Yidu Tech Inc.
醫渡科技有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 2158)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

The board (the "**Board**") of directors (the "**Directors**") of Yidu Tech Inc. (the "**Company**", together with its subsidiaries and consolidated affiliated entities, the "**Group**") is pleased to announce the unaudited consolidated interim results of the Group for the six months ended 30 September 2023 (the "**Reporting Period**"), together with the comparative figures for the six months ended 30 September 2022. The results have been reviewed by the Company's audit committee.

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

FINANCIAL HIGHLIGHTS

	Six months ended 30 September		
	2023	2022	Change (%)
	(RMB'000, except percentages)		
Revenue	**356,480**	474,366	(24.9%)
— Big Data Platform and Solutions	**127,939**	124,028	3.2%
— Life Sciences Solutions	**170,163**	146,531	16.1%
— Health Management Platform and Solutions	**58,378**	203,807	(71.4%)
Gross profit	**136,205**	123,675	10.1%
Operating loss	**(78,293)**	(356,251)	(78.0%)
Loss for the period	**(79,555)**	(356,347)	(77.7%)
Non-IFRS adjusted net loss[1]	**(54,100)**	(224,802)	(75.9%)

(1)   We define "adjusted net loss" as loss for the period and adding back (i) share-based compensation expenses; and (ii) net foreign exchange losses.

The Board did not recommend the distribution of an interim dividend for the six months ended 30 September 2023.

BUSINESS OVERVIEW

Significant breakthroughs in artificial intelligence ("**AI**") technology are driving transformations of far-reaching significance and unveiling a future brimming with endless possibilities. Guided by the national strategy of high-quality development driven by innovation, the "14th Five-Year Plan" and the "Healthy China 2030", China has implemented a series of regulations and guidance to promote the proprietary innovation in cutting-edge fields of science and technology such as AI and life and health.

Guided by our long-term goal of safe precision healthcare for all ("**green healthcare**"), Yidu Tech, as a leader in China's healthcare intelligence industry, consistently adheres to proprietary innovation. From the supply side, we persistently propel the transformation of the healthcare industry, progressing from digitalization towards intelligentization, with the aim of attaining cost reduction and efficiency enhancement within the healthcare industry. Our intelligent "medical brain" YiduCore consists of algorithms and insightful medical knowledge based on real-world studies network with high-quality research grade evidence that are continuously accumulated and constantly iterated as we expand our use-case scenarios. In the new wave of AI innovation, we have been persistently upgrading and iterating our core algorithm, namely our proprietary large language model in the medical vertical field, based on quantifiable knowledge graphs accumulated from multi-dimensional practices. Accordingly, our intelligent "medical brain" YiduCore will also be upgraded from version 1.0 to version 2.0, and will empower various application scenarios in the healthcare industry, further enhancing our core competitiveness. As of 30 September 2023, upon authorization, YiduCore has processed and analyzed more than 4 billion medical records of over 900 million patients, covering more than 1,700 hospitals.

With the rapid development of AI technology, security is always the foundation of the Company. We have obtained the "Secure Multi-party Computing Basic Capability Special Evaluation Certificate (多方安全計算基礎能力專項評測證書)" and "Federated Learning Basic Capability Special Evaluation Certificate (聯邦學習基礎能力專項評測證書)" issued by China Academy of Information and Communications Technology ("**CAICT**").

Since the second half of fiscal year ("**FY**") 2023, we have committed to and diligently adhered to our "focus" strategy, concentrating on core businesses and key clients to enhance profitability. Prioritizing profit over business expansion, we have further solidified our business model, aiming for sustained long-term high-quality development. For the six months ended 30 September 2023, our revenue decreased by 24.9% year-on-year, mainly due to a heightened focus on the core business. Despite this, our loss for the period significantly reduced to RMB79.6 million, down 77.7% year-on-year, and the adjusted net loss decreased to RMB54.1 million, representing a year-on-year decrease of 75.9%. In addition, in terms of disease areas, we focus on key disease research areas such as solid tumors, hematologic disease, ophthalmology, immunity, cardiovascular and endocrine diseases. By consistently developing high-quality products and solutions, we aim to enhance customer experience, retaining key clients with a high revenue retention rate while meeting diverse demands of our customers. We achieved a 128.2% revenue retention rate for our top 10 clients in the Life Sciences Solutions segment. In the first half of FY2024, the synergies between business segments further strengthened, contributing to continuous improvement in overall operational efficiency. For the six months ended 30 September 2023, our gross margin increased by 12.1 percentage points year-on-year. Total operating expenses as a percentage of revenue decreased by 12.8

percentage points year-on-year. Our net cash outflow from operating activities decreased by 11.8% year-on-year excluding the impact of third-party premiums collection and insurance claims. As of 30 September 2023, our cash and cash equivalents reserves remain robust. Our management consistently integrates long-term perspective into strategic planning and daily decision-making, aiming for sustained and prudent growth in the long run.

In response to the high incidence of chronic diseases, we focus on treatment. Based on YiduCore, evidence-based medicine, and traceable real-world evidence ("**RWE**"), we continuously research and develop digital therapeutics related to health management, and explore new models for chronic disease management. In FY2023, diabetes digital therapeutics product based on diabetes digital therapeutics developed by us has been approved by the U.S. Food and Drug Administration ("**FDA**") and Hainan Medical Products Administration of China. During the Reporting Period, our diabetes digital therapeutics product has achieved milestone progress. As of 30 September 2023, the number of active users who have completed at least one transaction on our health management platform reached 26 million.

The essence of healthcare intelligence, based on innovative technologies such as artificial intelligence and big data, is to accelerate the quality and efficiency of medical evidence generation to address efficiency issues in research and treatment, making medical care safer, better, and more accessible. Leveraging a medical intelligence-driven real-world studies network, we continuously refine the business loop encompassing "medical, pharmaceutical, insurance, and patients". From assisting doctors in clinical diagnosis and treatment to expediting new drug development, from empowering precise decision-making in public health to personalized proactive health management of many at every level, this comprehensive approach aligns with our vision and our commitment of building a value-based medical system since our inception.

YiduCore

YiduCore, our intelligent "medical brain", can be understood in terms of three layers: the first layer consists of our medical data governance capabilities, which enable us to assist in aggregating and governing raw and scattered data from in-hospital and out-of-hospital information technology systems into structured and standardised high-quality data that can be analysed and processed by algorithmic models in an efficient, accurate and cost-efficient manner upon authorization. The second layer is composed of our continuously reinforced and expanded medical knowledge, insights, and disease models generated from and applied in our iterative and upgraded AI algorithms, as they are applied to our data-analytics driven solutions for our customers in various use-case scenarios. The final layer is based on the AI algorithm and disease research capabilities that run through the three application scenarios of research, diagnosis and treatment and public health, continuously iterate and upgrade our solutions, and refine the business loop encompassing "medical, pharmaceutical, insurance and patients".

