

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

BAIWANG CO., LTD.

百望股份有限公司

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

(Stock Code: 6657)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Baiwang Co., Ltd. (百望股份有限公司), (the “**Company**”, together with its subsidiaries, the “**Group**”) would like to announce the unaudited consolidated interim results of the Group for the six months ended June 30, 2025 (the “**Reporting Period**”), together with the comparative figures for the six months ended June 30, 2024, which have been reviewed by the audit committee of the Board (the “**Audit Committee**”). The interim results for the six months ended June 30, 2025 have been reviewed by Rongcheng (Hong Kong) CPA Limited, the independent auditor of the Company in accordance with the Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information performed by the Independent Auditor of the Entity”.

In this announcement, “we,” “us,” “our” and “Baiwang” refer to the Company and where the context otherwise requires, the Group.

RESULTS SUMMARY

- Our revenue increased by 23.5% from RMB281.6 million for the six months ended June 30, 2024 to RMB347.6 million for the six months ended June 30, 2025.
- Our gross profit increased by 46.8% from RMB110.3 million for the six months ended June 30, 2024 to RMB162.0 million for the six months ended June 30, 2025.
- Our gross profit margin increased from 39.2% for the six months ended June 30, 2024 to 46.6% for the six months ended June 30, 2025.
- We recorded a net profit of RMB3.6 million for the six months ended June 30, 2025, as compared to a net loss of RMB445.8 million for the six months ended June 30, 2024.
- We recorded an adjusted net profit (non-IFRS measure) of RMB4.6 million for the six months ended June 30, 2025, as compared to an adjusted net loss of RMB81.2 million for the six months ended June 30, 2024.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED JUNE 30, 2025

		Six months ended June 30,	
	<i>NOTE</i>	2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Unaudited)
Revenue	3	347,588	281,551
Cost of sales	4	(185,601)	(171,237)
Gross profit		161,987	110,314
Other income		910	4,434
Impairment losses under expected credit loss model, net of reversal		(2,983)	(3,814)
Other gains and losses		99	(5,552)
Research and development expenses	4	(68,255)	(102,597)
Administrative expenses	4	(44,758)	(38,045)
Listing expenses	4	–	(23,214)
Distribution and selling expenses	4	(49,259)	(80,162)
Operating loss		(2,259)	(138,636)
Finance income		1,590	1,498
Finance costs		(274)	(252)
Fair value changes of financial assets and liabilities at fair value through profit or loss (the “FVTPL”)		5,396	(302,992)
Share of results of associates and joint ventures		(783)	(5,220)
Profit/(loss) before tax		3,670	(445,602)
Income tax expenses	5	(23)	(200)
Profit/(loss) for the period		3,647	(445,802)
Other comprehensive expense for the period			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating of foreign operations		(47)	–
Total comprehensive income/(expense) for the period		3,600	(445,802)

	Six months ended June 30,	
<i>NOTE</i>	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Profit/(loss) attributable to:		
Owners of the Company	3,717	(445,505)
Non-controlling interests	<u>(70)</u>	<u>(297)</u>
	<u>3,647</u>	<u>(445,802)</u>
Total comprehensive income/(expense) attributable to:		
Owners of the Company	3,670	(445,505)
Non-controlling Interests	<u>(70)</u>	<u>(297)</u>
	<u>3,600</u>	<u>(445,802)</u>
Earnings/(loss) per share attributable to owners of the Company during the period:		
– Basic and diluted (RMB)	7 <u>0.02</u>	<u>(3.18)</u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
JUNE 30, 2025**

	<i>NOTE</i>	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000
Non-current assets			
Property, plant and equipment		7,928	8,586
Right-of-use assets		19,110	3,278
Intangible assets		13,044	9,524
Investments in associates		103,377	103,297
Investments in joint ventures		1,676	2,539
Financial assets at FVTPL		142,459	110,839
Contract costs		28,810	31,690
Contract assets		1,149	673
		317,553	270,426
Current assets			
Inventories		2,304	2,391
Contract costs		42,594	44,971
Contract assets		46,489	61,940
Trade and other receivables, deposits and prepayments	8	193,061	87,183
Amounts due from related parties		33,291	23,045
Financial assets at FVTPL		239,430	277,896
Restricted bank deposits		4,324	4,180
Cash and cash equivalents		340,124	443,899
		901,617	945,505

		As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000
	NOTE		
Current liabilities			
Lease liabilities		14,638	1,710
Trade and other payables	9	130,112	133,957
Tax liabilities		–	91
Contract liabilities		105,638	114,720
Amounts due to related parties		23,144	29,219
		<u>273,532</u>	<u>279,697</u>
Net current assets		<u>628,085</u>	<u>665,808</u>
Total assets less current liabilities		<u><u>945,638</u></u>	<u><u>936,234</u></u>
Capital and reserves			
Share capital		225,907	225,907
Reserves		<u>719,257</u>	<u>714,637</u>
Equity attributable to owners of the Company		945,164	940,544
Non-controlling interests		<u>(5,644)</u>	<u>(5,574)</u>
Total equity		<u>939,520</u>	<u>934,970</u>
Non-current liabilities			
Lease liabilities		<u>6,118</u>	<u>1,264</u>
Total equity and non-current liabilities		<u><u>945,638</u></u>	<u><u>936,234</u></u>

Notes:

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Baiwang Co., Ltd. (the “**Company**”) was incorporated in Beijing, People’s Republic of China (the “**PRC**”) on May 4, 2015 as a joint stock company with limited liability under the Company Law (PRC, 2013 Revision). The registered office and principal place of business of the Company is 14/F & 15/F, Building 1, Division 1, No. 81 Beiqing Road, Haidian District, Beijing, the PRC.

