strategically adjusted its business composition during the Reporting Period. The followings were main changes in the composition of revenue during the Reporting Period: The revenue from the Group's data solutions business decreased by approximately 54.4% or approximately RMB37,251,000; the revenue from sales of hardware and software and related services as an integrated service decreased by approximately 39.1% or approximately RMB18,376,000; and the revenue from IT maintenance and support services decreased by approximately 88.9% or approximately RMB3,406,000.

2. Gross profit and gross profit margin

During the Reporting Period, the gross profit was approximately RMB9,111,000, a decrease of approximately 37.5% or approximately RMB5,466,000 compared to the first half of 2024. The gross profit margin was approximately 7.6% (1H 2024: approximately 8.1%).

The main reason for the decrease in gross profit and gross profit margin was the adjustment of the operating income structure in the first half of 2025, with an increase in the proportion of trading of commodities.

Management Discussion and Analysis

3. Selling expenses

During the Reporting Period, our selling expenses were approximately RMB2,586,000, marking a decrease of approximately 53.2% or approximately RMB2,942,000 compared to the first half of 2024, accounting for approximately 2.1% of the Group's revenue for the Reporting Period (1H 2024: approximately 3.1%). The main reason for the decrease in selling expenses was that the Group reduced selling expenses by adjusting the organizational structure and optimizing the salary incentive mechanism.

4. Research and development expenses

During the Reporting Period, our research and development expenses were approximately RMB7,385,000, marking a decrease of approximately 62% or approximately RMB12,064,000 compared to the first half of 2024, accounting for approximately 6.1% of the Group's revenue for the Reporting Period (1H 2024: approximately 10.7%). The main reason for the decrease in research and development expenses was that the products previously developed by the Group had become increasingly mature, and the current focus had shifted to the promotion and application of products, and continuous improvement of products in application.

5. Administrative expenses

During the Reporting Period, our administrative expenses were approximately RMB20,983,000, marking a decrease of approximately 12.8% or approximately RMB3,070,000 compared to the first half of 2024. The main reasons for the decrease in administrative expenses were: (1) the optimization of the administrative management team resulted in a decrease in related labor costs by approximately 17.8% or approximately RMB2,315,000 compared to the first half of 2024; (2) office expenses decreased by approximately 63.2% or approximately RMB600,000 compared to the first half of 2024.

6. Income tax credit

During the Reporting Period, our income tax credit was approximately RMB167,000 (1H 2024: approximately RMB473,000). The main reason for this change was the decrease in deferred tax credit during the Reporting Period.

Management Discussion and Analysis

7. Profit for the period

The net profit for the Reporting Period was approximately RMB41,098,000 (1H 2024: net loss of approximately RMB38,635,000). The main reasons for the profit during the Reporting Period were as follows:

- (1) During the Reporting Period, the Company held 15,000,000 shares of Tokyo Chuo Auction Holdings Limited (whose shares are listed on the Stock Exchange (stock code: 1939)), and recognized a fair value gain of approximately RMB63,015,000.
- (2) The Group vigorously promoted cost reduction and efficiency improvement measures during the Reporting Period, resulting in a decrease in research and development expenses, administrative expenses, financing costs, and selling expenses compared to the same period last year.

8. Profit for the period attributable to owners of the Company

During the Reporting Period, the profit for the period attributable to owners of the Company was approximately RMB43,186,000 (1H 2024: loss attributable to owners of the Company of approximately RMB36,040,000). These changes were mainly due to the increase in net profit during the Reporting Period as mentioned above.

9. Earnings per share

During the Reporting Period, the basic earnings per share and diluted earnings per share of the Company were approximately RMB6.28 cents, while the basic and diluted loss per share for the first half of 2024 was approximately RMB5.48 cents.

10. Liquidity and financial resources

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net cash inflow/(outflow) from operating activities	(30,650)	(32,104)
Net cash inflow/(outflow) from investing activities	(6,796)	(5,308)
Net cash inflow/(outflow) from financing activities	47,079	(7,228)

A. Operating activities

The net cash used in operating activities of the Group during the Reporting Period was approximately RMB30,650,000, marking a decrease of approximately RMB1,454,000 compared to the net cash used in operating activities in the first half of 2024, mainly due to the decrease in project procurement, salary expenses, and other miscellaneous expenses during the Reporting Period.

Management Discussion and Analysis

B. Investing activities

The net cash used in investing activities of the Group during the Reporting Period was approximately RMB6,796,000, marking an increase of approximately RMB1,488,000 compared to the net cash used in investing activities in the first half of 2024, mainly due to the acquisition of 15,000,000 shares of Tokyo Chuo Auction Holdings Limited, with a cash outflow of approximately RMB6,197,000.

C. Financing activities

The net cash inflow from financing activities of the Group during the Reporting Period was approximately RMB47,079,000, marking an increase of approximately RMB54,307,000 compared to the net cash inflow from financing activities in the first half of 2024. The main reason was that the proceeds from the issue of shares during the Reporting Period were approximately RMB36,086,000, while no shares were issued in the first half of 2024.

11. Capital structure

A. Bank and other borrowings

As of 30 June 2025, our short-term bank borrowings were approximately RMB42,960,000, and other borrowings were approximately RMB84,489,000.

B. Debt securities

As of 30 June 2025, the Group had no debt securities.

C. Contingent liabilities

Save as disclosed in note 24 to this interim report, the Group had no other contingent liabilities as of 30 June 2025.

D. Treasury policy

The Group has adopted a prudent financial management approach for its financial policies. The board (“**Board**”) of directors (“**Directors**”) of the Company closely monitors its liquidity position to ensure that the liquidity structure of its assets, liabilities, and other commitments can always meet the Group’s funding needs.

E. Gearing ratio

As of 30 June 2025, the Group’s gearing ratio was approximately 110.9% (31 December 2024: approximately 277.9%). The main reason for the decrease in the gearing ratio was that the total equity during the Reporting Period increased by approximately RMB74,753,000 compared to the beginning of the Reporting Period.

The gearing ratio was calculated by dividing the sum of our bank and other borrowings, and amounts due to Directors at the end of the Reporting Period by our total equity.

Management Discussion and Analysis

12. Pledge of assets

A. As at 30 June 2025, the Group's bank borrowings were secured and/or guaranteed by:

- (i) corporate guarantees from independent third parties of approximately RMB6,500,000 (31 December 2024: RMB9,500,000);
- (ii) pledged bank deposits of approximately RMB632,000 (31 December 2024: approximately RMB329,000);
- (iii) trade receivables outstanding from customers of the Group of approximately RMB21,978,000 (31 December 2024: approximately RMB22,501,000); and
- (iv) personal guarantees from legal representatives of two subsidiaries.

B. As of 30 June 2025, the Group's other borrowings were secured by certain shares of the Company held by a substantial shareholder of the Company, a Director, and a precedent Director and personal guarantees from a precedent Director.

13. Significant investments held

On 25 April 2025, the Company acquired 15,000,000 ordinary shares of the Target Company (whose shares are listed on The Stock Exchange (stock code: 1939)) at a consideration of HK\$6.6 million, equivalent to 3% of the issued ordinary shares of the Target Company. As of June 30, 2025, the carrying amount of the financial assets at fair value through profit or loss of such investment was approximately RMB 67.7 million.

14. Capital commitments

As at 30 June 2025, the Group did not have any capital commitments.

15. Significant investments, acquisitions and dispositions of subsidiaries, associates and joint ventures

During the Reporting Period, the Group did not hold any significant investments of subsidiaries, associates, or joint ventures, nor did it conduct any other acquisitions or disposals.

16. Foreign exchange risks

Since most of the Group's business transactions, assets, and liabilities are mainly denominated in the functional currencies of various group entities, the Group is exposed to certain foreign currency risks. The Group implements effective management policies to closely monitor changes in foreign exchange rates and regularly review foreign exchange risks. The Group will consider hedging significant foreign currency risks when necessary.

17. Future plans for significant investments or capital assets

The Group currently has no other significant investment or capital asset plans.

