



智慧创造品质生活

南京三寶科技股份有限公司

NANJING SAMPLE TECHNOLOGY CO.,LTD.*

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

Stock code : 1708

Interim Report

2025



* for identification purpose only

The total operating income of the Group for the six months ended 30 June 2025 (the “Review Period”) amounted to RMB166,439,568.86, representing a decrease of approximately 24.19% as compared to the corresponding period of last year.

The net loss attributable to shareholders of the parent company for the six months ended 30 June 2025 was RMB12,265,085.76, as compared to the net loss attributable to shareholders of the parent company of RMB15,475,193.51 for the corresponding period of last year, with the operating loss slightly narrowing.

The basic loss per share for the six months ended 30 June 2025 was approximately RMB0.015 (corresponding period of 2024: basic loss per share of approximately RMB0.020).

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025.

Financial Information

UNAUDITED INTERIM RESULTS

The board (the “Board”) of Directors of Nanjing Sample Technology Co., Limited (the “Company”) hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2025 together with the comparative figures of 2024 as follows:

(Unless otherwise stated, the financial information of the Company in this report was stated in Renminbi (“RMB”) yuan)

CONSOLIDATED BALANCE SHEET

At 30 June 2025

ASSETS	Note	At 30 June 2025 (Unaudited)	At 31 December 2024 (Audited)
Current assets:			
Cash at bank and on hand		133,771,922.44	272,556,248.94
Settlement provisions		—	—
Placements with banks and other financial institutions		—	—
Held-for-trading financial assets		—	—
Derivative financial assets		—	—
Bills receivable	8	5,608,820.54	11,505,246.01
Accounts receivable	8	172,594,132.78	187,805,300.27
Receivables financing	8	—	—
Prepayments	8	13,405,610.05	15,256,505.82
Premiums receivable		—	—
Reinsurance receivable		—	—
Reinsurance contract reserve receivable		—	—
Other receivables	8	728,280,210.88	733,720,454.41
Financial assets purchased under agreements to resell		—	—
Inventories		13,827,632.28	5,607,358.59
Contract assets		360,166,669.63	341,900,044.90
Held-for-sale assets		—	—
Non-current assets due within one year		—	—
Other current assets		62,938,206.55	55,775,260.21
Total current assets		1,490,593,205.15	1,624,126,419.15

CONSOLIDATED BALANCE SHEET (Continued)

At 30 June 2025

ASSETS (CONTINUED)	Note	At 30 June 2025 (Unaudited)	At 31 December 2024 (Audited)
Non-current assets:			
Loans and advances granted		–	–
Debt investment		–	–
Other debt investment		–	–
Long-term receivables		–	–
Long-term equity investments		10,154,577.39	10,154,577.39
Other equity instruments investment		42,712,749.75	42,712,749.75
Other non-current financial assets		102,488,586.57	102,818,638.40
Investment property		422,191,100.00	422,191,100.00
Fixed assets		51,229,275.15	52,793,095.73
Construction in progress		3,610,821.69	–
Productive biological assets		–	–
Oil and gas assets		–	–
Right-of-use assets		–	–
Intangible assets		4,451,974.83	4,949,358.26
Development expenditures		–	–
Goodwill		–	–
Long-term deferred expenses		75,346.77	98,371.17
Deferred income tax assets		125,448,113.69	125,448,113.68
Other non-current assets		8,000,000.00	1,000,000.00
Total non-current assets		770,362,545.84	762,166,004.38
TOTAL ASSETS		2,260,955,750.99	2,386,292,423.53

Financial Information

CONSOLIDATED BALANCE SHEET (Continued)

At 30 June 2025

LIABILITIES & SHAREHOLDERS' EQUITY	Note	At 30 June 2025 (Unaudited)	At 31 December 2024 (Audited)
Current liabilities:			
Short-term borrowings		436,770,000.00	507,770,267.01
Borrowings from central bank		—	—
Placements from banks and other financial institutions		—	—
Held-for-trading financial liabilities		—	—
Derivative financial liabilities		—	—
Bills payable	9	—	—
Accounts payable	9	360,880,738.57	379,523,727.48
Advances from customers	9	—	—
Contract liabilities	9	78,321,541.28	97,114,746.88
Financial assets sold under repurchase agreements		—	—
Customer deposits and deposits from banks and other financial institutions		—	—
Securities trading of agency		—	—
Securities underwriting		—	—
Employees benefits payable		13,758,864.72	13,808,023.59
Taxes payable		4,136,127.54	2,536,498.38
Other payables	9	49,343,120.26	50,838,355.76
Fee and commission payable		—	—
Reinsured accounts payable		—	—
Held-for-sale liabilities		—	—
Non-current liabilities due within 1 year		7,400,000.00	7,505,441.88
Other current liabilities		1,806,649.17	2,718,599.84
Total current liabilities		952,417,041.54	1,061,815,660.82

CONSOLIDATED BALANCE SHEET (Continued)

At 30 June 2025

LIABILITIES & SHAREHOLDERS' EQUITY (CONTINUED)	Note	At 30 June 2025 (Unaudited)	At 31 December 2024 (Audited)
Non-current liabilities:			
Insurance contract reserves		—	—
Long-term borrowings		67,150,000.00	70,850,000.00
Bonds payables		—	—
Including: Preferred shares		—	—
Perpetual bond		—	—
Lease liabilities		—	—
Long-term payables		—	—
Long-term employees benefits payable		—	—
Estimated liabilities		—	—
Deferred income		1,554,608.52	1,021,907.98
Deferred income tax liabilities		33,990,766.06	34,000,185.55
Other non-current liabilities		—	—
Total non-current liabilities		102,695,374.58	105,872,093.53
Total liabilities		1,055,112,416.12	1,167,687,754.35
Shareholders' equity:			
Share capital		792,058,500.00	792,058,500.00
Other equity instruments		—	—
Including: Preferred shares		—	—
Perpetual bond		—	—
Capital reserves		80,999,419.73	80,999,419.73
Less: treasury stocks		—	—
Other comprehensive income		109,088,826.81	109,584,952.77
Special reserves		—	—
Surplus reserves		108,136,584.74	108,136,584.74
General risk provision		—	—
Undistributed profits		106,890,844.14	119,155,929.90
Total equity attributable to shareholders of the parent company		1,197,174,175.42	1,209,935,387.14
Minority interest		8,669,159.45	8,669,282.04
Total shareholders' equity		1,205,843,334.87	1,218,604,669.18
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,260,955,750.99	2,386,292,423.53