The Company and its subsidiaries (collectively referred to as “**the Group**”) is principally engaged in the artificial intelligence business (the “**AI Business**”), the cloud financial & tax digitalization solutions business, on-premises financial & tax digitalization solutions business and data-driven analytics services in the PRC. As at June 30, 2025, Ms. Chen Jie, Ningbo Xiu’an Enterprise Management Partnership (Limited Partnership) 寧波修安企業管理合夥企業(有限合夥) (“**Ningbo Xiuan**”) (formerly known as Ningbo Xiu’an Equity Investment Partnership (Limited Partnership) (寧波修安股權投資合夥企業(有限合夥))) and Tianjin Duoying Technology Center (Limited Partnership) (天津多盈科技中心(有限合夥)) (“**Tianjin Duoying**”) are controlling shareholders of the Company.

The condensed consolidated financial statements are presented in the currency of Renminbi (“**RMB**”), which is also the functional currency of the Company.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“**IAS 34**”) issued by the International Accounting Standards Board as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than additional/change in accounting policies resulting from application of amendments to IFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2025 are the same as those presented in the Group’s annual consolidated financial statements for the year ended December 31, 2024.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the International Accounting Standards Board, for the first time, which are mandatorily effective for the Group’s annual period beginning on January 1, 2025 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to IAS 21

Lack of Exchangeability

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods.

3. REVENUE

Revenue is substantially derived from the PRC and comprises the following:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
AI business	60,860	—
– Jin Dun transaction management intelligent agents	59,964	—
– Rui Jie financial business intelligent agents	896	—
Core business	285,214	281,267
– Cloud financial and tax digitalization solutions	111,169	95,575
– On-premises financial and tax digitalization solutions	81,663	42,286
– Data-driven analytics services	92,382	143,406
Others	1,514	284
	<u>347,588</u>	<u>281,551</u>

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Timing of revenue recognition		
– Over time	184,007	188,512
– At a point in time	163,581	93,039
	<u>347,588</u>	<u>281,551</u>

4. EXPENSES BY NATURES

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Employee benefit expenses	194,058	212,069
Share-based payment expenses	950	35,743
Commission and channel expenses	2,516	3,177
Professional service fees	37,583	34,317
Referral fees	22,073	61,748
Outsourcing expenses	16,705	10,244
Traveling and marketing expenses	7,081	12,671
Exhibition and promotion charges	365	4,628
Costs of inventories sold	50,142	355
Rental and utilities expenses	2,302	3,419
Depreciation of property, plant and equipment	1,549	2,083
Depreciation of right-of-use assets	5,721	6,783
Amortisation of intangible assets	754	910
Listing expenses	–	23,214
Others	6,074	3,894
	<hr/>	<hr/>
Total	347,873	415,255
	<hr/>	<hr/>

5. INCOME TAX EXPENSES

The income tax expenses of the Group is analysed as follows:

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
PRC Enterprise Income Tax		
Current tax	23	200
	<hr/>	<hr/>

6. DIVIDENDS

No dividends were declared or paid by the Company for the six months ended June 30, 2025 and for the year ended December 31, 2024.

7. EARNINGS/(LOSS) PER SHARE

The following table sets forth the computation of the basic and diluted earnings/(loss) per share attributable to the owners of the Company during the six months ended June 30, 2025 and 2024:

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Earnings/(loss) attributable to owners of the Company (<i>RMB'000</i>)	<u>3,717</u>	<u>(445,505)</u>
Weighted average number of ordinary shares outstanding ('000)	<u>225,907</u>	<u>140,000</u>

8. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000
Trade receivables – contracts with customers	171,956	74,921
Less: allowance for credit losses	<u>(14,050)</u>	<u>(11,960)</u>
	<u>157,906</u>	<u>62,961</u>
Notes receivables	267	569
Prepayments		
– to suppliers	9,213	6,239
– to others	1,776	1,182
Value-added tax recoverable	5,661	1,837
Deposits refundable within one year	3,786	4,724
Other receivables		
– bid security	3,405	3,612
– advances to suppliers	7,223	1,898
– others	3,935	4,287
Less: allowance for credit losses	<u>(111)</u>	<u>(126)</u>
	<u>35,155</u>	<u>24,222</u>
Total	<u>193,061</u>	<u>87,183</u>

The following is an aging analysis of the Group's trade receivables presented based on the date of revenue recognition:

	As at June 30, 2025 <i>RMB'000</i> (Unaudited)	As at December 31, 2024 <i>RMB'000</i>
Within 30 days	79,174	21,415
31 to 180 days	43,967	22,730
181 to 365 days	25,385	12,742
Over 1 year	23,430	18,034
	<u>171,956</u>	<u>74,921</u>

9. TRADE AND OTHER PAYABLES

	As at June 30, 2025 <i>RMB'000</i> (Unaudited)	As at December 31, 2024 <i>RMB'000</i>
Trade payables	<u>73,310</u>	<u>41,593</u>
Other payables		
Accrued staff costs	28,071	62,564
Other tax payables	15,380	9,986
Others	<u>13,351</u>	<u>19,814</u>
	<u>56,802</u>	<u>92,364</u>
Total	<u><u>130,112</u></u>	<u><u>133,957</u></u>

The following is an aging analysis of the Group's trade payables presented based on the date of purchase recognised:

	As at June 30, 2025 <i>RMB'000</i> (Unaudited)	As at December 31, 2024 <i>RMB'000</i>
Within 3 months	62,477	28,959
3 to 6 months	3,662	1,778
6 to 12 months	1,400	1,587
1 to 2 years	1,280	4,155
Over 2 years	4,491	5,114
	<hr/>	<hr/>
Total	73,310	41,593
	<hr/> <hr/>	<hr/> <hr/>