Corporate Governance and Other Information

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

As at 30 June 2025, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (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 the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) were as follows:

Name of Director/ Chief Executive	Capacity/Nature of Interest	Number of Shares Interested	Approximate Percentage of Shareholding (%)	Long/Short Position
Mr. Xue Shouguang	Interest in controlled corporation ⁽¹⁾	104,000,000	13.15	Long position
	Beneficial owner	28,495,000	3.60	Long position
Mr. Xue Xindi	Beneficial owner	846,000	0.11	Long position
Mr. Wu Xiaohua	Interest in controlled corporation ⁽²⁾	29,490,000	3.73	Long position
Dr. Wu Fu-shea	Beneficial owner	11,450,000	1.45	Long position

Notes:

1. Mr. Xue Shouguang held 100% equity interest in Treasure Tree Asia Holdings Co. LTD. Accordingly, Mr. Xue Shouguang was deemed to be interested in the 104,000,000 shares of the Company (“Shares”) held by Treasure Tree Asia Holdings Co. LTD pursuant to Part XV of the SFO.
2. Mr. Wu Xiaohua held 100% equity interest in Ideal Treasure Holdings Limited. Accordingly, Mr. Wu Xiaohua was deemed to be interested in the 29,490,000 Shares held by Ideal Treasure Holdings Limited pursuant to Part XV of the SFO.

Save as disclosed above, as at 30 June 2025, none of the Directors nor the chief executive of the Company had any interests or short positions in any of 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 the Model Code.

Corporate Governance and Other Information

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

As at 30 June 2025, the following corporations or persons (other than the Directors or the chief executive of the Company) had interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder	Capacity/Nature of Interest	Number of Shares Interested	Approximate Percentage of Shareholding (%)	Long/Short Position
Treasure Tree Asia Holdings Co. LTD ⁽¹⁾	Beneficial owner	104,000,000	13.15	Long position
Ms. Chen Weiping ⁽²⁾	Interest of spouse	132,495,000	16.75	Long position
Mr. Gu Yi ⁽³⁾	Interest in controlled corporation	70,003,840	8.85	Long position
Jiaying Management Co., Limited ⁽³⁾	Interest in controlled corporation	70,003,840	8.85	Long position
Mindao Touch Global Limited ⁽³⁾	Beneficial owner	70,003,840	8.85	Long position
HK Hesheng Investment Limited ⁽⁴⁾	Person having a security interest in shares	66,080,000	8.36	Long position
Mr. Chen Zhenping	Beneficial owner	42,980,000	5.43	Long position
Ms. Wu Xinlan ⁽⁵⁾	Interest of spouse	42,980,000	5.43	Long position

Corporate Governance and Other Information

Notes:

1. According to the disclosure of interests as set out on the website of the Stock Exchange, Mr. Xue Shouguang's shareholding in the Company is held through Treasure Tree Asia Holdings Co. LTD. Mr. Xue Shouguang held 100% equity interest in Treasure Tree Asia Holdings Co. LTD. Accordingly, Mr. Xue Shouguang was deemed to be interested in the 104,000,000 Shares held by Treasure Tree Asia Holdings Co. LTD. pursuant to Part XV of the SFO.
2. According to the disclosure of interests as set out on the website of the Stock Exchange, Ms. Chen Weiping is the spouse of Mr. Xue Shouguang and was therefore deemed to be interested in the 132,495,000 Shares in which Mr. Xue Shouguang was interested pursuant to Part XV of the SFO.
3. According to the disclosure of interests as set out on the website of the Stock Exchange, Mr. Gu Yi's shareholding in the Company is held through Mindas Touch Global Limited. Mindas Touch Global Limited is wholly owned by Jiaying Management Co., Limited, which is wholly owned by Mr. Gu Yi. Accordingly, Mr. Gu Yi and Jiaying Management Co., Limited were deemed to be interested in these Shares pursuant to Part XV of the SFO.
4. According to the disclosure of interests as set out on the website of the Stock Exchange, HK Hesheng Investment Limited was interested in 66,080,000 Shares as person having a security interest in shares.
5. According to the disclosure of interests as set out on the website of the Stock Exchange, Ms. Wu Xinlan is the spouse of Mr. Chen Zhenping and was therefore deemed to be interested in the 42,980,000 Shares in which Mr. Chen Zhenping was interested pursuant to Part XV of the SFO.

Save as disclosed above, as at 30 June 2025, no person, other than the Directors or the chief executive whose interests are set out in the section headed "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or its Associated Corporations" above, had an interest or a short position in the Shares or underlying Shares as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

REMUNERATION POLICY AND EMPLOYMENT BENEFITS

The Group had 183 employees altogether in Mainland China and Hong Kong as at 30 June 2025. The Group offers a comprehensive and competitive remuneration, retirement scheme and benefit package to its employees. Discretionary bonus is offered to the staff depending on their performance. The Group is required to make contribution to a social insurance scheme in Mainland China. The Group provided training programmes to employees to equip them with the requisite working skills and knowledge.

Directors and senior management of the Group receive compensation in the forms of salaries, contributions to pension schemes and other allowances and benefits in kind subject to applicable laws, rules and regulations. The primary goal of the remuneration policy with regard to the remuneration packages of the executive Directors and senior management is to enable the Group to retain and motivate them by linking their compensation with performance as measured against corporate objectives achieved.

The Group did not experience any significant problems with its employees or disruption to its operations due to labour disputes, nor have experienced any difficulties in the recruitment and retention of experienced staff during the Reporting Period.

Corporate Governance and Other Information

EQUITY INCENTIVE PLAN

The share option scheme (the “**Share Option Scheme**”) and the share award scheme (the “**Share Award Scheme**”) have been adopted by the shareholders of the Company at the annual general meeting of the Company held on 8 June 2020. The purposes of the Share Option Scheme and the Share Award Scheme are to recognise and motivate the contribution of the eligible participants and to provide incentives and help the Group retain its existing employees and recruiting additional employees and to provide it with a direct economic interest in attaining the long-term business objectives of the Group.

Share Option Scheme

Subject to the terms of the Share Option Scheme, the Board shall be entitled at any time within the period of ten years after 8 June 2020 to grant options to any participants as the Board may in its absolute discretion select. The total number of Shares which may be issued upon exercise of all share options to be granted by the Company under the Share Option Scheme and any other share option scheme(s) of the Company (the “**Share Option Scheme Mandate Limit**”) shall not exceed 10% of the total number of the Shares in issue on 8 June 2020, i.e. 40,000,000 Shares. Options lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company under which such options are granted, as the case may be, will not be counted for the purpose of calculating the Share Option Scheme Mandate Limit. The Company may seek approval of the shareholders of the Company in general meetings to renew the Share Option Scheme Mandate Limit provided that the Share Option Scheme Mandate Limit so renewed must not exceed 10% of the Shares in issue as at the date of approval of the renewal by the shareholders of the Company.

As at 1 January 2025 and 30 June 2025, the numbers of options available for grant under the scheme mandate were 39,370,621 and 39,384,562 respectively. There is no service provider sublimit under the Share Option Scheme.

Subject to the terms of grant of any option, an option may be exercised by the grantee of the option at any time during the exercise period and in accordance with the vesting schedule and other terms specified in the offer. No option may be vested more than ten years after the date of the offer made. The vesting period of options granted under the Share Option Scheme is from the date of grant until the commencement of the exercise period. Vesting is subject to the terms and conditions as set out in the Share Option Scheme and/or such terms as specified in the offer. There is no performance target that must be achieved before the options can be exercised except otherwise imposed by the Board and stated in the offer of grant of an option. For the options granted during the year ended 31 December 2021 and 31 December 2022, respectively, the Board specified performance conditions that must be satisfied before the option can be exercised. These conditions include group financial performance targets and individual key performance indicators.

Further details of the Share Option Scheme are set out in the circular of the Company dated 28 April 2020 and the 2024 annual report of the Company.