Financial Information

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2025

ITEMS	Note	Six months ended 30 June	
		2025 (Unaudited)	2024 (Unaudited)
I. Total operating income	2	166,439,568.86	219,536,324.01
Including: Operating income		166,439,568.86	219,536,324.01
Interest income		-	-
Premiums earned		-	-
Fee and commission income		-	-
II. Total operating cost		176,593,075.86	235,538,110.01
Including: Operating costs	2	134,147,788.29	189,241,816.36
Interest expenses		-	-
Fee and commission expenses		-	-
Refunded premiums		-	-
Net expenses of claim settlement		-	-
Net provisions for insurance contract		-	-
Insurance policy dividend payment		-	-
Reinsurance expenses		-	-
Tax and surcharges		1,845,669.13	2,049,131.07
Selling expenses		13,471,390.36	14,312,689.41
Administrative expenses		8,669,068.43	14,528,899.85
R&D expenses		6,919,440.83	7,975,148.81
Financial expenses	4	11,749,718.82	13,196,906.89
Including: Interest expenses	4	11,835,937.97	13,229,749.43
Interest income	4	143,132.77	167,809.44

CONSOLIDATED INCOME STATEMENT (Continued)

For the six months ended 30 June 2025

ITEMS	Note	Six months ended 30 June	
		2025 (Unaudited)	2024 (Unaudited)
Add: Other income		225,780.32	373,489.27
Investment income (losses are represented by "-")		-763.22	-
Including: Investment income from associates and joint ventures		-	-
Gains arising from derecognition of financial assets measured at amortized costs		-	-
Exchange gain (losses are represented by "-")		-	-
Net income from hedging exposure (losses are represented by "-")		-	-
Gain from changes in fair value (losses are represented by "-")		-	-
Credit impairment loss (losses are represented by "-")		-	5,766,482.38
Asset impairment loss (losses are represented by "-")		210,000.00	-
Gains from disposal of assets (losses are represented by "-")		-	-
III. Operating profit (losses are represented by "-")		-9,928,489.90	-15,628,296.73
Add: Non-operating income		607,370.70	285,127.09
Less: Non-operating expenses		2,938,874.30	70,700.00
IV. Total profit (total losses are represented by "-")		-12,259,993.50	-15,413,869.64
Less: Income tax expense	5	5,214.85	120,115.47
V. Net profit (net losses are represented by "-")		-12,265,208.35	-15,533,985.11
(I) Classified by business continuity			
1. Net profit from continuing operations (net losses are represented by "-")		-12,265,208.35	-15,533,985.11
2. Net profit from discontinued operations (net losses are represented by "-")		-	-
(II) Classified by the attribution of the ownership			
1. Net profit attributable to shareholders of the parent company (net losses are represented by "-")		-12,265,085.76	-15,475,193.51
2. Profit or loss attributable to minority shareholders (net losses are represented by "-")		-122.59	-58,791.60

Financial Information

CONSOLIDATED INCOME STATEMENT (Continued)

For the six months ended 30 June 2025

ITEMS	Note	Six months ended 30 June	
		2025 (Unaudited)	2024 (Unaudited)
VI. Net other comprehensive income after tax		-496,125.96	1,605,369.33
(I) Net other comprehensive income after tax attributable to shareholders of the parent company		-496,125.96	1,605,369.33
1. Other comprehensive income which cannot be reclassified to profit and loss		-	-
(1) Changes as a result of re-measurement of defined benefit plan		-	-
(2) Other comprehensive income that cannot be reclassified to profit and loss under equity method		-	-
(3) Changes in fair value of other equity instruments investment		-	-
(4) Changes in fair value of the enterprise's own credit risk		-	-
2. Other comprehensive income which can be reclassified to profit and loss		-496,125.96	1,605,369.33
(1) Other comprehensive income that can be reclassified to profit or loss under equity method		-	-
(2) Changes in fair value of other debt investment		-	-
(3) Amount of financial assets reclassified to other comprehensive income		-	-
(4) Provision for credit impairment of other debt investment		-	-
(5) Cash flow hedging reserve		-	-
(6) Translation difference of financial statements in foreign currencies		-496,125.96	1,605,369.33
(7) Others		-	-
(II) Net other comprehensive income after tax attributable to minority shareholders		-	-

CONSOLIDATED INCOME STATEMENT (Continued)

For the six months ended 30 June 2025

ITEMS	Note	Six months ended 30 June	
		2025 (Unaudited)	2024 (Unaudited)
VII. Total comprehensive income		-12,761,334.31	-13,928,615.78
(I) Total comprehensive income attributable to shareholders of the parent company		-12,761,211.72	-13,869,824.18
(II) Total comprehensive income attributable to minority shareholders		-122.59	-58,791.60
VIII. Earnings per share:			
(I) Basic earnings per share (Yuan/share)	6	-0.015	-0.020
(II) Diluted earnings per share (Yuan/share)		-0.015	-0.020

Financial Information

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

For the six months ended 30 June 2025

(All amounts in Renminbi yuan unless otherwise stated)

ITEMS	Six months ended 30 June	
	2025	2024
I. Cash flows from operating activities		
Net cash flows from operating activities	-31,597,339.89	68,750,707.01
II. Cash flows from investing activities		
Net cash flows from investing activities	-6,936,080.28	554,968.83
III. Cash flows from financing activities		
Net cash flows from financing activities	-86,636,381.11	-106,039,794.35
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-2,073.44	3,337.66
V. Net increase in cash and cash equivalents	-125,171,874.72	-36,730,780.85
Add: Cash and cash equivalents at beginning of period	248,510,856.27	340,989,178.69
VI. Cash and cash equivalent at end of period	123,338,981.55	304,258,397.84

(All amounts in Renminbi yuan unless otherwise stated)

Interim Report 2025

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED) (Continued)
For the six months ended 30 June 2025
(All amounts in Renminbi yuan unless otherwise stated)

Six months ended 30 June 2025																
Equity attributable to shareholders of the parent company																
ITEMS	Other equity instruments					Less:		Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Sub-total	Minority interest	Total shareholders' equity
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Treasury stock										
(III) Profit appropriation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Appropriation to surplus reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Appropriation to general risk provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Distribution to shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(IV) Internal transfer of shareholders' equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Capital reserves transferred to share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Surplus reserves transferred to share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Surplus reserves to cover losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Deferred benefit plan changes carried forward to related earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Other comprehensive income carried forward to related earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED) (Continued)

For the six months ended 30 June 2025

(All amounts in Renminbi yuan unless otherwise stated)