10. SUBSEQUENT EVENTS

As at July 29, 2025, the board announced that pursuant to the 2025 Share Incentive Scheme (ESOP Platforms), it has approved the grant of Restricted Shares representing 4,750,000 Shares (“**Shares**”) to five grantees (the “**Grant**”), accounting for approximately 2.10% of the issued share capital of the Company. The source of the Grant is certain Shares indirectly held by Ms. Chen through Ningbo Xiuan and Tianjin Duoying. The grantees will hold the Shares indirectly through holding the proprietary interest in such Shareholding Platforms.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview and Outlook

I. Operational Overview

In the first half of 2025, Baiwang continued to advance its dual-engine strategy of “Data Intelligence Infrastructure + Vertical Industry AI Agents”, focusing on two cores: Compliance as a Service (票證智能合規即服務) (CaaS) and Data Intelligence (數據智能服務) (DI). The Company enhanced product iteration speed and industry penetration by leveraging its 30,000+ dynamic tax rule engine, 200+ multimodal document parsing technologies, and self-developed Tax Swift Agent, establishing a global transaction compliance system to accelerate the digital transformation of the global commercial credit ecosystem.

As of June 30, 2025, the Company had processed a cumulative total of approximately 23.1 billion invoices, representing a transaction value of RMB1,055.1 trillion. The Company served over 90.7 million taxpayer identification clients, including 2,825 enterprise group clients and 28.5 million SME clients, demonstrating steady growth in core business operations and further strengthening customer trust and market penetration.

II. Core Business Performance

In the first half of 2025, the Company pursued dual-track development in “cloud financial & tax digitalization solutions” and “on-premises financial & tax digitalization solutions”, achieving steady growth. The cloud solutions recorded double-digit growth in key operational metrics, including invoice issuance volume and total transaction value, while the on-premises solutions also saw a steady expansion in customer base, further consolidating the Company’s leading position in the financial & tax digitalization services sector.

The Company successfully completed the compatible upgrade of digital invoices for financial & tax digitization solutions, while enhancing its core competitiveness in compliance processing, full lifecycle invoice management, and risk monitoring through its low-code platform and proprietary software products. By integrating advanced AI capabilities, the Company significantly improved operational efficiency and tax compliance for clients, delivering substantial cost savings and user experience enhancements, while also strengthening customer retention and new client acquisition potential.

III. Progress in DI Transformation Business & Product Matrix

Leveraging years of expertise in document digitization technologies and data resources, the Company has developed a matrix of three major intelligent agents tailored to enterprise operational scenarios:

- 1. “Jin Dun” (金盾) Transaction Management Intelligent Agent (智能體):** Integrating AI-powered large language models with invoice compliance processing capabilities, this solution delivers comprehensive financial risk monitoring and automated invoice processing, enabling clients to optimize transaction workflows and reduce operational costs. Powered by multimodal recognition and large model technologies, “Jin Dun” delivers intelligent upgrades in document identification, parsing, verification, and qualification review, covering the entire accounts receivable and payable compliance process. To support Belt and Road (一帶一路) enterprises in global expansion, the Company has built a cross-border transaction compliance solution capable of processing multilingual, multi-country, and multi-format invoices, including AI-generated invoices and tax policy Q&A, effectively mitigating tax risks in international operations.
- 2. “Rui Jie” (睿界) Financial Business Intelligent Agent:** Supported by a 3,000+ metrics commercial credit assessment system, this solution provides precise risk evaluation and intelligent risk control services for banks and fintech institutions, enhancing end-to-end service capabilities and product capabilities of financial business. Leveraging its profound expertise in the financial sector, the Company has established an intelligent application matrix that integrates financial risk control, financial marketing, and financial policy compliance:
 - **Financial Risk Control Intelligent Agent:** Utilizes MCP services and 2,000+ metrics credit evaluation indicators to rapidly generate enterprise risk profiles, catering to inclusive finance and supply chain finance scenario needs.
 - **Financial Marketing Intelligent Agent:** A generative AI-powered marketing platform that enables customer profiling, precision targeting, and cross-selling, significantly improving financial institutions’ marketing efficiency.
 - **Financial Policy Compliance Intelligent Agent:** Combines regulatory guidelines and compliance requirements with highly interpretable policy models, covering policy determination, traceable justification, and post-loan management, substantially reducing compliance costs.

3. **“Wen Shu” (問數) Operational Decision-Making Intelligent Agent:** Integrating natural language processing, knowledge graphs, and predictive modeling, “Wen Shu” enables enterprises to consolidate internal and external data resources, facilitating comprehensive industry landscape and market trend analysis. The solution automatically generates reports and visual analytics, creating a dual-perspective framework of “internal performance vs. market dynamics” to support data-driven strategic decision-making for enterprises.

This product matrix not only reinforces the Company’s market positioning across three key customer segments – large enterprise groups, SMEs, and financial institutions – but also marks a strategic evolution in DI transformation from traditional document digitization to holistic data governance and intelligent analytics.