Corporate Governance and Other Information

The table below sets out details of the outstanding options granted to the grantees under the Share Option Scheme and movements during the Reporting Period:

Name or category of grantee	Date of Grant	Vesting Schedule	Exercise Period	Exercise Price per Share Option (HK\$)	Outstanding as at 1 January 2025	Granted during the Reporting Period	Performance target of options granted during the Reporting Period	Closing price of the shares immediately before the date on which the options were granted (HK\$)	Fair value per share option at the date of grant (HK\$)	Exercised during the Reporting Period	Weighted average closing price of the shares immediately before the dates on which the options were exercised (HK\$)	Lapsed/ forfeited during the Reporting Period	Cancelled during the Reporting Period	Outstanding as at 30 June 2025
Other grantees - Employees														
In aggregate	28 December 2021	25% of the share options granted shall vest on the first trading day after each of 31 March 2022, 31 March 2023, 31 March 2024; and after 31 March 2025, respectively	Subject to the vesting dates, from 8 April 2022 to 7 June 2030	6.33 (Note 1)	70,000	-	-	6.27	3.28	-	-	-	-	70,000
In aggregate	28 December 2021	25% of the share options granted shall vest on the first trading day after each of 31 March 2023, 31 March 2024, 31 March 2025 and after 31 March 2026, respectively	Subject to the vesting dates, from 8 April 2022 to 7 June 2030	6.33 (Note 1)	21,000	-	-	6.27	3.28	-	-	-	-	21,000
In aggregate	8 April 2022	25% of the share options granted shall vest on the first trading day after each of 31 March 2023, 31 March 2024, 31 March 2025 and after 31 March 2026, respectively	Subject to the vesting dates, from 8 April 2022 to 7 June 2030	5.38 (Note 2)	538,379	-	-	5.21	2.84	-	-	13,941	-	524,438
Total					629,379	-				-		13,941	-	615,438

Note 1: The exercise price of the share options represents the highest of: (i) the closing price of HK\$6.33 per Share as stated in the Stock Exchange's daily quotation sheets on the date of grant; (ii) the average closing price of HK\$6.246 per Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of HK\$0.01 per Share.

Note 2: The exercise price of the share options represents the highest of: (i) the closing price of HK\$5.38 per Share as stated in the Stock Exchange's daily quotation sheets on the date of grant; (ii) the average closing price of HK\$5.272 per Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of HK\$0.01 per Share.

Corporate Governance and Other Information

Share Award Scheme

Subject to the terms of the Share Award Scheme, the Board shall be entitled at any time within the period of ten years after 8 June 2020 to grant restricted shares (the “**Restricted Shares**”) to any participants as the Board may in its absolute discretion select. Such Restricted Shares can be satisfied by (i) new Shares issued by the Company at par, (ii) existing Shares purchased by the trustee on the market, in either case out of cash paid by the Company by way of settlement to the trustee pursuant to the Share Award Scheme; or (iii) returned Shares or further Shares awarded under the Share Award Scheme. The Company has appointed Trident Trust Company (HK) Limited or its wholly owned subsidiary, being SXD Talent Success Limited, as the trustee of the Share Award Scheme.

The Board shall not make any further award of Restricted Shares under the Share Award Scheme which will result in the aggregate number of the Shares awarded by the Board under the Share Award Scheme or held by the trustee under the Share Award Scheme exceeding 5% of the total number of the Shares in issue on 8 June 2020, i.e. 20,000,000 Shares (for the avoidance of doubt, Shares awarded but cancelled, lapsed and/or not yet vested are all excluded) (the “**Share Award Scheme Limit**”). The Company may refresh the Share Award Scheme Limit subject to prior approval from the Board, but in any event, the aggregate number of Shares awarded under the Share Award Scheme or held by the trustee under the Share Award Scheme following the date of the Board’s approval of the refreshed limit (the “**New Approval Date**”) shall not exceed 5% of the issued share capital of the Company as at the New Approval Date.

As at 1 January 2025 and 30 June 2025, the number of Restricted Shares available for grant under the scheme mandate maintained at 13,289,099.

The vesting period of Restricted Shares granted under the Share Award Scheme may differ among the grantees. Vesting is subject to the terms and conditions as set out in the Share Award Scheme and/or such terms as specified in the grant. For the Restricted Shares granted during the year ended 31 December 2021 and 31 December 2022, respectively, the Board specified performance conditions that must be satisfied before vesting in the relevant grant letters. These conditions include group financial performance targets and individual key performance indicators.

Further details of the Share Award Scheme are set out in the circular of the Company dated 28 April 2020 and the 2024 annual report of the Company.

Corporate Governance and Other Information

The table below sets out details of the Restricted Shares granted to the grantees under the Share Award Scheme and movements during the Reporting Period:

Name or category of share grantee	Date of grant	Vesting Schedule	Purchase price of share awards (HK\$)	Unvested as at 1 January 2025	Granted during the Reporting Period	Closing price per share immediately before the date of grant (HK\$)	Fair value per share of awards as at the date of grant (HK\$)	Performance target of share awards granted during the Reporting Period	Vested during the Reporting Period	Weighted average closing price of the shares immediately before the vesting date (HK\$) (Note)	Lapsed/ forfeited during the Reporting Period	Cancelled during the Reporting Period	Unvested as at 30 June 2025
To be satisfied by new shares issued/to be issued													
Other grantees - Employees													
In aggregate	28 December 2021	25% of the Restricted Share granted shall be vested on the first trading day after each of 31 March 2022, 31 March 2023, 31 March 2024 and 31 March 2025, respectively	-	82,657	-	6.27	6.33	-	42,657	0.96	40,000	-	-
In aggregate	28 December 2021	25% of the Restricted Share granted shall be vested on the first trading day after each of 31 March 2022, 31 March 2023, 31 March 2024 and 31 March 2025, respectively	-	35,000	-	6.27	6.33	-	35,000	0.96	-	-	-
In aggregate	8 April 2022	25% of the Restricted Share granted shall be vested on the first trading day after each of 31 March 2023, 31 March 2024, 31 March 2025 and 31 March 2026, respectively	-	76,068	-	5.21	5.38	-	31,869	0.96	13,851	-	30,348
Sub-total			-	193,725	-				109,526		53,851	-	30,348
To be satisfied by existing shares													
Other grantees (employees) in aggregate	8 April 2022	25% of the Restricted Share granted shall be vested on the first trading day after each of 31 March 2023, 31 March 2024, 31 March 2025 and 31 March 2026, respectively	-	20,000	-	5.21	5.38	-	10,000	0.96	-	-	10,000
Total				213,725	-				119,526		53,851	-	40,348

Note: HK\$0.96 refers to the share-weighted average closing price of the shares on the first trading day immediately following 31 March 2025.

BANK LOANS AND OTHER BORROWINGS

Details of the bank loans and borrowings of the Group as at 30 June 2025 are set out in note 20 to the interim condensed consolidated financial statements.

Corporate Governance and Other Information

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including treasury shares (as defined under the Listing Rules)) during the Reporting Period.

As of 30 June 2025, there were no treasury shares (as defined under the Listing Rules) held by the Company.

USE OF PROCEEDS FROM THE PLACING

On 21 May 2025, a total of 130,000,000 Placing Shares (representing approximately 16.44% of the Company's issued share capital immediately following the Completion of the Placing) were placed to not less than six Placees at the Placing Price of HK\$0.301 per Placing Share. The net proceeds from the Placing amounted to approximately HK\$38.6 million ("**Net Proceeds**").

	Percentage allocation of Net Proceeds	Allocation of Net Proceeds (approximately HK\$ million)	Utilised Net Proceeds as at 30 June 2025 (approximately HK\$ million)	Unutilised Net Proceeds as at 30 June 2025 (approximately HK\$ million)
Repayment of the Group's Borrowings	80%	30.9	29.6	1.3
Replenishment of General Working Capital	20%	7.7	7.7	—
Total	100%	38.6	37.3	1.3

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the principles and code provisions of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices. The code provision C.2.1 of Part 2 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Xue Shouguang was appointed as the chairman and the chief executive officer on 18 July 2023. The Board believes that having the same individual in both roles as the chairman and the chief executive officer will ensure that the Company has consistent leadership and the ability to make and implement the overall strategy of the Company effectively. The Board believes that this structure does not compromise the balance of power and authority between the Board and the management of the Company. The Board will regularly review the effectiveness of this structure to ensure that it is appropriate to the Company's circumstances. Save as disclosed above, the Board has reviewed the Company's corporate governance practices and is satisfied that the Company had complied with all the code provisions set out in the Part 2 of the CG Code during the Reporting Period.