Six months ended 30 June 2025																
Equity attributable to shareholders of the parent company																
ITEMS	Other equity instruments					Less:			Total							
	Share capital	Preference shares	Repayable bonds	Capital reserve	Others	Treasury stock	comprehensive income	Special reserve		Surplus reserve	General risk provision	Undistributed profits	Others	Sub-total	Minority interest	Minority shareholders' equity
(A) Special reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1. Appropriation in the current period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2. Utilized in the current period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(A) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IV. Cash balance at current period	792,024,570.00	-	-	-	-	80,498,419.73	-	10,000,000.00	-	105,165,564.74	-	105,600,544.74	-	1,497,741,475.42	6,669,450.45	1,205,945,264.57

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED) (Continued)

For the six months ended 30 June 2025

(All amounts in Renminbi yuan unless otherwise stated)

Six months ended 30 June 2024															
Equity attributable to shareholders of the parent company															
ITEMS	Other equity instruments				Capital reserve	Less treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Sub-total	Minority interest	Total shareholders' equity
	Spec capital	Preference shares	Perpetual bonds	Others											
I. Opening balance of prior year	702,058,830.00	-	-	-	80,399,449.73	-	-	-	108,108,984.74	-	530,140,061.60	-	1,624,038,272.67	8,806,355.57	1,633,165,253.24
Add: Changes of accounting policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Correction of accounting errors for prior period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Business combination under common control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Opening balance of current year	702,058,830.00	-	-	-	80,399,449.73	-	-	108,108,984.74	-	530,140,061.60	-	1,624,038,272.67	8,806,355.57	1,633,165,253.24	
III. Changes during the period (with "+" for decrease)	-	-	-	-	-	-	1,635,360.33	-	-	-	-	-	-	68,791.60	-1,635,068.78
A) Total comprehensive income	-	-	-	-	-	-	1,635,360.33	-	-	-	-	-	-	68,791.60	-1,635,068.78
B) Shareholders' contribution and share capital reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Ordinary shares contribution by shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Share capital invested by other equity instrument holders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Share payment included in the shareholders' equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED) (Continued)

For the six months ended 30 June 2025

(All amounts in Renminbi yuan unless otherwise stated)

Summative table 30 June 2024																
Equity attributable to shareholders of the parent company																
ITEMS	Other equity instruments					Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Subtotal	Minority interest	Total shareholders' equity
	Share capital	Preference shares	Residual bonds	Others												
(M) Profit appropriation																
1.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(M) Internal transfer of shareholders' equity																
1.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED) (Continued)

For the six months ended 30 June 2025

(All amounts in Renminbi yuan unless otherwise stated)

Six months ended 30 June 2024											
Equity attributable to shareholders of the parent company											
ITEMS	Other equity instruments					Less					
	Share capital	Preference shares	Residual bonds	Others	Capital reserve		Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Total
(M) Special reserve	-	-	-	-	-	-	-	-	-	-	-
1. Appropriation in the current period	-	-	-	-	-	-	-	-	-	-	-
2. Utilised in the current period	-	-	-	-	-	-	-	-	-	-	-
(M) Others	-	-	-	-	-	-	-	-	-	-	-
IV. Closing balance of current period	792,058,830.00	-	-	-	80,999,449.73	-	115,015,149.93	-	108,193,841.74	-	1,614,468,303.49
											8,787,783.97
											1,623,256,087.46

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICES

The unaudited interim financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises – Basic Standards and specific accounting standards, the application guidelines for the Accounting Standards for Business Enterprises, the Interpretation of the Accounting Standards for Business Enterprises and other relevant requirements (hereinafter collectively referred to as the “Accounting Standards for Business Enterprises”) published by the Ministry of Finance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities (hereinafter referred to as the “Listing Rules”) on The Stock Exchange of Hong Kong Limited and the applicable disclosure requirements of the Hong Kong Companies Ordinance.

The accounting policies and calculation methods used in the preparation of the unaudited interim financial statements are consistent with those adopted in the annual financial statements for the year ended 31 December 2024. This interim result has not been audited by the auditor of the Company, and has been reviewed by the audit committee of the Company.

2. TOTAL OPERATING INCOME

Operating income represents the Group’s principal operating income, including income received and receivable from system integration, intelligent terminal sales and service businesses.

(1) *Operating income and operating cost*

Items	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Principal operating income	148,275,218.98	205,108,001.79
Other operating income	18,164,349.88	14,428,322.22
Total operating income	166,439,568.86	219,536,324.01
Principal operating cost	126,738,260.31	182,769,262.65
Other operating cost	7,409,527.98	6,472,553.71
Total operating cost	134,147,788.29	189,241,816.36

Financial Information

(2) Principal operations (by product)

Name of Products	Six months ended 30 June 2025 (Unaudited)		Six months ended 30 June 2024 (Unaudited)	
	Operating income	Operating cost	Operating income	Operating cost
System integration	145,246,024.45	124,204,957.15	194,112,613.70	175,149,981.32
Intelligent terminal sales	–	–	3,440,425.75	3,325,862.91
Service	3,029,194.53	2,533,303.16	7,554,962.34	4,293,418.42
Total	148,275,218.98	126,738,260.31	205,108,001.79	182,769,262.65

3. SEGMENTS INFORMATION

Information regarding the Company's reportable operating segments as provided to the Company's chief operating decision makers for the purposes of resources allocation and assessment of segment performance for the Review Period is only derived from system integration, intelligent terminal sales, service businesses. In addition, the Company's operations are situated in the PRC in which its income was derived principally therefrom. Accordingly, no segments information is presented.

4. FINANCE COSTS

Items	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Interest expenses	11,835,937.97	13,229,749.43
Less: Interest income	143,132.77	167,809.44
Exchange gain or loss	–	–
Others	56,913.62	134,966.90
Total	11,749,718.82	13,196,906.89

5. INCOME TAX EXPENSES

Items	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Current income tax calculated based on tax law and related regulations	5,214.85	120,115.47
Deferred income tax adjustment	—	—
Total	5,214.85	120,115.47

Approved by Jiangsu Department of Science and Technology, Jiangsu Department of Finance and Jiangsu Provincial Taxation Bureau of State Administration of Taxation, the Company passed the re-evaluation of its High-New Technology Enterprise status on 2 December 2024. It holds a Certification of High-New Technology Enterprise (number: GR202332010529) with a valid period of 3 years. From 2023 to 2025, the Company enjoys the preferential income tax rate of 15% for State's key support of High-New Technology Enterprise.

The other domestic subsidiaries of the Company were taxed at 25% enterprise income tax rate.

The offshore subsidiaries of the Company were taxed at the local applicable income tax rate.

6. EARNINGS/LOSS PER SHARE

The calculation of the earnings/loss per share is based on the net loss attributable to shareholders of the parent company for the six months ended 30 June 2025 of RMB12,265,085.76 (corresponding period of 2024: net loss attributable to shareholders of the parent company of RMB15,475,193.51) and weighted average number of issued ordinary shares of 792,058,500 (2024: 792,058,500) during the Review Period.