During the Reporting Period, we continuously focus on the research and development and training of large language model in the medical vertical field based on more than 100 billion fine-trained tokens, with model training for 7 billion and 13 billion parameters completed, and the training for 70 billion parameters underway. We plan to launch model versions with different parameter scales to meet the application needs of different terminals and scenarios. In the medical field, the high professionalism and low tolerance for fault determine the needs for

high-quality professional large language model in the medical vertical field. Based on YiduCore's extensive accumulation of medical knowledge, knowledge graphs and high-quality medical data processing capability, we have an advantage in the development of large language model in the medical vertical field. Combined with our self-developed large language model that are continuously optimized and upgraded, the intelligent "medical brain" YiduCore will also be iteratively upgraded from version 1.0 to version 2.0. In terms of technology, the large language model in the medical vertical field developed on the basis of quantifiable knowledge graphs accumulated from the multi-dimensional practices keeps iterating YiduCore's core algorithm to enhance its semantic understanding and reasoning capabilities. Currently, our three business segments cover multiple application scenarios in the healthcare industry on the supply side, regulators, payer and demand side. YiduCore 2.0 will deeply empower our existing products and business lines to further enhance customer experience and product competitiveness.

We have continuously invested resources to deepen our understanding of diseases. The medical knowledge graphs in YiduCore are based on evidence-based medical research. As of 30 September 2023, the YiduCore medical knowledge graphs have covered over 100,000 medical subjects, of which the number of diseases covered by the disease knowledge graphs have exceeded 10,000. The continuous output of medical insights and quantifiable knowledge graphs accumulated from the multi-dimensional practices can drive multi-scenario applications, and the iterative integration of scenarios and algorithms has further reinforced our YiduCore. As of 30 September 2023, YiduCore has built disease models in nearly 80 disease areas. In terms of medical natural language processing, as of 30 September 2023, upon authorization, YiduCore has processed and analyzed more than 4 billion healthcare records from over 900 million patients, covering over 1,700 hospitals. Through such accumulation, YiduCore is able to accurately identify over 25,000 medical semantic fields.

Based on the intelligent "medical brain", YiduCore, we constantly improve the efficiency of research-grade evidence generation and deepen our research capability in different disease areas. In addition to the research on key diseases such as solid tumors, hematology, ophthalmology, immunology, cardiovascular and endocrine, we further deepened our research on other diseases. As of 30 September 2023, we have collaborated with experts and authoritative institutions to publish 19 disease standard datasets, including esophageal cancer, tuberculosis, mental illness, building as a foundation for multi-center research in relevant disease areas. Our comprehensive public health solutions provide large-scale simulation and prediction for efficient and dynamic decision-making. As of 30 September 2023, our public health solutions have been validated in 25 provinces and cities.

For security protection, we have obtained the "Secure Multi-party Computing Basic Capability Special Evaluation Certificate (多方安全計算基礎能力專項評測證書)" and "Federated Learning Basic Capability Special Evaluation Certificate (聯邦學習基礎能力專項評測證書)" issued by the CAICT. We have participated in the preparation of the Research Report on the Application of Privacy Computing (2022) (《隱私計算應用研究報告 (2022年)》) issued by the Institute of Cloud Computing and Big Data of the CAICT, which promoted the development and standardization of privacy computing and other relevant technical specifications. We will continue to improve the security protection capabilities of YiduCore and jointly promote the improvement of data security capabilities of the healthcare industry.

Big Data Platform and Solutions ("BDPS")

In the BDPS segment, we provide data intelligence platform and data analytics-driven solutions for hospitals, healthcare institutions, regulators and policymakers. During the Reporting Period, the revenue of this segment was RMB127.9 million, representing a year-on-year increase of 3.2%. As of 30 September 2023, the number of top hospital clients increased by 6 from 31 March 2023 to 94, while the number of regulator and policymaker clients increased by 4 to 38.

For hospitals, we offer AI-enabled applications and solutions focused on three use-case scenarios, namely research, clinical diagnosis and treatment, and hospital operations management. The data analytics-driven applications and solutions we provide could further unlock the value of healthcare data to help clients conduct in-depth medical research and make precise and efficient decisions. By using our disease registries and disease research networks, top hospitals and experts can accelerate the production of research-grade evidence and scale up their clinical research in a faster and safer manner.

During the Reporting Period, we continue to promote the commercialization of our new hospital scenario intelligent solutions. Our All Disease Data Platform can deeply empower medical research by providing a full range of research tools including inspiration discovery, multi-modal medical record search, intelligent extraction, follow-ups, statistical analysis and AI modeling, which has been deployed and applied in several top research hospitals and Grade III-A hospitals, and was extensively used by more than 250 clinical research teams. YiduEywa2.0, our new-generation data centre, fully supports the requirements of information technology application innovation, providing comprehensive data lifecycle management and supporting multi-scenario data applications, assisting hospitals to use data assets more efficiently. During the Reporting Period, we consecutively constructed All Disease Data Platform and YiduEywa2.0 for a Grade III-A hospital in East China. We assisted the hospital to build the All Disease Data Platform, customizing the disease registry based on its key specialties, to meet the scientific research needs across the hospital. Additionally, we also assisted the hospital to build YiduEywa2.0 to enhance its capability in data asset management and refined hospital operation level.

We keep iterating real-world disease models by AI technologies, and continue to deepen our disease insights and engage top-grade hospitals and experts in our research network. In terms of hematologic disease, we won the bid for a national multi-centre big data platform project on hematologic disease for a Grade III-A hospital in East China during the Reporting Period, with a contract value of nearly RMB9 million. We aim to build a multi-centre collaboration platform that can serve the national alliance of hematologic clinical research centres (including 13 provincial level sub-centres and 64 contracted hospitals), and form an advanced hematologic disease registration system and cohort research service network, to improve the clinical research level of hematologic diseases in the centre. In terms of ophthalmic disease, the "Big Data Platform of National Clinical Research Centre for Ophthalmology" undertaken by us was officially launched during the Reporting Period. The platform was jointly developed by the Eye Hospital of Wenzhou Medical University and Yidu Tech, which will accelerate the development of clinical evaluation of ophthalmic drugs and medical devices, promote the clinical transformation of new technologies and therapies in ophthalmology. It has already completed the functional launch of seven specialized medical research platforms. In addition to deepening our research on key disease areas, we have also continuously expanded the breadth

of our research in different disease areas. During the Reporting Period, we secured a number of disease registries projects in Grade III-A/Grade III hospitals, further strengthening our research capabilities in pediatrics, respiratory medicine, nephrology, and other disease areas.

