

Zhongmiao Holdings (Qingdao) Co., Ltd. 眾淼控股(青島)股份有限公司

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

Stock Code: 1471



2024

INTERIM REPORT

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COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Directors

Lu Yao (*Chairman*)
Zhang Zhiquan
Li Tian
Wang Heping

Independent non-executive Directors

Fang Qiaoling
Chung Wai Man
Ng Sin Kiu

SUPERVISORS

Zhu Rongwei
Wang Jiesi
Wang Yangyang

AUDIT COMMITTEE

Chung Wai Man (*Chairman*)
Fang Qiaoling
Ng Sin Kiu

REMUNERATION COMMITTEE

Fang Qiaoling (*Chairlady*)
Chung Wai Man
Li Tian

NOMINATION COMMITTEE

Lu Yao (*Chairman*)
Ng Sin Kiu
Fang Qiaoling

JOINT COMPANY SECRETARIES

Chan Sau Ling
Sun Yanlu

AUTHORISED REPRESENTATIVES

Lu Yao
Chan Sau Ling

REGISTERED OFFICE

No. 187 Jinshui Road
Licang District
Qingdao, Shandong
PRC

HEADQUARTERS

No. 1, Haier Road
Laoshan District
Qingdao, Shandong
PRC



COMPANY INFORMATION

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

5/F, Manulife Place
348 Kwun Tong Road
Kowloon, Hong Kong

H SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANK

**China Construction Bank Corporation
Qingdao Haier Road Branch**
Zhonghan Street, Haier Road
Laoshan District
Qingdao, Shandong Province
PRC

STOCK CODE

1471

COMPANY WEBSITE

<https://www.haierbx.net>

COMPLIANCE ADVISER

Ping An of China Capital (Hong Kong) Company Limited
Units 3601, 07 & 11-13
36/F The Center
99 Queen's Road Central
Hong Kong

AUDITOR

KPMG
Certified Public Accountants
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road
Central
Hong Kong

HONG KONG LEGAL ADVISER

Fangda Partners
26/F, One Exchange Square
8 Connaught Place
Central
Hong Kong



REVIEW REPORT

Review report to the board of directors of Zhongmiao Holdings (Qingdao) Co., Ltd.

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

INTRODUCTION

We have reviewed the interim financial report set out on pages 5 to 31 which comprises the interim condensed consolidated statement of financial position of Zhongmiao Holdings (Qingdao) Co., Ltd. (the “**Company**”) and its subsidiaries (together, the “**Group**”) as of 30 June 2024 and the related interim condensed consolidated statement of profit or loss and other comprehensive income and interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34, *Interim Financial Reporting*, issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim financial report in accordance with International Accounting Standard 34.

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

SCOPE OF REVIEW

We conducted our review in accordance with 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. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2024 is not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim financial reporting*.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

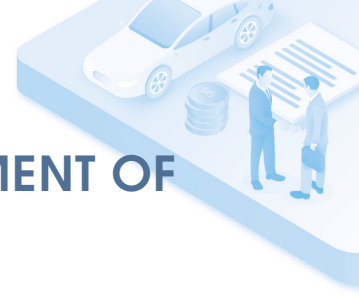
26 August 2024

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

For the six months ended 30 June 2024 – unaudited
(Expressed in Renminbi (“RMB”))

	Note	Six months ended 30 June	
		2024 RMB'000	2023 RMB'000
Revenue	2	88,456	81,624
Cost of sales		(51,248)	(45,589)
Gross profit		37,208	36,035
Other income	3	4,389	6,765
Research and development costs		(4,385)	(4,216)
General and administrative expenses		(6,874)	(7,913)
Sales and marketing costs		(4,099)	(6,223)
Reversal of/(provision for) impairment loss		12	(9)
Profit from operations		26,251	24,439
Finance costs	4(a)	(149)	(128)
Profit before taxation		26,102	24,311
Income tax	5	(4,844)	(4,564)
Profit for the period		21,258	19,747
Attributable to:			
Equity shareholders of the Company		21,588	20,495
Non-controlling interests		(330)	(748)
Profit for the period		21,258	19,747
Other comprehensive income for the period (after tax)		-	-
Total comprehensive income for the period		21,258	19,747
Attributable to:			
Equity shareholders of the Company		21,588	20,495
Non-controlling interests		(330)	(748)
Total comprehensive income for the period		21,258	19,747
Basic and diluted earnings per share (RMB)	6	0.20	0.20

The notes on pages 11 to 31 form part of this interim financial report.



INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024 – unaudited
(Expressed in Renminbi)

	Note	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Non-current assets			
Property, plant and equipment	7	259	324
Intangible assets	8	–	–
Right-of-use assets	9	497	461
Deferred tax assets	17	16	15
Contract costs and other assets	11	–	43
Time deposits	12(b)	134,326	132,277
Restricted cash	12(c)	7,640	7,545
		142,738	140,665
Current assets			
Accounts receivables	10	30,472	30,806
Contract costs and other assets	11	17,501	10,635
Cash and cash equivalents	12(a)	65,598	203,638
Time deposits	12(b)	151,261	–
Restricted cash	12(c)	28,140	4,208
		292,972	249,287
Current liabilities			
Accounts and other payables	13	41,004	17,689
Contract liabilities	14	2,546	1,226
Lease liabilities	15	520	244
Accrued expenses	16	3,934	4,097
Current taxation payables	17	2,629	3,477
		50,633	26,733
Net current assets		242,339	222,554
Total assets less current liabilities		385,077	363,219
NET ASSETS		385,077	363,219

The notes on pages 11 to 31 form part of this interim financial report.



INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024 – unaudited (continued)
(Expressed in Renminbi)

	Note	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Equity			
Paid-in capital/share capital	18(a)	105,896	105,896
Reserves	18(b)	280,902	259,314
Total equity attributable to equity shareholders of the Company			
		386,798	365,210
Non-controlling interests		(1,721)	(1,991)
TOTAL EQUITY			
		385,077	363,219

Approved and authorised for issue by the board of directors on 26 August 2024.

Lu Yao
Director

Li Tian
Director

(Company stamp)

The notes on pages 11 to 31 form part of this interim financial report.



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024 – unaudited
(Expressed in RMB)

	Total equity attributable to equity shareholders of the Company						
	Paid-in capital/share capital RMB'000	Reserves			Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Capital reserve RMB'000		PRC statutory reserve RMB'000	Retained profits RMB'000				
Balance at 1 January 2023	83,007	118,671	4,372	87,589	293,639	(612)	293,027
Changes in equity for the six months ended 30 June 2023							
Net profit	-	-	-	20,495	20,495	(748)	19,747
Capital contributions from shareholders	22,889	8,310	-	-	31,199	-	31,199
Balance at 30 June 2023 and 1 July 2023	105,896	126,981	4,372	108,084	345,333	(1,360)	343,973
Changes in equity for the six months ended 31 December 2023							
Net profit	-	-	-	19,877	19,877	(631)	19,246
Appropriation to PRC statutory reserve	-	-	2,479	(2,479)	-	-	-
Balance at 31 December 2023	105,896	126,981	6,851	125,482	365,210	(1,991)	363,219

The notes on pages 11 to 31 form part of this interim financial report.



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024 – unaudited (continued)

(Expressed in RMB)

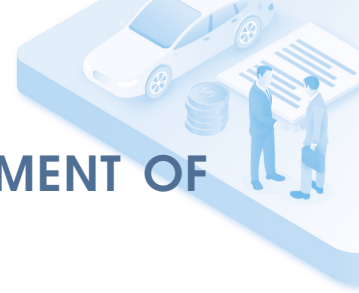
	Total equity attributable to equity shareholders of the Company						
	Paid-in capital/share capital RMB'000	Reserves			Total RMB'000	Non- controlling interests RMB'000	Total equity RMB'000
Capital reserve RMB'000		PRC statutory reserve RMB'000	Retained profits RMB'000				
Balance at 1 January 2024	105,896	126,981	6,851	125,482	365,210	(1,991)	363,219
Changes in equity for the six months ended 30 June 2024							
Net profit	-	-	-	21,588	21,588	(330)	21,258
Capital contributions from non-controlling interests	-	-	-	-	-	600	600
Balance at 30 June 2024	105,896	126,981	6,851	147,070	386,798	(1,721)	385,077