The amount of basic earnings/loss per share is the same as the diluted earnings/loss per share as there was no dilution during the periods ended 30 June 2025 and 2024.

7. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: Nil).

Financial Information

8. TRADE AND OTHER RECEIVABLES

Items	At 30 June 2025 (Unaudited)	At 31 December 2024 (Audited)
Accounts receivable	448,386,590.44	465,052,527.31
Less: Provision for bad debts for accounts receivable	275,792,457.66	277,247,227.04
Receivables financing	—	—
Bills receivable	6,088,205.79	11,984,631.26
Less: Provision for bad debts for bills receivable	479,385.25	479,385.25
Prepayments	13,405,610.05	15,256,505.82
Other receivables	1,005,516,261.86	1,010,959,340.39
Less: Provision for bad debts for other receivables	277,236,050.98	277,238,885.98
Total	919,888,774.25	948,287,506.51

The aging of accounts receivable based on the recognition date

Items	At 30 June 2025 (Unaudited)	At 31 December 2024 (Audited)
Within 1 year (including one year)	101,329,021.72	101,626,140.40
1 to 2 years	54,152,735.43	57,808,869.40
2 to 3 years	29,604,008.05	32,736,414.02
Over 3 years	263,300,825.24	272,881,103.49
Total	448,386,590.44	465,052,527.31

9. TRADE AND OTHER PAYABLES

Items	At 30 June 2025 (Unaudited)	At 31 December 2024 (Audited)
Accounts payable	360,880,738.57	379,523,727.48
Bills payable	—	—
Advances from customers	—	—
Other payables	49,343,120.26	50,838,355.76
Contract liabilities	78,321,541.28	97,114,746.88
Total	488,545,400.11	527,476,830.11

The aging of accounts payable based on the recognition date

Items	At 30 June 2025 (Unaudited)	At 31 December 2024 (Audited)
Within 1 year	200,784,332.82	196,049,831.62
1 to 2 years	31,398,106.88	44,287,882.43
2 to 3 years	35,772,447.66	40,389,358.59
Over 3 years	92,925,851.21	98,796,654.84
Total	360,880,738.57	379,523,727.48

Management Discussion and Analysis

Financial Review

Total Operating Income

For the six months ended 30 June 2025 (the “Review Period”), the total operating income of the Group amounted to RMB166,439,568.86, representing a decrease of approximately 24.19% over that of the corresponding period of last year. The decrease was mainly attributable to the domestic market recovery being slower than expected, and the industry is experiencing intense competition and serious involution, which resulting in an overall decline in operating revenue; moreover, market expansion has become more difficult due to a decline in the company’s reputation caused by litigation matters, which has temporarily affected the Company’s current operating conditions.

Gross Profit Margin

The gross profit margin for the Review Period increased from approximately 13.80% in the same period last year to approximately 19.40% which was mainly due to the Group’s stringent cost control, adjustment of business structure and improvement of service efficiency.

Selling Expenses

Selling expenses for the Review Period was RMB13,471,390.36, representing a decrease of approximately 5.88% as compared with that of the corresponding period of last year. The decrease was primarily due to reduced project maintenance costs resulting from a decline in market share.

Administrative Expenses

The administrative expenses recorded a decrease of approximately 40.33% from RMB14,528,899.85 in the corresponding period of last year to RMB8,669,068.43 for the Review Period. This was primarily because the Group has strengthened internal management, strictly controlled various expenses, reduced costs while increasing efficiency; and the expiration of the depreciation period for some equipment during the Review Period, no depreciation provision was required.

R&D Expenses

The research and development expenses for the Review Period was RMB6,919,440.83, representing a decrease of approximately 13.24% as compared with the same period last year. The decrease was mainly due to the strategic adjustments, cost control, and optimization of resource allocation based on market changes.

Financial Expenses

The financial expenses for the Review Period was RMB11,749,718.82, representing a decrease of approximately 10.97% as compared with the same period last year. The decrease was mainly attributable to the continuous optimization of the financing structure which reduced the total amount of loans and trimmed down the loan interest.

Net Loss Attributable to Shareholders of the Parent Company

The net loss attributable to shareholders of the parent company for the six months ended 30 June 2025 was RMB12,265,085.76, as compared to the net loss attributable to shareholders of the parent company of RMB15,475,193.51 for the corresponding period of last year. The main reasons for the continued loss were that the domestic market recovery was slower than expected, and the industry was experiencing intense competition and serious involution, which resulting in an overall decline in operating revenue; moreover, market expansion has become more difficult due to a decline in the company's reputation caused by litigation matters. However, the Group strictly controlled costs and expenses, reduced costs and increased efficiency, resulting in a slight improvement compared to the loss in the same period last year.

Management Discussion and Analysis

Financial Resources

The Group primarily funds its operations through internally generated cash flow and bank loans. As of 30 June 2025, the Group's short-term loans (including those due within one year) amounted to RMB436,770,000, representing a decrease of approximately 71,000,000 from RMB507,770,267.01 as of 31 December 2024. The annual interest rate for these loans ranged from 3.75% to 4.80%. The decrease was primarily due to the Group's use of its own funds to repay certain loans. Long-term borrowings and non-current liabilities due within one year totally amounted to RMB74,550,000, with an annual interest rate ranging from 3.96% to 4.06%.

Liquidity

The Group has strengthened its accountability for the collection of accounts receivable and its routine financial reconciliation work. As of 30 June 2025, accounts receivable and notes receivable amounted to RMB172,594,132.78 and RMB5,608,820.54 respectively, representing a decrease of approximately 8.10% and 51.25% from RMB187,805,300.27 and RMB11,505,246.01 as of 31 December 2024 respectively.

As of 30 June 2025, the Group's current assets amounted to RMB1,490,593,205.15, compared to RMB1,624,126,419.15 as of 31 December 2024. Current liabilities amounted to RMB952,417,041.54, compared to RMB1,061,815,660.82 as of 31 December 2024. The current ratio was 1.57, which was approximately equivalent to 1.53 as of 31 December 2024. During the Review Period, the Group's overall liquidity remained at a healthy level, however, its solvency, liquidity and management capabilities still require improvement.

Pledge of Assets of the Group

As at 30 June 2025, the Group had the following assets pledged:

- (i) The total book value of the Group's assets of RMB458,611,721.37 (including: investment property of RMB422,191,100, fixed assets of RMB33,600,304.63, intangible assets of RMB2,820,316.74) were pledged to banks to secure outstanding bank loans of RMB121,320,000.
- (ii) The bank deposits of RMB10,432,940.89 (As at 31 December 2024: RMB24,045,392.67) were pledged for projects bidding/projects in progress and banking facilities.

