# 兑吧集团有限公司
# Duiba Group Limited

(Incorporated in the Cayman Islands with limited liability)
Stock Code : 1753

# 2025
## Interim Report

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# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. Chen Xiaoliang *(Chairman of the Board and Chief Executive Officer)*
Mr. Zhu Jiangbo
Mr. Cheng Peng

### Non-executive Director

Ms. Yang Jiaqing

### Independent Non-executive Directors

Mr. Kam Wai Man
Dr. Gao Fuping
Dr. Shi Jianxun

## AUDIT COMMITTEE

Mr. Kam Wai Man *(Chairman)*
Dr. Gao Fuping
Dr. Shi Jianxun

## REMUNERATION COMMITTEE

Dr. Shi Jianxun *(Chairman)*
Mr. Kam Wai Man
Dr. Gao Fuping
Mr. Zhu Jiangbo

## NOMINATION COMMITTEE

Mr. Chen Xiaoliang *(Chairman)*
Mr. Kam Wai Man
Dr. Gao Fuping
Dr. Shi Jianxun

## AUTHORIZED REPRESENTATIVES

Mr. Chen Xiaoliang
Ms. Ng Ka Man

## COMPANY SECRETARY

Ms. Ng Ka Man

## LEGAL ADVISORS

As to Hong Kong law:
Jingtian & Gongcheng LLP
Suites 3203-3207, 32/F
Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

As to Cayman Islands law:
Conyers Dill & Pearman
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

# Corporate Information

## REGISTERED OFFICE
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

## PRINCIPAL PLACE OF BUSINESS IN CHINA
Room 702, Shuyu Building
98 Wenyi West Road
Xihu District
Hangzhou
China

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG
31/F, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE
Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

## HONG KONG SHARE REGISTRAR
Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

## PRINCIPAL BANK
Hua Xia Bank (Hi-tech Sub-branch)
123 Wenyi Road
Xihu District
Hangzhou
China

## COMPANY'S WEBSITE
http://www.duiba.cn/

## STOCK CODE
1753

## DATE OF LISTING
7 May 2019

# Financial and Operational Information Highlights

## FINANCIAL INFORMATION HIGHLIGHTS

| | For the six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| Revenue | | |
| User management SaaS platform business | **89,574** | 116,965 |
| Internet advertising business | **230,251** | 318,169 |
| Others | **29,798** | 23,125 |
| **Total** | **349,623** | 458,259 |

For the six months ended 30 June 2025, our revenue decreased by approximately 23.7% as compared with the same period of 2024.

### Non-HKFRS Measure

To supplement our condensed consolidated financial statements which are presented in accordance with HKFRSs, we also use a non-HKFRS measure, adjusted loss for the period, as an additional financial measure, which is not required by, or presented in accordance with, HKFRSs. We believe that such non-HKFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impacts of items that we do not consider to be indicative of our operating performance. We believe that such measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management.

The following table reconciles our adjusted loss for the periods presented to the most directly comparable financial measure calculated and presented in accordance with HKFRSs:

| | For the six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| Loss for the period | **(26,728)** | (19,078) |
| *Add:* | | |
| Share-based payment | **2,206** | 1,465 |
| **Adjusted loss for the period[1]** | **(24,522)** | (17,613) |

(1) We define "adjusted loss for the period" as loss for the period, adding back share-based payment. Adjusted loss for the period is not a measure required by or presented in accordance with HKFRSs. The use of adjusted loss for the period has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under HKFRSs.

## OPERATIONAL INFORMATION HIGHLIGHTS

We are a user management SaaS provider for online businesses and a leading internet advertising platform operator in China. Our key operational information highlights are as follows:

### User management SaaS platform business

As at 30 June 2025, 487 paying customers (1H2024: 531), including 128 customers from financial industry (1H2024: 170) and 359 customers from other industries (1H2024: 361), had used the Group's charged services. The total value of newly signed contracts (including renewed contracts) for the six months ended 30 June 2025 was RMB50.4 million (1H2024: RMB75.5 million). The Group recorded revenue of RMB89.6 million for the six months ended 30 June 2025 from such business (1H2024: RMB117.0 million).

### Internet advertising business

For the six months ended 30 June 2025, the revenue from the internet advertising business decreased by approximately 27.6% to RMB230.3 million (1H2024: RMB318.2 million).

# Management Discussion and Analysis

## BUSINESS REVIEW

The Company is a leading user management SaaS service provider and internet advertising platform operator in China. It provides full-cycle operation services in user acquisition, activity retention and monetization for tens of thousands of customers in financial, internet and other industries.

### 1. User Management SaaS Platform Business

Our user management SaaS platform is designed to help businesses attract and retain online users in a cost-effective manner by offering various fun and engaging user management tools (including reward point/membership management, gamification user management, e-commerce live streaming for bank credit cards, enterprise marketing tool via WeChat, and financial industry live streaming) to boost mobile App user activity and participation on Apps.

As at 30 June 2025, the number of paying customers who used our charged user management SaaS services was 487 (1H2024: 531), including 128 customers from the financial industry (1H2024: 170) and 359 customers from other industries (1H2024: 361). For the six months ended 30 June 2025, the number of newly signed contracts (including renewed contracts) for the Group's user management SaaS platform business reached 177 (1H2024: 224). The total value of our newly signed contracts (including renewed contracts) in 1H2025 was RMB50.4 million (1H2024: RMB75.5 million), and the average charge per signed contract was approximately RMB285,000.

The following table sets forth the financial performance of our user management SaaS platform business for the periods indicated:

| | For the six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | **RMB'000** | RMB'000 |
| Revenue | **89,574** | 116,965 |
| Cost of sales | **(61,547)** | (98,244) |
| Selling and distribution expenses | **(25,832)** | (22,365) |
| Administrative expenses (excluding research and development expenses) | **(11,543)** | (15,596) |
| Research and development expenses | **(16,692)** | (14,203) |
| | **(26,040)** | (33,443) |

The following table sets forth a breakdown of our revenue from user management SaaS for the periods indicated:

| | For the six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | **RMB'000** | RMB'000 |
| User management SaaS solutions | **23,569** | 27,525 |
| Other value-added services | **66,005** | 89,440 |
| | **89,574** | 116,965 |

## 2. Internet Advertising Business

In 2015, the Group pioneered and launched its internet advertising business, which aggregated the traffic of different App scenarios, systematically managed content activities operation, and achieved large-scale monetization through advertisements, thereby achieving a win-win situation for each of the advertising customers, media providers and users. Advanced big data analytics and AI technology also provide robust support for the innovation and operations of our internet advertising platform. We generally charge our internet advertising customers based on the performance of advertisements. The majority of our revenue from our internet advertising business for the six months ended 30 June 2025 was generated from the CPC (cost per click) model (the "**CPC Model**"). Under the CPC Model, we charged customers only if viewers interacted with our advertising tools and were directed to the mobile internet page designated by the advertising customers.

For the six months ended 30 June 2025, the revenue from the internet advertising business decreased by approximately 27.6% to RMB230.3 million (1H2024: RMB318.2 million).

The Group has made persistent efforts to upgrade its advertising technology capability and provide online automated and customized services to both content distribution channels and advertising customers through our internet advertising platform consisting of the media management platform and the smart advertising system.

## 3. Research and Development

As at 30 June 2025, the number of employees from our research and development department was 133 (30 June 2024: 145), accounting for approximately 26.7% (30 June 2024: approximately 33.4%) of the Group's total number of employees, and the Group's research and development expenses decreased by approximately 3.8% from RMB23.8 million in 1H2024 to RMB22.9 million in 1H2025.

## FINANCIAL REVIEW

In the first half of 2025, affected by the persistent uncertainty in industry growth, advertising clients adopted a more conservative approach to their budget planning, leading to a further contraction in the scale of the internet advertising business. Meanwhile, the shrinkage in sales scale resulted in a further decline in the Company's profitability.

### Revenue

For the six months ended 30 June 2025, the Group recorded a total revenue of RMB349.6 million, representing a decrease of approximately 23.7% as compared with RMB458.3 million in the first half of 2024. The decrease was mainly attributable to a decrease of approximately 27.6% in revenue generated from our internet advertising business from RMB318.2 million for the six months ended 30 June 2024 to RMB230.3 million for the six months ended 30 June 2025, as the budgets of our advertising customers were further tightened due to the impact of the weak industry growth.

The revenue generated from our user management SaaS platform business decreased by approximately 23.4% to RMB89.6 million for the six months ended 30 June 2025 as compared to RMB117.0 million for the six months ended 30 June 2024. This was mainly due to the decrease in the total amount of other value-added services in the first half of 2025.

### Gross Profit

For the six months ended 30 June 2025, the Group recorded a gross profit of RMB57.3 million, representing a decrease of approximately 6.8% as compared with RMB61.5 million in the first half of 2024. The gross profit margin was approximately 16.4% (1H2024: approximately 13.4%), and the gross profit margin of user management SaaS platform business and internet advertising business were approximately 31.3% and 8.4%, respectively (1H2024: approximately 16.0% and 6.5%, respectively). The decrease in gross profit was mainly due to the shrinkage in sales scale.

### Selling and Distribution Expenses

For the six months ended 30 June 2025, the Group recorded selling and distribution expenses of RMB46.5 million, representing an increase of approximately 12.6% as compared with RMB41.3 million in the first half of 2024. Meanwhile, selling and distribution expenses as a percentage of the total revenue of the Group increased to approximately 13.3% (1H2024: approximately 9.0%), mainly due to the increase in the number of sales and operation employees of the Group to 303 for the six months ended 30 June 2025 (1H2024: 235).

### Administrative Expenses

For the six months ended 30 June 2025, the Group recorded administrative expenses of RMB49.9 million, representing a decrease of approximately 5.0% as compared with RMB52.5 million in the first half of 2024, mainly due to the more stringent internal control of related expenses in the first half of 2025. The Group recorded research and development expenses of RMB22.9 million (1H2024: RMB23.8 million) and share-based payment of RMB2.2 million (1H2024: RMB1.5 million), respectively. Administrative expenses as a percentage of the total revenue of the Group increased to approximately 14.3% (1H2024: approximately 11.5%), mainly due to the decrease in total revenue during the Period.

