



Futong Technology Development Holdings Limited
富通科技发展控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code: 465

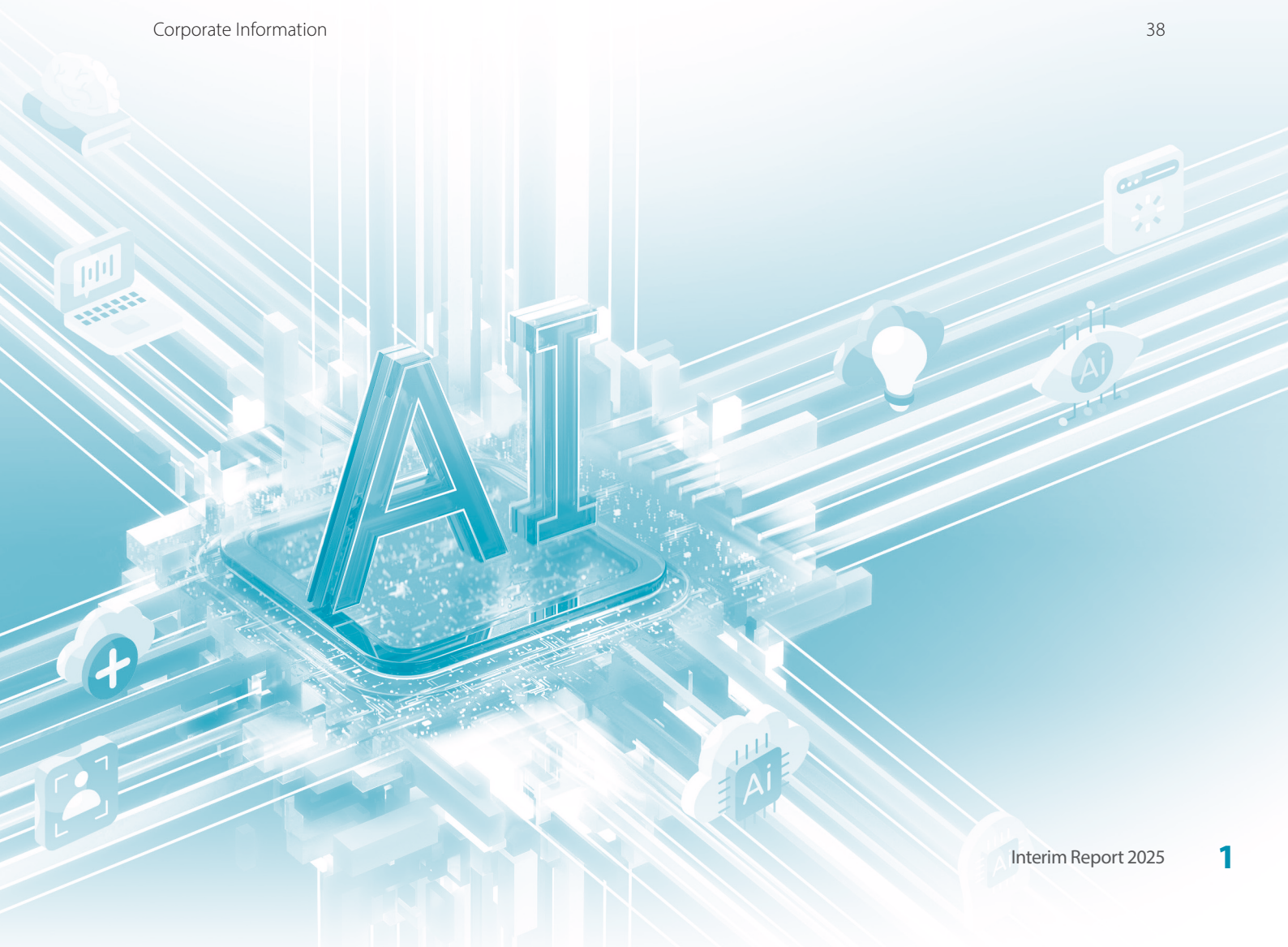
中国领先的企业数字化转型服务提供商



2025
INTERIM REPORT

Contents

	Pages
Financial Summary	2
Management Discussion and Analysis	3
Corporate Governance and Other Information	9
Report on Review of Condensed Consolidated Interim Financial Statements	16
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	17
Condensed Consolidated Statement of Financial Position	18
Condensed Consolidated Statement of Changes in Equity	19
Condensed Consolidated Statement of Cash Flows	20
Notes to the Condensed Consolidated Interim Financial Statements	21
Corporate Information	38



Financial Summary

RESULTS

	Six-month period ended 30 June	
	2025	2024
	RMB'000	RMB'000
	Unaudited	Unaudited
Revenue	58,280	66,992
Loss from operations	(32,641)	(28,950)
Finance costs	(38)	(69)
Loss before income tax	(32,679)	(29,019)
Income tax expense	(36)	(1,519)
Loss for the period	(32,715)	(30,538)
	RMB	RMB
Loss per share		
Basic and diluted	(0.11)	(0.10)

ASSETS AND LIABILITIES

	At 30 June	At 31 December
	2025	2024
	RMB'000	RMB'000
	Unaudited	Audited
Total assets	275,087	306,328
Total liabilities	(58,912)	(57,478)
NET ASSETS	216,175	248,850

Management Discussion and Analysis

BUSINESS REVIEW

The Group is one of the leading providers of enterprise digital transformation services in China. With extensive industry experience and strong research and development (R&D) and innovation capabilities, it has been able to widely adopt emerging technologies such as cloud computing, big data and artificial intelligence (AI) to provide enterprise customers with digital products, solutions and professional information technology (IT) services. As enterprise customers in China accelerate digital transformation in their operations and the IT market continuing to evolve, the Group has also actively adjusted its business development direction. During the six-month period ended 30 June 2025 (the “**Period**”), the Group reviewed its business model and combined the Intelligent Health Management Business and the Intelligent Application Business under the Enterprise Management Business, focusing on providing customers with enterprise management services including its two major products – Cloud Intelligence and Data Intelligence. During the Period, affected by geopolitical tensions between China and the United States and uncertain international trade policies, the macroeconomy was laden with challenges, and in China the IT market turned increasingly competitive, all of such led to an approximately 13% decrease in the Group's overall revenue.

Cloud Intelligence

Cloud Intelligence, which is the main income source of the Group, has been growing with good momentum over the years. Through close collaboration with leading IT companies and cloud resources providers, local and abroad, such as Baidu AI Cloud, H3C, Tencent Cloud and Alibaba Cloud, complemented by its proprietary cloud-computing products including CloudScape (雲境), CloudOne (雲樞), CloudShare (雲享), CloudObs (雲觀) and CloudAtlas (雲圖), the Group has actively provided enterprise customers with “cloud+AI” integrated platform solutions, and strived to offer customers a unified, concise and standardized autonomous multi-cloud+AI platform that not only supports the efficient management of multiple computational powers, models, data and applications, but also enables flexible integration methods and intelligent operating strategies. During the Period, despite the slowdown in China's economic growth and the intensifying competitive landscape, the Group proactively optimized its existing product portfolio and launched new products, thereby supporting revenue growth. The Group will further optimize its product portfolio and services to maintain favorable cash flow and increase profits.

Data Intelligence

Driven by emerging technologies such as AI and big data, the Group has developed a series of proprietary Data Intelligence products, including Voice of Customer (客戶之聲), IntelligenceCore Data Workshop (智核數據工坊), IntelligenceCore AI Agent Management Platform (智核智能體管理平台), among others, integrating AI technology deep into the different business scenarios of customers in various industries. The Group has undertaken comprehensive data analysis to uncover and maximize the value of data, enabling customers to fully leverage its potential and maintain a competitive edge in the era of AI driven digital transformation. Among its different products, Futong IntelligenceCore provides an end-to-end workflow solution encompassing data governance, AI Agent building, delivery and operation, helping enterprises establish an AI capability system that can be “fast to build, stable to deliver, and sustainable to operate”, thereby facilitating the efficient deployment of AI Agent across various industry scenarios. During the Period, the Group continued to strengthen the integration of technologies in its intelligent application and invested more resources in improving technologies and marketing, successfully increasing the revenue of this business. The Group will continue to provide services to more customers and actively accumulate industry expertise to lay a solid foundation for future business development.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

For the Period, revenue of the Group decreased by approximately RMB8.7 million or 13.0% as compared with the corresponding period of 2024, to approximately RMB58.3 million (2024: approximately RMB67.0 million). The decrease was primarily due to increasingly intense competition in the mainland China information technology market, coupled with the fact that revenue from new products has yet to materialize, leading to an overall decrease in the Group's revenue.