Employees And Remuneration Policies

As at 30 June 2025, the Group has an aggregate of 193 employees (At 30 June 2024: 201 employees). During the Review Period, the staff costs (including Directors' remuneration) was RMB18,008,518.78 (corresponding period of 2024: RMB19,175,297.41).

The Group remunerated its staffs based on individual performance, educational background and experience and with reference to market rates. The Group would grant discretionary bonus to the staffs based on individual performance as recognition of their contribution. Other benefits included contributions to the retirement scheme, medical scheme, unemployment insurance and housing allowances.

Gearing Ratio

The gearing ratio (being short-term borrowings plus long-term borrowings plus non-current liabilities due within one year less cash and cash equivalents divided by equity) of the Group as at 30 June 2025 was approximately 32.17% (At 31 December 2024: approximately 27.71%).

Management Discussion and Analysis

Risk in Foreign Exchange

The income and expenses of the Group were mainly denominated in Renminbi. The Directors consider that the Group's risk in foreign exchange is insignificant.

Significant Investments Held

As of 30 June 2025, there were no investments held with a value of 5% or more of the Group's total assets.

Substantial Acquisition and Disposal and Significant Investment

The Group did not have any other material acquisition and disposal and material investment during the Review Period.

Future Plans Relating to Material Investment or Capital Asset

As at the date of this report, the Group has not executed any agreement in respect of proposed acquisition and did not have any other future plan of material investment or capital asset.

Contingent Liabilities

As at 30 June 2025, the Group did not have any material contingent liabilities.

BUSINESS REVIEW AND PROSPECTS

Industry Development and Business Review

In the first half of 2025, the international environment became turbulent and intertwined. The United States launched a series of unilateral tariff measures, seriously disrupting global economic and trade activities and damaging the prospects for world economic growth. Our country has effectively implemented more proactive and effective macroeconomic policies. Despite pressure, the national economy persevered and faced difficulties head-on. Economic operation remained generally stable, showing progress amid stability and improvement amid stability. This highly valuable performance report was undoubtedly hard-earned. The external environment remains complex and volatile, internal structural contradictions have not yet been fundamentally eased, and the foundation for economic operation still needs to be strengthened. Meanwhile, the acceleration of transforming old and new economic drivers and the ongoing adjustment pains continue to be felt, with enterprises in certain industries still facing significant operational difficulties. In the next stage, our country will adhere to the general work principle of seeking progress while maintaining stability, accelerate the establishment of a new development pattern, coordinate domestic economic work with international economic and trade struggles, further strengthen the domestic economic cycle, and speed up the introduction of several measures to stabilize employment and the economy while promoting high-quality development. Policy support will be increased to help enterprises cope with external difficulties and challenges, using the certainty of high-quality development to respond to external uncertainties, thereby promoting sustained, stable, and healthy economic development.

Sustained economic growth is the key driver of increasing transportation demand. With changes in the macroeconomic environment and structural adjustments within the industry, the highway transportation sector has faced numerous opportunities as well as challenges. Amid fierce market competition, the Group faced difficulties squarely and responded calmly, took decisive action and strived forward to strengthen policy planning and implementation, enhancing work coordination and collaboration, and adopting a series of competitive strategies to consolidate and expand market share.

Management Discussion and Analysis

In the field of intelligent transportation business, the Group has always adhered to innovation-driven development. Based on the actual needs of customers and traffic management, it provided customers with a full range of intelligent highway informatization solutions, from consulting and planning to integrated software and hardware development, system integration, network construction, and operation and maintenance services. The business scope covered multiple segments including toll settlement, intelligent operation, electromechanical engineering, and travel services.

During the Review Period, in the project delivery phase, the Group successfully completed the electromechanical engineering construction project for the Yangkou Port to Rudong urban area section of the Yangkou Port to Nantong Highway, as well as the acceptance work for the electromechanical engineering construction project for the Haimen to Tongzhou section of the Nantong to Wuxi Highway, leveraging its professional technical strength and efficient execution capabilities. The delivery of these projects showcased the Group's deep expertise in this specialized field, improved highway management efficiency, optimized the operation and maintenance management model of electromechanical equipment, and provided the public with more convenient and efficient travel services. During the Review Period, the Group has successively won multiple high-quality projects, firmly consolidated its leading position in the intelligent highway sector. The newly signed projects included the electromechanical engineering construction project for the Jiawang to Suining section of the Xuzhou to Mingguang Highway (Xuzhou Eastern Bypass Highway), the electromechanical engineering monitoring system construction project for the expansion of the Taicang to Changzhou section of the Shanghai-Wuhan Highway, and the monitoring system project for the expansion of the Xueyan Hub to Xihu Hub section of the Wuxi to Yixing Highway. All these three projects are key highway construction projects in Jiangsu Province, covering multiple areas including toll systems, monitoring systems, and communication systems, and will strongly promote the intelligent upgrading of Jiangsu's highway network.

Against the backdrop of accelerated global economic integration and rapidly evolving digital technologies, the digital transformation of cross-border trade has become an important engine driving the development of international trade. As a key component of cross-border trade digitalization, the construction of smart ports is gradually becoming a new driving force for advancing international trade. The “Guiding Opinions on the Construction of Smart Ports” jointly issued by nine departments including the General Administration of Customs, provided policy support and direction for the intelligent upgrading of ports. By integrating resources such as digital trade, digital logistics, and digital finance, and improving the infrastructure for cross-border digital trade, important guidance was provided for enterprises to seize new opportunities in cross-border trade and explore new paths for development, bringing a series of new business opportunities to enterprises.

The Group is seizing this historic opportunity, transforming policy benefits into innovation momentum, and actively embracing digital transformation. It is committed to providing customers in the logistics sector, including customs, customs special supervision zones (such as bonded zones and cross-border comprehensive pilot zones), port terminals, and airports, with comprehensive intelligent solutions covering information planning, software products, hardware products, information system integration, and operation and maintenance services. Through the digital, networked, and intelligent construction of ports, the Group aims to improve regulatory efficiency, reduce regulatory costs, and enhance customs clearance convenience, reconstructing a multi-boundary, systematic port ecosystem. The construction of smart ports will be continuously deepened to actively promote the development of cross-border trade towards greater intelligence, efficiency, and collaboration.