## Loss for the Period

For the six months ended 30 June 2025, loss attributable to the Shareholders was RMB26.7 million (1H2024: loss attributable to the Shareholders of RMB19.1 million). Basic loss per Share was RMB2.5 cents (1H2024: basic loss per Share of RMB1.8 cents).

## Adjusted Loss for the Period

Due to the combined effect of the foregoing, the Group's adjusted loss for the Period was RMB24.5 million (1H2024: adjusted loss for the period of RMB17.6 million).

## Cash Flows

For the six months ended 30 June 2025, our net cash inflow from operating activities was RMB86.0 million (1H2024: net cash outflow used in operating activities of RMB374.9 million), and such change was mainly due to the decrease in the amount of prepayments as at 30 June 2025 as compared to the balance as at 31 December 2024.

## Gearing Ratio

The Group monitors capital using a gearing ratio, which is net debt divided by total capital and net debt. Net debt includes interest-bearing bank borrowings, trade payables and other payables and accruals, less cash and cash equivalents.

As at 30 June 2025, the Group's gearing ratio was approximately 37.9%, while it was approximately 34.5% as at 30 June 2024, which was mainly due to the increase in the interest-bearing bank borrowings of Group for the Period.

## Liquidity and Capital Structure

During the Period, the daily working capital of the Group was primarily derived from internally generated cash flow from operating activities and bank borrowings. As at 30 June 2025, the Group had cash and cash equivalents of approximately RMB433.4 million (as at 30 June 2024: approximately RMB232.0 million). As at 30 June 2025, the Group had interest-bearing bank borrowings of RMB855.8 million that were made in RMB.

## Capital Commitments

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

## Foreign Exchange Risk Management

The Group has transactional currency exposures. Such exposures arise from the issue of share in currencies different from the operating units' functional currencies. At present, the Group does not intend to hedge its exposure to foreign exchange fluctuations. However, the Company's senior management constantly monitors the economic situation and the Group's foreign exchange risk profile and will consider appropriate hedging measures in the future should the need arise.

## Material Acquisitions, Disposals of Subsidiaries, Associates and Joint Ventures and Significant Investment

As of 30 June 2025, the Group held a total of 19.0% equity interest in Zhejiang Gushang Intelligent Technology Co., Ltd.* (浙江谷尚智能科技有限公司) ("**Gushang Intelligent Technology**") through a wholly-owned subsidiary of the Company, namely Hangzhou Keze Network Technology Co., Ltd.* (杭州可澤網絡科技有限公司), with an aggregate carrying value of RMB234.4 million. The principal activities of Gushang Intelligent Technology include the construction of buildings and parking lots on a land parcel located in the Hangzhou Zijingang Science and Technology Town, which has been topped out in December 2023. As of 30 June 2025, the carrying amount of the investment in Gushang Intelligent Technology represented approximately 9.3% of the total assets of the Group. For details, please refer to the announcements of the Company dated 19 June 2020 and 24 June 2020, respectively. As at the date of this interim report, Gushang Intelligent Technology is an associate of the Group. The Group did not receive any dividend for the six months ended 30 June 2025. Save as disclosed in this interim report, there were no (i) material acquisitions, disposals of subsidiaries, associates and joint ventures; and (ii) significant investment of the Group for the six months ended 30 June 2025.

## Future Plans for Material Investment or Capital Assets

Save as disclosed in this interim report, as of 30 June 2025, the Group had no concrete plans to make any material investment or acquire capital assets other than in the Group's ordinary course of business.

## Contingent Liabilities

Hengfei Holding Limited (the "**Plaintiff**") has commenced proceedings against the Company and Mr. Chen Xiaoliang (a Shareholder and executive Director) in respect of allegations that the Company and Mr. Chen Xiaoliang have wrongfully retained, delayed in returning and failed or refused to return the Plaintiff's share certificate of Shares in the Company, resulting in losses. As of 30 June 2025, based on the available evidence and information and the view of the Group's legal counsel, the Directors believed that the Company had valid defences against the claim and it was difficult to reliably estimate the amount of the claim, if any, at that stage, as its potential quantum depended on several factors. Accordingly, no provision arising from the claim, other than the related legal and other costs, has been provided for as of 30 June 2025.

On 26 August 2025, the judgement was handed down by the Court of First Instance of the High Court of Hong Kong. Pursuant to the judgement, it was ruled in favour of the Plaintiff and held that, among others, (i) the Company was ordered to pay damages with its assessment referred for separate determination; (ii) a costs order nisi was made that costs of the proceedings be paid by the Company to the Plaintiff; and (iii) the Plaintiff's claim against Mr. Chen Xiaoliang was dismissed.

## Charge on Assets

As at 30 June 2025, the Group recorded pledged deposits of RMB519.4 million, which were used as margins for interest-bearing bank borrowings (as at 31 December 2024: RMB379.5 million).

## SUBSEQUENT EVENT

On 26 August 2025, a judgement of legal proceedings commenced by Hengfei Holding Limited against the Company and Mr. Chen Xiaoliang (a Shareholder and executive Director) was handed down by the Court of First Instance of the High Court of Hong Kong. For details, please refer to "Contingent Liabilities" section of this interim report.

## ORGANIZATION AND TALENT RETENTION

As at 30 June 2025, the number of the Group's employees was 498 (31 December 2024: 493), including 81 sales employees, 62 administration employees, 222 operation employees and 133 research and development employees. Salary costs and employees' benefit expenses were approximately RMB68.8 million for the six months ended 30 June 2025 (1H2024: approximately RMB66.8 million). Identification and development of high potential talents have been listed as a top priority for the management of the Company this year. Moreover, the Group may provide incentives to talents by granting them share options and share awards of the Company. The remuneration of employees was determined based on their performance, skills, knowledge, experience and market trend. The Group reviews the remuneration policies and packages on a regular basis and will make necessary adjustments commensurate with the pay level in the industry. The Group provided trainings to staff based on their job duties and functions.

## SOCIAL RESPONSIBILITY

During the Period, the Group adhered to the philosophy of "serving the people and giving back to the society" and actively sought opportunities to contribute to the society in order to create a better living environment for the local community. During the Period, the Group donated RMB24,000 to the Education Development Foundation of Hangzhou Dianzi University.

## FUTURE OUTLOOK

As the advertising budgets and preferences of advertising clients are significantly affected by macroeconomic conditions, the Group's internet advertising business recorded a slight decline in revenue and gross profit for the six months ended 30 June 2025. Looking ahead to the second half of 2025, the overall growth of the internet advertising industry is expected to be very limited. The Group will be committed to reducing costs and improving efficiency internally, while striving to expand its business capabilities and increase the revenue of businesses other than internet advertising.

## INTERIM DIVIDEND

The Board did not recommend the declaration of any interim dividend for the Period (1H2024: nil).

# Corporate Governance/Other Information

## CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the CG Code as its own code of corporate governance.

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should be performed by different individuals.

At present, the roles of the chairman of the Board and the chief executive officer of the Company are performed by Mr. Chen Xiaoliang. The Board believes that Mr. Chen Xiaoliang should continue to assume the responsibilities of the chairman of the Board and the chief executive officer of the Company as this arrangement will improve the efficiency of our decision-making and execution process given his familiarity with the Group.

During the daily operations of the Company, all material decisions are approved by the Board and the relevant Board committees, as well as the senior management team of the Company. In addition, the Directors proactively participate in all Board meetings and all relevant Board committee meetings, and the chairman of the Board and relevant chairman of the Board committees ensure all the Directors are duly informed of all the matters to be approved at the meetings. In addition, the senior management team of the Company provides the Board with sufficient, clear, complete and reliable company information on a regular basis and from time to time. The Board also regularly meets and reviews the operations of the Company under the leadership of Mr. Chen Xiaoliang on a quarterly basis.

The Board is therefore of the view that there is an adequate balance of power and that appropriate safeguards are in place. The dual roles of Mr. Chen Xiaoliang have no negative effect on the balance of power and authority between the Board and the Company's senior management team. The Board will continue to regularly monitor and review the Company's current corporate governance structure and to make necessary changes when appropriate.

Save as disclosed above, the Company has complied with all applicable code provisions of the CG Code for the six months ended 30 June 2025. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code for the six months ended 30 June 2025.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Period, neither the Company nor any of its subsidiaries or consolidated affiliated entities has purchased, sold or redeemed any of the Company's listed securities (including sale of Treasury Shares, if any). As of 30 June 2025, the Company did not hold any Treasury Shares.

## AUDIT COMMITTEE

The audit committee of the Board, together with the management of the Company, has reviewed the unaudited interim results of the Group for the six months ended 30 June 2025 and this interim report.

## CHANGES IN DIRECTORS AND OTHER PERSONNEL

Save as disclosed in this interim report, as of the date of this interim report, there was no change in any Director and other personnel.

## CHANGES TO DIRECTORS' AND CHIEF EXECUTIVE'S INFORMATION

There was no change to any of the information required to be disclosed in relation to any Director and chief executive of the Company pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules during the Period.

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

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

## Interest in Shares and underlying Shares

| Name of Directors | Capacity/Nature of interest | Number of Shares held[(1)] | Approximate percentage of interest in the Company[(2)] |
|---|---|---|---|
| Mr. Chen Xiaoliang[(3)] | Founder of a discretionary trust and interest in controlled corporations | 461,438,329 (L) | 42.85% |
| Mr. Zhu Jiangbo ("**Mr. Zhu**")[(4),(6)] | Beneficial owner | 8,700,000 (L) | 0.81% |
| Mr. Cheng Peng ("**Mr. Cheng**")[(5),(6)] | Beneficial owner | 1,340,000 (L) | 0.12% |
| Ms. Yang Jiaqing ("**Ms. Yang**")[(7)] | Beneficial owner | 45,000 (L) | 0.00% |

*Notes:*

(1) The letter "L" denotes "long position" (as defined under Part XV of the SFO) of the relevant person/entity in such Shares.