IV. Industry Collaboration & Strategic Partnerships

During the Reporting Period, the Company accelerated the deployment of its intelligent agents across vertical industries through strategic synergies:

- **International Shipping:** Partnered with leading domestic shipping enterprises to develop a cross-border document compliance intelligent agent, enhancing customs clearance efficiency and risk mitigation.
- **International Brand Sales:** Enabled a leading international consumer goods manufacturer to deploy an overseas invoice recognition compliance agent, resulting in enhanced financial processing efficiency and mitigated tax compliance risks.
- **Electric Vehicle Sales:** Enabled a top Chinese electric vehicle manufacturer to deploy a multimodal invoicing agent, achieving intelligent cross-document association recognition at the dealership level to enhance transactional efficiency.
- **Commercial Real Estate:** Collaborated with the top 3 property groups in the industry to deliver intelligent site selection and transparent risk control solutions powered by corporate billing volumes, industry distribution and rental tier data analytics.
- **Financial Services:** Jointly launched “Tax Compliance” and inclusive finance AI advisory agents with top-tier fintech institutions and Big Four accounting firms, significantly strengthening clients’ capabilities in risk pricing and credit enhancement.

The Company's collaboration ecosystem continued to expand, creating hundreds of intelligent application scenarios that reinforce industry barriers and customer stickiness.

V. National Strategy & Data Asset Value Realization

The Company actively supports the National Data Administration's "Market-oriented Allocation of Data Factors" strategy by participating in the development of the National Public Data Resource Registration Platform (公共數據資源登記平台), undertaking core architecture design and system R&D. The platform integrates multi-dimensional data from business registration, judicial, taxation, and customs systems, effectively eliminating information silos in public data.

Concurrently, the Company is advancing the development of provincial-level data registration platforms in Fujian, Anhui and other regions, exploring end-to-end value realization mechanisms covering data registration, coding, circulation and application. Moving forward, through deepened collaboration with data consortiums, data exchanges, and industrial internet platforms, the Company will expand data intelligence convergence scenarios, positioning itself as a core ecosystem hub for data asset value realization.

VI. Global Expansion & Future Outlook

Building upon our extensive service experience covering 90.7 million tax entities, the Company has successfully deployed its global tax compliance infrastructure Tax Swift Agent, achieving compatibility with over 100 languages, 200 invoice types and 30,000 international tax regulations. This platform currently serves countries including Malaysia, Singapore and Argentina, with ongoing expansion into emerging markets across Southeast Asia, the Middle East, Africa and South America. Through standardized API modules delivering comprehensive functionality for invoice transmission, tax filing and data management, the platform has demonstrated significant reduction in multinational corporations' tax compliance costs while substantially strengthening the Company's competitive position in global markets.

Looking ahead, the Company will continue to advance its dual-engine strategy of "AI Agents + Data Intelligence Infrastructure" to drive progress in the following key areas:

- **Deepening Financial & Tax Digitalization Solutions:** Against the backdrop of nationwide digital electricity invoice adoption, we will expand invoice lifecycle management and risk monitoring applications to enhance profitability through dynamic, high-value data scenarios.

- **Promoting Inclusive Finance:** We will empower SMEs and financial institutions with intelligent tools to accelerate the development of digital inclusive finance.
- **Expanding Intelligent Agent Matrix:** Leveraging open-source LLMs, RAG and MoE technologies, we will build cross-scenario autonomous networks to enable large-scale industry knowledge applications.
- **Building Ecosystem Alliances:** We will enhance collaboration with AI and data partners to expand high-value data dimensions and improve data asset quality.
- **Advancing Global Expansion:** We will continue optimizing our global intelligent tax infrastructure Tax Swift Agent to better serve cross-border e-commerce and Chinese enterprises expanding overseas, thereby strengthening our overseas market presence.

In the evolving business landscape, competition will increasingly center on the efficiency of “cognition” and “execution” rather than traditional product and market rivalry. The Company remains firmly committed to its Data Intelligence strategy, transforming data from a singular resource into measurable, value-added digital productivity. This approach enables us to help clients enhance operational efficiency and risk management capabilities while driving the restructuring and upgrading of global commercial credit systems.

Financial Review

The following discussions are based on the financial information and notes set out in other sections of this announcement and should be read in conjunction with them.

Revenue

Our revenue increased by 23.5% from RMB281.6 million for the six months ended June 30, 2024 to RMB347.6 million for the six months ended June 30, 2025. The following table sets forth a breakdown of our revenue, both in absolute amounts and as a percentage of total revenue, by business line for the periods indicated.

	Six months ended June 30,			
	2025		2024	
		Percentage of total revenue		Percentage of total revenue
	RMB'000	(%)	RMB'000	(%)
AI business	60,860	17.5	–	–
– Jin Dun transaction management intelligent agents	59,964	17.3	–	–
– Rui Jie financial business intelligent agents	896	0.2	–	–
Core business	285,214	82.1	281,267	99.9
– Cloud financial & tax digitalization solutions	111,169	32.0	95,575	33.9
– On-premises financial & tax digitalization solutions	81,663	23.5	42,286	15.0
– Data-driven analytics services	92,382	26.6	143,406	51.0
Others	1,514	0.4	284	0.1
Total	347,588	100.0	281,551	100.0

- AI business.** Our AI business encompasses the “Jin Dun” (金盾) Transaction Management Intelligent Agents and the “Rui Jie” (睿界) Financial Business Intelligent Agents, which combine Data+AI to apply our extensive high-quality transaction data resources and domain expertise in fiscal and tax fields to vertical AI model training. These solutions are fully integrated into enterprise and financial service scenarios, advancing AI applications in key areas including intelligent fiscal management, intelligent supply chains, intelligent transaction compliance, intelligent risk control, and intelligent financial marketing, enabling industrial and financial clients to maximize data value and capitalize on AI benefits. For the six months ended June 30, 2025, our AI business generated revenue of RMB60.9 million, compared to nil in the same period in 2024, primarily attributable to the growth in the “Jin Dun” (金盾) Transaction Management Intelligent Agents business.