Corporate Governance and Other Information

On 4 March 2025, Mr. Yang Haifeng and Dr. Jin Yong resigned as independent non-executive Directors, and Mr. Wei Junheng was appointed as an independent non-executive Director. The then number of independent non-executive Directors fell below the minimum number as required under Rules 3.10(1) and 3.10A of the Listing Rules, and there was no independent non-executive Director who has the qualification as required under Rule 3.10(2) of the Listing Rules. According to Rules 3.10(1) and 3.10A of the Listing Rules, the Board must include at least three independent non-executive Directors and the number of independent non-executive Directors should represent at least one third of the Board. According to Rule 3.10(2) of the Listing Rules, at least one of the independent non-executive Directors must have appropriate professional qualifications or accounting or related financial management expertise.

As a result of the insufficient number of independent non-executive Directors, the Company also failed to comply with the requirements as set out in Rule 3.21 of the Listing Rules with regard to the minimum number of members and the composition of the audit committee of the Company ("**Audit Committee**").

Following the appointment of Ms. Chu Jijun as an independent non-executive Director and a member of the Audit Committee on 14 March 2025, the Company has re-complied with the requirements in relation to (i) the number of independent non-executive Directors under Rules 3.10(1) and 3.10A of the Listing Rules; (ii) the qualification of independent non-executive Director under Rule 3.10(2) of the Listing Rules; and (iii) the number of members of the Audit Committee under Rule 3.21 of the Listing Rules. As such, the Company has fully complied with the requirements as set out in Rules 3.10(1), 3.10(2), 3.10A and 3.21 of the Listing Rules.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors' dealing in the Company's securities. Specific enquiry has been made to all the Directors and the Directors have confirmed that they had complied with the Model Code throughout the Reporting Period.

The Company has also adopted the Model Code as the standard of dealings in the Company's securities by the relevant employees who are likely to possess inside information of the Company and/or its securities. No incident of non-compliance of the Model Code by the employees was noted by the Company during the Reporting Period.

Corporate Governance and Other Information

BOARD OF DIRECTORS

The Company is headed by an effective Board which oversees the Group's businesses, strategic decisions and performance and takes decisions objectively in the best interests of the Company.

As at the date of this interim report, the Board comprises three executive Directors, namely, Mr. Xue Shouguang, Mr. Sun Dexin and Mr. Xue Xindi, three non-executive Directors, namely, Dr. Wu Fu-Shea, Mr. Wu Xiaohua and Mr. Fei Xiang, and four independent non-executive Directors, namely, Dr. Tian Yu, Mr. Wei Junheng, Ms. Chu Jijun and Mr. Yang Huan.

INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the Reporting Period (1H2024: Nil).

SUFFICIENT PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the latest practicable date prior to the publication of this interim report, the Company had maintained a sufficient public float for the issued shares (i.e. at least 25% of the issued shares being held by the public) as required under the Listing Rules.

MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration during the Reporting Period nor were the Directors aware of any material litigation or claims that were pending or threatened against the Company.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The Audit Committee has reviewed the unaudited interim condensed consolidated financial information of the Group for the Reporting Period. The Audit Committee has also discussed with senior management members matters relating to the accounting policies and practices adopted by the Company and internal control. Based on the review and discussions with the senior management and the auditor of the Company, the Audit Committee was satisfied that the Group's unaudited interim condensed consolidated financial statements were prepared in accordance with applicable accounting standards and had fairly presented the Group's financial position and results for the Reporting Period.

The interim condensed consolidated financial information of the Group for the Reporting Period has not been audited by the Company's auditor.

Corporate Governance and Other Information

DISCLOSURE OF CHANGES OF INFORMATION OF DIRECTORS

Information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules is as follows:

Name of Director	Details of Changes
Mr. Chen Zhenping	Resigned as a non-executive Director on 4 March 2025
Mr. Yang Haifeng	Resigned as an independent non-executive Director, the chairman of the Audit Committee and the remuneration committee of the Company (" Remuneration Committee "), a member of the nomination committee of the Company (" Nomination Committee ") on 4 March 2025
Dr. Jin Yong	Resigned as an independent non-executive Director, a member of the Audit Committee and the Nomination Committee on 4 March 2025
Mr. Fei Xiang	Re-designated from an executive Director to a non-executive Director on 4 March 2025
Mr. Sun Dexin	Appointed as an executive Director on 4 March 2025
Mr. Wei Junheng	Appointed as an independent non-executive Director, a member of the Audit Committee and the Nomination Committee, the chairman of the Remuneration Committee on 4 March 2025
Dr. Tian Yu	Appointed as a member of the Nomination Committee on 4 March 2025 and the chairman of the Audit Committee on 14 March 2025
Ms. Chu Jijun	Appointed as an independent non-executive Director, a member of the Audit Committee and the Nomination Committee on 14 March 2025
Ms. Zhao Yiqing	Resigned as an executive Director on 1 April 2025
Mr. Xue Xindi	Appointed as an executive Director on 1 April 2025
Mr. Yang Huan	Appointed as an independent non-executive Director on 28 July 2025

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

Save as disclosed in the section headed "Corporate Governance and Other Information – Compliance with the Corporate Governance Code" in this interim report, for the Reporting Period, the Group was not aware of any material non-compliance with any relevant legislation or regulations that materially affect the Group's business and operations.

EVENTS AFTER THE END OF THE REPORTING PERIOD

There has been no other significant events that might affect the Group since the end of the Reporting Period and up to the date of this interim report.

PUBLICATION OF INTERIM REPORT

This interim report of the Company for the Reporting Period containing all the information required by the Listing Rules is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.datamargin.com.

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

	Note	Six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	6	120,392	181,011
Cost of sales		(111,281)	(166,434)
Gross profit		9,111	14,577
Selling expenses		(2,586)	(5,528)
Administrative expenses		(20,983)	(24,053)
Research and development expenses		(7,385)	(19,449)
Reversal of expected credit losses ("ECLs")/(ECLs) on financial and contract assets	8	3,127	(1,400)
Other income	7	237	2,890
Other gains, net	7	309	643
Operating loss		(18,170)	(32,320)
Finance income	9	29	128
Finance costs	9	(3,943)	(6,929)
Finance costs, net	9	(3,914)	(6,801)
Share of profits of associates		–	13
Fair value gains on financial assets at fair value through profit or loss ("FVTPL")	8	63,015	–
Profit/(loss) before income tax	8	40,931	(39,108)
Income tax credit	10	167	473
Profit/(loss) for the period		41,098	(38,635)
Other comprehensive (loss)/income			
Items that may be reclassified to profit or loss:			
–Currency translation differences		(1,827)	1,623
Total comprehensive income/(loss) for the period, net of tax		39,271	(37,012)
Profit/(loss) for the period attributable to:			
Owners of the Company		43,186	(36,040)
Non-controlling interests		(2,088)	(2,595)
		41,098	(38,635)
Total comprehensive income/(loss) for the period attributable to			
Owners of the Company		41,359	(34,417)
Non-controlling interests		(2,088)	(2,595)
		39,271	(37,012)
Earnings/(loss) per share for profit/(loss) attributable to owners of the Company:			
Basic earnings/(loss) per share (RMB cents)	11	6.28	(5.48)
Diluted earnings/(loss) per share (RMB cents)	11	6.28	(5.48)

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

Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Note	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property and equipment	12	1,335	3,047
Investment property	12	8,313	8,676
Intangible assets	12	52,002	59,158
Right-of-use assets	12	5,507	5,976
Investment in associates		14,298	14,298
Deposit paid for acquisition of additional interests in a subsidiary		3,465	3,465
Financial assets at fair value through other comprehensive income ("FVTOCI")		1,950	1,950
Financial assets at FVTPL	13	67,700	–
Deferred tax assets		9,412	9,330
		163,982	105,900
Current assets			
Trade receivables	14	80,662	90,660
Contract assets	15	58,295	66,653
Prepayments	16	5,208	5,081
Other receivables	16	6,336	5,963
Pledged bank deposits		632	329
Restricted bank deposits		3,034	7,867
Cash and cash equivalents		25,723	16,399
		179,890	192,952
Total assets		343,872	298,852
EQUITY			
Equity attributable to the owners of the Company			
Share capital	17	7,149	5,950
Other reserves		447,473	415,017
Accumulated losses		(357,322)	(400,508)
		97,300	20,459
Non-controlling interests		20,334	22,422
Total equity		117,634	42,881

Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Note	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
LIABILITIES			
Non-current liabilities			
Lease liabilities	21	161	1,660
Deferred tax liabilities		422	508
Bank and other borrowings	20	–	10,000
		<u>583</u>	<u>12,168</u>
Current liabilities			
Trade payables	18	55,251	91,612
Accruals and other payables	19	33,984	36,045
Contract liabilities	15	683	1,252
Amounts due to directors	22(b)	3,057	10,518
Current income tax liabilities		2,036	2,036
Lease liabilities	21	3,195	3,680
Bank and other borrowings	20	127,449	98,660
		<u>225,655</u>	<u>243,803</u>
Total liabilities		<u>226,238</u>	<u>255,971</u>
Total equity and liabilities		<u>343,872</u>	<u>298,852</u>
Net current liabilities		<u>(45,765)</u>	<u>(50,851)</u>
Total assets less current liabilities		<u>118,217</u>	<u>55,049</u>

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

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company										Non-controlling interests	Total
	Share capital	Share premium	Capital reserve	Share-based payment reserve	Other reserve	Exchange reserve	Statutory reserve	Accumulated losses	Subtotal			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2025 (Audited)	5,950	306,834	67,373	22,300	(56)	(3,347)	21,913	(400,508)	20,459	22,422		42,881
Comprehensive income												
Profit/(loss) for the period (unaudited)	-	-	-	-	-	-	-	43,186	43,186	(2,088)		41,098
Other comprehensive loss												
Currency translation differences (unaudited)	-	-	-	-	-	(1,827)	-	-	(1,827)	-		(1,827)
Total comprehensive (loss)/income for the period (unaudited)	-	-	-	-	-	(1,827)	-	43,186	41,359	(2,088)		39,271
Transaction with owners in their capacity as owners												
Issuance of new shares (Note 17(a)) (unaudited)	1,199	34,442	-	-	-	-	-	-	35,641	-		35,641
Share-based payments (unaudited)	-	-	-	(159)	-	-	-	-	(159)	-		(159)
Balance at 30 June 2025 (Unaudited)	7,149	341,276	67,373	22,141	(56)	(5,174)	21,913	(357,322)	97,300	20,334		117,634
Balance at 1 January 2024 (Audited)	5,950	306,834	67,373	23,606	(56)	(4,271)	21,489	(325,086)	95,839	21,468		117,307
Comprehensive loss												
Loss for the period (unaudited)	-	-	-	-	-	-	-	(36,040)	(36,040)	(2,595)		(38,635)
Other comprehensive income												
Currency translation differences (unaudited)	-	-	-	-	-	1,623	-	-	1,623	-		1,623
Total comprehensive income/(loss) for the period (unaudited)	-	-	-	-	-	1,623	-	(36,040)	(34,417)	(2,595)		(37,012)
Transaction with owners in their capacity as owners												
Share-based payments (unaudited)	-	-	-	186	-	-	-	-	186	-		186
Transfer to statutory reserve (unaudited)	-	-	-	-	-	-	1	(1)	-	-		-
Balance at 30 June 2024 (Unaudited)	5,950	306,834	67,373	23,792	(56)	(2,648)	21,490	(361,127)	61,608	18,873		80,481

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

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Cash used in operations	(30,649)	(31,953)
Income tax paid	(1)	(151)
Net cash used in operating activities	(30,650)	(32,104)
Cash flows from investing activities		
Purchase of intangible assets	–	(2,186)
Payment for property and equipment	(670)	(1,300)
Proceeds from disposal of property and equipment	42	–
Acquisition of financial assets at FVTOCI	–	(1,950)
Acquisition of financial assets at FVTPL	(6,197)	–
Interests received	29	128
Net cash used in investing activities	(6,796)	(5,308)
Cash flows from financing activities		
Proceeds from issues of shares	36,086	–
Share issues expenses paid	(445)	–
Interests paid on bank and other borrowings	(3,012)	(4,037)
(Increase)/decrease in pledged bank deposits and other deposits	(303)	1,116
Decrease in restricted bank deposits	4,833	–
Repayment of lease liabilities	(2,144)	(2,239)
Advances from directors	4,200	32,380
Repayment of advances from directors	(10,585)	(30,000)
Proceeds from other borrowings	22,679	40,000
Repayment of other borrowings	(17,690)	(46,464)
Proceeds from bank borrowings	21,460	12,016
Repayment of bank borrowings	(8,000)	(10,000)
Net cash generated from/(used in) financing activities	47,079	(7,228)
Net increase/(decrease) in cash and cash equivalents	9,633	(44,640)
Cash and cash equivalents at beginning of the period	16,399	113,257
Effect of currency translation differences	(309)	1,615
Cash and cash equivalents at end of the period	25,723	70,232

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 Statements

For the six months ended 30 June 2025

1 GENERAL INFORMATION

Ruihe Data Technology Holdings Limited (the “**Company**”) is a limited company incorporated in the Cayman Islands on 6 December 2018 as an exempted company. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. With effect from 10 January 2025, the address of the principal place of business in Hong Kong of the Company has been changed to Room 1928, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (together, the “**Group**”) are engaged in provision of data solutions, sales of hardware and software and related services as an integrated service, information technology (“**IT**”) maintenance and support services and trading of commodities.

The interim condensed consolidated financial information is presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000).

2 BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with the International Accounting Standard (“**IAS**”) 34, “Interim financial reporting”.

The interim condensed consolidated financial information does not include all the notes normally included in the annual financial statements. Accordingly, this interim condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with IFRS Accounting Standards.

3 APPLICATION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

In the current period, the Group has adopted all the new and revised IFRS Accounting Standards issued by the International Accounting Standards Board (“**IASB**”) that are relevant to its operations and effective for its accounting year beginning on 1 January 2025. IFRS Accounting Standards comprise International Financial Reporting Standards (“**IFRS**”), International Accounting Standards (“**IAS**”) and Interpretations. The adoption of these new and revised IFRS Accounting Standards did not result in significant changes to the Group’s accounting policies, presentation of the Group’s interim condensed consolidated financial information and amounts reported for the current period and prior years.

The Group has not applied the new and revised IFRS Accounting Standards that have been issued but are not yet effective. The application of these new and revised IFRS Accounting Standards will not have material impact on the interim condensed consolidated financial information of the Group.

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

4 ESTIMATES

The preparation of interim condensed consolidated financial information requires management to make judgements, 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 this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended 31 December 2024.

5 FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks, including market risk (including foreign exchange risk and cash flow interest rate risk), credit risk, and liquidity risk. The Group's overall risk management approach focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The interim condensed consolidated 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 annual financial statements as at 31 December 2024.

There have been no changes in the risk management policies since year ended 31 December 2024.

5.2 Credit risk

The credit risk of the Group mainly arises from cash at banks, pledged and restricted bank deposits, trade receivables, contract assets and other receivables. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets.

To manage risk arising from cash at bank and pledged and restricted bank deposits, the Group only transacts with state-owned or reputable financial institutions in the PRC and reputable international financial institutions outside of the PRC. There has been no recent history of default in relation to these financial institutions.

To manage risk arising from trade receivables and contract assets, the Group has policies in place to ensure that credit terms are made to counterparties with an appropriate credit history and the management performs ongoing credit evaluations of its counterparties. The credit quality of the customers is assessed, which takes into account their financial position, past experience and other factors. Details of the credit risk assessment are included in Note 14 and Note 15 of the interim condensed consolidated financial information.

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

5 FINANCIAL RISK MANAGEMENT (CONTINUED)

5.2 Credit risk (Continued)

For other receivables, the Group has taken into account the historical default experience and the future prospects of the industries and/or considering various external sources of actual and forecast economic information, as appropriate, in estimating the probability of default of each of the other receivables as well as the loss upon default in each case. Details of the loss allowance of other receivables are included in Note 16 of the interim condensed consolidated financial information.

5.3 Liquidity risk

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding. Due to the nature of the underlying businesses, the Group's management responsible for treasury function aims to maintain flexibility in funding by keeping sufficient cash and committed banking facilities available.