We process and analyze more abundant and diverse data for regulators and policymakers. Upon authorization, we provide AI-enabled data analytics-driven solutions to regulators and policymakers, covering national/provincial/city-level regional platform development, and public health etc. With our AI-enabled analytical tools and cutting-edge simulation models, we also assist in building cities' "health brain" in the field of regional population health management. During FY2023, we won the bid for the construction of regional healthcare profiling for local residents in Beijing Chaoyang District, assisting in integrating residential medical data between hospitals in Chaoyang District to form an electronic health record for residents in Chaoyang District. During the Reporting Period, we further won the bid for the construction of medical supervision platform in Beijing Chaoyang District. Based on the medical big data platform in Chaoyang District, we helped build the operation and supervision analysis system of medical institutions and strengthened the intelligent monitoring for the operation of medical institutions in Chaoyang District. The contract value was nearly RMB10 million. We also assisted in constructing an infectious disease information platform for monitoring, warning and emergency command for a province in South China. By integrating multi-dimensional and multi-point data, including extensive disease data accumulated in work, and combining multi-point early warning and multi-dimensional prediction technologies, we help this province to better respond to new infectious diseases, unexplained diseases, and public health emergencies, and improve its pandemic monitoring, warning, and emergency response capabilities.

Life Sciences Solutions ("LSS")

In the LSS segment, we currently provide analytics-driven clinical development, real-world studies, and digital commercialization solutions in respect of the full life-cycle of drugs or medical devices from clinical development to post-market commercialization to meet the diverse needs of our customers.

Leveraging AI-enabled disease insights and continuously upgraded digital technology solutions, we assist partners in pharmaceuticals, biotechnology, medical devices and other clinical development processes reduce product development time and costs, improve the quality of clinical trials, and achieve commercial success.

As a pioneer in promoting the innovative intelligence clinical trials in China, in view of the issues of low enrollment rate, poor compliance, slow progress of clinical trials and high cost of drug development in traditional clinical trials, LSS segment has independently developed an integrated intelligence service platform, which mainly includes the intelligent Good Clinical Practice ("**iGCP**") and the Decentralized Clinical Trial Platform ("**DCT**"), based on the core capabilities of YiduCore, the network of top tier hospitals and experts accumulated in the BDPS segment under the guiding ideology of patient-centered drug development.

During the Reporting Period, based on the integrated intelligence service platform, we completed the patient recruitment ahead of schedule for the TAB014 phase III clinical trial of Zhaoke Ophthalmology and the phase III clinical trial of wet age-related macular degeneration for a biopharmaceutical company, respectively, and continued to rapidly advance the progress of the two phase III clinical trials.

With accumulated experience in focused disease areas, especially for solid tumors, hematology, ophthalmology, immunology, cardiovasology and endocrine, and the continuous iteration and upgrading of intelligence service platform based on the YiduCore, we continuously strengthen our core competitiveness in the life science industry, improve repurchase rate of customers, and shorten the journey from molecules to patients. With our previous experience in completing the phase IIa clinical study project of a type of new drug for a large biopharmaceutical company with high quality, and high recognition from the client, the LSS segment once again successfully won the bid and signed the contract for the phase IIb clinical study project of this type of new drug during the Reporting Period. In addition, relying on our previous experience in successfully supporting a large domestic listed pharmaceutical company in its andrology phase III clinical trial, the LSS segment won the bid and signed a contract for an andrology phase III clinical trial project with an innovative pharmaceutical company during the Reporting Period. During the Reporting Period, the BDPS segment and the Eye Hospital of Wenzhou Medical University launched the "National Clinical Medical Research Centre for Eye Diseases Big Data Platform". With the synergies between the segments and in-depth research in ophthalmic disease area, the LSS segment also won the bid for Eye Hospital of Wenzhou Medical University's myopia IIT research project related to pediatric dietary management.

In the LSS segment, we have accumulated extensive experience through generating high-quality RWE to empower life science clients to manage and optimize the entire produce life-cycle, from pre-launch strategy development, regulatory approval support, peri-launch evidence support, post-market label extension, to efficacy and safety evaluation. With the first-ranked technical score and high recognition from our client, we continuously won three technically demanding retrospective real-world study projects related to cancer and pain from a multi-national pharmaceutical company ("**MNC**"), and both parties have also established an exclusive strategic cooperation intention in this research field. In recent years, with the launch of the "Opinions of the Central Committee of the Communist Party of China and the State Council on Promoting the Inheritance and Innovation Development of Traditional Chinese Medicine"(《中共中央國務院關於促進中醫藥傳承創新發展的意見》), for the Development of Traditional Chinese Medicine Informatization under the "14th Five-Year Plan" (《「十四五」中醫藥信息化發展規劃》) and other policies and measures, the development of traditional Chinese medicine has shown new vitality. The report of the 20th National Congress of Communist Party of China proposed "Promoting the Inheritance and Innovative Development of Traditional Chinese Medicine". The new generation technologies such as big data and AI will provide strong support for the high-quality development of traditional Chinese medicine. Compared with Western medicine, the theoretical basis of traditional Chinese medicine is more complex and the dialectical challenge is greater. During the Reporting Period, by leveraging the accumulated rich experience and strong technical capabilities, the LSS segment successfully won the bid to assist a listed pharmaceutical company in expanding the indications of traditional Chinese medicine products by using RWE.

Over the past years, the LSS segment has maintained strong growth momentum, especially in the analytics-driven clinical development solutions. With COVID-19 pandemic coming to an end, the business of LSS segment has gradually recovered. As of the six months ended 30 September 2023, the segment's revenue amounted to RMB170.2 million, representing a year-on-year increase of 16.1%, and the gross margin increased by 13.3 percentage points year-on-year with the further improvement in operational efficiency. Through collaboration with other segments, we constantly innovate channels and improve business conversion between segments. As of 30 September 2023, we have performed 296 clinical researches, including clinical trials

sponsored by pharmaceutical companies and researchers. We have performed 221 prospective and retrospective real-world studies. Our Intelligent Site Management Organization services have covered 304 clinical trial facilities. We focus on high-quality customers and continuously enhance customer experience by focusing on full life-cycle solutions empowered by digital and intelligent technology innovation. As of 30 September 2023, we achieved a 128.2% revenue retention rate for our top 10 clients in terms of revenue. 15 of the top 20 MNC are our clients.

We also have a team of professionals with rich experience and cross-domain expertise. As of 30 September 2023, our employees of the LSS segment have an average of over 9 years of relevant experience with expertise spanning clinical research, data science, epidemiology, biostatistics, medical informatics, AI and others. Through the development of a high-caliber talent pool, we continue to improve the operating efficiency of our projects.

Health Management Platform and Solutions ("HMPS")

In this segment, we provide one-stop closed loop health management solutions, including chronic disease management services, commercial health insurance and Hui Min Bao (惠民保), a city-level supplementary insurance to the existing national social medical insurance, to provide multi-level healthcare solutions for city population. During the Reporting Period, the revenue of our HMPS segment amounted to RMB58.4 million, representing a year-on-year decrease of 71.4%, primarily due to streamlining our business portfolios.