Note 18(b)

The notes on pages 11 to 31 form part of this interim financial report.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024 – unaudited
(Expressed in Renminbi)



	Note	Six months ended 30 June	
		2024 RMB'000	2023 RMB'000
Operating activities			
Cash generated from operations		25,044	20,149
Income tax paid		(5,738)	(7,637)
Net cash generated from operating activities		19,306	12,512
Investing activities			
Cash generated from retrieving deposits		–	265,000
Proceeds from interests received		–	3,418
Payment for the purchase of property, plant and equipment		(11)	(131)
Payment for the purchase of time deposits		(150,000)	(80,000)
Net cash (used in)/generated from investing activities		(150,011)	188,287
Financing activities			
Capital contributions from shareholders		–	31,199
Capital contributions from non-controlling interests		600	–
Listing expenses paid		(7,099)	(9,314)
Capital element of lease rentals paid		(818)	(606)
Interest element of lease rentals paid		(18)	(31)
Net cash (used in)/ generated from financing activities		(7,335)	21,248
Net (decrease)/increase in cash and cash equivalents		(138,040)	222,047
Cash and cash equivalents at the beginning of the period		203,638	23,546
Cash and cash equivalents at the end of the period	12(a)	65,598	245,593

The notes on pages 11 to 31 form part of this interim financial report.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

1 BASIS OF PREPARATION

This interim financial report for the six months ended 30 June 2024 has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*, issued by the International Accounting Standards Board (“IASB”). It was authorised for issue on 26 August 2024.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the Accountants’ Report disclosed in Appendix I of the prospectus of the Company dated 29 July, 2024 (the “Prospectus”), except for the accounting policy changes that are expected to be reflected in the 2024 annual financial statements.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains interim condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the group since the Accountants’ Report disclosed in Appendix I of the Prospectus. The interim condensed consolidated financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”).

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the HKICPA.

The financial information relating to the financial year ended 31 December 2023 that is included in the interim financial report as being previously reported information which is derived from the Prospectus, does not constitute the Group’s statutory financial statements for that financial year but is derived from those financial statements.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

2 REVENUE AND SEGMENT REPORTING

The principal activities of the Group are the provision of insurance agency services, IT services and consulting services in the PRC.

(a) Disaggregation of revenue

	Note	Six months ended 30 June	
		2024 RMB'000	2023 RMB'000
Revenue from contracts with customers within the scope of IFRS 15			
Disaggregated by business segment			
– Insurance agency business	(i)	82,213	75,865
– IT services		5,486	4,436
– Consulting services		757	1,323
Total		88,456	81,624

Note:

- (i) The amount of each significant category of revenue from insurance agency business is as follows:

Disaggregated by the purchasers of insurance products

	Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Household insurance clients	45,500	43,186
Corporate insurance clients	36,713	32,679
Total	82,213	75,865

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

2 REVENUE AND SEGMENT REPORTING (Continued)

(a) Disaggregation of revenue (Continued)

Disaggregated by major products

	Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Property insurance products	35,878	30,347
Life and health insurance products	12,091	19,495
Accident insurance products	15,328	13,295
Automobile insurance products	18,916	12,728
Total	82,213	75,865

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Point-in-time	80,464	72,421
Over-time	7,992	9,203
Total	88,456	81,624

(b) Segment reporting

The Group manages its business by business lines. In a manner consistent with the way in which information is reported to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments.

– **Insurance agency business**

The Group acts as the agent in distributing insurance products on behalf of the insurance companies.