5.4 Fair value measurements

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the interim condensed consolidated statement of financial position approximate their respective fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categories into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

5 FINANCIAL RISK MANAGEMENT (CONTINUED)

5.4 Fair value measurements (Continued)

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

(a) Disclosures of level in fair value hierarchy:

Description	Fair value measurements using:			
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 30 June 2025				
– Financial assets at FVTOCI (unaudited)	–	–	1,950	1,950
– Financial assets at FVTPL (unaudited)	67,700	–	–	67,700
	<u>67,700</u>	<u>–</u>	<u>1,950</u>	<u>69,650</u>
As at 31 December 2024				
– Financial assets at FVTOCI (audited)	–	–	1,950	1,950

During the six months ended 30 June 2025 and 2024, there were no transfer between financial instruments in Level 1 and Level 2 and no transfer into or out of Level 3.

(b) Reconciliation of assets measured at fair value based on level 3:

	2025 RMB'000	2024 RMB'000
Financial assets at FVTOCI		
At 1 January	1,950	–
Initial recognition	–	1,950
Total gains recognised in profit or loss	–	–
At 30 June	<u>1,950</u>	<u>1,950</u>

The total gains recognised in comprehensive income are presented in fair value change of financial assets at FVTOCI in the interim condensed consolidated statement of comprehensive income.

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

5 FINANCIAL RISK MANAGEMENT (CONTINUED)

5.4 Fair value measurements (Continued)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements:

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the Board of Directors at least twice a year.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

Level 3 fair value measurements

Description	Valuation technique	Unobservable inputs	Effect on fair value for increase of inputs	Fair value as at 30 June 2025 RMB'000 (unaudited)
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Financial assets at FVTOCI	Asset approach	Net assets	Increase	<u>1,950</u>
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Description	Valuation technique	Unobservable inputs	Effect on fair value for increase of inputs	Fair value as at 31 December 2024 RMB'000 (audited)
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Financial assets at FVTOCI	Asset approach	Net assets	Increase	<u>1,950</u>
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Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

6 REVENUE AND SEGMENT INFORMATION

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue from contracts with customers		
Integrated data technology services		
– Data solutions	31,240	68,491
– Sales of hardware and software and related services as an integrated service	28,592	46,968
– IT maintenance and support services	426	3,832
	<u>60,258</u>	<u>119,291</u>
Trading of commodities	<u>60,134</u>	<u>61,720</u>
	<u>120,392</u>	<u>181,011</u>
Timing of revenue recognition		
– At a point in time	88,726	108,688
– Over time	31,666	72,323
	<u>120,392</u>	<u>181,011</u>

The chief operating decision-maker (“**CODM**”) has been identified as the directors of the Group. The CODM regards the Group’s business units based on their products and services and has following reportable segments as follows:

- (a) Integrated data technology services – data solutions, sales of hardware and software and related services as an integrated service, and IT maintenance and support services; and
- (b) Trading of commodities.

The Group’s reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

Segment profits or losses do not include share of profits of associates, finance income, corporate administrative expenses and income tax expenses incurred by the Company.

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

- (a) The information about reportable segment profit or loss provided to the CODM for the six months ended 30 June 2025 and 2024 are as follows:

	2025			2024		
	Integrated data technology services	Trading of commodities	Total	Integrated data technology services	Trading of commodities	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Segment revenue						
- Data solutions	31,240	-	31,240	68,491	-	68,491
- Sales of hardware and software and related services as an integrated service	28,592	-	28,592	46,968	-	46,968
- IT maintenance and support service	426	-	426	3,832	-	3,832
- Trading of commodities	-	60,134	60,134	-	61,720	61,720
	<u>60,258</u>	<u>60,134</u>	<u>120,392</u>	<u>119,291</u>	<u>61,720</u>	<u>181,011</u>
Segment loss	(19,341)	(1,229)	(20,570)	(37,025)	(64)	(37,089)
Unallocated profit/(loss)			61,668			(1,559)
Share of profits of associates			-			13
Loss for the period			<u>41,098</u>			<u>(38,635)</u>
Other segment information:						
Depreciation of property, plant and equipment	2,308	38	2,346	3,349	21	3,370
Depreciation of investment property	363	-	363	-	-	-
Amortisation of intangible assets	7,152	-	7,152	8,142	-	8,142
Depreciation of right of use assets	502	-	502	2,631	-	2,631
(Reversal of ECLs)/ECLs on financial and contract assets	(3,127)	-	(3,127)	1,400	-	1,400
Finance income	(6)	(2)	(8)	(121)	(7)	(128)
Finance income - unallocated			(21)			-
Finance costs	3,668	181	3,849	6,929	-	6,929
Finance costs - unallocated			94			-
Income tax (credit)/expense	(165)	(2)	(167)	(475)	2	(473)
Fair value gains on financial assets at FVTPL - unallocated			(63,015)			-
Additions to non-current assets	<u>703</u>	<u>-</u>	<u>703</u>	<u>2,617</u>	<u>328</u>	<u>2,945</u>

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

- (b) The Group's revenue by geographical locations (as determined by the area or country in which the Group operates) is analysed as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Mainland China	120,392	181,011

All the Group's non-current assets are principally located in Mainland China.

For the Group's provision of data solutions and the sales of hardware and software and related services as an integrated service, contracts are for periods of one year or less. For the Group's IT maintenance and support services, the Group bills the amount for each hour of service provided, and therefore, the Group uses "right to invoice" practical expedient to recognise revenue in the amount to which the Group has a right to invoice. As permitted under practical expedient of IFRS 15, the transaction price allocated to these unsatisfied contracts are not disclosed.

7 OTHER INCOME AND OTHER GAINS, NET

An analysis of other income and other gains, net is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income:		
Government grants (Note i)	237	2,890
Other gains/(losses), net:		
Gain on disposal of property and equipment, net	16	—
Loss on written off of property, plant and equipment	(8)	(18)
Gains on leases termination	—	818
Others	301	(157)
	309	643

Note:

- (i) Government grants are mainly related to unconditional government subsidies received by the Group from relevant government bodies for the purpose of giving incentive to enterprises, including but not limited to engage in research and development activities and refund of the value-added-tax ("VAT") under the "immediate refund of VAT levied" policy.

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

8 PROFIT/(LOSS) BEFORE INCOME TAX

The Group's profit/(loss) before income tax has been arrived at after charging/(crediting):

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Employee benefit expenses (including directors' emoluments)	31,237	56,944
Amortisation of intangible assets (Note 12)	7,152	8,142
Expenses related to short-term leases	240	316
Depreciation of right-of-use assets (Note 12)	502	2,631
Depreciation of property and equipment (Note 12)	2,346	3,370
Depreciation of investment property (Note 12)	363	–
Gain on disposal of property and equipment	(16)	–
Loss on written off of property and equipment	8	18
(Reversal of ECLs)/ECLs on trade receivables (Note 14)	(2,221)	1,898
Reversal of ECLs on contract assets (Note 15)	(713)	(498)
Reversal of ECLs on other receivables (Note 16)	(193)	–
Fair value gains on financial assets at FVTPL	(63,015)	–

9 FINANCE COSTS, NET

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Finance income		
–Interest income on bank deposits	29	128
Finance costs		
–Interest expense on bank and other borrowings	(3,423)	(6,236)
–Interest expense on amount due to directors	(393)	(430)
–Finance charges on lease liabilities	(127)	(263)
	(3,943)	(6,929)
Finance costs, net	(3,914)	(6,801)

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

10 INCOME TAX CREDIT

The amount of income tax credit recorded in the interim condensed consolidated statement of comprehensive income represents:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax expenses	(1)	(96)
Deferred income tax credit	168	569
Income tax credit	167	473

The Company was incorporated in the Cayman Islands and under the current Cayman Islands tax regime, is not subject to income tax.

The Company's subsidiaries established in the PRC are subjected to the PRC Enterprise Income Tax rate of 25% for the six months ended 30 June 2025 (30 June 2024: 25%), while the applicable enterprise income tax rate for Shenzhen Suoxinda Data Technology Co., Ltd. ("**Suoxinda Shenzhen**"), Ruihe Data (Beijing) Technology Co., Ltd. ("**Ruihe Beijing**") and Shenzhen Yinxing Intelligent Date Co., Ltd. ("**Shenzhen Yinxing**") were 15% for both of the six months ended 30 June 2025 and 2024 as these companies were recognised by relevant PRC authorities as National High and New Technological Enterprise ("**NHNT**") and were entitled to a preferential Enterprise Income Tax rate from 2023 to 2026, from 2024 to 2027 and from 2022 to 2025 respectively.