(2) The percentage is calculated based on the total number of Shares in issue as at 30 June 2025 (i.e. 1,076,823,200 Shares).

(3) The disclosed interest represents (i) his deemed interest in the 454,552,000 Shares held by XL Holding, which is wholly owned by CMB Wing Lung (Trustee) Limited (as trustee of the Chen's Family Trust) through Antopex Limited (as nominee for CMB Wing Lung (Trustee) Limited) and Blissful Plus; (ii) his deemed interest in the 1,828,329 Shares held by Kewei Holding Limited as its sole director and sole shareholder; and (iii) his deemed interest in the 5,058,000 Shares held by Duiba Kewei (BVI) Limited as its sole director and sole shareholder.

(4) Mr. Zhu is an executive Director. He directly holds 8,700,000 Shares.

(5) Mr. Cheng is an executive Director. He directly holds 1,340,000 Shares.

(6) Each of Mr. Zhu and Mr. Cheng was granted certain incentive shares under the Restricted Stock Unit Scheme/Restricted Stock Unit Option Incentive Scheme, the details of which are set out in the sections headed "Restricted Stock Unit Scheme" and "Restricted Stock Unit Option Incentive Scheme" in this interim report.

(7) Ms. Yang is a non-executive Director. She directly holds 45,000 Shares.

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

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

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

As at 30 June 2025, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be entered in the register to be kept by the Company pursuant to Section 336 of the SFO:

| Name of Shareholders | Capacity/Nature of interest | Number of Shares held[1] | Approximate percentage of interest in the Company[2] |
|---|---|---|---|
| CMB Wing Lung (Trustee) Limited[3] | Trustee of a trust | 454,552,000 (L) | 42.21% |
| Antopex Limited[3] | Nominee for another person | 454,552,000 (L) | 42.21% |
| Blissful Plus[3] | Interest in controlled corporation | 454,552,000 (L) | 42.21% |
| XL Holding[3] | Beneficial owner | 454,552,000 (L) | 42.21% |
| Xinran Group Holding Limited[4] | Beneficial owner | 73,055,700 (L) | 6.78% |
| Mr. Liu Yang ("**Mr. Liu**")[4] | Interest in controlled corporation | 73,055,700 (L) | 6.78% |

*Notes:*

(1) The letter "L" denotes "long position" (as defined under Part XV of the SFO) of the relevant person/entity in such Shares.

(2) The percentage is calculated based on the total number of Shares in issue as at 30 June 2025 (i.e. 1,076,823,200 Shares).

(3) CMB Wing Lung (Trustee) Limited (as trustee of the Chen's Family Trust) holds the entire issued share capital of XL Holding through Antopex Limited (as nominee for CMB Wing Lung (Trustee) Limited) and Blissful Plus. Blissful Plus in turn holds the entire issued share capital of XL Holding. The Chen's Family Trust is a discretionary trust established by Mr. Chen Xiaoliang (as the settlor) and its discretionary objects are Mr. Chen Xiaoliang and his family members. Accordingly, each of Mr. Chen Xiaoliang, CMB Wing Lung (Trustee) Limited, Antopex Limited and Blissful Plus is deemed to be interested in the 454,552,000 Shares held by XL Holding.

(4) Xinran Group Holding Limited, a company incorporated in the BVI, is wholly owned by Mr. Liu. Therefore, Mr. Liu is deemed to be interested in the 73,055,700 Shares held by Xinran Group Holding Limited.

Save as disclosed above, as at 30 June 2025, the Directors were not aware of any other persons (who were not Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register to be kept by the Company.

## SHARE OPTION SCHEME

The Share Option Scheme was approved and adopted by the Shareholders on 17 April 2019 and became effective upon the listing of the Shares on the Main Board of the Stock Exchange.

The Board (including any committee or delegate of the Board appointed by the Board to perform any of its functions pursuant to the rules of the Share Option Scheme) may, at its absolute discretion, offer to grant an option to subscribe for such number of Shares as the Board may determine to an employee (whether full time or part-time) or a director of a member of the Group or associated companies of the Company, provided that any grant of options under the Share Option Scheme is subject to unanimous approval of all members of the Board entitled to approve such grant pursuant to the requirements under the Listing Rules, the Articles of Association and the applicable laws and regulations. The purpose of the Share Option Scheme is to incentivize and reward the eligible persons for their contribution to the Group and to align their interests with those of the Company so as to encourage them to work towards enhancing the value of the Company.

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme or any other share option schemes must not in aggregate exceed 10% of the total number of Shares in issue as at the Listing Date, that is, 111,111,120 Shares, which represents approximately 10.32% of the Shares in issue (excluding Treasury Shares, if any) as at the date of this interim report. The total number of Shares issued and to be issued upon exercise of the options granted (including both exercised and outstanding options) to a participant in any 12-month period must not exceed 1% of the total number of Shares in issue (excluding Treasury Shares, if any) as at such date unless approved by the Shareholders in a general meeting.

Any option shall be vested on an option-holder immediately upon his/her acceptance of the offer of options provided that if any vesting schedule and/or conditions are specified in the offer of the option, such option shall only be vested on an option-holder according to such vesting schedule and/or upon the fulfilment of the vesting conditions (as the case may be). Any vested option which has not lapsed and which conditions have been satisfied or waived by the Board in its sole discretion may, unless the Board determines otherwise in its absolute discretion, be exercised at any time from the next business day after the offer of options has been accepted. Any option which remains unexercised shall lapse upon the expiry of the option period, which period shall be determined by the Board and shall not exceed ten years from the offer date of the option.

The options granted under the Share Option Scheme may be accepted by a participant within such period (not exceeding 30 days inclusive of, and from, the date of offer of the option) as the Board may determine and notify to the participant concerned provided that no such offer shall be open for acceptance after the expiry of the duration of the Share Option Scheme. An amount of RMB1.00 is payable upon acceptance of the grant of an option.

The exercise price of the options granted under the Share Option Scheme shall be such price as determined by the Board and notified the participant and which shall not be less than the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant of the option; (ii) the average of the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of grant of the option; and (iii) the nominal value of the Shares.

The Share Option Scheme is valid and effective for a period of ten years commencing on the Listing Date, and it has a remaining life of approximately four years as at the date of this interim report. No options have been granted under the Share Option Scheme since the adoption of the Share Option Scheme. During the Reporting Period, no option had been granted or agreed to be granted by the Company pursuant to the Share Option Scheme. There was no outstanding option under the Share Option Scheme as at 30 June 2025. As at the date of this interim report, the total number of Shares available for issue under the Share Option Scheme was 111,111,120 Shares, representing approximately 10.32% of the issued share capital of the Company (excluding Treasury Shares, if any) as at the date of this interim report. The total number of options available for grant under the current scheme mandate limit was 111,111,120 as at 1 January 2025 and 30 June 2025, respectively.

## SHARE AWARD SCHEME

The Company has adopted a share award scheme on 17 April 2019 (the "**Duiba Share Award Scheme**"), which is administered by the Board and Duiba Kewei (BVI) Limited as trustee (the "**Trustee**") in accordance with the Duiba Share Award Scheme and the trust deed entered into between the Company and the Trustee. The Board may from time to time cause to be paid an amount to the trust by way of settlement or otherwise contributed by the Company or other member of the Group as directed by the Board for the purchase or subscription (as the case may be) of Shares for the satisfaction of the award of shares under the Duiba Share Award Scheme. The purpose of the Duiba Share Award Scheme is to recognize contributions by certain employees and to provide them with incentives in order to retain them for the continuing operation and development of the Group and to attract suitable personnel for the further development of the Group.

The Board may from time to time select any employee of the Group (excluding any excluded employee) for participation in the Duiba Share Award Scheme as a selected employee and grant to such selected employee awarded shares at no consideration and in such number on and subject to such terms and conditions as it may in its discretion determine. The Board is entitled to impose any conditions as it deems appropriate in its discretion with respect to the vesting of the awarded shares on the selected employee.

The maximum number of Shares which may be awarded to a selected employee under the Duiba Share Award Scheme shall not exceed 1% of the issued share capital of the Company (excluding Treasury Shares, if any) from time to time. The maximum number of Shares and awarded shares which may be held and managed by the Trustee of the Duiba Share Award Scheme shall not exceed 2% of the issued share capital of the Company (excluding Treasury Shares, if any) from time to time. There is no scheme mandate limit under the Duiba Share Award Scheme.

Subject to any early termination as may be determined by the Board in accordance with the rules of the Duiba Share Award Scheme, the Duiba Share Award Scheme is valid and effective for a period of ten years commencing on its adoption date, and it has a remaining life of approximately four years as at the date of this interim report. Details of the Duiba Share Award Scheme are set out in the Prospectus.

No awarded shares have been granted under the Duiba Share Award Scheme since the adoption of the Duiba Share Award Scheme. During the Reporting Period, no awarded share had been granted or agreed to be granted by the Company pursuant to the Duiba Share Award Scheme. There was no outstanding awarded share under the Duiba Share Award Scheme as at 30 June 2025.

## RESTRICTED STOCK UNIT SCHEME

On 11 June 2015, the Company and HZ Duiba have adopted a Restricted Stock Unit Scheme to recognise and reward the contribution of certain eligible employees to the growth and development of the Group; to give them incentives in order to retain them for the continual operation and development of the Group; and to attract suitable personnel for further development of the Group through an award of HZ Duiba's shares. The Group granted shares of HZ Duiba under the Restricted Stock Unit Scheme through Hangzhou Kewei Equity Investment Management LLP ("**HZ Duiba ESOP CO. I**") and Hangzhou Kede Equity Investment Management LLP ("**HZ Duiba ESOP CO. II**"). The Restricted Stock Unit Scheme is valid and effective for a period of ten years commencing on the adoption date, and it was expired as at the date of this interim report.