– **IT services**

The Group offers IT services to insurance company partners, insurance intermediaries and companies from different industries, by designing and developing digitalised solutions based on their needs.

– **Consulting services**

The Group provides consulting services including the provision of human resources consulting services and marketing and promotion services.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

2 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(i) Segment results

For the purposes of assessing segment performance and allocating between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the cost of sales incurred by those segments. The measure used for reporting segment result is gross profit. The items, such as segment expenses and other income, segment assets and liabilities are not regularly provided to the Group's most senior executive management. Assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

	Insurance agency services RMB'000	IT services RMB'000	Consulting services RMB'000	Total RMB'000
Six months ended 30 June 2023				
Revenue	75,865	4,436	1,323	81,624
Cost of sales	(43,571)	(1,566)	(452)	(45,589)
Gross Profit	32,294	2,870	871	36,035
Six months ended 30 June 2024				
Revenue	82,213	5,486	757	88,456
Cost of sales	(48,953)	(2,073)	(222)	(51,248)
Gross Profit	33,260	3,413	535	37,208



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

2 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(ii) Reconciliations of reportable segment profit or loss

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Reportable segment gross profit derived from group's external customers and joint venture	37,208	36,035
Other income	4,389	6,765
Research and development costs	(4,385)	(4,216)
General and administrative expenses	(6,874)	(7,913)
Sales and marketing costs	(4,099)	(6,223)
Reversal of/(provision for) impairment loss	12	(9)
Finance costs	(149)	(128)
Consolidated profit before taxation	26,102	24,311

(iii) Geographic information

Most of the Group's operating assets are located in the PRC, and most of operating results were derived from the PRC during the reporting period. Accordingly, no segment analysis based on geographical locations is provided.

3 OTHER INCOME

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Interest income	3,959	4,773
Government grants	400	2,008
Others	30	(16)
Total	4,389	6,765



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

4 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

(a) Finance costs

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Interest expense on lease liabilities	18	32
Others	131	96
Total	149	128

(b) Staff costs

	Note	Six months ended 30 June	
		2024	2023
		RMB'000	RMB'000
Salaries, wages and other benefits		12,998	14,382
Contributions to defined contribution retirement plans	(i)	1,287	1,667
Total		14,285	16,049

Note:

- (i) Pursuant to the relevant laws and regulations of the PRC, the Group participated in a defined contribution basic pension insurance scheme and unemployment insurance scheme in the social insurance system established and managed by government organisations. The Group makes contributions to basic pension insurance scheme and unemployment insurance scheme based on the applicable benchmarks and rates stipulated by the government.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

4 PROFIT BEFORE TAXATION (Continued)

(c) Other items

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Referral fees	40,228	30,879
Commission fees	4,855	9,076
Service fees	2,340	1,786
IT subcontracting fees	376	323
Listing expenses	676	643
Depreciation and amortisation charges		
– Depreciation of property, plant and equipment	76	106
– Amortisation of intangible assets	–	143
– Depreciation of right-of-use assets	637	983

5 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

(a) Taxation in the consolidated statements of profit or loss:

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Current tax		
– PRC Enterprise Income Tax	4,845	4,564
Deferred tax		
– Temporary differences	(1)	–
Total	4,844	4,564



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

5 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS (Continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Profit before taxation	26,102	24,311
Income tax calculated at statutory tax rate	5,376	5,077
Super-deduction of research and development expense	(643)	(624)
Tax effect of non-deductible expenses and others	111	111
Total	4,844	4,564

The Company was qualified as a “high and new technology enterprise” (“HNTe”) in November 2019, and received approval from the relevant governmental authorities for the renewal of its HNTe status in December 2022. The Company was entitled to the preferential income tax rate of 15% for the six months ended 30 June 2023 and 2024.

Qingdao Haier Insurance Agency Co., Ltd., an entity wholly held by the Company, was subject to an income tax rate of 25%, according to the PRC Enterprise Income Tax Law (the “EIT Law”) for the six months ended 30 June 2023 and 2024.