In order to achieve our mission "to make value-based precision healthcare accessible to everyone", we provide innovative insurance technologies and solutions to insurers, brokers and relevant regulators and policymakers in this sector. Leveraging our medical knowledge and insights accumulated through YiduCore, we continuously improve medical actuarial models, intelligent risk control models, and disease prediction models, and strengthen the construction of five core capabilities including patient analysis and risk assessment, customised product development, hierarchical classification of large-scale population, health intervention and intelligent customer service, intelligent underwriting and quick claim settlement. Our solutions aim to empower our customers with technology to design and develop innovative insurance products, enabling faster and more accurate insurance underwriting and expediting claim processing. In the future, we expect to leverage our independently developed large language model in the medical field to deeply empower our product lines, and strive to improve the creativity of health management services.

During the Reporting Period, we continue to increase the market penetration of the Hui Min Bao business. As of 30 September 2023, we cumulatively won the bid in and served 4 provinces and 12 cities, including Beijing, Shenzhen, Tianjin, Jiangsu Province, Fujian Province, Anhui Province, Shaanxi Province, etc. We focus on core cities to expand the regional network, and over 90% of our users are in China's top 15 provincial-level administrative regions in terms of GDP in 2022. We have assisted three of the four municipalities directly under the central government in China to launch the Hui Min Bao products, including Tianjin, Beijing and Chongqing.

We have served as the main operation platform for Jiangsu Province Hui Min Bao (江蘇省惠民保), Beijing Hui Min Bao (北京惠民保) and Tianjin Hui Min Bao (天津惠民保) for two consecutive years, providing whole-process operational services including technology-driven product design, user acquisition, promotion, intelligent customer services and intelligent claim management. In addition to operational services, we also provided innovative value-added health management services for the Tianjin Hui Min Bao (天津惠民保), including early screening of critical illnesses, chronic disease consultations, online drug purchases and door-to-door nursing. In October and November 2023, we have respectively started the third year of sales of Jiangsu Province Hui Min Bao (江蘇省惠民保) and Beijing Hui Min Bao (北京惠民保).

As the main operation platform for Shenzhen Hui Min Bao (深圳惠民保), we underwrote more than 6 million policies, and the insurance participation rate is more than 35%. Both the number of policies and participation rate rank among the top in the Hui Min Bao programs across the country. The structure of the insured population of Shenzhen Hui Min Bao (深圳惠民保) shows a younger trend, with an average age of 34 years old, and more than 50% of the insured are under the age of 35. The younger generation have a greater awareness of insurance coverage.

We also deliver AI one-stop analytics-driven solutions by leveraging technology capabilities and medical knowledge accumulated by YiduCore, and offer integrated and personalized digital therapeutics that integrate traditional treatment with out-of-hospital care and lifestyle interventions, and continuously explore new models of chronic disease management. In FY2023, diabetes digital therapeutics product based on our diabetes digital therapeutics have been approved by FDA, and the diabetes digital therapeutics product targeted at the domestic market developed by us has also been granted the Medical Device Registration Certificate of the People's Republic of China issued by Hainan Medical Products Administration. During the Reporting Period, our diabetes digital therapeutics product has achieved milestone progress. For the first time, we have integrated our diabetes digital therapeutics product into the health management fee-for-service for the Tianjin Hui Min Bao (天津惠民保). Our innovative solution for diabetes digital therapeutics has been successfully selected into the "2+3" (referring to hypertension, diabetes, tuberculosis, hepatitis, and severe mental disorders) healthcare service packages in Hainan Province, and we will kick off the preliminary pilot campaign this year to promote the innovative application of digital therapeutics and support the Hainan's digital transformation in the healthcare industry. With our cutting-edge innovation capabilities and prominent practical achievements in the field of digital therapeutics, we have also been successfully selected as the "Best Innovative and Practice-enabled Companies at the World Digital Therapeutics Conference 2023 (2023世界數字療法大會最佳創新及實踐企業)". Our innovation strength and practical capabilities have been continuously recognized in the field of digital therapeutics, and further verified the feasibility of commercialization of digital therapeutics.

As of 30 September 2023, the number of active users who have completed at least one transaction on our health management platform reached 26 million.

Business Outlook

To achieve our mission to "make value-based precision healthcare accessible to everyone" and further solidify our leadership in the healthcare intelligence industry, we will continue to (i) upgrade and iterate the core algorithms, develop and optimize the large language model in the medical field, and increase the investment in intelligent "medical brain" YiduCore, to provide strong empowerment for various application scenarios in the medical field, (ii) deepen and broaden our analysis, research and use-cases in each key disease area, (iii) optimize the customer experience and improve operational efficiency in customer value delivery, (iv) improve synergy among the business sectors to increase penetration and repurchase rate among high-quality customers, (v) explore more opportunities in international markets, and (vi) enrich our ecosystem through strategic partnerships, investments and acquisitions.

In respect of BDPS segment, we will continue to strengthen our "two-pronged" strategy. Horizontally, we will continue to (i) expand our network of hospitals and urban regions, (ii) enrich the use-case scenarios of existing customers, and continuously enlarge our customer bases by product innovation, and (iii) continuously enhance the functionality, reliability and usability of our products in combination with state-of-art technology development. Vertically, we will continue to deepen and optimize our research within each key disease area by enabling multi-site research to be carried out based on disease dimensions and hospital networks.

In respect of LSS segment, with the constant development of AI technology, and the concept of "patient-centered" research and development being more integrated throughout full life-cycle of the medicine research and development, we will continue to accelerate the generation of research-grade evidence based on YiduCore to constantly optimize our one-stop solutions from analytics-driven clinical development to post-launch commercialization. Our focus will remain on the following areas: (i) the upgrade and iteration of our integrated intelligence service platform, and the improvement of operational efficiency based on the service platform, (ii) generation and application of RWE, (iii) key disease areas we excel at in clinical development, and (iv) preservation and enlargement of our customer base.

In respect of HMPS segment, we will continue to utilize our disease insights, knowledge and expert network to provide effective health management solutions to benefit more people with "patient-centered, outcome-oriented" care. We will continue to (i) increase the number of active users on our platform from diversified channels, (ii) expand our health management product offerings to meet the multi-level mass medical needs, (iii) explore new models of chronic disease management, and (iv) enrich user experience to solidify brand loyalty.

We are well positioned to serve as a leading player in the rapidly evolving healthcare intelligence industry. In the future, we will continue to introduce innovative AI-driven applications and solutions to capture the massive market opportunities in China and beyond, to enable stakeholders in the ecosystem to derive more value from our continuously iterating intelligent "medical brain".

MANAGEMENT DISCUSSION AND ANALYSIS

Revenues

Our revenues decreased by 24.9% from RMB474.4 million for the six months ended 30 September 2022 to RMB356.5 million for the six months ended 30 September 2023. The decrease was primarily attributable to the decrease in revenue from Health Management Platform and Solutions segment.