- *Cloud financial & tax digitalization solutions.* Our cloud financial & tax compliance solutions comprise tax invoice compliance management solutions, financial and tax management solutions and supply chain collaboration solutions, which can be subscribed separately or in combination. Our revenue generated from cloud financial & tax digitalization solutions increased by 16.3% from RMB95.6 million for the six months ended June 30, 2024 to RMB111.2 million for the six months ended June 30, 2025, primarily due to the increased product competitiveness and an increase in the business volume of financial and tax management solutions and tax invoice compliance management solutions due to AI empowerment.
- *On-premises financial & tax digitalization solutions.* Revenue generated from on-premises financial & tax digitalization solutions primarily represented service fees generated by software license fees for customers to access and use our solutions, implementation and maintenance service fees, and hardware equipment purchase fees. Our revenue generated from on-premises financial & tax digitalization solutions increased by 93.1% from RMB42.3 million for the six months ended June 30, 2024 to RMB81.7 million for the six months ended June 30, 2025, due to, on the one hand, the significant market opportunities provided by the fourth phase of the digital electricity invoice reform of Golden Tax Project. During the Reporting Period, the delivery of projects connected to the electronic invoice service platform of the State Administration of Taxation through local deployment was higher than the same period last year, which brought about an increase in implementation fee income. On the other hand, AI empowerment has enhanced our product competitiveness and business volume.
- *Data-driven analytics services.* Our data-driven analytics services primarily comprise risk management services and digital precision marketing services. Our revenue generated from data-driven analytics services decreased by 35.6% from RMB143.4 million for the six months ended June 30, 2024 to RMB92.4 million for the six months ended June 30, 2025, mainly due to that we strategically reduced the revenue proportion of low-margin digital precision marketing services.
- *Other services.* We recorded revenue generated from other services of RMB1.5 million for the six months ended June 30, 2025. Other services primarily include advertising services and financial and tax training services.

Cost of sales

Our cost of sales increased by 8.4% from RMB171.2 million for the six months ended June 30, 2024 to RMB185.6 million for the six months ended June 30, 2025. The following table sets forth a breakdown of our cost of sales by business lines, both in absolute amount and as a percentage of total cost of sales, for the periods indicated.

	Six months ended June 30,			
	2025		2024	
		Percentage of total cost of sales		Percentage of total cost of sales
	<i>RMB'000</i>	<i>(%)</i>	<i>RMB'000</i>	<i>(%)</i>
AI business	54,357	29.3	–	–
– Jin Dun transaction management intelligent agent	54,194	29.2	–	–
– Rui Jie financial business intelligent agent	163	0.1	–	–
Core businesses	131,224	70.7	170,576	99.6
– Cloud financial & tax digitalization solutions	44,498	24.0	49,251	28.8
– On-premises financial & tax digitalization solutions	50,427	27.2	38,459	22.4
– Data-driven analytics services	36,299	19.5	82,866	48.4
Others	20	0.0	661	0.4
Total	185,601	100.0	171,237	100.0

Gross profit and gross profit margin

Our gross profit increased by 46.8% from RMB110.3 million for the six months ended June 30, 2024 to RMB162.0 million for the six months ended June 30, 2025. The gross profit margin for the six months ended June 30, 2025 was 46.6%, as compared with 39.2% for the six months ended June 30, 2024. The increase in gross profit margin was partly due to our strategic reduction of the proportion of low-margin business revenue, and partly due to AI-enabled low-code platforms, which have improved automation deployment and configuration capabilities, reduced delivery costs, and increased overall profit margins. The following table sets forth a breakdown of our gross profit and gross profit margin by business line for the periods indicated.

	Six months ended June 30,		2024	
	Gross profit	Gross profit	Gross profit	Gross profit
	<i>RMB'000</i>	<i>(%)</i>	<i>RMB'000</i>	<i>(%)</i>
AI business	6,503	10.7	–	–
– Jin Dun transaction management intelligent agent	5,770	9.6	–	–
– Rui Jie financial business intelligent agent	733	81.8	–	–
Core businesses	153,990	54.0	110,691	39.4
– Cloud financial & tax digitalization solutions	66,671	60.0	46,324	48.5
– On-premises financial & tax digitalization solutions	31,236	38.2	3,827	9.1
– Data-driven analytics services	56,083	60.7	60,540	42.2
Others	1,494	98.7	(377)	(132.7)
Total	161,987	46.6	110,314	39.2

Other income

We recorded other income of RMB0.9 million for the six months ended June 30, 2025, as compared with RMB4.4 million for the six months ended June 30, 2024, primarily due to the year-on-year decrease in government grants received by the Group.

Other gains and Losses

We recorded other gains of RMB0.1 million for the six months ended June 30, 2025, which was primarily consisted of the Group's foreign exchange losses and the reversal of litigation expenses accrued in the previous year in accordance with the judgment, as compared with other losses of RMB5.6 million for the six months ended June 30, 2024, which was primarily consisted of the Group's donation and the litigation expenses.

Research and development expenses

Our research and development expenses decreased by 33.5% from RMB102.6 million for the six months ended June 30, 2024 to RMB68.3 million for the six months ended June 30, 2025, primarily due to a reduction in share-based payment expenses, and the efficient product development resulted from the introduction of AI-driven IPD R&D management best practices, which cover end-to-end bidirectional traceability from “requirements – code – defects – changes”. In scenarios such as intelligent coding, code generation, unit testing, code debugging, and intelligent question answering, it effectively promotes an approximately 12% increase in software development production line efficiency.

To fully implement the Data+AI strategy, we have made strategic adjustments to our R&D resources and structure. During the six months ended June 30, 2025, RMB 12.6 million of our R&D expenses were allocated to Data+AI R&D initiatives, while Data+AI R&D investments were nil during the six months ended June 30, 2024.