Gross profit

Gross profit of the Group decreased by approximately RMB6.6 million or 52.5% to approximately RMB6.0 million for the Period (2024: approximately RMB12.6 million), while the gross profit ratio decreased from 18.8% to 10.3%. The decline in gross profit margin was mainly due to intense competition in the mainland China information technology market, prompting the Group to adjust prices to maintain market competitiveness.

Other income and other gains and losses, net

Other income and other gains and losses, net consist mainly of interest income from bank deposits and foreign exchange gain or loss. During the Period, net gains from other income and other gains and losses amounted to approximately RMB1.3 million (2024: approximately RMB8.1 million), representing a decrease of approximately RMB6.8 million. This decrease was mainly due to the combined effect of (i) a decrease in interest income of approximately RMB6.0 million; and (ii) the foreign exchange losses of approximately RMB0.6 million.

Loss allowance recognised on financial assets

For the Period, the loss allowance recognised on financial assets amounted to approximately RMB2.8 million (2024: approximately RMB0.6 million), representing an increase of approximately RMB2.2 million. The increase in loss allowance recognised on financial assets was mainly due to the loss allowance recognised for the trade receivable of an aged debtor by the Group.

Research and development costs

For the Period, research and development costs of the Group amounted to approximately RMB6.4 million (2024: approximately RMB5.4 million), representing an increase of approximately RMB1.0 million or 18.1% compared with the corresponding period in 2024. The increase was mainly due to the Group's intensified investment in research and development for its data intelligence products.

Provision of impairment loss on intangible assets

For the Period, no impairment loss on intangible assets was provided (2024: approximately RMB10.3 million). The impairment loss on intangible assets for the corresponding period in 2024 was mainly due to the slowdown in China's economic growth and the reduction in customer demand for personalized comprehensive health management, and hence the related intangible assets were impaired.

Selling expenses

For the Period, selling expenses of the Group amounted to approximately RMB18.5 million (2024: approximately RMB18.3 million), representing an increase of approximately RMB0.2 million or 1.1% when compared with the corresponding period of 2024. The selling expenses were maintained at a stable level.

Administrative expenses

Administrative expenses of the Group for the Period amounted to approximately RMB12.2 million (2024: approximately RMB15.0 million), representing a decrease of approximately RMB2.8 million or 18.8% when compared with the corresponding period of 2024. The decrease in administrative expenses was mainly due to the Group's implementation of tight cost control measures during the Period, and the reduction in number of administrative staff following the consolidation of its internal resources, causing the staff costs and other related expenses to fall accordingly.

Finance costs

Finance costs represented the interest portion derived from the lease liabilities. It was maintained at a low level as limited numbers of premises were leased by the Group.

Income tax expense

Income tax expense of the Group for the Period amounted to approximately RMB0.1 million (2024: approximately RMB1.5 million), representing a decrease of approximately of RMB1.4 million. The decrease was mainly due to the China's withholding tax on dividends declared by a PRC subsidiary of the Company during the corresponding period of 2024 in respect of its retained profits, whereas no such withholding tax occurred during the Period.

Loss and total comprehensive income for the Period attributable to owners of the Company

For the Period, the loss and total comprehensive income attributable to owners of the Company amounted to approximately RMB32.7 million (2024: approximately RMB30.5 million), representing an increase of approximately RMB2.2 million as compared with the corresponding period of 2024. The increase was mainly due to the impact of the decline in overall revenue which offset the reduction in impairment losses on intangible assets.

Management Discussion and Analysis

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its daily operations with internally generated cash flows. As at 30 June 2025, the Group had total assets of approximately RMB275.1 million and net assets of approximately RMB216.2 million (31 December 2024: approximately RMB306.3 million and approximately RMB248.9 million, respectively). In respect of the trade and bill receivables and contract assets of the Group amounted to approximately RMB15.1 million (31 December 2024: approximately RMB21.6 million), net of loss allowance of approximately RMB11.0 million (31 December 2024: approximately RMB8.7 million). The management will perform a regular review and implement stringent control measures on trade receivables with a view to ensuring the recovery of trade receivables on the due dates and closely monitoring the Group's liquidity. The Group's bank balances and cash amounted to approximately RMB175.5 million as at 30 June 2025 (31 December 2024: approximately RMB201.8 million). There was no bank borrowings as at 30 June 2025 and 31 December 2024. Taking into account the cash on hand and recurring cash flow from its business, the Group's financial position remained healthy and was sufficient to achieve its business objectives.

As at 30 June 2025, the cash and cash equivalents were held at RMB, USD and Hong Kong dollars.

NET DEBT-TO-CAPITAL RATIO

The Group's net debt-to-capital ratios as at 30 June 2025 and 31 December 2024 were zero. This ratio was calculated as total borrowings less bank balances and cash divided by total equity.

FOREIGN EXCHANGE EXPOSURE

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in foreign currencies, i.e. currencies other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily USD and Hong Kong dollars.

During the Period, the Group did not enter into any hedging arrangement. The management will continue to monitor closely the Group's foreign currency exposure and requirements and arrange for hedging facilities when necessary.

INTERIM DIVIDENDS

The Board resolved not to declare any interim dividends for the Period (2024: Nil).

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group had in total 297 (31 December 2024: 295) employees in the PRC and Hong Kong. Total staff costs amounted to approximately RMB41.9 million (six-month period ended 30 June 2024: approximately RMB42.3 million).

The Group's employees are remunerated by reference to industry practices and performance and the experience of individual employees. Our main focus is to ensure that the Group remains competitive within the market it operates in, to ensure we attract and retain the right talent necessary to grow the business and maximise shareholders' value. We place great emphasis on the development of our people as we firmly believe they are the core of the Group. Through our ongoing training programme, we encourage them to develop their talents and to move up the organisation. We believe these efforts are mutually beneficial to the Group and its employees.

Emoluments of the Directors of the Company are decided by the remuneration committee of the Company, having regard to the Company's operating results, individual performance and/or comparable market statistics.

The Company has share option schemes in place as an incentive to Directors and eligible employees.

PURCHASE, SALE AND REDEMPTION OF THE SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Period.

CONTINGENT LIABILITIES

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

SIGNIFICANT INVESTMENTS

The Group did not hold any material investments during the Period.

As at the date of this report, the Group does not have any plan for material investment or capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not make any material acquisitions or disposals of subsidiaries or affiliated companies during the Period.

IMPORTANT EVENTS SUBSEQUENT TO THE FINANCIAL PERIOD

The Directors are not aware of any important events affecting the Company that have occurred since the end of the Period.

OUTLOOK

Looking back at the first half of 2025, the Chinese economy faced challenges stemming from local and international macroeconomic conditions. Consumer sentiment turned increasingly cautious, while heightened market uncertainties further weighed on overall activities. Heeding those situations and to cope with market changes, the Group adjusted its business structure and integrated internal resources, allowing it to reduce operating costs, while further optimizing its proprietary services and products. Yet, despite its efforts, amid fierce market competition, the Group's overall revenue and gross profit dropped slightly.