Big Data Platform and Solutions. Revenue from Big Data Platform and Solutions remained relatively stable with an increase of 3.2% from RMB124.0 million for the six months ended 30 September 2022 to RMB127.9 million for the six months ended 30 September 2023.

Life Sciences Solutions. Revenue from Life Sciences Solutions increased by 16.1% from RMB146.5 million for the six months ended 30 September 2022 to RMB170.2 million for the six months ended 30 September 2023, primarily because our business started to recover, especially in the on-site implementation and delivery for clients, after the end of the COVID-19 pandemic.

Health Management Platform and Solutions. Revenue from Health Management Platform and Solutions decreased by 71.4% from RMB203.8 million for the six months ended 30 September 2022 to RMB58.4 million for the six months ended 30 September 2023, primarily due to streamlining our business portfolios.

Cost of Sales and Services

Our cost of sales and services decreased by 37.2% from RMB350.7 million for the six months ended 30 September 2022 to RMB220.3 million for the six months ended 30 September 2023. Share-based compensation expenses included in cost of sales and services were RMB3.0 million and RMB3.8 million for the six months ended 30 September 2022 and 2023 respectively. The decrease was caused by cost saving in the Health Management Platform and Solutions segment in the first half of fiscal year 2024.

Big Data Platform and Solutions. Cost of sales and services from the Big Data Platform and Solutions segment remained relatively stable with a decrease of 3.7% from RMB72.8 million for the six months ended 30 September 2022 to RMB70.1 million for the six months ended 30 September 2023.

Life Sciences Solutions. Cost of sales and services from Life Sciences Solutions remained relatively stable with a decrease of 2.0% from RMB125.3 million for the six months ended 30 September 2022 to RMB122.8 million for the six months ended 30 September 2023.

Health Management Platform and Solutions. Cost of sales and services from the Health Management Platform and Solutions segment decreased by 82.1% from RMB152.6 million for the six months ended 30 September 2022 to RMB27.4 million for the six months ended 30 September 2023, primarily due to the decrease in cost of pharmaceutical products and services from RMB139.5 million to RMB18.2 million.

Gross profit and gross margin

As a result of the foregoing, our overall gross profit for the six months ended 30 September 2022 and 2023 were RMB123.7 million and RMB136.2 million respectively, and our overall gross margin was 26.1% and 38.2% respectively.

Big Data Platform and Solutions. Our gross margin in Big Data Platform and Solutions remained relatively stable with an increase from 41.3% for the six months ended 30 September 2022 to 45.2% for the six months ended 30 September 2023.

Life Sciences Solutions. Our gross margin in Life Sciences Solutions increased from 14.5% for the six months ended 30 September 2022 to 27.8% for the six months ended 30 September 2023, primarily due to the business recover and relatively stable cost of sales and services for the six months ended 30 September 2023.

Health Management Platform and Solutions. Our gross margin in Health Management Platform and Solutions increased from 25.1% for the six months ended 30 September 2022 to 53.2% for the six months ended 30 September 2023, primarily due to streamlining our business portfolios.

Selling and marketing expenses

Our selling and marketing expenses decreased by 16.5% from RMB124.1 million for the six months ended 30 September 2022 to RMB103.7 million for the six months ended 30 September 2023, primarily attributable to decrease in (i) employee benefits and expenses of employees engaging in selling and marketing function from RMB80.8 million to RMB69.6 million, which included share-based compensation of RMB5.3 million and RMB6.0 million in the respective periods; and (ii) business development, promotion and advertising expenses for the Group's marketing activities and insurance services from RMB28.2million to RMB20.5 million.

Selling and marketing expenses as a percentage of revenue increased from 26.2% for the six months ended 30 September 2022 to 29.1% for the six months ended 30 September 2023.

Administrative expenses

Our administrative expenses decreased by 45.7% from RMB109.4 million for the six months ended 30 September 2022 to RMB59.4 million for the six months ended 30 September 2023, primarily attributable to decrease in employee benefits and expenses of employees engaging in administrative function from RMB91.4 million to RMB40.3 million, which included share-based compensation of RMB25.8 million and RMB7.2 million in the respective periods.

Administrative expenses as a percentage of revenue decreased from 23.1% for the six months ended 30 September 2022 to 16.7% for the six months ended 30 September 2023.

Research and development expenses

Our research and development expenses decreased by 43.0% from RMB181.9 million for the six months ended 30 September 2022 to RMB103.6 million for the six months ended 30 September 2023. The decrease in research and development expenses was primarily due to (i) decrease in employee benefit and expenses for employees engaging in research and development function from RMB141.4 million to RMB70.1million, including share-based compensation of RMB10.2 million and RMB4.1 million in the respective periods, respectively as a result of the Company's focus of research and development on its core business; and (ii) decrease in technical and consulting services from RMB23.7 million to RMB14.8 million.

Research and development expenses as a percentage of revenue decreased from 38.3% for the six months ended 30 September 2022 to 29.1% for the six months ended 30 September 2023.

Operating loss

As a result of the foregoing, operating loss generated from the Group decreased by 78.0% from RMB356.3 million for the six months ended 30 September 2022 to RMB78.3 million for the six months ended 30 September 2023.

Taxation

Income tax expense of the Group decreased from RMB1,836 thousand for the six months ended 30 September 2022 to RMB170 thousand for the six months ended 30 September 2023.

Loss for the period

As a result of the foregoing, our loss for the period decreased by 77.7% from RMB356.3 million for the six months ended 30 September 2022 to RMB79.6 million for the six months ended 30 September 2023.

Non-IFRS Measure — Adjusted Net Loss

To supplement our consolidated financial statements which are presented in accordance with International Financial Reporting Standards ("**IFRS**"), we also use adjusted net loss (defined below) as an additional financial measure, which is not required by, or presented in accordance with IFRS. We believe that the presentation of this non-IFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impact of items that our management does not consider to be indicative of our operating performance such as certain non-cash items and certain impact of investment transactions. We believe that this measure provides useful data to investors in understanding and evaluating the Group's consolidated results of operations in the same manner as they help our management. However, the use of non-IFRS measure has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under IFRS. In addition, the non-IFRS financial measure may be defined differently from similar terms used by other companies.

We define "adjusted net loss" as loss for the period and adding back (i) share-based compensation expenses; and (ii) net foreign exchange losses.

For the six months ended 30 September 2022 and 2023, our adjusted net loss was RMB224.8 million and RMB54.1 million respectively.

The table below sets forth the reconciliation of our non-IFRS financial measure for the six months ended 30 September 2022 and 2023 to the closest indicator prepared in accordance with IFRS.