The Company's subsidiaries established in Hong Kong are subject to Hong Kong profits tax at a rate of 16.5% for the six months ended 30 June 2025 (30 June 2024: 16.5%).

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

11 EARNINGS/(LOSS) PER SHARE

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Profit/(loss) attributable to owners of the Company for the purpose of calculating basic and diluted earnings/(loss) per share (RMB'000)	43,186	(36,040)
Weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share (Number of shares in thousand)	687,544	657,948
Effect of dilutive potential ordinary shares arising from share awards outstanding	62	—
Weighted average number of ordinary shares for the purpose of calculating diluted earnings/(loss) per share (Number of shares in thousand)	687,606	657,948
Basic earnings/(loss) per share (RMB cents)	6.28	(5.48)
Diluted earnings/(loss) per share (RMB cents)	6.28	(5.48)

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares issued during the respective periods.

Diluted earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares outstanding to assume the issue of all dilutive potential ordinary shares. Potential ordinary shares are dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share. Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share does not adjust for the effects of share options because the exercise price of those share options are higher than the average market prices of the Company's shares. (Six months ended 30 June 2024: Weighted average number of ordinary shares for the purpose of calculating diluted loss per share does not adjust for the effects of share awards and share options because (i) the exercise price of those share options are higher than the average market prices of the Company's shares; and (ii) the impacts of the shares to be issued under share awards scheme has anti-dilutive effects on the basic loss per share amounts presented.)

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

12 PROPERTY AND EQUIPMENT, INVESTMENT PROPERTY, INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

	Property and equipment RMB'000	Investment property RMB'000	Intangible assets RMB'000	Right-of-use assets RMB'000
Six months ended 30 June 2025				
Net book value				
Opening amount as at 1 January 2025 (Audited)	3,047	8,676	59,158	5,976
Additions (unaudited)	670	–	–	33
Disposal (unaudited)	(26)	–	–	–
Written off (unaudited)	(8)	–	–	–
Depreciation and amortisation (unaudited)	(2,346)	(363)	(7,152)	(502)
Exchange alignment (unaudited)	(2)	–	(4)	–
Closing amount as at 30 June 2025 (Unaudited)	<u>1,335</u>	<u>8,313</u>	<u>52,002</u>	<u>5,507</u>
Six months ended 30 June 2024				
Net book value				
Opening amount as at 1 January 2024 (Audited)	19,255	–	80,831	14,354
Additions (unaudited)	400	–	2,186	359
Termination of leases (unaudited)	–	–	–	(2,093)
Written off (unaudited)	(18)	–	–	–
Depreciation and amortisation (unaudited)	(3,370)	–	(8,142)	(2,631)
Exchange alignment (unaudited)	5	–	3	–
Closing amount as at 30 June 2024 (Unaudited)	<u>16,272</u>	<u>–</u>	<u>74,878</u>	<u>9,989</u>

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

13 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Equity securities listed in Hong Kong – analysed as non-current assets	67,700	–

14 TRADE RECEIVABLES

Trade receivables analysis is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables	142,099	154,318
Less: provision for trade receivables	(61,437)	(63,658)
	80,662	90,660

As at 30 June 2025, trade receivables of the Group of approximately RMB21,978,000 have been pledged for certain bank borrowings of the Group (31 December 2024: RMB22,501,000) (Note 20(a)).

Movements on the Group's allowance for expected credit losses of trade receivables are as follows:

	30 June 2025 RMB'000 (Unaudited)	30 June 2024 RMB'000 (Unaudited)
At the beginning of the period	(63,658)	(62,311)
Decrease/(increase) in expected credit losses	2,221	(1,898)
At the end of the period	(61,437)	(64,209)

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

14 TRADE RECEIVABLES (CONTINUED)

- (a) The Group allows a credit period of up to 60 days to its customers. The aging analysis of trade receivables based on invoice date is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Up to 3 months	46,352	64,347
3 to 6 months	5,208	5,171
6 months to 1 year	25,267	17,899
Over 1 year	65,272	66,901
	<u>142,099</u>	<u>154,318</u>

- (b) The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been assessed based on credit risk characteristics of the customers with reference to a wide range of factors such as default rates of customers, aging profile of overdue balances, the repayment and default histories of different customers, on-going business relationship with the relevant customers and forward-looking information that affecting the customers' ability to repay the outstanding balances. Financial assets are written off when there is no reasonable expectation of recovery.

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

14 TRADE RECEIVABLES (CONTINUED)

The allowance for expected credit losses on trade receivables as of 31 December 2024 and 30 June 2025 are determined as follows:

	Current	Up to 3 months past due	3 to 6 months past due	6 to 12 months past due	Over 12 months past due	Total
30 June 2025 (unaudited):						
Weighted average expected loss rate	2%	5%	6%	11%	89%	
Gross carrying amount (in RMB'000)	43,790	5,095	24,294	3,718	65,202	142,099
Allowance for expected credit losses (in RMB'000)	1,082	237	1,383	423	58,312	61,437
31 December 2024 (audited):						
Weighted average expected loss rate	3%	2%	10%	15%	90%	
Gross carrying amount (in RMB'000)	50,800	14,989	5,826	17,303	65,400	154,318
Allowance for expected credit losses (in RMB'000)	1,342	363	611	2,651	58,691	63,658

Weighted average expected credit losses rates were determined based on the cash collection performance for customers with respect to the credit terms granted to each customer and also taking into account the forward-looking information. The cash collection patterns are affected by a number of factors including but not limited to the change in customer portfolios of the Group, the effort of cash collection from the customers, the timing of settlement processes by customers of the Group etc.

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

15 CONTRACT ASSETS/(LIABILITIES)

Contract assets/(liabilities) analysis is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Contract assets	89,242	99,253
Less: allowance for expected credit losses	(30,947)	(32,600)
	<u>58,295</u>	<u>66,653</u>
Contract liabilities	<u>(683)</u>	<u>(1,252)</u>

Movements on the Group's allowance for expected credit losses on contract assets are as follows:

	30 June 2025 RMB'000 (Unaudited)	30 June 2024 RMB'000 (Unaudited)
At the beginning of the period	(32,600)	(33,077)
Decrease in expected credit losses	713	498
Amounts written off	940	—
At the end of the period	<u>(30,947)</u>	<u>(32,579)</u>

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

15 CONTRACT ASSETS/(LIABILITIES) (CONTINUED)

The contract assets are primarily related to the Group's rights to consideration for work completed and not billed because the rights are conditional on the Group's future performance in achieving specified milestones at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. The Group typically reclassifies contract assets to trade receivables on the date of acceptance reports issued by the customers when such right of collections becomes unconditional other than the passage of time.

The contract assets relate to unbilled work in progress. Except for an individual customer with contract asset amounted to RMB30,665,000 (31 December 2024: RMB32,095,000) has been fully provided in view of increase in credit risk, the remaining balances substantially have the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected credit loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. As at 30 June 2025, the Group has recognised impairment on contract assets of RMB30,947,000 (30 June 2024: RMB32,579,000).

16 PREPAYMENTS AND OTHER RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Prepayments		
Prepaid expenses	<u>5,208</u>	<u>5,081</u>
Other receivables		
Utilities and other deposits	2,433	3,158
Other receivables	5,509	4,604
Other receivables due from other investors of an associate (Note i)	<u>2,079</u>	<u>2,079</u>
	10,021	9,841
Less: allowance for expected credit losses	<u>(3,685)</u>	<u>(3,878)</u>
	<u>6,336</u>	<u>5,963</u>

Notes:

- (i) As at 30 June 2025 and 31 December 2024, the Group assessed that those investors were in financial difficulties and did not have financial capability to repay the debts, expected credit losses are fully provided on amounts due from those investors.

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

17 SHARE CAPITAL

	Note	Number of ordinary shares	Nominal value of ordinary shares RMB'000
Issued and fully paid:			
As at 1 January 2024 (audited), 30 June 2024 (unaudited) and 1 January 2025 (audited)		660,868,036	5,950
Issuance of new shares (unaudited)	(a)	<u>130,000,000</u>	<u>1,199</u>
As at 30 June 2025 (unaudited)		<u>790,868,036</u>	<u>7,149</u>

Note:

- (a) On 2 May 2025, the Company entered into agreements with general mandate subscribers for subscription of Company's shares at the subscription price of HK\$0.301 per share. On 21 May 2025, the Company completed the issuance of 130,000,000 new shares to those subscribers to raise gross proceeds of approximately RMB36,086,000, and net of shares issues expenses of approximately RMB445,000. For details, please refer to the Company's announcements on 2 May 2025, 9 May 2025 and 21 May 2025 respectively.