Looking ahead to the second half of 2025, competition in China's IT market will intensify, with the market environment still full of variables and challenges. Nevertheless, the Chinese IT market is expected to continue to grow. To capture that trend, the Group will strengthen its business development in two main directions, namely the data intelligence business and the cloud intelligence business, by leveraging emerging technologies such as cloud computing, big data, and AI, to create the "AI + products + services" omni-business model, and capitalize on its shrewd industry insights and leading technology integration capabilities to assist customers in continuously improving operational efficiency and innovation.

Management Discussion and Analysis

Against the backdrop of enterprises hastening digital transformation, the Group will continue to focus on business innovation and industry development for its corporate customers. By integrating AI technology into industry application scenarios and gradually increasing investment in R&D resources, the Group aims to continue to provide corporate customers with more stable and higher-quality products and services. With years of experience in enterprise services, an extensive industry customer base, the Group will drive technological innovation and product refinement to build a full-stack AI capability system that connects computing power, data, plus models and applications. This will strengthen our end-to-end service capabilities from fundamental resources management to AI Agent delivery, fully supporting enterprises in AI capability development and deployment.

In recent years, the Group has been actively developing innovative proprietary products and intelligent applications. It has established the Genesis AI Innovation Center and assembled a specialized and pioneering research team of professors and holders of relevant doctorate degrees from renowned local and overseas universities, dedicated to improving the R&D and technological service capabilities of AI products. In the future, the Group will continue to increase its investment in R&D in a timely manner to strengthen its core competitiveness. At the same time, the Group will continue to strengthen cooperation with scientific research institutions on such areas as AI, big data, graph, communication technology and other aspects, carrying out potential applied technology research pinpointing the needs of enterprise customers, as well as promoting together transformation of scientific research results to realize maximum economic benefits.

Although the Group has successfully controlled operating costs by restructuring its business and consolidating resources, fluctuations in the global economy and uncertainties in the external environment will continue to affect the domestic market. In the future, the Group will continuously implement refined resource management solutions to ensure effective utilization of resources and improve operational efficiency. The Group will also strictly implement cost control measures to maintain a healthy financial position.

As an innovative technology enterprise, the Group is committed to advancing its core product technologies and providing products and services that can effectively address the key concerns of users. In an era of evolving digital intelligence, the Group firmly believes only by building a stable, flexible, and intelligent operational hub can enterprises effectively respond to the rapidly changing technological environment and complicated business requirements. Moving forward, Futong will continue to collaborate with customers, leveraging its centralized platform and comprehensive full-stack services to transform IT from a supporting role into a true driving force of growth. By bringing digital capabilities to the forefront, Futong aims to unlock the full business value of digital assets and enable enterprise customers to chart a clearer pathway toward intelligent transformation.

Corporate Governance and Other Information

CORPORATE GOVERNANCE

During the Period, the Board considered that the Company had applied the principles of and had complied with the code provisions set out in the Corporate Governance Code as stipulated in Part 2 of Appendix C1 to the Rules (the **"Listing Rules"**) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**). The amendments to the Corporate Governance Code effective on 1 July 2025 will apply to the corporate governance reports and annual reports for financial years commencing on or after 1 July 2025. The Company shall refer to the then effective Corporate Governance Code during the Period.

CODE OF CONDUCT REGARDING DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the **"Model Code"**) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Director's securities transactions. Having made specific enquiry by the Company, all Directors have confirmed their compliance with the required standard set out in the Model Code during the Period.

REVIEW OF ACCOUNTS

The unaudited condensed consolidated interim financial statements of the Group for the Period have been reviewed by the Company's auditor, BDO Limited, in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board. The unaudited condensed consolidated interim financial statements of the Group for the Period have also been reviewed by the audit committee of the Company.

SHARE OPTION SCHEME

On 16 May 2019, the shareholders of the Company approved and adopted a new share option scheme (the **"New Share Option Scheme"**) and terminated the share option scheme adopted on 11 November 2009 (the **"Old Share Option Scheme"**) (together, the **"Share Option Schemes"**). The Share Option Schemes were adopted for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The participants of the New Share Option Scheme include any employees (whether full-time or part-time, including any executive directors but excluding any non-executive directors) of the Group, any non-executive directors of the Group and any adviser (professional or otherwise) or consultants of the Group who render services that contribute to the success and growth of the Group or that reasonably may be anticipated to contribute to the further success and growth of the Group. The basis of eligibility of any of the eligible persons to the grant of share options shall be determined by the Board from time to time on the basis of their contribution or potential contribution to the development and growth of the Group. The New Share Option Scheme, unless otherwise cancelled or amended, will remain in force for 10 years from 16 May 2019.

An option may be accepted by a participant within 21 days from the date of the offer of grant of the option. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as determined by the Board, which must not be more than 10 years from the date of the grant. Unless otherwise determined by the Directors and stated in the offer for the grant of options to a grantee, there is no minimum period required under the Share Option Schemes for the holding of an option before it can be exercised.

Corporate Governance and Other Information

The subscription price for the shares under the Share Option Schemes shall be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the shares on the date of the offer for the grant, which must be a business day; (ii) the average closing price of shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of the offer for the grant; and (iii) the nominal value of a share.

The details of the principal terms and conditions of the New Share Option Scheme were summarised in the circular of the Company dated 11 April 2019. The details of the principal terms and conditions of the Old Share Option Scheme were summarised in the section headed "Share Option Scheme" in Appendix VI to the prospectus of the Company dated 24 November 2009.

Details of the movement in outstanding share options, which have been granted under the Old Share Option Scheme, during the Period were as below:

					Number of share options				
Name or category of participants	Date of grant	Vesting period	Exercise period	Exercise price (HK\$)	Number of share options				
					As at 1 January 2025	Granted during the Period	Exercised during the Period	Cancelled/ lapsed during the Period	As at 30 June 2025
Director									
Ms. Chen Jing (Note 8)	18 January 2016 (Note 7)	Note 1	Note 1	1.004	400,000	–	–	–	400,000
	28 March 2019	Note 3	Note 3	0.81	1,000,000	–	–	–	1,000,000
Sub-total					1,400,000	–	–	–	1,400,000
Employees									
	18 January 2016	Note 1	Note 1	1.004	400,000	–	–	–	400,000
	14 October 2016	Note 2	Note 2	1.250	600,000	–	–	–	600,000
	28 March 2019	Note 3	Note 3	0.81	2,500,000	–	–	–	2,500,000
Sub-total					3,500,000	–	–	–	3,500,000
Total					4,900,000	–	–	–	4,900,000

Corporate Governance and Other Information

Details of movement in outstanding share options, which have been granted under the New Share Option Scheme, during the Period were as below:

Name or category of participants	Date of grant	Vesting period	Exercise period	Exercise price (HK\$)	Number of share options				
					As at 1 January 2025	Granted during the Period	Exercised during the Period	Cancelled/ Lapsed during the Period	As at 30 June 2025
Directors									
Mr. Chen Jian	11 November 2020	Note 5	Note 5	0.518	2,000,000	–	–	–	2,000,000
Ms. Chen Jing (Note 8)	11 November 2020	Note 5	Note 5	0.518	500,000	–	–	–	500,000
Mr. Chow Siu Lui	11 November 2020	Note 5	Note 5	0.518	2,000,000	–	–	–	2,000,000
Mr. Lo Kwok Kwei David	11 November 2020	Note 5	Note 5	0.518	500,000	–	–	–	500,000
Mr. Yao Yun	11 November 2020	Note 5	Note 5	0.518	500,000	–	–	–	500,000
Sub-total					5,500,000	–	–	–	5,500,000
Employees									
	1 April 2020	Note 4	Note 4	0.57	2,760,000	–	–	–	2,760,000
	11 November 2020	Note 5	Note 5	0.518	2,000,000	–	–	–	2,000,000
	7 April 2025	Note 6	Note 6	0.295	–	2,500,000	–	–	2,500,000
Sub-total					4,760,000	2,500,000	–	–	7,260,000
Total					10,260,000	2,500,000	–	–	12,760,000

Save as disclosed above, no share options were granted to other participants.