	Six months ended 30 September	
	---	---
	2023	2022
	(RMB'000)	
Loss for the period	**(79,555)**	(356,347)
Add:		
Share-based compensation expenses[1]	**21,074**	44,307
Net foreign exchange losses[2]	**4,381**	87,238
Non-IFRS adjusted net loss	**(54,100)**	(224,802)
Non-IFRS adjusted net loss margin (%)[3]	**(15.2%)**	(47.4%)

(1)   Share-based compensation expenses relate to the share awards we offered to our employees, directors and consultants under the Share Incentive Plans, which are primarily non-cash in nature and commonly not included in similar non-IFRS measures adopted by other companies in our industry.

(2)   Net foreign exchange losses are primarily non-cash in nature and commonly not included in similar non-IFRS measures adopted by other companies in our industry.

(3)   Represents non-IFRS adjusted net loss divided by the total revenue for the period indicated.

Liquidity and capital resource

For the six months ended 30 September 2023, we had funded our cash requirements principally from capital contribution from shareholders and financing through issuance and sales of convertible redeemable preferred shares in private placement transactions and the proceeds from initial public offering. We had cash and cash equivalents, term deposits, pledged bank deposits, restricted bank balance and deposits of RMB3,522.0 million and RMB3,191.3 million as at 31 March 2023 and 30 September 2023 respectively.

Significant Investments

On 28 October 2022, Marvelous Panda Inc., a wholly-owned subsidiary of the Company, entered into a subscription agreement for the fund YD Capital I L.P. (the "**Fund**") with the general partner and became a limited partner of the Fund by making a cash contribution of US$40.0 million to the Fund, representing 40% of the fund commitment. As at 30 September 2023, the cash equivalent to US$5.6 million was paid. The purpose of the Fund is primarily to (i) make venture investments in the healthcare sector; (ii) manage, supervise and dispose of such investments; and (iii) engage in such other activities incidental or ancillary thereto as the general partner deems necessary, appropriate or advisable.

Material acquisitions and disposals

The Group did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies for the six months ended 30 September 2023.

Pledge of assets

As at 30 September 2023, the Group had no material pledge of assets.

Future plans for material investments or capital asset

As at 30 September 2023, the Group did not have detailed future plans for material investments or capital assets.

Foreign exchange exposure

During the Reporting Period, the Group mainly operated in China with most of the transactions settled in Renminbi. The functional currency of our Company, the subsidiaries and the consolidated affiliated entities that operate in the PRC, and the subsidiary that operates in Brunei are U.S. dollar, Renminbi and Brunei dollar respectively. During the six months ended 30 September 2023, we had currency exchange gain of RMB133.6 million and net foreign exchange loss of RMB4.4 million, as compared with currency exchange gain of RMB371.3 million and net foreign exchange loss of RMB87.2 million during the six months ended 30 September 2022. We did not hedge against any fluctuation in foreign currency during the six months ended 30 September 2022 and 2023.

Contingent liabilities

As at 30 September 2023, we did not have any material contingent liabilities (as at 30 September 2022: nil).

Capital commitment

As at 30 September 2023, capital commitment of the Group was RMB2.4 million (as at 30 September 2022: RMB17.1 million), mainly renovation expenses.

Investment commitment

As at 30 September 2023, investment commitment of the Group was RMB260.5 million (as at 30 September 2022: RMB13.4 million), mainly for the outstanding contribution from Marvelous Panda Inc., a wholly-owned subsidiary of the Company, to the Fund YD Capital I L.P.

Employees and remuneration

As at 30 September 2023, the Group had a total of 944 employees, 480 employees were based in Beijing, 118 employees were based in Shanghai and 346 employees were based in other offices in China and overseas. The following table sets forth the total number of employees by function as at 30 September 2023:

Function	Number of employees
Product Development and Technology	376
Medical Function	331
Sales and Marketing	141
General and Administrative	96
Total	**944**

The total remuneration cost incurred by the Group for the six months ended 30 September 2023 was RMB262.5 million, as compared to RMB410.4 million for the six months ended 30 September 2022. The Company has also adopted and amended a post-IPO share award scheme and adopted a post-IPO share option scheme which was terminated on 25 August 2023 but the provisions of the post-IPO share option scheme shall remain in full force to the extent necessary to give effect to the exercise of any options granted prior to the termination.

Subsequent Event

As at the date of this announcement, no significant events occurred after the Reporting Period which require additional disclosures or adjustments.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company was incorporated in the Cayman Islands on 9 December 2014 as an exempted company with limited liability, and the shares of the Company were listed on the Main Board of the Stock Exchange on 15 January 2021.

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and to enhance corporate value and accountability.

Compliance with the Code on Corporate Governance Practices

During the Reporting Period, the Company has complied with the applicable provisions of the Corporate Governance Code (the "**Corporate Governance Code**") set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), save for the following deviation. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code.

Code provision F.1.1 of the Corporate Governance Code provides that the issuer should have a policy on payment of dividends and should disclose it in the annual report. As the Company intends to retain its available funds and earnings to fund the development and growth of our business, the performance of which will continue to be impacted by the relevant industry and economic outlook in the foreseeable future, the Board is of the opinion that it is not appropriate to adopt a dividend policy at this stage. The Board will review the Company's status periodically and consider to adopt a dividend policy if and when appropriate.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transactions.

Specific enquiry has been made of all the Directors and the relevant employees and they have confirmed that they have complied with the Model Code during the Reporting Period.

Audit Committee

The Group has established an audit committee comprising three members, being Dr. Ma Wei-Ying, Ms. Pan Rongrong and Prof. Zhang Linqi, with Ms. Pan Rongrong (being the Company's independent non-executive Director with the appropriate professional qualifications) as chair of the audit committee.

The audit committee has reviewed the consolidated financial statements of the Group for the six months ended 30 September 2023 and has met with the independent auditor, PricewaterhouseCoopers. The audit committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control and financial reporting matters with senior management members of the Company.

Auditors scope of work

The Company's external auditor, PricewaterhouseCoopers, has performed a review of the Group's unaudited interim condensed consolidated financial information for the six months ended 30 September 2023 in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". PricewaterhouseCoopers confirmed that nothing has come to their attention that causes them to believe that the interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

OTHER INFORMATION

Purchase, sale or redemption of the Company's listed securities

During the Reporting Period, neither the Company nor any of its subsidiaries or consolidated attributed entities has purchased, sold or redeemed any of the Company's listed securities.

Material litigation

The Company was not involved in any material litigation or arbitration during the Reporting Period. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the Reporting Period and up to the date of this announcement.

Use of proceeds from global offering

On 15 January 2021, the shares of the Company were listed on the Main Board of the Stock Exchange. The net proceeds from the global offering (following full exercise of the Over-allotment Option, as defined in the prospectus of the Company dated 31 December 2020 (the "**Prospectus**") were approximately RMB3,825 million (the "**Net Proceeds**"), which are intended to be applied in the manner set out in the Prospectus. There was no change in the intended use of proceeds as previously disclosed.