On 11 June 2015 and 26 October 2015, equity interests in HZ Duiba were granted to 4 and 4 selected employees for considerations of RMB26,690 and RMB8,450, respectively. There are no performance target and service period requirements.

On 24 May 2016, HZ Duiba ESOP CO. I subscribed for approximately 7.56% equity interest in HZ Duiba. Mr. Chen Xiaoliang, being a supervisor of HZ Duiba, subscribed for an equity interest in Kede by way of entering into a partnership agreement. The purpose to establish the HZ Duiba ESOP CO. I was to reserve an equity interest for future employee incentive plans.

On 24 May 2016, 14 June 2017 and 25 December 2017, equity interests in HZ Duiba ESOP CO. I of approximately 6.91%, 31.97% and 28.14%, representing effective equity interests of 0.52%, 2.42% and 2.13% in HZ Duiba, were granted to 2, 25 and 27 selected employees, respectively, with no consideration. There is no performance target required except that the eligible participant remains as an employee of the Group during the vesting period.

On 5 January 2018, HZ Duiba ESOP CO. II subscribed for approximately 1.89% equity interest in HZ Duiba. Mr. Chen Xiaoliang, being a supervisor of HZ Duiba, subscribed for an equity interest in Kede by way of entering into a partnership agreement. The purpose to establish HZ Duiba ESOP CO. II was to reserve an equity interest for future employee incentive plans.

On 5 January 2018, 23 March 2018 and 28 May 2018, equity interests in HZ Duiba ESOP CO. II of approximately 4.89%, 4.72% and 1.69%, representing effective equity interests of 0.37%, 0.40% and 0.13% in HZ Duiba, were granted to 20, 22 and 1 selected employees, respectively, with no consideration. There is no performance target required except that the eligible participant remains as an employee of the Group during the vesting period.

As part of the reorganization of the Group for the purpose of listing of its Shares on the Main Board of the Stock Exchange, equity interests in HZ Duiba held by HZ Duiba ESOP CO. I and HZ Duiba ESOP CO. II were transferred to Duiba Group (Hong Kong) Limited. Upon completion of the aforesaid reorganization, Kewei Holding Limited became the employee share award platform for the Restricted Stock Unit Scheme. Awards under the Restricted Stock Unit Scheme are funded by existing Shares held by Kewei Holding Limited. For further details of the reorganization, please refer to the section headed "History, Reorganization and Corporate Structure" of the Prospectus.

There is no scheme mandate limit or maximum entitlement of each participant under the Restricted Stock Unit Scheme. No further awards were granted since the listing of the Shares on the Main Board of the Stock Exchange.

During the Reporting Period, no awards had been granted or agreed to be granted by the Company pursuant to the Restricted Stock Unit Scheme. As at 30 June 2025, all awards granted under the Restricted Stock Unit Scheme have been vested, cancelled or lapsed. There were no outstanding awards under the Restricted Stock Unit Scheme as at 30 June 2025.

## RESTRICTED STOCK UNIT OPTION INCENTIVE SCHEME

On 1 November 2018, the Group has adopted a Restricted Stock Unit Option Incentive Scheme to provide incentives and rewards to eligible participants who contribute to the Group's services at least 36 months to 48 months. Duiba Kewei (BVI) Limited will transfer the Shares to vested participants. Eligible participants of the Restricted Stock Unit Option Incentive Scheme include senior management members who serve as financial managers and company secretaries of the Group as well as other core technical personnel, key personnel or other natural persons or entities that were or will be important to the development of the Group. There is no performance target required except that the eligible participant remains as an employee of the Group during the vesting period. The Restricted Stock Unit Option Incentive Scheme is valid and effective for a period of ten years commencing on the adoption date, and it has a remaining life of approximately three years as at the date of this interim report.

There were no stock unit options granted during the six months ended 30 June 2025.

There is no scheme mandate limit or maximum entitlement of each participant under the Restricted Stock Unit Option Incentive Scheme.

Details of the movements on stock unit options granted during the six months ended 30 June 2025 are set out in the table below:

| Selected Grantees | Date of Grant | Vesting Period | No. of Stock Unit Options Outstanding or Unvested as at 31 December 2024 | No. of Stock Unit Options Granted during the Period | No. of Stock Unit Options Vested during the Period | No. of Stock Unit Options Cancelled or Lapsed during the Period | No. of Stock Unit Options Outstanding or Unvested as at 30 June 2025 |
|---|---|---|---|---|---|---|---|
| Director | | | | | | | |
| Mr. Zhu Jiangbo | 2021/4/9 | 2022/04/09-2025/04/09 | 300,000 | – | – | – | 300,000 |
| Employees (in aggregate) | 2021/2/1 | 2022/02/01-2025/02/01 | 30,000 | – | 30,000 | – | – |
| | 2021/4/1 | 2022/04/01-2025/04/01 | 240,000 | – | 240,000 | – | – |
| | 2021/5/1 | 2022/05/01-2025/05/01 | 750,000 | – | 720,000 | 30,000 | – |
| | 2021/6/29 | 2022/06/29-2025/06/29 | 150,000 | – | 150,000 | – | – |
| | 2021/8/1 | 2022/08/01-2025/08/01 | 405,000 | – | – | 30,000 | 375,000 |
| | 2021/11/1 | 2022/11/01-2025/11/01 | 240,000 | – | – | – | 240,000 |
| | 2022/1/1 | 2023/01/01-2026/01/01 | 360,000 | – | 150,000 | 150,000 | 60,000 |
| | 2022/2/1 | 2023/02/01-2026/02/01 | 1,920,000 | – | 1,260,000 | 150,000 | 510,000 |
| | 2022/3/1 | 2023/03/01-2026/03/01 | 60,000 | – | 30,000 | – | 30,000 |
| | 2022/8/1 | 2023/08/01-2026/08/01 | 990,000 | – | – | 60,000 | 930,000 |
| | 2022/10/1 | 2023/10/01-2026/10/01 | 126,000 | – | – | – | 126,000 |
| | 2023/2/1 | 2024/02/01-2027/02/01 | 2,020,000 | – | 674,000 | 270,000 | 1,076,000 |
| | 2023/3/1 | 2024/03/01-2027/03/01 | 135,000 | – | 45,000 | – | 90,000 |
| Total | | | 7,726,000 | – | 3,299,000 | 690,000 | 3,737,000 |

(1) For details of the fair value of the stock unit options granted during the six months ended 30 June 2025, please refer to Note 19 to the unaudited interim condensed consolidated financial information.

(2) The weighted average closing price of the Shares immediately before the dates on which the stock unit options under the Restricted Stock Unit Option Incentive Scheme were vested was HK$0.23.

## APPRECIATION

On behalf of the Board, I would like to express our sincere thanks to all managements and staffs for their dedication during the Period. Also, I would like to thank our Shareholders for their continuous support.

By order of the Board
**DUIBA GROUP LIMITED**
**Chen Xiaoliang**
*Chairman*

Hangzhou, China, 29 August 2025

# UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

| | Notes | 2025 (Unaudited) RMB'000 | 2024 (Unaudited) RMB'000 |
|---|---|---|---|
| **REVENUE** | 5 | 349,623 | 458,259 |
| Cost of sales | | (292,373) | (396,757) |
| Gross profit | | 57,250 | 61,502 |
| Other income and gains | 5 | 35,927 | 29,270 |
| Selling and distribution expenses | | (46,547) | (41,305) |
| Administrative expenses | | (49,916) | (52,521) |
| Impairment losses on financial assets, net | | (10,581) | (9,211) |
| Other expenses | | (1,398) | (167) |
| Finance costs | | (9,644) | (6,919) |
| Share of losses of associates, net of tax | | (1,439) | (176) |
| **LOSS BEFORE TAX** | 6 | (26,348) | (19,527) |
| Income tax (expense)/credit | 7 | (380) | 449 |
| **LOSS FOR THE PERIOD** | | (26,728) | (19,078) |
| Attributable to: | | | |
| Owners of the parent | | (26,728) | (19,078) |

Unaudited Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the six months ended 30 June 2025

| | Note | 2025 (Unaudited) RMB'000 | 2024 (Unaudited) RMB'000 |
|---|---|---|---|
| **OTHER COMPREHENSIVE (LOSS)/INCOME** | | | |
| Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods: | | | |
| Exchange differences: | | | |
| Exchange differences on translation of foreign operations | | **(2,094)** | 3,193 |
| **OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD, NET OF TAX** | | **(2,094)** | 3,193 |
| **TOTAL COMPREHENSIVE LOSS FOR THE PERIOD** | | **(28,822)** | (15,885) |
| Attributable to: | | | |
| Owners of the parent | | **(28,822)** | (15,885) |
| **LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT** | | | |
| Basic and diluted (RMB) | 9 | **(2.5) cents** | (1.8) cents |

# UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

| | Notes | 30 June 2025 (Unaudited) RMB'000 | 31 December 2024 (Audited) RMB'000 |
|---|---|---|---|
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | 10 | **4,960** | 2,171 |
| Intangible assets | | **370** | 100 |
| Right-of-use assets | | **–** | 2,809 |
| Investment in an associate | 11 | **234,373** | 234,922 |
| Deferred tax assets | | **8,232** | 9,736 |
| Pledged deposits | | **52,940** | 144,314 |
| Time deposits | | **–** | 506 |
| Prepayments, other receivables and other assets | | **6,114** | 6,989 |
| Total non-current assets | | **306,989** | 401,547 |
| **CURRENT ASSETS** | | | |
| Trade receivables | 12 | **805,249** | 723,783 |
| Note receivables | | **344** | 530 |
| Prepayments, other receivables and other assets | | **379,091** | 584,592 |
| Financial assets at fair value through profit or loss | | **106,182** | 135,824 |
| Restricted cash | | **8,869** | 8,586 |
| Pledged deposits | | **466,495** | 235,168 |
| Time deposits | | **22,174** | – |
| Cash and cash equivalents | | **433,393** | 280,750 |
| Total current assets | | **2,221,797** | 1,969,233 |
| **CURRENT LIABILITIES** | | | |
| Trade payables | 13 | **90,549** | 82,207 |
| Other payables and accruals | | **278,037** | 278,640 |
| Tax payable | | **267** | 5,595 |
| Contract liabilities | | **5,000** | 8,427 |
| Interest-bearing bank borrowings | 14 | **855,815** | 667,164 |
| Lease liabilities | | **–** | 2,135 |
| Total current liabilities | | **1,229,668** | 1,044,168 |