Administrative expenses

Our administrative expenses increased by 17.6% from RMB38.0 million for the six months ended June 30, 2024 to RMB44.8 million for the six months ended June 30, 2025, primarily due to the improvement in organizational efficiency and increase in one-off costs caused by the Company’s talent structure strategic upgrade.

Distribution and selling expenses

Our distribution and selling expenses decreased by 38.6% from RMB80.0 million for the six months ended June 30, 2024 to RMB49.3 million for the six months ended June 30, 2025, primarily due to the decrease in share-based payment expenses and improvements in operating efficiency and savings in various operating expenses achieved through refined operations.

Finance income

Our finance income increased by 6.1% from RMB1.5 million for the six months ended June 30, 2024 to RMB1.6 million for the six months ended June 30, 2025.

Finance costs

We recorded the finance costs of RMB0.3 million for the six months ended June 30, 2025, as compared to RMB0.3 million for the six months ended June 30, 2024.

Fair value changes of financial assets and liabilities at FVTPL

We recorded fair value gains of financial assets at FVTPL of RMB5.4 million for the six months ended June 30, 2025, mainly from wealth management income. We recorded losses of RMB303.0 million for the six months ended June 30, 2024, primarily due to the fact that the launch of the Company's Hong Kong initial public offering was confirmed in 2024, which resulted in an increase in the valuation of the Company and the fair value of the shares with preferred rights, resulting in an increase in the fair value losses of financial liabilities at FVTPL. Since the successful listing of the Company on July 9, 2024, the shares with preferred rights have been derecognized and included in the Company's equity.

Share of results of associates and joint ventures

We recorded share of losses of associates and joint ventures of RMB0.8 million for the six months ended June 30, 2025, as compared to share of losses of RMB5.2 million for the six months ended June 30, 2024, primarily due to the losses that such associates and joint ventures recorded in the first half of 2025.

Income tax expenses

Our income tax expenses was relatively stable at RMB0.2 million and RMB0.02 million for the six months ended June 30, 2024 and 2025, respectively.

Net profit/loss for the period

As a result of the foregoing, we recorded a net profit of RMB3.6 million for the six months ended June 30, 2025, as compared to a net loss of RMB445.8 million for the six months ended June 30, 2024.

Adjusted net profit/(loss) for the period (non-IFRS measure)

To supplement our consolidated financial statements, which are presented in accordance with IFRSs, we also use adjusted net profit/(loss) (non-IFRS measure) as an additional financial measure. We define adjusted net profit/(loss) (non-IFRS measure) as net profit/(loss) for the period, adjusted by adding share-based payment expenses, listing expenses, and fair value changes of financial liabilities at FVTPL relating to shares with preferential rights issued by us, which are non-cash or non-recurring in nature. Share-based payments are non-cash expenses arising from granting share economic rights in our share incentive platforms to senior management and employees. Listing expenses were incurred in connection with the Global Offering. Fair value changes of financial liabilities at FVTPL represent fair value changes relating to shares with preferential rights issued by us.

The following table reconciles our adjusted net profit/(loss) (non-IFRS measure) for the years presented:

	Six months ended	
	June 30,	
	2025	2024
	(RMB'000)	
Reconciliation of net profit/(loss) to adjusted net profit/(loss)		
(non-IFRS measure):		
Net profit/(loss) for the period	3,647	(445,802)
Add		
Share-based payment expenses	950	35,743
Listing expenses	–	23,214
Fair value changes of financial liabilities at FVTPL		
– shares with preferential rights	–	305,648
Adjusted net profit/(loss) (non-IFRS measure)	4,597	(81,197)

We recorded an adjusted net profit of RMB3.6 million for the six months ended June 30, 2025, as compared to an adjusted net loss of RMB445.8 million for the six months ended June 30, 2024. The increase in adjusted net profit was primarily attributable to the increase in total revenue achieved through the implementation of a scenario-based data intelligence strategy. Additionally, we achieved an expansion in gross margin, improved operational efficiency, and reduced operating expenses through refined operation.

Source of liquidity and working capital

In the six months ended June 30, 2025, our primary use of cash was to fund our working capital requirements and other recurring expenses. We financed our capital expenditures and working capital requirements primarily through cash flows generated from our operating activities, net proceeds from the Global Offering (as defined below) and other funds raise from the capital markets from time to time.

We monitor our cash flows and cash balance and funding requirement on a regular basis. We strive to maintain optimal liquidity that meets our working capital requirement. Our current assets decreased from RMB945.5 million as of December 31, 2024 to RMB901.6 million as of June 30, 2025, primarily due to the working capital requirements of the Company.

Cash and cash equivalents

Our cash and cash equivalents primarily consisted of cash at banks. Our cash and cash equivalents decreased from RMB443.9 million as of December 31, 2024 to RMB340.1 million as of June 30, 2025.

As at June 30, 2025, the total amount of cash and cash equivalents as well as wealth management products under financial assets at fair value through profit or loss was RMB579.6 million.

Foreign exchange rate risk management

Our functional currency is RMB. Our business is principally conducted in RMB, and substantially all of our assets are denominated in RMB. Foreign exchange risk arises when commercial transactions or recognized assets and liabilities are denominated in a currency that is not our functional currency. We are subject to foreign exchange risk arising from commercial transactions and recognized assets and liabilities which are denominated in non-RMB.

We recognized net foreign exchange loss of RMB1.5 million for the six months ended June 30, 2025, mainly affected by fluctuations in the exchange rates of Hong Kong dollar assets in cash and cash equivalents.