The number of share options available for grant under the mandate of the Old Share Option Scheme was nil as at both 1 January 2025 and 30 June 2025. The number of share options available for grant under the mandate of the New Share Option Scheme was 15,965,000 as at 1 January 2025 and 13,465,000 as at 30 June 2025. No service provider sublimit was set under the New Share Option Scheme. The Company granted 2,500,000 share options during the Period. The number of shares that may be issued in respect of the options granted under all schemes of the Company during the Period (i.e. 2,500,000) divided by the weighted average number of Shares in issue (excluding treasury shares) for the Period (i.e. 311,250,000 Shares) is approximately 0.8%. There is no performance target attached to the share options granted during the Period.

Notes:

- The options are exercisable from 18 January 2016 to 17 January 2026 (both days inclusive) subject to the following vesting periods.
 - up to 30% of the options commencing on 18 January 2016;
 - up to 60% of the options commencing on 18 January 2017; and
 - up to 100% of the options commencing on 18 January 2018.

The closing price of the shares of the Company immediately before the date of grant was HK\$0.990.

Corporate Governance and Other Information

2. The options are exercisable from 14 October 2016 to 13 October 2026 (both days inclusive) subject to the following vesting periods:

- (1) up to 30% of the options commencing on 14 October 2016;
- (2) up to 60% of the options commencing on 14 October 2017; and
- (3) up to 100% of the options commencing on 14 October 2018.

The closing price of the shares of the Company immediately before the date of grant was HK\$1.25.

3. The options are exercisable from 28 March 2019 to 27 March 2029 (both days inclusive) subject to the following vesting periods:

- (1) up to 30% of the options commencing on 28 March 2019;
- (2) up to 60% of the options commencing on 28 March 2020; and
- (3) up to 100% of the options commencing on 28 March 2021.

The closing price of the shares of the Company immediately before the date of grant was HK\$0.81.

4. The options are exercisable from 1 April 2021 to 31 March 2030 (both days inclusive) subject to the following vesting periods:

- (1) up to 20% of the options commencing on 1 April 2021;
- (2) up to 40% of the options commencing on 1 April 2022;
- (3) up to 70% of the options commencing on 1 April 2023; and
- (4) up to 100% of the options commencing on 1 April 2024;

The closing price of the shares of the Company immediately before the date of grant was HK\$0.58.

5. The options are exercisable from 11 November 2021 to 10 November 2030 (both days inclusive) subject to the following vesting periods:

- (1) up to 20% of the options commencing on 11 November 2021;
- (2) up to 40% of the options commencing on 11 November 2022;
- (3) up to 70% of the options commencing on 11 November 2023; and
- (4) up to 100% of the options commencing on 11 November 2024.

The closing price of the shares of the Company immediately before the date of grant was HK\$0.51.

6. The options are exercisable from 7 April 2026 to 6 April 2035 (both days inclusive) subject to the following vesting periods:

- (1) up to 20% of the options commencing on 7 April 2026;
- (2) up to 40% of the options commencing on 7 April 2027;
- (3) up to 70% of the options commencing on 7 April 2028; and
- (4) up to 100% of the options commencing on 7 April 2029.

The closing price of the shares of the Company immediately before the date of grant was HK\$0.295.

7. These share options were granted to Ms. Chen Jing before she became a Director.

8. Ms. Chen Jing has retired as a Director with effect from 30 June 2025. Pursuant to the terms of the New Share Option Scheme, Ms. Chen Jing may exercise the options (to the extent not already exercised) in whole or in part within a period of 12 months following the date of cessation of employment, or such longer period as the Directors may determine.

Details of the value of share options granted are set out in Note 19 to the condensed consolidated interim financial statements.

DISCLOSURE OF INTERESTS

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2025, the interests and short positions of the Directors and chief executive of the Company in 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")) as recorded in the register maintained 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 were as follows:

(i) Long positions in the shares of the Company:

Name of Director	Capacity/nature of interest	Number of ordinary shares held	Approximate percentage of the Company's issued share capital (%)
Chen Jian	Beneficial owner/interest in controlled corporations	217,410,000 (Notes 1, 2, 3, 4 and 5)	69.85
Chen Jing (Note 7)	Beneficial owner	1,238,000 (Note 6)	0.40

(ii) Long positions in the underlying shares of the Company:

Name of Director	Capacity/nature of interest	Number of underlying shares held	Approximate percentage of the Company's issued share capital (%)
Chen Jian	Beneficial owner	2,000,000 (Note 8)	0.64
Chen Jing (Note 7)	Beneficial owner	1,900,000 (Note 8)	0.61
Chow Siu Lui	Beneficial owner	2,000,000 (Note 8)	0.64
Lo Kwok Kwei David	Beneficial owner	500,000 (Note 8)	0.16
Yao Yun	Beneficial owner	500,000 (Note 8)	0.16

Corporate Governance and Other Information

Notes:

1. 153,947,250 of these shares are held by China Group Associates Limited, the entire issued share capital of which is wholly and beneficially owned by Mr. Chen Jian. By virtue of the SFO, Mr. Chen Jian is deemed to be interested in the shares held by China Group Associates Limited.
2. 28,421,100 of these shares are held by Rich China Investments And Trading Ltd., the entire issued share capital of which is wholly and beneficially owned by Mr. Chen Jian. By virtue of the SFO, Mr. Chen Jian is deemed to be interested in the shares held by Rich China Investments And Trading Ltd.
3. 21,435,100 of these shares are held by Rich World Development Ltd., the entire issued share capital of which is wholly and beneficially owned by Mr. Chen Jian. By virtue of the SFO, Mr. Chen Jian is deemed to be interested in the shares held by Rich World Development Ltd.
4. 10,710,550 of these shares are held by Long Joy Group Limited, the entire issued share capital of which is wholly and beneficially owned by Mr. Chen Jian. By virtue of the SFO, Mr. Chen Jian is deemed to be interested in the shares held by Long Joy Group Limited.
5. 2,896,000 shares of the Company are held by Mr. Chen Jian as beneficial owner.
6. 1,238,000 shares of the Company are held by Ms. Chen Jing as beneficial owner.
7. Ms. Chen Jing has retired as a Director with effect from 30 June 2025.
8. These shares are derived from the interest in share options granted by the Company, details of which are set out in the above section headed "Share Option Scheme".

Save as disclosed above, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as at 30 June 2025.

Discloseable Interests and Short Positions of Substantial Shareholders and Other Persons Under the SFO

As at 30 June 2025, the following persons or corporations (other than a Director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO and so far as is known to any Director or chief executive of the Company:

Long positions in the shares of the Company:

Name	Capacity/nature of interest	Number of ordinary shares held	Approximate percentage of the Company's issued share capital (%)
China Group Associates Limited (Note 1)	Beneficial owner	153,947,250	49.46
Rich China Investments And Trading Ltd. (Note 2)	Beneficial owner	28,421,100	9.13
Ms. Zhang Xin (Note 3)	Interest of spouse	219,410,000	70.49
Mr. Li Xiaoyong	Beneficial owner	26,440,000	8.49
Rich World Development Ltd. (Note 4)	Beneficial owner	21,435,100	6.89

Notes:

1. China Group Associates Limited is a company incorporated in the British Virgin Islands ("BVI") with limited liability which is wholly and beneficially owned by Mr. Chen Jian. Mr. Chen Jian is the sole director of China Group Associates Limited.
2. Rich China Investments And Trading Ltd. is a company incorporated in the BVI with limited liability which is wholly and beneficially owned by Mr. Chen Jian. Mr. Chen Jian is the sole director of Rich China Investments and Trading Ltd.
3. Ms. Zhang Xin is the spouse of Mr. Chen Jian. Under the SFO, Ms. Zhang Xin is taken to be interested in the same number of shares in which Mr. Chen Jian is interested.
4. Rich World Development Ltd. is a company incorporated in the BVI with limited liability which is wholly and beneficially owned by Mr. Chen Jian. Mr. Chen Jian is the sole director of Rich World Development Ltd.