Unaudited Interim Condensed Consolidated Statement of Financial Position
30 June 2025

| | *Note* | **30 June 2025 (Unaudited) RMB'000** | 31 December 2024 (Audited) RMB'000 |
|---|---|---|---|
| **NET CURRENT ASSETS** | | **992,129** | 925,065 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **1,299,118** | 1,326,612 |
| **NON-CURRENT LIABILITIES** | | | |
| Lease liabilities | | **–** | 844 |
| Deferred tax liabilities | | **499** | 533 |
| Total non-current liabilities | | **499** | 1,377 |
| Total net assets | | **1,298,619** | 1,325,235 |
| **EQUITY** | | | |
| Equity attributable to owners of the parent | | | |
| Share capital | *15* | **70** | 70 |
| Reserves | | **1,298,549** | 1,325,165 |
| Total equity | | **1,298,619** | 1,325,235 |

# UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

| | Attributable to owners of the parent | | | | | | |
|---|---|---|---|---|---|---|---|
| | Share capital RMB'000 | Share premium RMB'000 | Capital reserve RMB'000 | Statutory surplus reserve RMB'000 | Accumulated losses RMB'000 | Exchange fluctuation reserve RMB'000 | Total equity RMB'000 |
| At 31 December 2024 (audited) | **70** | **1,942,530** | **(6,291)** | **56,737** | **(698,836)** | **31,025** | **1,325,235** |
| Loss for the period (unaudited) | **–** | **–** | **–** | **–** | **(26,728)** | **–** | **(26,728)** |
| Other comprehensive loss for the period: | | | | | | | |
| Exchange differences | **–** | **–** | **–** | **–** | **–** | **(2,094)** | **(2,094)** |
| Total comprehensive loss for the period (unaudited) | **–** | **–** | **–** | **–** | **(26,728)** | **(2,094)** | **(28,822)** |
| Equity-settled share award and option arrangements *(note 19)* | **–** | **–** | **2,206** | **–** | **–** | **–** | **2,206** |
| At 30 June 2025 (unaudited) | **70** | **1,942,530** | **(4,085)** | **56,737** | **(725,564)** | **28,931** | **1,298,619** |

| | Attributable to owners of the parent | | | | | | |
|---|---|---|---|---|---|---|---|
| | Share capital RMB'000 | Share premium RMB'000 | Capital reserve RMB'000 | Statutory surplus reserve RMB'000 | Accumulated losses RMB'000 | Exchange fluctuation reserve RMB'000 | Total equity RMB'000 |
| At 31 December 2023 (audited) | 70 | 1,942,530 | (8,501) | 56,737 | (659,375) | 23,535 | 1,354,996 |
| Loss for the period (unaudited) | – | – | – | – | (19,078) | – | (19,078) |
| Other comprehensive income for the period: | | | | | | | |
| Exchange differences | – | – | – | – | – | 3,193 | 3,193 |
| Total comprehensive (loss)/income for the period (unaudited) | – | – | – | – | (19,078) | 3,193 | (15,885) |
| Equity-settled share award and option arrangements *(note 19)* | – | – | 1,465 | – | – | – | 1,465 |
| At 30 June 2024 (unaudited) | 70 | 1,942,530 | (7,036) | 56,737 | (678,453) | 26,728 | 1,340,576 |

# UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

| | Notes | 2025 (Unaudited) RMB'000 | 2024 (Unaudited) RMB'000 |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Loss before tax | | (26,348) | (19,527) |
| Adjustments for: | | | |
| Share of losses of associates, net of tax | | 1,439 | 176 |
| Interest income | 5 | (7,392) | (13,224) |
| Investment income from financial assets at fair value through profit or loss | 5 | (7,239) | (87) |
| Foreign exchange differences, net | 6 | (509) | (26) |
| Gain on disposals of items of property, plant and equipment | 5 | (11) | (64) |
| Gain on lease termination | 5 | (153) | – |
| Depreciation of property, plant and equipment | 10 | 327 | 1,069 |
| Fair value loss/(gain), net: | | | |
| Financial assets at fair value through profit or loss | 6 | 234 | (265) |
| Amortisation of intangible assets | | 123 | 267 |
| Equity-settled share award and option expense | 19 | 2,206 | 1,465 |
| Finance costs | | 9,644 | 6,919 |
| Depreciation of right-of-use assets | | 107 | 2,037 |
| Gain on disposal of an associate | 5 | (43) | – |
| Impairment of financial assets, net | | 10,581 | 9,211 |
| | | (17,034) | (12,049) |
| Increase in restricted cash | | (283) | (1,261) |
| Increase in trade receivables | | (92,047) | (347,874) |
| Decrease in note receivables | | 186 | – |
| Decrease/(increase) in prepayments, other receivables and other assets | | 198,720 | (8,263) |
| Increase in inventories | | (3,674) | |
| Increase/(decrease) in trade payables | | 8,342 | (15,494) |
| (Decrease)/increase in other payables and accruals | | (5,894) | 21,926 |
| Decrease in contract liabilities | | (3,427) | (13,987) |
| Cash generated from/(used in) operations | | 84,889 | (377,002) |
| Interest received | | 1,319 | 2,114 |
| Income tax paid | | (208) | (37) |
| Net cash flows from/(used in) operating activities | | 86,000 | (374,925) |

## Unaudited Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

| | 2025 (Unaudited) RMB'000 | 2024 (Unaudited) RMB'000 |
|---|---|---|
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Proceeds from disposals of items of property, plant and equipment | 178 | 115 |
| Purchases of items of property, plant and equipment | (3,131) | (942) |
| Purchases of intangible assets | (393) | – |
| Purchases of financial assets at fair value through profit or loss | (4,050) | (21,219) |
| Proceeds from disposals of financial assets at fair value through profit or loss | 40,665 | 28,253 |
| Repayment from loans receivable | 16,600 | 14,500 |
| Advances of loans receivable | (4,010) | (18,540) |
| Purchases of time deposits | (21,476) | (402,664) |
| Repayment of time deposits | – | 451,127 |
| Purchases of pledged deposits | (280,551) | (100,500) |
| Repayment of pledged deposits | 158,172 | 210,000 |
| Interest received | 4,690 | 7,890 |
| Proceeds from disposal of an associate | 3,427 | – |
| Purchase of a shareholding in an associate | (4,275) | (3,000) |
| Net cash flows (used in)/from investing activities | (94,154) | 165,020 |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Principal portion of lease payments | (277) | (2,335) |
| Interest paid for lease liabilities | (6) | – |
| Purchases of pledged deposits | (47,130) | (90,979) |
| Repayment of pledged deposits | 29,971 | 63,487 |
| New bank borrowings | 655,100 | 724,188 |
| Repayment of bank borrowings | (465,750) | (540,478) |
| Interest paid for bank borrowings | (10,337) | (619) |
| Borrowings from employees | 6,870 | – |
| Repayment of employee borrowings | (6,870) | – |
| Net cash flows from financing activities | 161,571 | 153,264 |
| **NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS** | 153,417 | (56,641) |
| Effect of foreign exchange rate changes, net | (774) | 214 |
| Cash and cash equivalents at beginning of period | 280,750 | 288,460 |
| **CASH AND CASH EQUIVALENTS AT END OF PERIOD** | 433,393 | 232,033 |
| **ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS** | | |
| Cash and cash equivalents as stated in the condensed consolidated statement of cash flows | 433,393 | 232,033 |

# NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

## 1. CORPORATE INFORMATION

Duiba Group Limited (the "**Company**") is a limited liability company incorporated in the Cayman Islands on 26 February 2018. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. On 7 May 2019, the shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company is an investment holding company. The Company's subsidiaries were principally involved in the user management Software-as-a-Service ("**SaaS**") platform business and internet advertising business.

## 2. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

The unaudited interim condensed consolidated financial information has been prepared under the historical cost convention, except for investments in financial products and unlisted equity investment, which have been measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

## 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time for the current period's financial information.

| | |
|---|---|
| Amendments to HKAS 21 | *Lack of Exchangeability* |

The nature and the impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

## 4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their products and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resources allocation and performance assessment.

### Geographical information

During the reporting period, the Group operated within one geographical area as all of the Group's revenue was generated from customers located in China. All of the non-current assets of the Group were located in China.

### Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue during the reporting period is set out below:

| | For the six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| Customer 1 | **59,484** | 68,140 |
| Customer 2 | **55,768** | 62,437 |
| Customer 3 | **N/A*** | 46,327 |

* The corresponding revenue of the customer is not disclosed as the revenue did not individually account for 10% or more of the Group's revenue for the reporting period.