Management Discussion and Analysis

Facing fierce market competition, the Group has always adopted a proactive attitude, fully leveraging its business and R&D advantages, continuously optimizing its organizational structure to reduce costs and improve efficiency, and maintaining relatively stable overall market growth. During the Review Period, the Group efficiently and with high quality completed the construction and implementation of the informatization project for the Yingtan International Comprehensive Port Railway Supervision Site, the informatization project for Shijiazhuang International Land Port Bonded Logistics Center (Type B), the Customs Engineering for the Container Yard at Yancheng Port Dafeng Port Area, the first phase of the construction of the informatization project for Comprehensive Bonded Area at Shangrao Economic Development Zone, and the customs supervision informatization project for the Suqian Bonded Logistics Center (Type B), continuously promoting intelligent and green development of ports and providing replicable solutions for the industry. At the same time, the Group has newly signed projects including the digital integration project for China Telecom Zhangjiagang Branch, the informatization project for Bengbu Comprehensive Bonded Area, the regulatory and supporting facilities construction project for Guangzhou Knowledge City Comprehensive Bonded Zone, the intelligent expansion project for Zhuqiaqiao Port Area of Wuhu Port in Anhui, the new intelligent checkpoint project for Anqing Comprehensive Bonded Zone, and the informatization project for the customs supervision area of Donggang Port in Changzhou City.

Research and Development

Since its establishment, the Group has had a core technology research and development team with relatively strong independent R&D capabilities. Through years of experience accumulation and technological innovation, its technical advantages have become prominent. The Group possesses a relatively complete and high-level set of industry qualifications and professional certifications, as well as more than one hundred software copyrights and invention patents.

During the Review Period, the Group collaborated with universities such as Beijing Jiaotong University, Southeast University, and Jilin University in industry-academia-research partnerships. It continued to advance research on the project “Technology for Risk Prevention and Emergency Avoidance of Major Accidents Involving Road Transportation Vehicles”, a key special project under the national R&D program for 2023 titled “Major Natural Disaster Prevention and Public Safety”, which passed the mid-term review by the Ministry of Science and Technology in June 2025. This project established a system of multi-level, full-process risk prevention method for major accidents involving road transportation vehicles, it reveals the evolution patterns and mechanisms of accident risks, enhances real-time risk perception during vehicle transit and proactive accident prevention during transportation, and overcomes tough challenges such as unclear mechanisms for formation of accident risk, inaccurate dynamic recognition, and lack of quantitative characterization. It provides the possibilities for identifying risks in road transportation, thus achieving proactive prevention goals and significantly improving the level of safety and emergency management of the road transport system. The Group also organized group learning activities on themes such as “New Advances in Artificial Intelligence and Innovative Industry Applications” and “Digital Twin and 3D Reconstruction Technology” to raise its R&D personnel’s understanding of new technologies and emerging industries. Leveraging the continuously developed “Jiangsu Province Intelligent Highway Engineering Technology Research Center” and the “Nanjing Cross-border Logistics Informatization Engineering Technology Research Center”, the Group has achieved numerous technological achievements in intelligent transportation and smart logistics, effectively consolidating its market advantage in these related fields.

During the Review Period, the Group participated in and, led by Southeast University, undertook the intergovernmental key special project titled “Research on Key Technologies for Driver Behavior Correction Towards Low Emissions” under the national key research and development program, which passed the comprehensive performance evaluation organized by the International Science and Technology Cooperation Center of the Ministry of Science and Technology. The acceptance works for the “2022 Nanjing Qixia District Scientific and Technological Achievement Transformation Project” and the sub-tasks of the project “Strong Transportation Country” were completed. The Group continued to strengthen the application and protection of intellectual property, with 3 newly applied invention patents; 4 software copyrights applied for and approved; and 3 software products applied for and approved.

Management Discussion and Analysis

FUTURE OUTLOOK

Future Business Development Plan

In the first half of 2025, the Company coordinated and focused on various tasks for high-quality development. The quality and efficiency of high-quality development continued to improve, the driving effectiveness of technological innovation continuously strengthened, the enabling effect of deepening and upgrading reform continuously demonstrated, and the leadership and construction of the Party continuously strengthened to provide guidance and assurance. In the second half of the year, the Company will continue to promote high-quality development to strengthen, optimize, and expand its operations. It will adhere to and strengthen the comprehensive leadership of the Party, accelerate technological innovation and the development of new productive forces, enhance core functions and improve core competitiveness, focus on key annual tasks, and strive for breakthroughs. The Company aims to ensure practical results from high-quality development and improvement through building high-quality execution capabilities.

Overall, the highway transportation industry maintained a stable operational trend in the first half of 2025, providing a relatively favorable external environment for the Company's development. However, focusing on the micro-level operations of the Company, it still faces a series of complex challenges. With the increasing integration of the highway transportation industry, new entrants continue to flood the market relying on abundant resources and innovative models, intensifying industry competition and impacting the existing market structure, which brings challenges to market expansion and market share consolidation. At the same time, the highway transportation industry is transitioning from "traditional infrastructure" to "digital new infrastructure", cutting-edge technologies represented by artificial intelligence, cloud computing, and big data are restructuring the industry ecosystem and fostering new productive forces. The integration and application of new technologies with traditional business scenarios have become a highly concerned new issue within the industry, higher requirements are placed on enterprises' ability to implement and transform technologies. In response to these challenges, the Company will always maintain a prudent attitude, pursue industry trends steadily, and move forward with all its strength.

Management Discussion and Analysis

In 2025, as the country vigorously promotes the domestic transformation and intelligent upgrading of smart customs and customs supervision informatization, the Group actively explores the direction of industry technology development. It views opportunities and challenges comprehensively, dialectically, and with a long-term perspective. The Group aims to seize new opportunities brought by industrial transformation while strengthening bottom-line thinking and awareness of potential risks to overcome various risks and challenges. The Group will adjust its business structure and layout, develop a domestically produced new shipping system and a domestically produced smart cloud checkpoint system, and continue to carry out research and development of cross-border logistics technologies and construction of demonstration projects. It will integrate resources such as customs and third-party logistics to build a comprehensive information system for cross-border logistics that enables full-process tracking and visual management of goods in transit. This will ensure logistics visibility throughout the entire process, accelerate logistics speed and customs clearance efficiency, reduce the probability of product loss during logistics, promote efficient operations and rapid development of China's cross-border trade enterprises, and further expand the business market.

Research and Development Plan

The Group is dedicated to creating customer value through technological capabilities, focusing on research and development in the fields of radio frequency identification, video recognition, the Internet, big data, and artificial intelligence. It provides customers in the fields of intelligent transportation, intelligent logistics, etc. with integrated solutions of Internet of Things (IoT) intelligent system for information collection, processing, and management control, becoming a leading provider of Internet of Things (IoT) solutions.