We have not implemented any hedging arrangements. We manage our foreign exchange risk by closely monitoring the movement of the foreign currency rates. We will mitigate such a risk by constantly reviewing the economic situation and foreign exchange risk, and applying hedging measures when necessary.

Interest rate risk

We are exposed to cash flow interest rate risk relating to our bank balances and cash with market interest rate and market interest rate-indexed wealth management products. Our income and operating cash flows are substantially independent of changes in market interest rates. We are exposed to fair value interest risk relating to our term deposits and lease liabilities. We manage our interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. As of June 30, 2025, we have not used any interest rate swaps to hedge our exposure to interest rate risk.

Price risk

We are exposed to price risk in respect of part of our market price indexed wealth management products, investments in associates with preferential rights, investment in convertible loan and arrangement/right to receive additional shares at nominal consideration. We currently do not have a policy to hedge the price risk. However, we closely monitor such risk by maintaining a portfolio of investments with different risks.

Credit risk

We are exposed to credit risk relating to trade and other receivables, cash and cash equivalents, restricted bank deposits, term deposits, amounts due from related parties and contract assets. The carrying amounts of each class of the above financial assets represent our maximum exposure to credit risk in relation to financial assets.

Our bank balances and cash, restricted bank deposits, and term deposits are mainly deposited in state-owned or reputable financial institutions in PRC. There has been no recent history of default in relation to these financial institutions. We consider the instruments have low credit risk because they have a low risk of default and the counterparties have a strong capacity to meet its contractual cash flow obligations in the near term. The identified credit losses are insignificant during the year. We consider that there is no significant credit risk and no material losses due to the default of the other parties.

To manage risk arising from trade receivables, contract assets and amounts due from related parties of trade nature, we have policies in place to ensure that credit terms are made to counterparties with an appropriate credit history and management performs ongoing credit evaluations of the counterparties. The credit period granted to the customers is typically within 180 days from invoice date and the credit quality of these customers is assessed, which takes into account their financial position, past experience and other factors. In view of the sound collection history of receivables due from them, for measuring expected credit loss, trade receivables, contract assets and amounts due from related parties of trade nature have been grouped based on shared credit risk characteristics and aging. In addition, trade receivables and amounts due from related parties of trade nature with significant balances and contract assets with significant balances or credit-impaired are assessed for expected credit loss individually.

Capital expenditure

For the six months ended June 30, 2025, our total capital expenditure amounted to approximately RMB4.9 million, which was mainly the intangible assets formed by internal R&D, compared to RMB0.8 million for the six months ended June 30, 2024, which primarily consisted of purchases of property, plant and equipment and intangible assets.

Capital commitments

As at June 30, 2025 and December 31, 2024, we had capital commitments of RMB68.5 million and RMB71.7 million, respectively, primarily in connection with our capital expenditure in acquisition of equity interests in associates and joint ventures.

Indebtedness

Our indebtedness during the Reporting Period was primarily lease liabilities. During the Reporting Period, we obtained credit line of RMB100.0 million granted to us by a reputable commercial bank in China, and we have not utilized such credit line as of the date of this announcement. Save as disclosed, during the Reporting Period, we did not maintain banking facilities, nor did we unutilize banking facilities. As of June 30, 2025, we recorded lease liabilities of RMB20.8 million, as compared with RMB3.0 million as of December 31, 2024.

Contingent liabilities

As of June 30, 2025, we did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of our Group.

Significant investments, material acquisitions and disposals

For the six months ended June 30, 2025, we did not hold any significant investments, nor did we have any material acquisitions or disposals of subsidiaries and affiliated companies.

Charge on Group's assets

As of June 30, 2025, we had no charges on our assets.

Future plans for material investments and capital assets

Save as disclosed in the prospectus of the Company dated June 28, 2024 and this announcement, as of the date of this announcement, we did not have other substantial future plans for material investments and capital assets.

Key financial indicators

The following table sets forth certain of our key financial ratios as of the dates and for the periods indicated.

	For the six months ended June 30,	
	2025	2024
Profitability ratios		
Gross profit margin ⁽¹⁾	46.6%	39.2%
Net profit/(loss) margin ⁽²⁾	1.0%	(158.3%)
Revenue growth rate ⁽³⁾	23.5%	(16.1%)
	As of	As of
	June 30,	December 31,
	2025	2024
Liquidity ratios		
Current ratio ⁽⁴⁾	3.3	3.4

- (1) The calculation of gross profit margin is based on gross profit for the period divided by revenue for the respective period.
- (2) The calculation of net profit/(loss) margin is based on profit/(loss) for the period divided by revenue for the respective period.
- (3) The calculation of revenue growth rate is based on revenue for the period divided by revenue for the previous respective period minus one.
- (4) The calculation of current ratio is based on current assets divided by current liabilities as of period end.

OTHER INFORMATION

Use of Proceeds

The H Shares were listed on the Stock Exchange on July 9, 2024 (the “**Listing Date**”) by way of a global offering (the “**Global Offering**”). The net proceeds raised from the Global Offering were approximately HK\$228.9 million.

The net proceeds from the Global Offering (adjusted on a pro rata basis based on the actual net proceeds) have been and will be utilized in that same manner, proportion and the expected timeframe as set out in the Prospectus under the section headed “Future Plans and Use of Proceeds”.

The table below sets out the planned and actual applications of the net proceeds up to June 30, 2025.