## 5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

| | For the six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| *Revenue from contracts with customers* | | |
| User management SaaS platform business | **89,574** | 116,965 |
| Internet advertising business | **230,251** | 318,169 |
| Others | **29,798** | 23,125 |
| | **349,623** | 458,259 |

Notes to the Unaudited Interim Condensed Consolidated Financial Information

## 5. REVENUE, OTHER INCOME AND GAINS (continued)

### Disaggregated revenue information for revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

| | For the six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| **Timing of revenue recognition** | | |
| Over time | | |
| – SaaS services included in user management SaaS platform business | **4,276** | 4,774 |
| At a point in time | | |
| – Other services included in user management SaaS platform business | **85,298** | 112,191 |
| – Internet advertising business | **230,251** | 318,169 |
| – Others | **29,798** | 23,125 |
| | **345,347** | 453,485 |
| Total | **349,623** | 458,259 |

| | For the six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| **Other income and gains** | | |
| Interest income | **7,392** | 13,224 |
| Government grants | **20,134** | 11,594 |
| Investment income from financial assets at fair value through profit or loss | **7,239** | 87 |
| Gain on disposal of an associate | **43** | – |
| Fair value gain, net: | | |
| Financial assets at fair value through profit or loss | **–** | 265 |
| Gain on disposals of items of property, plant and equipment | **11** | 64 |
| Gain on lease termination | **153** | – |
| Others | **955** | 4,036 |
| | **35,927** | 29,270 |

## 6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

| | Notes | For the six months ended 30 June 2025 (Unaudited) RMB'000 | 2024 (Unaudited) RMB'000 |
|---|---|---|---|
| Cost of inventories sold | | **58,646** | 89,899 |
| Cost of services provided | | **233,727** | 306,858 |
| Depreciation of property, plant and equipment | *10* | **327** | 1,069 |
| Depreciation of right-of-use assets | | **107** | 2,037 |
| Amortisation of intangible assets* | | **123** | 267 |
| Interest income | *5* | **(7,392)** | (13,224) |
| Foreign exchange differences, net | | **(509)** | (26) |
| Gain on disposals of items of property, plant and equipment | *5* | **(11)** | (64) |
| Impairment of financial assets, net | | **10,581** | 9,211 |
| Fair value loss**/(gain), net: | | | |
| Financial assets at fair value through profit or loss | *5* | **234** | (265) |
| Investment income from financial assets at fair value through profit or loss | *5* | **(7,239)** | (87) |
| Research and development costs | | **22,892** | 23,802 |
| Auditor's remuneration | | **300** | 300 |
| Employee benefit expense (excluding directors' and chief executive's remuneration): | | | |
| Wages and salaries | | **46,821** | 49,007 |
| Equity-settled share award and option expense | | **1,761** | 1,376 |
| Pension scheme contributions*** | | **2,806** | 2,444 |
| Staff welfare expense | | **15,383** | 12,051 |
| | | **66,771** | 64,878 |

* The amortisation of intangible assets for the six months ended 30 June 2025 is included in "Administrative expenses" in unaudited interim condensed consolidated statement of profit or loss and other comprehensive income.

** The fair value loss of financial assets at fair value through profit or loss, net is included in "Other expenses" in unaudited interim condensed consolidated statement of profit or loss and other comprehensive income.

*** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

Notes to the Unaudited Interim Condensed Consolidated Financial Information

## 7. INCOME TAX

The Group is subject to income tax on an entity basis on loss arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

The Group calculates the period income tax expense/(credit) using the tax rate that would be applicable to the expected total annual loss. The major components of income tax expense/(credit) in the unaudited interim condensed consolidated statement of profit or loss and other comprehensive income are:

| | For the six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| Current tax* | **(1,089)** | 613 |
| Deferred tax | **1,469** | (1,062) |
| Total tax expense/(credit) for the period | **380** | (449) |

* The current tax credit during the six months ended 30 June 2025 results from adjustments to prior-year provisional tax calculations due to revised tax rate applications.

## 8. DIVIDEND

The Board did not recommend the declaration of any interim dividend for the reporting period (six months ended 30 June 2024: Nil).

## 9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount is based on the loss for the period attributable to ordinary equity holders of the parent of RMB26,728,000 (loss for the six months ended 30 June 2024: RMB19,078,000), and the weighted average number of ordinary shares of 1,067,437,500 (six months ended 30 June 2024: 1,063,154,500) shares in issue during the period. The number of shares for the current period has been arrived at after eliminating the shares of the Company held under the restricted stock units and restricted stock unit options.

| | For the six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | **(Unaudited)** | (Unaudited) |
| **Loss** | | |
| Loss attributable to ordinary equity holders of the parent used in the basic and diluted loss per share calculation (RMB) | **(26,728,000)** | (19,078,000) |
| **Shares** | | |
| Weighted average number of ordinary shares in issue during the period used in the basic loss per share calculation | **1,067,437,500** | 1,063,154,500 |

## 10. PROPERTY, PLANT AND EQUIPMENT

| | **30 June 2025 (Unaudited) RMB'000** | 31 December 2024 (Audited) RMB'000 |
|---|---|---|
| Carrying amount at beginning of period/year | **2,171** | 2,796 |
| Additions | **3,131** | 1,100 |
| Depreciation provided during the period/year | **(327)** | (1,632) |
| Disposals | **(15)** | (93) |
| Carrying amount at end of period/year | **4,960** | 2,171 |

## 11. INVESTMENT IN AN ASSOCIATE

| | **30 June 2025 (Unaudited) RMB'000** | 31 December 2024 (Audited) RMB'000 |
|---|---|---|
| Investment in an associate | **234,373** | 234,922 |

Particulars of the associate are as follows:

| Name | Particulars of issued shares held | Place of incorporation/ registration and business | Percentage of ownership interest attributable to the Group | Principal activities |
|---|---|---|---|---|
| Zhejiang Gushang Intelligent Technology Co., Ltd. | Ordinary shares | PRC/Mainland China | 19% | Project operation |

The Group's shareholdings in this associate comprise equity shares held through a wholly-owned subsidiary of the Company.

## 12. TRADE RECEIVABLES

| | **30 June 2025 (Unaudited) RMB'000** | 31 December 2024 (Audited) RMB'000 |
|---|---|---|
| Trade receivables | **877,502** | 785,455 |
| Less: Impairment of trade receivables | **(72,253)** | (61,672) |
| | **805,249** | 723,783 |

Trade receivables are non-interest-bearing with credit terms mainly ranging from 30 to 90 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.

Included in the Group's trade receivables are amounts due from an entity controlled by a director of RMB266,000 (31 December 2024: RMB266,000), which are repayable on credit terms similar to those offered to the major customers of the Group.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the transaction date and net of provisions, is as follows:

| | **30 June 2025 (Unaudited) RMB'000** | 31 December 2024 (Audited) RMB'000 |
|---|---|---|
| 0 to 30 days | **217,897** | 354,265 |
| 31 to 90 days | **231,012** | 178,194 |
| 91 to 180 days | **192,010** | 47,071 |
| 181 to 365 days | **109,842** | 129,118 |
| 1 to 2 years | **54,488** | 15,135 |
| | **805,249** | 723,783 |

## 13. TRADE PAYABLES

| | 30 June 2025 (Unaudited) RMB'000 | 31 December 2024 (Audited) RMB'000 |
|---|---|---|
| Trade payables | **90,549** | 82,207 |

An ageing analysis of the trade payables as at the end of the reporting period, based on the transaction date, is as follows:

| | 30 June 2025 (Unaudited) RMB'000 | 31 December 2024 (Audited) RMB'000 |
|---|---|---|
| 0 to 180 days | **42,434** | 51,571 |
| 181 to 365 days | **22,878** | 3,555 |
| 1 to 2 years | **5,120** | 6,897 |
| 2 to 3 years | **8,057** | 8,028 |
| Over 3 years | **12,060** | 12,156 |
| | **90,549** | 82,207 |

Trade payables are non-interest-bearing and are normally settled on 60-day terms.

## 14. INTEREST-BEARING BANK BORROWINGS

### As at 30 June 2025 (Unaudited)

| | Effective interest rate (%) | Maturity | RMB'000 |
|---|---|---|---|
| **Current** | | | |
| Bank loans – unsecured | 2.00~3.40 | 2025~2026 | 100,074 |
| Bank loans – secured | 2.55~4.00 | 2025~2026 | 114,650 |
| Discounted letters of credit – unsecured | 1.95~2.80 | 2025~2026 | 84,443 |
| Discounted letters of credit – secured | 1.85~2.70 | 2025~2026 | 69,425 |
| Discounted notes receivable – unsecured | 2.70~2.90 | 2025 | 56,799 |
| Discounted notes receivable – secured | 1.10~2.30 | 2025~2026 | 430,424 |
| Total | | | 855,815 |

| | 30 June 2025 RMB'000 |
|---|---|
| Analysed into: | |
| Bank borrowing repayable: | |
| Within one year | 855,815 |

## 14. INTEREST-BEARING BANK BORROWINGS (continued)

### As at 31 December 2024 (Audited)

| | Effective interest rate (%) | Maturity | RMB'000 |
|---|---|---|---|
| **Current** | | | |
| Bank loans – unsecured | 3.00~3.50 | 2025 | 111,088 |
| Bank loans – secured | 2.50~4.00 | 2025 | 123,295 |
| Discounted letters of credit – unsecured | 1.95~3.00 | 2025 | 156,801 |
| Discounted letters of credit – secured | 1.85~2.70 | 2025 | 83,372 |
| Discounted notes receivable – unsecured | 2.95 | 2025 | 6,326 |
| Discounted notes receivable – secured | 0.98~2.90 | 2025 | 186,282 |
| Total | | | 667,164 |

| | 31 December 2024 RMB'000 |
|---|---|
| Analysed into: | |
| Bank borrowing repayable: | |
| Within one year | 667,164 |

*Notes:*

(a) The Group's subsidiaries, Hangzhou Duiba Internet Technology Co., Ltd., Hangzhou Tuia Internet Technology Co., Ltd., Hangzhou Keze Network Technology Co., Ltd., and Mr. Chen Xiaoliang (31 December 2024: Hangzhou Duiba Internet Technology Co., Ltd. and Hangzhou Keze Network Technology Co., Ltd.) have guaranteed certain of the Group's bank loans up to approximately RMB90,066,000 (31 December 2024: RMB98,479,000) as at the end of the reporting period.

(b) The Group's trade receivables have guaranteed certain of the Group's bank loans up to approximately RMB24,584,000 (31 December 2024: RMB24,816,000) as at the end of the reporting period.