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

Report on Review of Condensed Consolidated Interim Financial Statements



Tel : +852 2218 8288
Fax: +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

電話 : +852 2218 8288
傳真 : +852 2815 2239
www.bdo.com.hk

香港干諾道中111號
永安中心25樓

To the Board of Directors of Futong Technology Development Holdings Limited

富通科技發展控股有限公司

(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the condensed consolidated interim financial statements set out on pages 17 to 37, which comprise the condensed consolidated statement of financial position of Futong Technology Development Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) as of 30 June 2025, and the related condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated interim financial statements, including material accounting policy information. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting” (“**IAS 34**”). The directors are responsible for the preparation and presentation of the condensed consolidated interim financial statements in accordance with IAS 34.

Our responsibility is to express a conclusion on the condensed consolidated interim financial statements based on our review. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the International Auditing and Assurance Standards Board. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

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

BDO Limited

Certified Public Accountants

Or Ying Ying, Anita

Practising Certificate Number: P07424

Hong Kong, 21 August 2025

BDO Limited
香港立信德豪會計師事務所有限公司

BDO Limited, a Hong Kong limited company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six-month period ended 30 June 2025

		Six-month period ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
		Notes	
Revenue	5	58,280	66,992
Cost of sales and services		(52,292)	(54,379)
Gross profit		5,988	12,613
Other income	6	2,031	8,249
Other gains and losses, net	7	(771)	(186)
Loss allowance recognised on financial assets		(2,825)	(610)
Provision for impairment loss on intangible assets	14	–	(10,334)
Research and development costs		(6,397)	(5,417)
Selling expenses		(18,516)	(18,307)
Administrative expenses		(12,151)	(14,958)
Loss from operations		(32,641)	(28,950)
Finance costs	8	(38)	(69)
Loss before income tax	9	(32,679)	(29,019)
Income tax expense	10	(36)	(1,519)
Loss and total comprehensive income for the period		(32,715)	(30,538)
Loss and total comprehensive income for the period attributable to:			
Owners of the Company		(32,699)	(30,529)
Non-controlling interests		(16)	(9)
		(32,715)	(30,538)
Loss per share		RMB	RMB
Basic and diluted	12	(0.11)	(0.10)

Condensed Consolidated Statement of Financial Position

At 30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	13	1,294	1,777
Intangible assets	14	30,279	33,402
Right-of-use assets		16,230	17,626
Financial assets at fair value through profit or loss ("FVTPL")		830	842
Interest in joint venture		–	–
Deferred tax assets		4,713	4,749
Total non-current assets		53,346	58,396
Current assets			
Inventories		–	–
Trade, bill and other receivables	15	37,607	35,704
Contract assets		8,612	10,422
Bank balances and cash	16	175,522	201,806
Total current assets		221,741	247,932
Current liabilities			
Trade and other payables	17	20,018	19,121
Contract liabilities		37,973	36,520
Lease liabilities		737	1,439
Total current liabilities		58,728	57,080
Net current assets		163,013	190,852
Total assets less current liabilities		216,359	249,248
Non-current liabilities			
Lease liabilities		184	398
NET ASSETS		216,175	248,850
CAPITAL AND RESERVES			
Share capital	18	27,415	27,415
Reserves		184,201	216,860
Equity attributable to owners of the Company		211,616	244,275
Non-controlling interests		4,559	4,575
Total equity		216,175	248,850

Condensed Consolidated Statement of Changes in Equity

For the six-month period ended 30 June 2025

	Attributable to owners of the Company							Non-controlling interests	Total equity
	Share capital	Share premium	Merger reserve	Share options reserve	Statutory reserves	Retained profit	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000		
At 1 January 2024 (audited)	27,415	81,538	219	3,769	81,058	120,899	314,898	4,610	319,508
Loss and total comprehensive income for the period	-	-	-	-	-	(30,529)	(30,529)	(9)	(30,538)
Recognition of equity-settled share-based payments (Note 19)	-	-	-	113	-	-	113	-	113
At 30 June 2024 (unaudited)	27,415	81,538	219	3,882	81,058	90,370	284,482	4,601	289,083
At 1 January 2025 (audited)	27,415	81,538	219	2,908	81,058	51,137	244,275	4,575	248,850
Loss and total comprehensive income for the period	-	-	-	-	-	(32,699)	(32,699)	(16)	(32,715)
Recognition of equity-settled share-based payments (Note 19)	-	-	-	40	-	-	40	-	40
At 30 June 2025 (unaudited)	27,415	81,538	219	2,948	81,058	18,438	211,616	4,559	216,175

Condensed Consolidated Statement of Cash Flows

For the six-month period ended 30 June 2025

	Six-month period ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net cash used in operating activities	(25,008)	(30,463)
Cash flows from investing activities		
Bank interest received	1,911	7,907
Development costs paid	(2,421)	(3,661)
Purchase of property, plant and equipment	(114)	(297)
<i>Net cash (used in)/generated from investing activities</i>	(624)	3,949
Cash flows from financing activities		
Interest paid on lease liabilities	(38)	(69)
Repayments on principal portion of lease liabilities	(909)	(726)
<i>Net cash used in financing activities</i>	(947)	(795)
Net decrease in cash and cash equivalents	(26,579)	(27,309)
Cash and cash equivalents at beginning of the period	201,806	245,067
Effect of foreign exchange rate changes	295	(126)
Cash and cash equivalents at end of the period	175,522	217,632

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

1. GENERAL INFORMATION

Futong Technology Development Holdings Limited (the “**Company**”) is a limited liability company incorporated in the Cayman Islands as an exempted company. The address of the Company’s registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is Rooms 2406-2412, 24th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**SEHK**”).

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are mainly engaged in provision of enterprise IT infrastructure products, services and solutions, cloud computing products and intelligent digitalised application products.

The directors of the Company consider that the immediate parent and ultimate holding company of the Company is China Group Associates Limited, a company incorporated in the British Virgin Islands (the “**BVI**”).

These condensed consolidated interim financial statements were authorised and approved by the Board for issue on 21 August 2025.

2. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (“**IAS**”) 34 “*Interim Financial Reporting*” (“**IAS 34**”) and the applicable disclosure provisions of Main Board Listing Rules Governing the Listing of Securities on the SEHK.

These condensed consolidated interim financial statements have been prepared under the historical cost except for financial assets at FVTPL, which are stated at fair value.

These condensed consolidated interim financial statements have been prepared with the same accounting policies adopted in the 2024 annual financial statements, except for those that relate to the amended standards or interpretations effective for the first time for periods beginning on or after 1 January 2025. Details of any changes in IFRS Accounting Standards are set out in Note 3.

The preparation of these condensed consolidated interim financial statements in compliance with IAS 34 requires the use of certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates. The significant judgements and estimates were the same as those that applied to the Group’s annual consolidated financial statements for the year ended 31 December 2024.

These condensed consolidated interim financial statements are presented in Renminbi (“**RMB**”), unless otherwise stated. These condensed consolidated interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual consolidated financial statements. These condensed consolidated interim financial statements and notes do not include all of the information required for a complete set of financial statements prepared in accordance with the IFRS Accounting Standards and should be read in conjunction with the 2024 consolidated financial statements.

These condensed consolidated interim financial statements are unaudited, but has been reviewed by BDO Limited in accordance with International Standard on Review Engagements 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the International Auditing and Assurance Standards Board.

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

3. CHANGES IN IFRS ACCOUNTING STANDARDS

In the current period, the Group has applied for the first time, the following amended IFRS Accounting Standards as issued by International Accounting Standards Board ("**IASB**") that are relevant to and effective for the Group's condensed consolidated interim financial statements for the annual period beginning on 1 January 2025:

Amendments to IAS 21 and IFRS 1	Lack of Exchangeability
---------------------------------	-------------------------

The adoption of the above amendments in the current period has no material effect on the amounts reported and/or disclosures set out in these condensed consolidated interim financial statements.