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

18 TRADE PAYABLES

Trade payables analysis is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade payables	55,251	91,612

The aging analysis of the trade payables based on invoice dates is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Up to 30 days	26,661	30,140
31 to 60 days	6,362	29,938
61 to 90 days	825	1,640
Over 90 days	21,403	29,894
	55,251	91,612

19 ACCRUALS AND OTHER PAYABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Accrued salaries and wages	8,158	9,997
Other tax payables	10,334	11,568
Interest payables on other borrowings	3,440	2,636
Others	12,052	11,844
	33,984	36,045

The carrying amounts of the accruals and other payables (excluding non-financial liabilities) approximate their fair values as at 30 June 2025 and 31 December 2024.

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

20 BANK AND OTHER BORROWINGS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Non-current		
Bank borrowings (Note (a))	–	10,000
Current		
Bank borrowings (Note (a))	42,960	19,500
Other borrowings (Note (b))	84,489	79,160
	127,449	98,660
Total	127,449	108,660

(a) Bank borrowings

The bank loans due for repayment, based on the scheduled repayment dates set out in the loan agreements, are as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 year	42,960	19,500
In the second years	–	10,000
	42,960	29,500
Less: Amount due for settlement within 12 months (shown under current liabilities)	(42,960)	(19,500)
Amount due for settlement after 12 months	–	10,000

The carrying amounts of the bank borrowings approximate their fair values and are denominated in RMB. The weighted average interest rate is 4.5% per annum for the six months ended 30 June 2025 (31 December 2024: 4.2%).

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For the six months ended 30 June 2025

20 BANK AND OTHER BORROWINGS (CONTINUED)

(a) Bank borrowings (Continued)

The Group's banking facilities are secured and/or guaranteed by:

- (i) corporate guarantee from independent third parties of approximately RMB6,500,000 as at 30 June 2025 (31 December 2024: RMB9,500,000);
- (ii) pledged bank deposits of approximately RMB632,000 held at bank as at 30 June 2025 (31 December 2024: approximately RMB329,000);
- (iii) trade receivables outstanding from specific customers of the Group of approximately RMB21,978,000 as at 30 June 2025 (31 December 2024: approximately RMB22,501,000) (Note 14); and
- (iv) personal guarantee from legal representatives of two subsidiaries.

(b) Other borrowings

The other borrowings due for repayment, based on the scheduled repayment dates set out in the loan agreements, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
On demand	20,000	20,000
Within 1 year	64,489	59,160
	84,489	79,160
Less: Amount due for settlement within 12 months (shown under current liabilities)	(84,489)	(79,160)
Amount due for settlement after 12 months	—	—

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20 BANK AND OTHER BORROWINGS (CONTINUED)

(b) Other borrowings (Continued)

In August and October 2023, the Group entered into certain loans agreements with two independent third parties to obtain loans at principal amounts of RMB20,000,000 and RMB59,000,000 respectively. The loans are unsecured, bears interest at 6% per annum and repayable by February 2024. Both loans were fully repaid in 2024.

In February, March, September and November 2024, the Group entered into certain loans agreements with an independent third party to obtain loans at principal amounts of RMB15,000,000, RMB5,000,000, RMB40,000,000 and RMB10,000,000 respectively. The loans are unsecured, bears interest at 6% per annum and repayable during April to October 2025.

In April, May and June 2025, the Group entered into certain loans agreements with two independent third parties to obtain loans at principal amounts of HK\$5,000,000, RMB2,700,000, and RMB15,000,000 respectively. The loans are unsecured, bears interest at 6% per annum and repayable during November 2025 to April 2026.

At 31 December 2023, the convertible loans of Ruihe Data (Beijing) Technology Co., Ltd. ("**Ruihe Beijing**"), an indirect wholly owned subsidiary of the Company, were on demand for repayment as the investor decided not to exercise the conversion option and redeemed the outstanding loans at their principal amounts of RMB20,000,000. Therefore, the outstanding loans of RMB20,000,000 were reclassified from financial liabilities at FVTPL to other borrowings. On 11 October 2024, the Group received a loan assignment notice from the Investor, specifying that the Investor has assigned all of its rights under the agreements related to convertible loans to the new investor. For further details, please refer to the Company's announcement dated 14 October 2024. Up to the date of approval for issuance of the interim condensed consolidated financial statements, the Group is still in the progress of negotiations with the new investor for a possible resolution on repayment plan. The loans are secured by certain shares of the Company held by a substantial shareholder, a director of the Company and a precedent director of the Company and personal guarantee from a precedent director of the Company.

The carrying amounts of bank and other borrowings approximate their fair values as at 30 June 2025 and 31 December 2024.

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21 LEASE LIABILITIES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within one year	3,307	3,888
One to two years	162	1,692
Total lease payments	3,469	5,580
Less: future finance charges	(113)	(240)
Total lease liabilities	3,356	5,340
Less: portion classified as current liabilities	(3,195)	(3,680)
Portion classified as non-current liabilities	161	1,660

The Group leases various office premises and equipment under lease agreements. The lease liabilities are denominated in RMB. No arrangement has been entered into for variable lease payments.

The Group's expenses related to short-term leases of RMB240,000 for the six months ended 30 June 2025 (30 June 2024: RMB316,000) have been recognised in the interim condensed consolidated statement of comprehensive income.

The total cash outflows for leases including payments of lease liabilities and payments of interest expenses for the six months ended 30 June 2025 is RMB2,384,000 (30 June 2024: RMB2,555,000).

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

22 RELATED PARTY BALANCES AND TRANSACTIONS

For the purposes of the interim condensed consolidated financial statements, parties are considered to be related to the Group if the parties have the ability, directly or indirectly, to exercise significant influence over the Group in making financial and operating decisions. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals. Parties are also considered to be related if they are subject to common control.

(a) Key management compensation

The compensation paid or payable to key management for employee services during the six months ended 30 June 2025 and 2024 are shown below:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Salaries, bonuses, fees and allowances	2,566	3,090
Retirement benefit contributions	140	125
Equity-settled share-based payments	21	185
	<u>2,727</u>	<u>3,400</u>

(b) Related party balances

As at 30 June 2025, the amounts due to directors are unsecured and repayment on demand, of which approximately RMB2,472,000 (31 December 2024: RMB9,000,000) bears interests at 6% per annum, while the remaining balances of approximately RMB585,000 (31 December 2024: RMB1,518,000) are interest-free.

23 DIVIDENDS

No dividends have been paid or declared by the Company during the six months ended 30 June 2025 (30 June 2024: Nil).

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

24 CONTINGENT LIABILITIES

A subsidiary of the Group, Suoxinda Shenzhen, is a defendant in a law suit brought during the year ended 31 December 2024 claiming approximately RMB20,692,000 together with legal expenses and interests relating to unauthorised transfers of certain Company's shares by a shareholder of the Company. In 2024, those plaintiffs also applied property preservations to the PRC courts on assets held by Suoxinda Shenzhen and other defendants. In 2025, Suoxinda Shenzhen prevailed in the lawsuits and the plaintiffs withdrew property preservations to the PRC courts on assets held by Suoxinda Shenzhen.

Two subsidiaries of the Group, Suoxinda Shenzhen and Ruihe Beijing, are defendants in several law suits brought during the period ended 30 June 2025 relating to staffs claims related to termination payments. In 2025, those plaintiffs also applied property preservations to the PRC courts on assets held by Suoxinda Shenzhen and Ruihe Beijing.

Therefore, certain bank balances of Suoxinda Shenzhen and Ruihe Beijing amounted to approximately RMB3,034,000 (31 December 2024: RMB7,867,000) had been frozen by the PRC courts as at 30 June 2025.

The Group engaged the lawyers to contest the claim, and while the final outcome of the proceedings is uncertain. The directors of the Company believe, based on legal opinion, that the claim can be successfully defended and therefore no losses will be incurred.