(c) The Group's pledged deposits, which have an aggregate net carrying value of approximately RMB44,304,000 (31 December 2024: RMB190,152,000), were pledged to secure the Group's bank loans.

(d) The Group's pledged deposits, which have an aggregate net carrying value of approximately RMB72,043,000 (31 December 2024: RMB71,198,000), were pledged to secure the Group's discounted letters of credit.

(e) The Group's pledged deposits, which have an aggregate net carrying value of approximately RMB403,088,000 (31 December 2024: RMB118,132,000), were pledged to secure the Group's discounted notes receivable.

## 15. SHARE CAPITAL

A summary of movements in the Company's share capital and share premium is as follows:

| | Number of shares in issue | Share capital RMB'000 | Share premium RMB'000 | Total RMB'000 |
|---|---|---|---|---|
| At 31 December 2024, 1 January 2025 and 30 June 2025 | **1,076,823,200** | **70** | **1,942,530** | **1,942,600** |

## 16. CONTINGENT LIABILITIES

Hengfei Holding Limited (the "**Plaintiff**") has commenced proceedings against the Company and Mr. Chen Xiaoliang (a shareholder and executive director) in respect of allegations that the Company and Mr. Chen Xiaoliang have wrongfully retained, delayed in returning and failed or refused to return the Plaintiff's share certificate of shares in the Company, resulting in losses. As of 30 June 2025, based on the available evidence and information and the view of the Group's legal counsel, the Directors believed that the Company had valid defences against the claim and it was difficult to reliably estimate the amount of the claim, if any, at that stage, as its potential quantum depended on several factors. Accordingly, no provision arising from the claim, other than the related legal and other costs, has been provided for as of 30 June 2025.

On 26 August 2025, the judgement was handed down by the Court of First Instance of the High Court of Hong Kong. Pursuant to the judgement, it was ruled in favour of the Plaintiff and held that, among others, (i) the Company was ordered to pay damages with its assessment referred for separate determination; (ii) a costs order nisi was made that costs of the proceedings be paid by the Company to the Plaintiff; and (iii) the Plaintiff's claim against Mr. Chen Xiaoliang was dismissed.

## 17. COMMITMENTS

At the end of reporting period, the Group did not have any significant commitments.

## 18. RELATED PARTY TRANSACTIONS

### (a) Outstanding balances with related parties:

Details of the Group's trade balances with an entity controlled by a director as at the end of the reporting period are disclosed in notes 12.

### (b) Compensation of key management personnel of the Group:

| | For the six months ended 30 June | |
|---|---|---|
| | **2025 (Unaudited) RMB'000** | 2024 (Unaudited) RMB'000 |
| Short-term employee benefits | **1,489** | 1,358 |
| Performance related bonuses | **706** | 930 |
| Equity-settled share award expense | **467** | 162 |
| Pension scheme contributions | **105** | 91 |
| Total compensation paid to key management personnel | **2,767** | 2,541 |

## 19. SHARE AWARD AND OPTION

### Restricted Stock Unit Scheme

The Company and Hangzhou Duiba Internet Technology Co., Ltd. ("**HZ Duiba**") have adopted a Restricted Stock Unit Scheme to recognise and reward the contribution of certain eligible employees to the growth and development of the Group and to give them incentives in order to retain them for the continual operation and development of the Group; and to attract suitable personnel for further development of the Group through an award of HZ Duiba's shares. The Group granted shares of HZ Duiba under the Restricted Stock Unit Scheme through Hangzhou Kewei Equity Investment Management LLP ("**HZ Duiba ESOP CO. I**") and Hangzhou Kede Equity Investment Management LLP ("**HZ Duiba ESOP CO. II**").

On 11 June 2015 and 26 October 2015, equity interest in HZ Duiba were granted to 4 and 4 selected employees for a consideration of RMB26,690 and RMB8,450, respectively. There are no performance target and service period requirements.

On 24 May 2016, HZ Duiba ESOP CO. I (the "**PRC Share Incentive Entity I**") subscribed for approximately 7.56% equity interest in HZ Duiba. Mr. Chen Xiaoliang, being a supervisor of HZ Duiba, subscribed for an equity interest in Kede by way of entering into a partnership agreement. The purpose to establish the PRC Share Incentive Entity I was to reserve an equity interest for future employee incentive plans.

On 24 May 2016, 14 June 2017 and 25 December 2017, equity interest in HZ Duiba ESOP CO. I of approximately 6.91%, 31.97% and 28.14%, representing an effective equity interest of 0.52%, 2.42% and 2.13% in HZ Duiba, were granted to 2, 25 and 27 selected employees, respectively, with no consideration. There is no performance target required except that the eligible participant remains as an employee of the Group during the vesting period.

On 5 January 2018, HZ Duiba ESOP CO. II (the "**PRC Share Incentive Entity II**") subscribed for approximately 1.89% equity interest in HZ Duiba. Mr. Chen Xiaoliang, being a supervisor of HZ Duiba, subscribed for an equity interest in Kede by way of entering into a partnership agreement. The purpose to establish the PRC Share Incentive Entity II was to reserve an equity interest for future employee incentive plans.

On 5 January 2018, 23 March 2018 and 28 May 2018, equity interest in HZ Duiba ESOP CO. II of approximately 4.89%, 4.72% and 1.69%, representing an effective equity interest of 0.37%, 0.40% and 0.13% in HZ Duiba, were granted to 20, 22 and 1 selected employees, respectively, with no consideration. There is no performance target required except that the eligible participant remains as an employee of the Group during the vesting period.

During the six months ended 30 June 2025, no share award expense (six months ended 30 June 2024: Nil) was charged to profit or loss.

Notes to the Unaudited Interim Condensed Consolidated Financial Information

## 19. SHARE AWARD AND OPTION (continued)

### Restricted Stock Unit Option Incentive Scheme

The Group has adopted a Restricted Stock Unit Option Incentive Scheme to provide incentives and rewards to eligible participants who contribute to the Group's services at least 36 months to 48 months. Duiba Kewei (BVI) Limited will transfer the Company's shares to vested participants. Eligible participants of the Restricted Stock Unit Option Incentive Scheme include senior management members who serve as financial managers and company secretaries of the Group as well as other core technical personnel, key personnel or other natural persons or entities that were or will be important to the development of the Group. There is no performance target required except that the eligible participant remains as an employee of the Group during the vesting period.

The share options granted during the six months ended 30 June 2025 and the year ended 31 December 2024 are as follows:

(a) The exercise price of the share options is nil. 10% of the share options is exercisable after 12 months from the date of the option incentive agreement; 30% of the share options is exercisable after 24 months from the date of the share option incentive agreement; 30% of the share options is exercisable after 36 months from the date of the option incentive agreement; and 30% of the share options is exercisable after 48 months from the date of the option incentive agreement.

During the six months ended 30 June 2025, a total of nil (six months ended 30 June 2024: nil) share options were granted to certain of the employees of the Group in respect of their services to the Group.

(b) The exercise price of the share options is nil. The share options are exercisable immediately from the date of the option incentive agreement.

The following share options were outstanding under the Restricted Stock Unit Option Incentive Scheme during the period/year:

| | **Six months ended 30 June 2025 (Unaudited)** | | Year ended 31 December 2024 (Audited) | |
|---|---|---|---|---|
| | **Weighted average exercise price US$** | **Number of options '000** | Weighted average exercise price US$ | Number of options '000 |
| At 1 January | **–** | **7,726** | – | 13,769 |
| Exercised during the period/year | **–** | **(3,299)** | – | (4,953) |
| Forfeited during the period/year | **–** | **(690)** | – | (1,090) |
| At the end of the period/year | **–** | **3,737** | – | 7,726 |

## 19. SHARE AWARD AND OPTION (continued)

### Restricted Stock Unit Option Incentive Scheme (continued)

The following table discloses the details of share options outstanding at the end of the reporting period:

**As at 30 June 2025**

| Number of options '000 | Exercise price per share US$ | Vesting period/ exercise period | Fair value per share US$ |
|---|---|---|---|
| 300 | – | 2022/04/09 to 2025/04/09 | 0.28 |
| 375 | – | 2022/08/01 to 2025/08/01 | 0.23 |
| 240 | – | 2022/11/01 to 2025/11/01 | 0.24 |
| 60 | – | 2023/01/01 to 2026/01/01 | 0.17 |
| 510 | – | 2023/02/01 to 2026/02/01 | 0.16 |
| 30 | – | 2023/03/01 to 2026/03/01 | 0.16 |
| 930 | – | 2023/08/01 to 2026/08/01 | 0.12 |
| 126 | – | 2023/10/01 to 2026/10/01 | 0.08 |
| 1,076 | – | 2024/02/01 to 2027/02/01 | 0.09 |
| 90 | – | 2024/03/01 to 2027/03/01 | 0.07 |
| 3,737 | | | |

## 19. SHARE AWARD AND OPTION (continued)

### Restricted Stock Unit Option Incentive Scheme (continued)

**As at 31 December 2024**

| Number of options '000 | Exercise price per share US$ | Vesting period/ exercise period | Fair value per share US$ |
|---|---|---|---|
| 30 | – | 2022/02/01 to 2025/02/01 | 0.29 |
| 240 | – | 2022/04/01 to 2025/04/01 | 0.29 |
| 300 | – | 2022/04/09 to 2025/04/09 | 0.28 |
| 750 | – | 2022/05/01 to 2025/05/01 | 0.28 |
| 150 | – | 2022/06/29 to 2025/06/29 | 0.29 |
| 405 | – | 2022/08/01 to 2025/08/01 | 0.23 |
| 240 | – | 2022/11/01 to 2025/11/01 | 0.24 |
| 360 | – | 2023/01/01 to 2026/01/01 | 0.17 |
| 1,920 | – | 2023/02/01 to 2026/02/01 | 0.16 |
| 60 | – | 2023/03/01 to 2026/03/01 | 0.16 |
| 990 | – | 2023/08/01 to 2026/08/01 | 0.12 |
| 126 | – | 2023/10/01 to 2026/10/01 | 0.08 |
| 2,020 | – | 2024/02/01 to 2027/02/01 | 0.09 |
| 135 | – | 2024/03/01 to 2027/03/01 | 0.07 |
| 7,726 | | | |

The fair value of the share options granted during the six months ended 30 June 2025 was nil of which the Group recognised a share option expense of RMB2,206,000 (six months ended 30 June 2024: RMB1,465,000) during the six months ended 30 June 2025.