Management Discussion and Analysis

In the field of intelligent transportation, the Group has established the “Jiangsu Province Intelligent Highway Engineering Technology Research Center”. It will make full use of the Company’s existing highway management system data and, based on services of vehicle-road collaborative application, connect and exchange data with the platform to achieve data interconnection and interoperability. This can enrich the data support for testing endpoints and realize comprehensive utilization of the system, laying a foundation for creating new application services and providing road users with applications that achieve traffic safety and convenient travel.

In the field of intelligent logistics, the Group, relying on the “Nanjing Cross-border Logistics Informatization Engineering Technology Research Center”, uses advanced technologies such as cloud computing, big data, and the Internet of Things to provide comprehensive solutions for the informatization construction of special regulatory areas. It offers customers end-to-end services including informatization planning, design, system construction, and operation and maintenance. Based on a deep understanding of the industry, the Company integrates various best management practices into its solutions and products, providing industry-leading personalized and modular application products tailored to customers from different types of special regulatory areas, such as comprehensive bonded zones, bonded logistics centers, bonded areas, and export processing zones.

In the second half of 2025, the Group will strictly adhere to compliance standards, strengthen its sense of responsibility, and break industry bottlenecks through execution capacity building. It will strive to implement the construction of a modern industrial system for a strong transportation country and continuously explore the integration and development of new-generation information technologies such as 5G, the Internet of Things, big data, cloud computing, and artificial intelligence with businesses in intelligent transportation, smart logistics, and smart cities. The Group will focus on promoting business development in three key areas including highways, port construction, and smart vehicles. It will actively explore new markets, diversify into new business areas, and make every effort to successfully conclude the 14th Five-Year Plan while building momentum and empowering the 15th Five-Year Plan.

INTERESTS OR SHORT POSITIONS IN THE SHARE CAPITAL OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS OF THE DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE OFFICERS

Save as disclosed below, as at 30 June 2025, none of the Directors, Supervisors and chief executive officers of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”) (Chapter 571 of the Laws of Hong Kong)) which should be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or which they are deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept pursuant to Section 352 of the SFO, or otherwise required to be notified to the Company pursuant to the required standard of dealings as set out in Appendix C3 of the Listing Rules.

Long Positions in Shares

Name of Director	Number of Shares	Nature of Interest	Approximate Percentage of the Share Capital of the Company (%)
Sha Min (Note 2)	3,375,000	Beneficial owner	0.43%
	Domestic Shares (L)		
	397,821,000	Interest of controlled	50.77%
	Domestic Shares (L)	corporation	
	4,310,000		
	H Shares (L)		

Other Information

Note:

- (1) "L" refers to a long position in shares. As at 30 June 2025, the total number of issued H shares of the Company was 229,500,000, while the total number of issued domestic shares was 562,558,500. The percentage of equity was calculated based on a total of 792,058,500 shares.
- (2) Mr. Sha Min ("Mr. Sha") directly holds 3,375,000 Domestic Shares and is indirectly interested in 60.40% of equity interest of Jiangsu Sample Holding Group Limited* (江蘇三寶控股集團有限公司) (formerly known as Jiangsu Sample Holding Limited* (江蘇三寶控股有限公司), name changed on 27 February 2025) ("Jiangsu Sample") which in turn owns 49% of the equity interest in Nanjing Sample Technology Group Company Limited* (南京三寶科技集團有限公司) ("Sample Group") which in turn owns directly 397,821,000 Domestic Shares and owns indirectly 4,310,000 H Shares. Under the SFO, Mr. Sha is deemed to be interested in all 401,196,000 Domestic Shares and 4,310,000 H Shares.

Sample Group directly holds 397,821,000 Domestic Shares and indirectly holds 4,310,000 H Shares, representing approximately 50.77% of the issued share capital of the Company and Sample Group is owned as to 49% by Jiangsu Sample which in turn is held as to 60.40% by Shanghai Jiaxin Enterprise Management Center (limited partnership)* (上海佳鑫企業管理中心有限合夥) ("Shanghai Jiaxin"). Shanghai Jiaxin is beneficially owned as to 100% by Mr. Sha. Under the SFO, Mr. Sha is deemed to be interested in the entire equity interest in each of Sample Group, Jiangsu Sample and Shanghai Jiaxin.

SHARES DISCLOSEABLE UNDER THE SFO AND SUBSTANTIAL SHAREHOLDERS

So far as to the knowledge of the Directors, as at 30 June 2025, the following shareholders (other than the Directors, Supervisors or chief executive officers of the Company) had interests and short positions in the shares or underlying shares of the Company which should be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company under Section 336 of the SFO.

Long position in Shares

Name of Shareholders	Number of Shares	Nature of Interest	Approximate Percentage of the Share Capital of the Company (%)
Nanjing Sample Technology Group Company Limited ("Sample Group") (Note 2)	397,821,000 Domestic Shares (L) 4,310,000 H Shares (L)	Beneficial owner Interest of controlled corporation	50.77%
Qingdao Haifa State Owned Capital Investment and Operation Group Co., Ltd. ("Haifa Group") (Note 2)	397,821,000 Domestic Shares (L) 4,310,000 H Shares (L)	Interest of controlled corporation	50.77%
State-owned Assets Supervision and Administration Commission of the People's Government of Qingdao ("SASAC of Qingdao") (Note 2)	397,821,000 Domestic Shares (L) 4,310,000 H Shares (L)	Interest of controlled corporation	50.77%
Jiangsu Sample Holding Group Limited* ("Jiangsu Sample") (Note 3, Note 4)	397,821,000 Domestic Shares (L) 4,310,000 H Shares (L)	Interest of controlled corporation	50.77%

Other Information

Name of Shareholders	Number of Shares	Nature of Interest	Approximate Percentage of the Share Capital of the Company (%)
Shanghai Jiaxin Enterprise Management Center (limited partnership)* (Note 3)	397,821,000 Domestic Shares (L) 4,310,000 H Shares (L)	Interest of controlled corporation	50.77%
Shanghai Lianqi Enterprise Management Center (limited partnership)* (Note 3)	397,821,000 Domestic Shares (L) 4,310,000 H Shares (L)	Interest of controlled corporation	50.77%
Mr. Chang Yong (Note 4)	397,821,000 Domestic Shares (L) 4,310,000 H Shares (L)	Interest of controlled corporation	50.77%
Active Gold Holding Limited (Note 5)	123,862,500 Domestic Shares (L)	Beneficial owner	15.64%
Ferdinand Holdings Limited (Note 5)	123,862,500 Domestic Shares (L)	Interest of controlled corporation	15.64%
Yin Ehua (Note 5)	123,862,500 Domestic Shares (L)	Interest of controlled corporation	15.64%
Season International Pte. Ltd. (Note 6)	53,855,500 H Shares (L)	Beneficial owner	6.79%
Season Holdco Pte. Ltd. (Note 6)	53,855,500 H Shares (L)	Interest of controlled corporation	6.79%