Set out below is the status of use of proceeds from the global offering as at 30 September 2023.

Purpose	% of use of proceeds	Net proceeds (RMB million)	Unutilised amount as at 31 March 2023 (RMB million)	Amount used for the six months ended 30 September 2023 (RMB million)	Unutilised amount as at 30 September 2023 (RMB million)	Expected time of full utilisation
Strengthen our core capabilities	35%	1,339	1,085	137	948	31 March 2025
Further our business expansion	35%	1,339	614	360	254	31 March 2025
Further enrich our ecosystem through strategic partnerships, investments and acquisitions	20%	765	748	36	712	31 March 2025[1]
Working capital and general corporate purposes	10%	382	263	43	220	31 March 2025

(1) In view of the volatile macroeconomic environment in recent years and the impact of the COVID-19 pandemic, the Board currently expects to fully utilize the net proceeds by 31 March 2025.

The above Net Proceeds were translated with spot rates on the Listing Date, while the cash and cash equivalents, term deposits, restricted bank balance and deposits as of 30 September 2023 were translated with spot rates on its balance sheet date.

As at 30 September 2023, the Company had utilised RMB1,691 million of the Net Proceeds.

Interim dividend

The Board does not recommend the distribution of an interim dividend for the six months ended 30 September 2023.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 September	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**356,480**	474,366
Cost of sales and services	**(220,275)**	(350,691)
Gross profit	**136,205**	123,675
Selling and marketing expenses	**(103,663)**	(124,106)
Administrative expenses	**(59,425)**	(109,366)
Research and development expenses	**(103,583)**	(181,850)
Net impairment losses on financial assets and contract assets	**(20,297)**	(11,501)
Other income	**72,333**	37,528
Other gains/(losses) — net	**137**	(90,631)
Operating loss	**(78,293)**	(356,251)
Finance income	**4,639**	3,932
Finance costs	**(946)**	(1,639)
Finance income — net	**3,693**	2,293
Share of losses from investments in associates	**(4,785)**	(553)
Loss before income tax	**(79,385)**	(354,511)
Income tax expense	**(170)**	(1,836)
Loss for the period	**(79,555)**	(356,347)
Loss is attributable to:		
Owners of the Company	**(75,769)**	(353,517)
Non-controlling interests	**(3,786)**	(2,830)
	(79,555)	(356,347)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

	Six months ended 30 September	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other comprehensive income		
Item that will not be reclassified to profit or loss:		
Currency translation differences	**297,759**	681,126
Item that will be reclassified to profit or loss:		
Currency translation differences	**(164,128)**	(309,840)
Other comprehensive income for the period, net of tax	**133,631**	371,286
Total comprehensive income for the period	**54,076**	14,939
Total comprehensive income for the period is attributable to:		
Owners of the Company	**52,803**	15,154
Non-controlling interests	**1,273**	(215)
	54,076	14,939
Loss per share, basic and diluted *(RMB)*	**(0.07)**	(0.36)

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

	As at 30 September 2023 RMB'000 (Unaudited)	As at 31 March 2023 RMB'000 (Audited)
Assets		
Non-current assets		
Property, plant and equipment	92,645	72,584
Right-of-use assets	13,760	11,249
Intangible assets	39,704	39,531
Deferred income tax assets	173	345
Investments accounted for using the equity method	36,864	5,282
Financial assets at fair value through profit or loss	20,819	23,115
Pledged bank deposits	5,104	1,262
Investments measured at amortized cost	—	240,510
Restricted bank balance and deposits	6,251	6,208
Total non-current assets	215,320	400,086
Current assets		
Inventories	3,733	3,733
Contract assets	104,724	123,706
Trade receivables	522,190	474,498
Other financial assets at amortized cost	127,353	81,843
Financial assets at fair value through profit or loss	374,573	230,093
Investments measured at amortized cost	251,293	—
Pledged bank deposits	2,457	2,077
Term deposits	2,151,147	2,339,699
Cash and cash equivalents	1,026,335	1,172,793
Other current assets	79,353	82,980
Total current assets	4,643,158	4,511,422
Total assets	4,858,478	4,911,508
Equity		
Equity attributable to owners of the Company		
Share capital	133	131
Treasury shares	(1)	(1)
Other reserves	13,086,689	12,948,250
Accumulated deficits	(8,941,785)	(8,866,016)
	4,145,036	4,082,364
Non-controlling interests	92,232	73,787
Total equity	4,237,268	4,156,151

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

	As at 30 September 2023 RMB'000 (Unaudited)	As at 31 March 2023 RMB'000 (Audited)
Liabilities		
Non-current liabilities		
Lease liabilities	**5,673**	4,590
Deferred income	**79,484**	79,761
Total non-current liabilities	**85,157**	84,351
Current liabilities		
Trade and other payables	**319,416**	386,863
Deferred income	**—**	4,208
Salary and welfare payable	**153,034**	200,615
Contract liabilities	**41,418**	56,943
Current income tax liabilities	**234**	1,539
Lease liabilities	**9,971**	9,538
Provisions	**11,980**	11,300
Total current liabilities	**536,053**	671,006
Total liabilities	**621,210**	755,357
Total equity and total liabilities	**4,858,478**	4,911,508

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 General information

Yidu Tech Inc. (the "**Company**") was incorporated in the Cayman Islands on 9 December 2014 as an exempted company with limited liability under the Companies Act of the Cayman Islands (Cap. 22, Law 3 of 1961 as consolidated and revised). The address of the Company is Suite#4–210, Governors Square, 23 Lime Tree Bay Avenue, PO Box 32311, Grand Cayman KY1-1209, Cayman Islands.

The Company is an investment holding company, and the Company and its subsidiaries (together, the "**Group**") are primarily engaged in the provision of the following services: i) big data platform and solutions; ii) life sciences solutions; and iii) health management platform and solutions in the People's Republic of China ("**PRC**"), Brunei and Singapore.

The interim condensed consolidated financial information comprises the interim condensed consolidated balance sheet as at 30 September 2023, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory notes (the "**Interim Financial Information**"). The Interim Financial Information is presented in Renminbi ("**RMB**"), unless otherwise stated.

2 Basis of preparation

The Interim Financial Information for the six months ended 30 September 2023 has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**").

The Interim Financial Information does not include all the notes of the type normally included in an annual financial report. Accordingly, it should be read in conjunction with the Group's consolidated financial statements for the year ended 31 March 2023, which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by International Accounting Standards Board ("**IASB**") and any public announcements made by the Company during the interim reporting period.

3 Accounting policies

The accounting policies applied to the preparation of the Interim Financial Information are consistent with those of applied in the preparation of the Group's consolidated financial statements for the year ended 31 March 2023.

In addition, certain new and amended standards and annual improvements have been published that are not mandatory for the current reporting period and have not been early adopted by the Group. These new and amended standards and annual improvements are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

4 Critical accounting estimates and judgements

The preparation of the Interim Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the Interim Financial Information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied in the preparation of the Group's consolidated financial statements for the year ended 31 March 2023.