## 20. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of reporting period are as follows:

### 30 June 2025 (unaudited)

**Financial assets**

| | Financial assets at amortised cost RMB'000 | Financial assets at fair value through profit or loss Mandatorily designated as such RMB'000 | Total RMB'000 |
|---|---|---|---|
| Trade receivables | 805,249 | – | 805,249 |
| Note receivables | 344 | – | 344 |
| Financial assets included in prepayments, other receivables and other assets | 78,430 | – | 78,430 |
| Financial assets at fair value through profit or loss | – | 106,182 | 106,182 |
| Restricted cash | 8,869 | – | 8,869 |
| Pledged time deposits | 519,435 | – | 519,435 |
| Time deposits | 22,174 | – | 22,174 |
| Cash and cash equivalents | 433,393 | – | 433,393 |
| | 1,867,894 | 106,182 | 1,974,076 |

**Financial liabilities**

| | Financial liabilities at amortised cost RMB'000 | Total RMB'000 |
|---|---|---|
| Trade payables | 90,549 | 90,549 |
| Financial liabilities included in other payables and accruals | 28,682 | 28,682 |
| Interest-bearing bank borrowings | 855,815 | 855,815 |
| Total | 975,046 | 975,046 |

## 20. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (continued)

### 31 December 2024 (audited)

**Financial assets**

| | Financial assets at amortised cost RMB'000 | Financial assets at fair value through profit or loss Mandatorily designated as such RMB'000 | Total RMB'000 |
|---|---|---|---|
| Trade receivables | 723,783 | – | 723,783 |
| Note receivables | 530 | – | 530 |
| Financial assets included in prepayments, other receivables and other assets | 63,061 | – | 63,061 |
| Financial assets at fair value through profit or loss | – | 135,824 | 135,824 |
| Restricted cash | 8,586 | – | 8,586 |
| Pledged time deposits | 379,482 | – | 379,482 |
| Time deposits | 506 | – | 506 |
| Cash and cash equivalents | 280,750 | – | 280,750 |
| | 1,456,698 | 135,824 | 1,592,522 |

**Financial liabilities**

| | Financial liabilities at amortised cost RMB'000 | Total RMB'000 |
|---|---|---|
| Trade payables | 82,207 | 82,207 |
| Lease liabilities | 2,979 | 2,979 |
| Financial liabilities included in other payables and accruals | 45,278 | 45,278 |
| Interest-bearing bank borrowings | 667,164 | 667,164 |
| Total | 797,628 | 797,628 |

## 21. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

As at 30 June 2025, the fair values of the Group's financial assets or financial liabilities approximated to their respective carrying amounts.

Management has assessed that the fair values of cash and cash equivalents, restricted cash, pledged time deposits, trade receivables, trade payables, financial assets included in prepayments, other receivables and other assets, interest-bearing bank borrowings and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The directors review the results of the fair value measurement of financial instruments periodically for annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current financial assets included in prepayments, other receivables and other assets and time deposit have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The fair values of unlisted financial assets at fair value through profit or loss have been calculated by discounting the expected future cash flows using discount rates currently available for instruments with similar terms, credit risk and remaining maturities. The valuation requires the directors to make estimates about the expected future cash flows including the expected future interest return on maturity of the products based on market interest rates. The directors believe that the estimated fair values resulting from the valuation technique approximate to the carrying amounts at the end of the reporting period. The fair values of tradeable financial assets at fair value through profit or loss are obtained from quoted prices in active markets.

The fair values of an unlisted equity investment designated at fair value through profit or loss has been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The Group has used the market approach when applicable to determine the underlying equity value of the company and adopted the equity allocation model to determine the fair value of an unlisted equity investment as at 30 June 2025 and 31 December 2024. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in profit or loss, are reasonable, and that they were the most appropriate values at the end of the reporting period.

The unlisted equity investment designated at fair value through profit or loss is the interest in the limited partnership which undertakes distressed debt assets projects. The fair value was determined reference to the market data with regards to recovery rate comparable distressed debt assets with adjusting for costs.

For the fair value of the unlisted equity investments at fair value through profit or loss, management has estimated the potential effect of using reasonably possible alternatives as inputs to the valuation model.

## 21. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

### Assets measured at fair value:

**As at 30 June 2025 (unaudited)**

| | Fair value measurement using | | | |
|---|---|---|---|---|
| | Quoted prices in active markets (Level 1) RMB'000 | Significant observable inputs (Level 2) RMB'000 | Significant unobservable inputs (Level 3) RMB'000 | Total RMB'000 |
| Financial assets at fair value through profit or loss: | | | | |
| Unlisted equity investments, at fair value | – | 14,022 | – | 14,022 |
| Other unlisted investments | 352 | 91,808 | – | 92,160 |
| Total | 352 | 105,830 | – | 106,182 |

**As at 31 December 2024 (audited)**

| | Fair value measurement using | | | |
|---|---|---|---|---|
| | Quoted prices in active markets (Level 1) RMB'000 | Significant observable inputs (Level 2) RMB'000 | Significant unobservable inputs (Level 3) RMB'000 | Total RMB'000 |
| Financial assets at fair value through profit or loss: | | | | |
| Unlisted equity investments, at fair value | – | 14,022 | – | 14,022 |
| Other unlisted investments | 15,236 | 106,566 | – | 121,802 |
| Total | 15,236 | 120,588 | – | 135,824 |

During the reporting period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets (six months ended 30 June 2024: Nil).

## 22. EVENTS AFTER THE REPORTING PERIOD

On 26 August 2025, a judgement of legal proceedings commenced by Hengfei Holding Limited against the Company and Mr. Chen Xiaoliang (a shareholder and executive director) was handed down by the Court of First Instance of the High Court of Hong Kong. For details, please refer to "Contingent Liabilities" section of this interim report.

# Definitions

In this interim report, the following expressions have the meanings set out below unless the context otherwise requires:

| | |
|---|---|
| "1H2024" | for the six months ended 30 June 2024 |
| "Articles of Association" | the third amended and restated articles of association of the Company |
| "Blissful Plus" | Blissful Plus Enterprises Limited, a company incorporated with limited liability in the BVI on 10 July 2018, which is wholly owned by Antopex Limited as nominee for CMB Wing Lung (Trustee) Limited acting as trustee for the Chen's Family Trust and is a connected person of our Company |
| "Board" | the board of Directors |
| "BVI" | the British Virgin Islands |
| "CG Code" | the Corporate Governance Code as set out in Appendix C1 to the Listing Rules |
| "Chen's Family Trust" | The Jiayou Trust, a discretionary trust set up by Mr. Chen Xiaoliang and whose beneficiaries are Mr. Chen Xiaoliang and his family members |
| "Company" or "our Company" | Duiba Group Limited, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange under stock code 01753 |
| "connected person(s)" | has the meaning ascribed thereto under the Listing Rules |
| "Director(s)" | the director(s) of the Company |
| "Group" or "we" | our Company and our subsidiaries or any of them, or where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time |
| "HK$" | Hong Kong dollars, the lawful currency of Hong Kong |
| "HKFRS(s)" | Hong Kong Financial Reporting Standards |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "HZ Duiba" | Hangzhou Duiba Internet Technology Company Limited* (杭州兑吧網絡科技有限公司), a company with limited liability established in the PRC on 13 May 2011 and a wholly-owned subsidiary of the Company |
| "Listing Date" | 7 May 2019, being the date on which the Shares became listed and commenced trading on the Stock Exchange |
| "Listing Rules" | The Rules Governing the Listing of Securities on the Stock Exchange |

Definitions

| | |
|---|---|
| "Model Code" | the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules |
| "Period" or "Reporting Period" or "1H2025" | for the six months ended 30 June 2025 |
| "PRC" or "China" | the People's Republic of China, excluding, for the purposes of this interim report only, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan |
| "Prospectus" | the prospectus of the Company dated 24 April 2019 |
| "RMB" | Renminbi yuan, the lawful currency of the PRC |
| "SaaS" | Software-as-a-Service |
| "SFO" | the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong) |
| "Share(s)" | ordinary share(s) of the Company with nominal value of US$0.00001 each in the share capital of the Company |
| "Shareholder(s)" | the shareholder(s) of the Company |
| "Share Option Scheme" | the post-IPO share option scheme approved and adopted by the Shareholders on 17 April 2019, a summary of the principal terms of which is set out in "Statutory and General Information – Other Information – Share Option Scheme and the Duiba Share Award Scheme" in Appendix IV to the Prospectus |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "subsidiary(ies)" | has the meaning ascribed thereto under the Listing Rules |
| "substantial shareholder(s)" | has the meaning ascribed thereto under the Listing Rules |
| "Treasury Shares" | has the meaning ascribed thereto under the Listing Rules |
| "US$" | United States dollars, the lawful currency of the United States |
| "XL Holding" | Xiaoliang Holding Limited, a company with limited liability incorporated in the BVI on 26 February 2018, and is wholly owned by Blissful Plus |

For illustration purposes, amounts in US$ in this interim report have been translated into RMB at an exchange rate of US$1 = RMB7.1268. Such translations should not be construed as a representation that any amount in question in US$ or RMB has been or could have been or may be converted at such a rate or at any other rates.

*Note:* The English transliteration of the Chinese name(s) in this interim report, where indicated by an asterisk (*), is included for identification purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).