Notes:

- (1) "L" refers to a long position in shares. As at 30 June 2025, the total number of issued H shares of the Company was 229,500,000, while the total number of issued domestic shares was 562,558,500. The percentage of equity was calculated based on a total of 792,058,500 shares.
- (2) Sample Group directly owns 397,821,000 Domestic Shares and indirectly owns 4,310,000 H Shares. Hence, Sample Group is the substantial and the single largest shareholder of the Company. On 18 August 2020, Haifa Group completed the industry and commercial registration procedures in respect of the capital injection in Sample Group. Sample Group is owned as to 51% equity interests by Haifa Group which is 100% owned by SASAC of Qingdao.
- (3) Sample Group directly owns 397,821,000 Domestic Shares and indirectly owns 4,310,000 H Shares. As such, Sample Group is the substantial and the single largest shareholder of the Company. Sample Group is 49% held by Jiangsu Sample which in turn is held by Shanghai Jiaxin and Shanghai Lianqi Enterprise Management Center (limited partnership)* (上海聯啟企業管理中心有限合夥) ("Shanghai Lianqi") as to 60.40% and 39.60% equity interests respectively. Under the SFO, each of Shanghai Jiaxin and Shanghai Lianqi is deemed to be interested in all 397,821,000 Domestic Shares and 4,310,000 H Shares.
- (4) As Sample Group is owned as to 49% by Jiangsu Sample which in turn is held as to 39.60% by Shanghai Lianqi. Shanghai Lianqi is beneficially owned as to 99% by Mr. Chang Yong. Under the SFO, Mr. Chang is deemed to be interested in all 397,821,000 Domestic Shares and 4,310,000 H Shares.
- (5) Active Gold Holding Limited is wholly owned by Ferdinand Holdings Limited, and Yin Ehua holds 100% equity interests in Ferdinand Holdings Limited.
- (6) Season International Pte. Ltd. is wholly owned by Season Holdco Pte. Ltd.

Share Option Scheme

On 18 October 2011, the Board passed the resolution to terminate the execution of the share option scheme of the Company which was approved by the shareholders of the Company by way of resolution on 24 April 2004. The resolution was passed at the general meeting on 30 December 2011.

The Company has not granted any option under the share option scheme since the adoption of the scheme.

Other Information

Competing Business and Conflicts of Interests

None of the Directors or substantial shareholders of the Company or any of their respective associates (as defined in the Listing Rules) is engaged in any business which competes or is likely to compete with the business of the Group, and none of them has any other conflicts of interests with the Group.

Code of Conduct for Securities Transactions by Directors

The code of conduct for securities transactions by Directors adopted by the Company is on terms no less exacting than the required standard of dealings as set out in Appendix C3 to the Listing Rules. Having made specific enquiry of all Directors, the Company was not aware of any circumstances that the Directors did not comply with the required standards of dealings and the code of conduct for securities transactions by Directors throughout the six months ended 30 June 2025.

Audit Committee

The Company established an audit committee on 27 August 2003 with terms of reference in compliance with Rules 3.21 to 3.23 of the Listing Rules. The primary duty of the audit committee is to supervise the financial reporting process and internal control of the Company.

The audit committee of the Company is currently composed of three independent non-executive directors, namely Mr. Gao Lihui (Chairman), Mr. Hu Hanhui (Member), and Ms. Chung Yuet Mei (Member).

The audit committee of the Company has reviewed the unaudited results of the Group for the Review Period and has provided advice and comments thereon.

Corporate Governance Code

For the six months ended 30 June 2025, the Board is of the view that the Company has complied with the code provisions set out in the Corporate Governance Code (the “CG Code”) in Appendix C1 to the Listing Rules, except the deviations disclosed herein.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and the chief executive officer should be separate and should not be performed by the same individual. During the Review Period, Mr. Sha Min (“Mr. Sha”) has been serving as both the Chairman and the chief executive officer of the Company. Despite the deviation from C.2.1 of the CG Code, the Board considers that Mr. Sha, being the Chairman of the Company, has been leading the Board to ensure that the Board works together and the Directors collaborate in accordance with the best interests of the Company. At the same time, Mr. Sha is well-versed in the Company’s business operations and possesses extensive knowledge and experience, which is beneficial for enhancing the efficiency of the overall strategic planning of the Company. Meanwhile, the other two executive Directors, who have also been appointed as vice presidents, will respectively assist Mr. Sha in managing business operations and management work. The Board believes that this management structure is more conducive to the Company’s future development and improving the Company’s operational conditions. Under the supervision of the Board, the Board has an appropriate power balance structure, providing sufficient checks and balances to protect the interests of the Company and its shareholders.

Changes of Directors’ and Supervisors’ Information

- 1) On 14 February 2025, Mr. Liu Min was appointed as a director of the Company’s subsidiary, Nanjing Digital City Investment and Construction Co., Ltd.* (南京數字城市投資建設有限公司).
- 2) On 7 April 2025, Mr. Sha Min resigned as the chairman of Qingdao Baohao Technology Co., Ltd.* (青島寶昊科技有限公司), a subsidiary of Sample Group. On the same day, Mr. Liu Fei was appointed as the chairman of Qingdao Baohao Technology Co., Ltd.* (青島寶昊科技有限公司).

Save as disclosed above, the Company is not aware of any other changes in the information that are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the Review Period.

Other Information

Change in Constitutional Document

On 17 January 2025, the shareholders of the Company approved certain amendments to the Company's articles of association to (i) change the Company's business scope in alignment with the business development of the Group; and (ii) further comply with the relevant provisions of the company law of the People's Republic of China effective from 1 July 2024, while also making other minor amendments and corresponding changes to the articles of association in accordance with the Company's actual situation. Details of the amendments were disclosed in the Company's circular dated 27 December 2024.

Save as disclosed above, there has been no significant change in the articles of association of the Company during the Review Period.

Purchase, Redemption or Sales of Listed Securities of the Company

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

By Order of the Board
Nanjing Sample Technology Company Limited*
Sha Min
Chairman

28 August 2025
Nanjing, the PRC

As at the date hereof, the executive Directors are Mr. Sha Min (Chairman), Mr. Ma Fengkui and Mr. Liu Min, the non-executive Director is Mr. Liu Fei; and the independent non-executive Directors are Mr. Hu Hanhui, Mr. Gao Lihui and Ms. Chung Yuet Mei.

* For identification purpose only