5 Segment information

Disaggregation of revenue from contracts with customers

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the Chief Operating Decision Maker. As a result of this evaluation, the Group determined that it has operating segments as follows:

• Big data platform and solutions

• Life sciences solutions

• Health management platform and solutions

	Six months ended 30 September 2023 (Unaudited)			
	Big data platform and solutions **RMB'000**	**Life sciences solutions** **RMB'000**	**Health management platform and solutions** **RMB'000**	**Total** **RMB'000**
Revenue from contracts with Customers	**127,939**	**170,163**	**58,378**	**356,480**
Cost of sales and services	**(70,127)**	**(122,825)**	**(27,323)**	**(220,275)**
Gross profit	**57,812**	**47,338**	**31,055**	**136,205**

	Six months ended 30 September 2022 (Unaudited)			
	Big data platform and solutions *RMB'000*	Life sciences solutions *RMB'000*	Health management platform and solutions *RMB'000*	Total *RMB'000*
Revenue from contracts with Customers	124,028	146,531	203,807	474,366
Cost of sales and services	(72,817)	(125,288)	(152,586)	(350,691)
Gross profit	51,211	21,243	51,221	123,675

5 Segment information (continued)

The Company is domiciled in the Cayman Islands while the Group mainly operates its businesses in the PRC. For the six months ended 30 September 2023 and 2022, the Group earns approximately 84.3% and 15.7%, 81.0% and 19.0%, of total revenue from external customers located in the PRC and other countries, respectively.

As at 30 September 2023 and 31 March 2023, majority of the non-current assets of the Group were located in the PRC, Brunei, Cayman Islands and British Virgin Islands.

6 Expenses by nature

Expenses included in cost of sales and services, selling and marketing expenses, administrative expenses and research and development expenses are further analysed as follows:

	Six months ended 30 September	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Employee benefits expenses	**262,463**	410,362
Outsourcing services fee	**124,310**	91,464
Consulting and other professional fee	**26,672**	26,877
Travelling, entertainment and general office expenses	**25,436**	31,621
Depreciation of property, plant and equipment	**13,365**	12,216
Promotion and advertising expenses	**11,230**	13,059
Cost of sales	**5,852**	157,744
Depreciation of right-of-use assets	**4,884**	8,620
Amortization of intangible assets	**3,937**	3,362
Labour dispatching	**3,498**	6,195
Auditors' remuneration	**3,463**	2,848
— *Auditor of the Company*	***1,950***	*1,950*
Taxes and surcharges	**838**	1,131
Other expenses	**998**	514
Total cost of sales and services, selling and marketing expenses, administrative expenses and research and development expenses	**486,946**	766,013

7 Income tax expense

	Six months ended 30 September	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax (credit)/expense	(2)	1,224
Deferred income tax expense	172	612
Income tax expense	170	1,836

Income tax expense is recognized based on the management's best knowledge of the income tax rates that would be applicable to the full financial year.

8 Loss per share

Basic loss per share is calculated by dividing the loss attributable to the Company's owners by the weighted average number of ordinary shares in issue during the six months ended 30 September 2023 and 2022.

The calculation of loss per share is based on the following:

	Six months ended 30 September	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss attributable to owners of the Company	(75,769)	(353,517)
Weighted average number of ordinary shares in issue ('000)	1,049,961	988,812
Basic loss per share (RMB)	(0.07)	(0.36)

9 Trade receivables

	As at 30 September 2023 RMB'000 (Unaudited)	As at 31 March 2023 RMB'000 (Audited)
Trade receivables from contracts with customers		
— Third parties	640,839	581,506
Less: allowance for impairment of trade receivables	(118,649)	(107,008)
	522,190	474,498

(a) The credit terms given to trade customers are determined on an individual basis with normal credit period mainly around 180 days. The aging analysis of the trade receivables based on invoice date is as follows:

	As at 30 September 2023 RMB'000 (Unaudited)	As at 31 March 2023 RMB'000 (Audited)
— Up to 3 months	211,521	239,847
— 3 to 6 months	76,271	17,520
— 6 months to 1 year	112,572	93,067
— 1 to 2 years	181,075	178,274
— Over 2 years	59,400	52,798
	640,839	581,506
Less: allowance for impairment of trade receivables	(118,649)	(107,008)
Total	522,190	474,498

(b) Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amounts are considered to be approximately the same as their fair values.

10 Trade and other payables

	As at 30 September 2023 RMB'000 (Unaudited)	As at 31 March 2023 RMB'000 (Audited)
Trade payables	**177,921**	160,426
Tax payables	**16,716**	10,172
Other payables:		
— Payables for consulting and other service fee	**39,008**	45,266
— Insurance premium collection payables (i)	**31,204**	130,673
— Insurance claims collection payables	**14,090**	—
— Payables for repurchase of options	**11,229**	10,747
— Accrual for marketing and sales promotion expenses	**6,106**	6,469
— Reimbursement payable to employees	**5,802**	7,370
— Accrual for office expenses	**5,028**	2,287
— Payables for leasehold improvement	**3,219**	5,698
— Payables for purchase of fixed assets and intangible assets	**1,090**	1,953
— Others	**8,003**	5,802
	319,416	386,863

(i) Insurance premium collection payables are insurance premiums collected on behalf of insurance companies but not yet remitted to them as at 30 September 2023.

(a) The carrying amounts of trade and other payables are considered to be approximated to their fair values, due to their short-term nature.

(b) Aging analysis of the trade payables based on invoice date at the end of each reporting period are as follows:

	As at 30 September 2023 RMB'000 (Unaudited)	As at 31 March 2023 RMB'000 (Audited)
— Up to 3 months	**53,764**	55,009
— 3 to 6 months	**4,107**	5,955
— 6 months to 1 year	**29,882**	28,441
— 1 to 2 years	**83,187**	69,306
— 2 to 3 years	**6,420**	1,317
— Over 3 years	**561**	398
	177,921	160,426

11 Dividend

No dividend has been paid or declared by the Company or the companies now comprising the Group during the six months ended 30 September 2023 and 2022.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.yidutechgroup.com). The interim report of the Group for the six months ended 30 September 2023 will be dispatched to the Company's shareholders and made available for review on the same websites in due course in accordance with the Listing Rules.

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By order of the Board
Yidu Tech Inc.
Gong Yingying
Executive Director and Chairlady

</div>

Hong Kong, 29 November 2023

As at the date of this announcement, the executive Directors are Ms. Gong Yingying, Mr. Xu Jiming, Dr. Yan Jun and Ms. Feng Xiaoying; the non-executive Director is Mr. Zeng Ming; and the independent non-executive Directors are Dr. Ma Wei-Ying, Ms. Pan Rongrong and Prof. Zhang Linqi.