The following new or amended IFRS Accounting Standards, potentially relevant to the Group's condensed consolidated interim financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
IFRS 18	Presentation and Disclosure in Financial Statements ³

¹ No mandatory effective date yet determined but available for adoption

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

Except as disclosed below, the directors expect that the adoption of the above new or amended IFRS Accounting Standards will have no material impact on the consolidated financial statements in the year of initial application.

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 *Basis of Preparation of Financial Statements* (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

IFRS 18 is effective for annual periods beginning on or after 1 January 2027. Retrospective application is required and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

4. SEGMENT INFORMATION

IFRS 8 "Operating Segments" requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the senior executive management of the Company, the chief operating decision makers (the "**CODM**"), in order to allocate resources and to assess performance.

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

4. SEGMENT INFORMATION *(Continued)*

The CODM monitors the results of the Group's operating segment for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss.

During the six-month period ended 30 June 2025, given the Intelligent Health Management Business and the Intelligent Application Business revenue has always been less than eight percent of the Group's total revenue, the CODM reassessed the Group's business model and combined the Intelligent Health Management Business and the Intelligent Application Business under the Enterprise Management Business.

Consequently, information reported to the CODM, for the purposes of resource allocation and assessment, focus on the Enterprise Management Business as the sole operating and reportable segment for the current period, engaging in the provision of IT infrastructure products, services and solutions, cloud computing products and intelligent digitalised application products.

Previously reported figures in respect of certain segment assets and segment liabilities as at 31 December 2024 and certain segment revenue and segment results for the six-month period ended 30 June 2024, have been restated to conform with the presentation of segmental information adopted in respect of the current period.

The Group's revenue and results are substantially derived from operations in the PRC. The following is an analysis of the Group's revenue and results by reportable and operating segment:

	Six-month period ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Re-presented) (Unaudited)
Segment revenue from external customers	58,280	66,992
Segment loss	(23,671)	(23,109)
Unallocated income		
– Interest income	1,911	7,907
– Fair value gains on financial assets at FVTPL	–	89
Unallocated expenses		
– Depreciation of property, plant and equipment	(289)	(420)
– Depreciation of right-of-use assets	(1,139)	(1,031)
– Finance costs	(38)	(69)
– Corporate and other unallocated expenses	(9,453)	(12,386)
Loss before income tax	(32,679)	(29,019)

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

4. SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities

The following table presents the assets and liabilities information of the Group's operating segment as at 30 June 2025 and 31 December 2024:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Re-presented)
Segment assets	79,639	75,761
Corporate unallocated assets	195,448	230,567
Consolidated assets	275,087	306,328
Segment liabilities	52,770	48,617
Corporate unallocated liabilities	6,142	8,861
Consolidated liabilities	58,912	57,478

Segment assets primarily consist of all assets excluding interest in joint venture, financial assets at FVTPL, right-of-use assets, deferred tax assets, bank balances and cash and corporate assets which are not allocated to the reportable segment.

Segment liabilities primarily consist of all liabilities excluding corporate liabilities which are not allocated to the reportable segment.

The information disclosed above represented the segments to be identified on the basis of interim reports about components of the Group that are regularly reviewed by the CODM for the purpose of assessing its performance and allocating resources to segment.

Information about geographical areas

Information about the Group's non-current assets, excluding interest in joint venture, financial assets at FVTPL and deferred tax assets, determined based on the geographical location of the assets, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Hong Kong	127	735
The PRC	47,676	52,070
	47,803	52,805

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

5. REVENUE

All the Group's revenue is derived from contracts with customers for the provision of enterprise IT services and products.

Revenue is disaggregated by primary geographical markets and timing of revenue recognition as following tables.

	Six-month period ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Primary geographical markets		
Hong Kong	404	–
The PRC	57,876	66,992
	58,280	66,992
Timing of revenue recognition		
At a point in time	28,439	40,677
Transferred over time	29,841	26,315
	58,280	66,992

The following table provides information about trade and bill receivables, contract assets and contract liabilities from contracts with customers.

	30 June	31 December
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Trade and bill receivables (Note 15)	6,459	11,136
Contract assets	8,612	10,422
Contract liabilities	37,973	36,520

Contract assets primarily relate to the Group's rights to consideration for work completed but not certified the receipt by customers at the reporting date on revenue related to the provision of enterprise IT services and products. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the delivery is certified and the Group provides the invoice to customers.

Contract liabilities mainly relate to the advance consideration received from customers. Balance of RMB10,387,000 as of 1 January 2025 has been recognised as revenue for the six-month period ended 30 June 2025 from performance obligations satisfied due to the completion of services.

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

5. REVENUE *(Continued)*

The Group has applied the practical expedient to its sales contracts for provision of enterprise IT services and products and therefore the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for provision of enterprise IT services and products that had an original expected duration of one year or less.

6. OTHER INCOME

	Six-month period ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income	1,911	7,907
Government grants (Note)	3	1
Others	117	341
	2,031	8,249

Note: These grants are unconditional and are received by the Group from relevant government bodies for the purpose of giving immediate financial support to the Group's operation.

7. OTHER GAINS AND LOSSES, NET

	Six-month period ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Fair value gain on financial assets at FVTPL	–	89
Foreign exchange (losses)/gains, net	(635)	23
Recovery of trade receivables previously written off	335	–
Write-off of property, plant and equipment	(136)	–
Others	(335)	(298)
	(771)	(186)

8. FINANCE COSTS

	Six-month period ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on lease liabilities	38	69

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

9. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging:

	Six-month period ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Staff costs:		
Salaries and allowances	37,207	35,685
Contributions to defined contribution retirement plans	4,166	4,197
Equity-settled share-based payments	40	113
Redundancy expense	446	2,320
	41,859	42,315
Less: capitalised as intangible assets	(2,122)	(3,522)
	39,737	38,793
Other items:		
Cost of sales and services	46,890	47,436
Amortisation of intangible assets (Note)	5,544	7,200
Depreciation of right-of-use assets	1,139	1,031
Depreciation of property, plant and equipment	458	608
Short-term lease expenses	248	186

Note: Amortisation of RMB5,402,000 (six-month period ended 30 June 2024: RMB6,943,000) and RMB142,000 (six-month period ended 30 June 2024: RMB257,000) have been included in cost of sales and services and administrative expenses respectively.

10. INCOME TAX EXPENSE

	Six-month period ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax		
Withholding tax on dividends received from subsidiary	–	(1,503)
Deferred tax		
Origination and reversal of temporary difference	(36)	(16)
	(36)	(1,519)

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

10. INCOME TAX EXPENSE *(Continued)*

Notes:

- (i) Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (ii) No Hong Kong Profit Tax has been provided as the Group had no assessable profits arising in Hong Kong during the six-month periods ended 30 June 2025 and 2024.
- (iii) Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, except for two subsidiaries have been granted continuously on a three years interval with a qualification of high-tech enterprise which entitles these subsidiaries a preferential income tax rate of 15%, the tax rate of the Company's subsidiaries is 25% in the PRC from 1 January 2008 onwards.

At 30 June 2025, the Group had unused tax losses of approximately RMB495,829,000 (31 December 2024: RMB469,383,000), available to offset against future profits. No deferred tax asset has been recognised in respect of those tax losses due to the unpredictability of future profit streams.

The unrecognised tax losses related to Hong Kong subsidiaries amounted to RMB64,550,000 (31 December 2024: RMB64,312,000) can be carried forward indefinitely until utilisation and subject to the approval from Inland Revenue Department.

The unrecognised tax losses related to PRC subsidiaries amounting to RMB431,279,000 (31 December 2024: RMB405,071,000), under the EIT Law and Implementation Regulation of the EIT Law, except for two subsidiaries have been granted with a qualification of high-tech enterprise which entitles to carry forward the unrecognised tax loss for ten years, the unrecognised tax loss for the Company's subsidiaries in the PRC would expire in five years from the respective dates of incurrence.