	Allocation of net proceeds from the Global Offering (HKD in millions)	Percentage of net proceeds (%)	Unutilized proceeds as of January 1, 2025 (HKD in millions)	Utilized proceeds during the Reporting Period (HKD in millions)	Utilization up to June 30, 2025 (HKD in millions)	Unutilized proceeds as of June 30, 2025 (HKD in millions)
Solution upgrade and function enhancement	72.1	31.5	58.0	11.1	25.2	46.9
Research & development	67.3	29.4	48.9	21.3	39.7	27.6
Sales and marketing initiatives	44.2	19.3	44.2	–	–	44.2
Selective acquisitions and investment	26.3	11.5	20.9	–	5.4	20.9
Working capital and other general purposes	19.0	8.3	19.0	–	–	19.0
Total	228.9	100.0	191.0	32.4	70.3	158.6

To the extent that the net proceeds have not been immediately utilized, the balance has been deposited into short-term interest-bearing accounts at licensed commercial banks. The Board currently do not expect to change the intended use of net proceeds as previously disclosed in the Prospectus, and expects full utilization of the net proceeds raised from the Global Offering by December 31, 2029, subject to changes in light of the Company’s evolving business needs and changing market conditions.

Human Resources

As of June 30, 2025, the Group had 835 employees (as of December 31, 2024: 934). The Group enters into employment contracts with its employees to cover matters such as position, term of employment, wage, employee benefits and liabilities for breaches and grounds for termination.

The remuneration of the Group's employees includes basic salaries, allowances, bonus, share options and other employee benefits, and is determined with reference to their experience, qualifications and general market conditions. We provide regular trainings to our employees in order to improve their skills and knowledge. The training courses range from further educational studies to skill training to professional development course for management personnel.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) from January 1, 2025 to the date of this announcement.

Interim Dividend

The Board resolved not to declare any interim dividend for the six months ended June 30, 2025.

Public Float

According to the information that is publicly available to the Company and within the knowledge of the Board, as of the date of this announcement, the Company has maintained sufficient public float as required by the Listing Rules.

Compliance with Corporate Governance Code

The Group is committed to maintaining high standards of corporate governance practices. The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of the shareholders of the Company (the "**Shareholders**") and corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the "**CG Code**") under Appendix C1 of the Listing Rules as its own code of corporate governance. During the Reporting Period, the Company had complied with all applicable code provisions under the CG Code.

Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors’ securities transactions.

Having made specific enquiries of all Directors and the Company’s supervisors, each of the Directors and the supervisors has confirmed that he/she has complied with the requirements of the Model Code during the six months ended June 30, 2025.

Change of Auditor

On June 27, 2025, the Shareholders approved to replace the Company’s auditor for the financial year ending December 31, 2025 from Deloitte Touche Tohmatsu to Rongcheng (Hong Kong) CPA Limited. Please refer to the announcements of the Company in relation to the change of auditor dated June 3, 2025 and June 4, 2025, and the circular of annual general meeting of the Company dated June 3, 2025 for further details.

Audit Committee and Review of Interim Financial Results

As of the date of this announcement, the Audit Committee comprises three independent non-executive Directors, namely, Mr. Ng Kwok Yin, Mr. Tian Lixin and Dr. Song Hua, and Mr. Ng Kwok Yin serves as the chairman of the Audit Committee.

The Audit Committee has reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended June 30, 2025. The Audit Committee has also reviewed the accounting policies and practices adopted by the Company and discussed matters in relation to, among others, risk management, internal control and financial reporting of the Group with the management and Rongcheng (Hong Kong) CPA Limited, the independent auditor of the Company. Based on this review and discussions with the management and the independent auditor of the Company, the Audit Committee was satisfied that the Group’s unaudited interim condensed consolidated financial information were prepared in accordance with applicable accounting standards and fairly present the Group’s financial position and results for the six months ended June 30, 2025.

Rongcheng (Hong Kong) CPA Limited, the Company’s independent auditor, has carried out a review of the unaudited interim financial report for the six months ended June 30, 2025 in accordance with the Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

Subsequent Event

On July 29, 2025, pursuant to the 2025 Share Incentive Scheme (ESOP Platforms) adopted on June 27, 2025, the Board has approved the grant of restricted Shares representing 4,750,000 Shares (“**Shares**”) to five grantees (the “**Grant**”), accounting for approximately 2.10% of the issued share capital of the Company as at the date of this announcement. The source of the Grant is certain Shares indirectly held by Ms. Chen Jie through Ningbo Xiu’an Enterprise Management Partnership (Limited Partnership) (寧波修安企業管理合夥企業(有限合夥)) and Tianjin Duoying Technology Center (Limited Partnership) (天津多盈科技中心(有限合夥)). The grantees will hold the Shares indirectly through holding the proprietary interest in such shareholding platforms.

PUBLICATION OF 2025 INTERIM RESULTS AND 2025 INTERIM REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company’s website (www.baiwang.com). The interim report of the Company for the six months ended June 30, 2025 will be dispatched to the Shareholders who have already provided instructions indicating their preference to receive hard copies (if applicable) and published on the aforesaid websites in due course.

APPRECIATION

On behalf of the Board, I would like to express our sincere gratitude to customers and business partners for their trust in the Company, our staff and management team for their diligence, dedication, loyalty and integrity, and our Shareholders for their continuous support.

By Order of the Board

Baiwang Co., Ltd.

百望股份有限公司

Ms. Chen Jie

Chairlady of the Board and Executive Director

Hong Kong, August 20, 2025

As at the date of this announcement, the Board comprises Ms. Chen Jie, Mr. Fu Yingbo, Mr. Zou Yan and Ms. Jin Xin as executive Directors; Mr. Huang Miao and Mr. Diao Juanhuan as non-executive Directors; Mr. Tian Lixin, Dr. Wu Changhai, Dr. Song Hua and Mr. Ng Kwok Yin as independent non-executive Directors.