- (iv) According to the EIT Law, withholding income tax at a rate of 10% would be imposed on dividends relating to profits earned from year 2008 onwards to foreign investors for the companies established in the PRC. Such dividend tax rate may be further reduced by applicable tax treaties or arrangement. According to the arrangement between the PRC and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, the withholding tax rate on dividends paid by a PRC resident enterprise to a Hong Kong resident enterprise is reduced to 5% if the Hong Kong resident enterprise holds at least 25% equity interests in the PRC resident enterprise.

11. DIVIDENDS

During the six-month period ended 30 June 2025, no final dividends in respect of the year ended 31 December 2024 was declared and paid to the owners of the Company (six-month period ended 30 June 2024: Nil).

The directors have determined that no dividends will be paid in respect of the current interim period (six-month period ended 30 June 2024: Nil).

12. LOSS PER SHARE

The calculation of basic and diluted loss per share for the six-month period ended 30 June 2025 is based on the loss for the period attributable to owners of the Company of RMB32,699,000 (six-month period ended 30 June 2024: RMB30,529,000) and the weighted average of 311,250,000 ordinary shares (six-month period ended 30 June 2024: 311,250,000 ordinary shares) in issue during the interim period.

The computation of diluted loss per share attributable to owners of the Company are the same as basic loss per share as the impact of the exercise of share options was anti-dilutive for the six-month periods ended 30 June 2025 and 30 June 2024.

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

13. PROPERTY, PLANT AND EQUIPMENT

During the six-month period ended 30 June 2025, the Group paid RMB114,000 (six-month period ended 30 June 2024: RMB297,000) for acquisition of furniture, fixtures and equipment.

14. INTANGIBLE ASSETS

	Software copyright RMB'000	Intellectual property rights RMB'000	Capitalised development costs RMB'000 (Note)	Total RMB'000
COST				
1 January 2024 (audited)	4,716	2,832	94,622	102,170
Additions				
– Internally developed	–	–	7,503	7,503
At 31 December 2024 and 1 January 2025 (audited)	4,716	2,832	102,125	109,673
Additions				
– Internally developed	–	–	2,421	2,421
At 30 June 2025 (unaudited)	4,716	2,832	104,546	112,094
ACCUMULATED AMORTISATION AND IMPAIRMENT				
At 1 January 2024 (audited)	4,715	1,181	47,515	53,411
Amortisation	–	283	12,243	12,526
Impairment	–	–	10,334	10,334
At 31 December 2024 and 1 January 2025 (audited)	4,715	1,464	70,092	76,271
Amortisation	–	142	5,402	5,544
At 30 June 2025 (unaudited)	4,715	1,606	75,494	81,815
NET BOOK VALUE				
At 30 June 2025 (unaudited)	1	1,226	29,052	30,279
At 31 December 2024 (audited)	1	1,368	32,033	33,402

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

14. INTANGIBLE ASSETS *(Continued)*

Note:

During the six-month period ended 30 June 2025, the Group spent RMB8,818,000 (six-month period ended 30 June 2024: RMB9,078,000) to research, develop and enhance its cloud computing management system. Total of RMB2,421,000 (six-month period ended 30 June 2024: RMB3,661,000) internally generated costs have been recognised as intangible assets in respect of cloud computing management system. The Group's development costs for the completed systems are amortised on straight-line method over its estimated useful life of 5 years.

Customer demand for the personalised integrated health management solutions had been declining. Consequently, provision for impairment of RMB10,334,000 was recognised for the Intelligent Health Management Business during the year ended 31 December 2024. No reversal or impairment was made during the six-month period ended 30 June 2025.

15. TRADE, BILL AND OTHER RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables	17,403	19,751
Less: loss allowance	(10,944)	(8,633)
	6,459	11,118
Bill receivables	–	18
Total trade and bill receivables	6,459	11,136
Prepayments	27,936	19,951
Deposits	1,590	1,112
VAT receivables	1,270	2,793
Other receivables	352	712
	37,607	35,704

The Group allows an average credit period of 30 to 90 days (31 December 2024: 30 to 90 days) to its trade customers.

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

15. TRADE, BILL AND OTHER RECEIVABLES *(Continued)*

Based on invoice dates, the aging analysis of trade receivables, net of loss allowance, as of the end of each reporting period is as follows.

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
0 – 30 days	1,330	400
31 – 60 days	399	–
61 – 90 days	–	635
More than 90 days	4,730	10,083
	6,459	11,118

16. BANK BALANCES AND CASH

At 30 June 2025, included in bank balances and cash are guaranteed deposits for customers, amounting to RMB3,369,000 (31 December 2024: RMB4,720,000).

17. TRADE AND OTHER PAYABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade payables	14,620	11,173
Other payables and accruals	5,200	7,818
Other tax payable	198	130
	20,018	19,121

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

17. TRADE AND OTHER PAYABLES *(Continued)*

The credit period on purchases of goods was 30 to 90 days (31 December 2024: 30 to 90 days). The following is the ageing analysis of trade payables, based on the invoice date, as of the end of each reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Less than 1 month	6,997	1,119
1 to 3 months	–	1,559
More than 3 months	7,623	8,495
	14,620	11,173

18. SHARE CAPITAL

	Number of shares '000	HK\$'000
Authorised:		
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025		
Ordinary shares of HK\$0.1 each	2,000,000	200,000
Issued and fully paid:		
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	311,250	31,125
		RMB'000
Presented as		27,415

19. SHARE-BASED PAYMENTS

On 16 May 2019, the shareholders of the Company approved and adopted a new share option scheme (the “**New Share Option Scheme**”) and terminated the share option scheme adopted on 11 November 2009 (the “**Old Share Option Scheme**”) (together, the “**Share Option Schemes**”). The share option schemes were adopted for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. The maximum number of shares that may be granted under the Share Option Scheme and other share option schemes shall not exceed 30% of the number of issued shares of the Company from time to time. Unless approved by the shareholders of the Company in general meeting in the manner prescribed in the Listing Rules, the board of directors shall not grant options to any grantee if the acceptance of those options would result in the total number of shares issued and to be issued to that grantee on exercise of his options during any 12-month period exceeding 1% of the total shares of the Company (or its subsidiary) then in issue.

On 18 January 2016, the Company announced that a total of 2,200,000 share options (the “**Share Options A**”) to subscribe for ordinary shares of HK\$0.10 each in the capital of the Company (the “**Shares**”) were granted by the Company to a non-executive director and the eligible employees of the Group (the “**Share Options A Grantees**”), subject to acceptance of the Share Options A Grantees, under the Old Share Option Scheme. A summary of this grant is set out below:

Exercise price of Share Options A	HK\$1.004 per Share
Closing price of the Shares on the date of grant	HK\$0.990
Validity period of the Share Options A	10 years, commencing on 18 January 2016
Vesting date of Share Options A	All Share Options A were vested in 2018

On 14 October 2016, the Company announced that a total of 1,200,000 share options (the “**Share Options B**”) to subscribe for Shares were granted by the Company to the eligible employees of the Group (the “**Share Options B Grantees**”), subject to acceptance of the Share Options B Grantees, under the Old Share Option Scheme. A summary of the grant is set out below:

Exercise price of Share Options B	HK\$1.25 per Share
Closing price of the Shares on the date of grant	HK\$1.25
Validity period of the Share Options B	10 years, commencing on 14 October 2016
Vesting date of Share Options B	All Share Options B were vested in 2018

On 28 March 2019, the Company announced that a total of 7,700,000 share options (the “**Share Options C**”) to subscribe for Shares were granted by the Company to a non-executive director and the eligible employees of the Group (the “**Share Options C Grantees**”), subject to acceptance of the Share Options C Grantees, under the Old Share Option Scheme. A summary of the grant is set out below:

Exercise price of Share Options C	HK\$0.81 per Share
Closing price of the Shares on the date of grant	HK\$0.81
Validity period of the Share Options C	10 years, commencing on 28 March 2019
Vesting date of Share Options C	30%, 30% and 40% of the Share Options C were vested on 28 March 2019, 28 March 2020 and 28 March 2021, respectively

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

19. SHARE-BASED PAYMENTS *(Continued)*

On 1 April 2020, the Company announced that a total of 3,000,000 share options (the **"Share Options D"**) to subscribe for Shares were granted by the Company to the eligible employees of the Group (the **"Share Options D Grantees"**), subject to acceptance of the Share Options D Grantees, under the New Share Option Scheme. A summary of the grant is set out below:

Exercise price of Share Options D	HK\$0.57 per Share
Closing price of the Shares on the date of grant	HK\$0.57
Validity period of the Share Options D	10 years, commencing on 1 April 2020
Vesting date of Share Options D	20%, 20%, 30% and 30% of the Share Options D were vested on 1 April 2021, 1 April 2022, 1 April 2023 and 1 April 2024, respectively

On 11 November 2020, the Company announced that a total of 11,800,000 share options (the **"Share Options E"**) to subscribe for Shares were granted by the Company to the directors, chief executive officer of the Company and eligible employees of the Group (the **"Share Options E Grantees"**), subject to acceptance of the Share Options E Grantees, under the New Share Option Scheme. A summary of the grant is set out below:

Exercise price of Share Options E	HK\$0.518 per Share
Closing price of the Shares on the date of grant	HK\$0.510
Validity period of the Share Options E	10 years, commencing on 11 November 2020
Vesting date of Share Options E	20%, 20%, 30% and 30% of the Share Options E were vested on 11 November 2021, 11 November 2022, 11 November 2023 and 11 November 2024, respectively

On 7 April 2025, the Company announced that a total of 2,500,000 share options (the **"Share Options F"**) to subscribe for Shares were granted by the Company to the employees of the Company (the **"Share Option F Grantees"**), subject to acceptance of the Share Options F Grantees, under the New Share Option Scheme. A summary of the grant is set out below:

Exercise price of Share Options F	HK\$0.295 per Share
Closing price of the Shares on the date of grant	HK\$0.280
Validity period of the Share Options F	10 years, commencing on 7 April 2025
Vesting date of Share Options F	20%, 20%, 30% and 30% of the Share Options F will be vested on 7 April 2026, 7 April 2027, 7 April 2028 and 7 April 2029, respectively

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

19. SHARE-BASED PAYMENTS *(Continued)*

The following tables disclose movements of the Share Options during the six-month periods ended 30 June 2025 and 2024:

Category	Outstanding as at 1 January 2025	Granted during the period	Lapsed during the period	Outstanding as at 30 June 2025
Share Options A	800,000	–	–	800,000
Share Options B	600,000	–	–	600,000
Share Options C	3,500,000	–	–	3,500,000
Share Options D	2,760,000	–	–	2,760,000
Share Options E	7,500,000	–	–	7,500,000
Share Options F	–	2,500,000	–	2,500,000
	15,160,000	2,500,000	–	17,660,000

Category	Outstanding as at 1 January 2024	Granted during the period	Lapsed during the period	Outstanding as at 30 June 2024
Share Options A	1,200,000	–	–	1,200,000
Share Options B	600,000	–	–	600,000
Share Options C	4,800,000	–	–	4,800,000
Share Options D	2,760,000	–	–	2,760,000
Share Options E	10,800,000	–	–	10,800,000
	20,160,000	–	–	20,160,000

None of the share options were exercised during the current and prior interim periods.

The fair values of the Share Options A, Share Options B, Share Options C, Share Options D, Share Options E and Share Options F determined at the dates of the grants were RMB712,000 (equivalent to HK\$847,000), RMB518,000 (equivalent to HK\$598,000), RMB1,227,000 (equivalent to HK\$1,435,000), RMB504,000 (equivalent to HK\$551,000), RMB2,101,000 (equivalent to HK\$2,347,000) and RMB345,000 (equivalent to HK\$375,000) respectively. These fair values were calculated using Binomial Model.

The inputs into the model for Share Options F granted during the current period was as follows:

Spot price	HK\$0.28
Exercise price	HK\$0.295
Expected volatility	49.84%
Expected life	10 years
Suboptimal factor	2.34
Risk-free rate	2.821%
Expected dividend yield	0.00%

The volatility assumption, measured at the standard deviation of expected share price returns, is based on a statistical analysis of weekly share prices over the last ten years.

The Group recognised total expense of RMB40,000 for the six-month period ended 30 June 2025 in relation to the Share Options F (six-month period ended 30 June 2024: RMB113,000 in relation to the Share Options D and Share Options E).

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

20. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in these condensed consolidated interim financial statements, the Group had the following significant transactions with related parties during the six-month periods ended 30 June 2025 and 2024:

Name of party	Relationships
北京深思軟件股份有限公司 Beijing Deep Thought Software Co., Ltd.*	A company controlled by Mr. Chen Jian, a director of the Company
數普金通數據技術有限公司 Supool Jintong Data Technology Co., Ltd.*	A company controlled by Mr. Chen Jian, a director of the Company

* The English translation of the company name is for reference only. The official name of this entity is in Chinese.

(a) Related party transactions

Particulars of related party transactions during the six-month periods ended 30 June 2025 and 2024 were as follows:

	Six-month period ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Purchase of inventories	370	–
Provision of services	141	661
Short-term lease expenses	115	172

(b) Balances with related party

At the end of the reporting period, the Group had the following balances with related party:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables	832	683
Prepayments	1,574	249

The balances are unsecured, interest free and expected to be recovered/utilised within one year.

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2025

20. RELATED PARTY TRANSACTIONS *(Continued)*

(c) Key management personnel remuneration

The remuneration of directors of the Company and key management personnel during the six-month periods ended 30 June 2025 and 2024 were as follows:

	Six-month period ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Salaries and other benefits	4,459	4,504
Contributions to defined contribution retirement plans	518	469
Equity-settled share-based payments	40	58
	5,017	5,031

Total remuneration was included under staff costs as set out in Note 9.

21. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
At 30 June 2025 (unaudited)				
Financial assets at FVTPL				
Listed equity investment	830	–	–	830
At 31 December 2024 (audited)				
Financial assets at FVTPL				
Listed equity investment	842	–	–	842

The fair value of the listed equity investment included in level 1 is based on the quoted market prices at the reporting date. The quoted market price used for the listed equity investment held by the Group is the current bid price.

There were no transfers between levels 1, 2 and 3 in the reporting periods.

Corporate Information

BOARD OF DIRECTORS

Executive Director

Mr. Chen Jian (*Chairman*)

Ms. Chen Xiaoxuan (appointed on 30 June 2025)

Non-executive Director

Ms. Chen Jing (retired with effect from 30 June 2025)

Independent Non-executive Directors

Mr. Chow Siu Lui

Mr. Lo Kwok Kwei David

Mr. Yao Yun

COMPANY SECRETARY

Mr. Leung Ka Lung

REGISTERED OFFICE

Cricket Square

Hutchins Drive

PO Box 2681

Grand Cayman KY1-1111

Cayman Islands

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Units B1901 on level 19 and B2001

on level 20 of Tower B

Chaowaimen Office Center

No. 26 Chaowai Street

Chaoyang District

Beijing, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Rooms 2406-2412, 24th Floor

Sun Hung Kai Centre

30 Harbour Road

Wanchai, Hong Kong

PRINCIPAL BANKERS

Nanyang Commercial Bank, Ltd.

The Hong Kong and Shanghai Banking Corporation Limited

Hang Seng Bank Limited

China CITIC Bank International Limited

HSBC Bank (China) Company Limited

Standard Chartered Bank (China) Limited

China Merchants Bank Co., Ltd.

Bank of Beijing

LEGAL ADVISORS AS TO HONG KONG LAWS

Chiu & Partners

AUDITOR

BDO Limited

Certified Public Accountants

Registered Public Interest Entity Auditor

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Financial Centre,

16 Harcourt Road, Hong Kong

STOCK CODE

00465

WEBSITE

www.futong.com.hk