During the six months ended 30 June 2023 and 2024, the portion of annual taxable income of a small low-profit enterprise which does not exceed RMB 1 million shall be treated as 25% for the purpose of taxable income calculation, and subject to an enterprise income tax at a rate of 20%.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

6 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company and the weighted average of shares deemed to be in issue or in issue.

The Company converted into a joint stock company with limited liability and issued 105,895,600 shares with the par value of RMB1.0 each on 14 March 2023. For the purpose of computing basic and diluted earnings per share, the weighted average number of shares deemed to be in issue before the Company's conversion into a joint stock company was determined assuming the conversion into joint stock company had occurred since 1 January 2023, at the conversion ratio established in the conversion in March 2023.

Weighted average number of ordinary shares deemed to be in issue or in issue:

	Six months ended 30 June	
	2024	2023
Ordinary shares deemed to be in issue or in issue as at 1 January ('000)	105,896	83,007
Effect of deemed share issuance ('000)	–	20,612
Weighted average number of ordinary shares (deemed to be) issued as at 30 June ('000)	105,896	103,619

	Six months ended 30 June	
	2024	2023
Net profit attributable to equity shareholders of the Company (RMB'000)	21,588	20,495
Weighted average number of ordinary shares (deemed to be) issued as at 30 June ('000)	105,896	103,619
Basic earnings per share attributable to equity shareholders of the Company (in RMB per share)	0.20	0.20

There were no dilutive potential ordinary shares during the six months ended 30 June 2024 and 2023, and therefore, diluted earnings per share are the same as the basic earnings per share.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

7 PROPERTY, PLANT AND EQUIPMENT

	Electronic equipment RMB'000	Office and other equipment RMB'000	Total RMB'000
Cost			
As at 1 January 2023	748	256	1,004
Additions	148	47	195
As at 31 December 2023/1 January 2024	896	303	1,199
Additions	11	–	11
As at 30 June 2024	907	303	1,210
Accumulated depreciation:			
As at 1 January 2023	(446)	(217)	(663)
Charge for the year	(181)	(31)	(212)
As at 31 December 2023/1 January 2024	(627)	(248)	(875)
Charge for the period	(72)	(4)	(76)
As at 30 June 2024	(699)	(252)	(951)
Net book value:			
As at 31 December 2023	269	55	324
As at 30 June 2024	208	51	259



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024
(Expressed in thousands of Renminbi, unless otherwise stated)

8 INTANGIBLE ASSETS

	Software RMB'000
Cost	
As at 1 January 2023	1,430
Additions	–
As at 31 December 2023/1 January 2024	1,430
Additions	–
As at 30 June 2024	1,430
Accumulated amortisation:	
As at 1 January 2023	(1,287)
Charge for the year	(143)
As at 31 December 2023/1 January 2024	(1,430)
Charge for the period	–
As at 30 June 2024	(1,430)
Net book value:	
As at 31 December 2023	–
As at 30 June 2024	–



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

9 RIGHT-OF-USE ASSETS

	At 30 June 2024 RMB'000	At 31 December 2023 RMB'000
Cost:		
As at 1 January	1,011	1,381
Inception of leases	899	1,924
Expiration of leases	(826)	(2,294)
As at 30 June/31 December	1,084	1,011
Accumulated depreciation:		
As at 1 January	(550)	(823)
Charge for period/year	(637)	(1,953)
Expiration of leases	600	2,226
As at 30 June/31 December	(587)	(550)
Net book value:		
As at 30 June/31 December	497	461

The Group has obtained the right to use other properties as its place of business through tenancy agreements.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

10 ACCOUNTS RECEIVABLES

	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Accounts receivables	30,551	30,897
Less: loss allowance	(79)	(91)
Accounts receivables, net.	30,472	30,806

Ageing analysis

As at the end of each of the reporting period, the ageing analysis of accounts receivables, based on the invoice date and net of loss allowance, is as follows:

	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Within 3 months (inclusive)	30,154	28,966
3 months to 6 months (inclusive)	282	455
Over 6 months	36	1,385
Accounts receivables, net.	30,472	30,806

11 CONTRACT COSTS AND OTHER ASSETS

	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Prepaid listing expenses	14,781	7,682
Costs to fulfill contracts	2,313	1,263
Input value-added tax to be deducted	272	1,582
Prepaid income tax	45	–
Others	90	151
Total	17,501	10,678



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

12 CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND TIME DEPOSITS

(a) Cash and cash equivalents:

	<i>Note</i>	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Cash at banks		65,516	202,936
Cash at Haier Finance	<i>(i)</i>	1	626
Cash at other financial institutions	<i>(ii)</i>	81	76
Total		65,598	203,638

(i) Cash at Haier Finance represents cash balances kept in Haier Finance Co., Ltd., a related party of the Group, which can be withdrawn by the Group at any time.

(ii) Cash at other financial institutions represents cash balances kept in third party payment platforms, which can be withdrawn by the Group at any time.

(b) Time deposits:

	<i>Note</i>	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Current assets			
– Time deposits	<i>(i)</i>	151,261	–
Non-current assets			
– Time deposits	<i>(ii)</i>	134,326	132,277
Total		285,587	132,277

(i) As at 30 June 2024, current time deposits of the Group represent cash kept in China Construction Bank Co., Ltd. with a term of one-year period.

(ii) Non-current time deposits of the Group represent cash kept in Hua Xia Bank Co., Ltd. and China Construction Bank Co., Ltd.. The terms of the time deposits are beyond one-year period.

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For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

12 CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND TIME DEPOSITS

(Continued)

(c) Restricted cash:

	<i>Note</i>	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Non-current assets			
– Guarantee deposits	<i>(i)</i>	7,640	7,545
Current assets			
– Cash collected on behalf of other parties	<i>(ii)</i>	28,140	4,208
Total		35,780	11,753

(i) As an insurance agency with nationwide Insurance Intermediary License issued by formerly China Banking Regulatory Commission, the registered capital of Qingdao Haier Insurance Agency Co., Ltd. is required to be no less than RMB50 million, with 15% of which as a liquidity reserve.

(ii) Cash collected on behalf of other parties mainly includes insurance premiums collected on behalf of insurance companies but not yet remitted as at the balance sheet dates.

13 ACCOUNTS AND OTHER PAYABLES

	<i>Note</i>	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Amounts payable to suppliers	<i>(i)</i>	11,722	13,383
Insurance premiums payable	<i>(ii)</i>	25,580	1,628
Others		3,702	2,678
Total		41,004	17,689



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For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

13 ACCOUNTS AND OTHER PAYABLES (Continued)

- (i) As at the end of each of the reporting period, the ageing analysis of amounts payable to suppliers, based on the invoice date, is as follows:

	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Within 3 months (inclusive)	11,722	12,178
3 months to 1 year (inclusive)	–	1,152
Over 1 years	–	53
Total	11,722	13,383

- (ii) Insurance premium payables are insurance premiums collected on behalf of insurance companies but not yet remitted as at the balance sheet dates.

14 CONTRACT LIABILITIES

- (a) Listed by categories:

	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Insurance agency services	1,781	794
IT services	711	226
Consulting services	54	206
Total	2,546	1,226

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

14 CONTRACT LIABILITIES (Continued)

(b) Movements in contract liabilities are as below:

	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Balance at 1 January	1,226	1,054
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(1,226)	(1,054)
Increase in contract liabilities of Insurance agency services	1,781	794
Increase in contract liabilities of IT services	711	226
Increase in contract liabilities of Consulting services	54	206
Total	2,546	1,226

15 LEASE LIABILITIES

As at the end of the reporting periods, the lease liabilities were repayable as follows:

	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Within 1 year	520	244
Total	520	244

16 ACCRUED EXPENSES

	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Accrued staff costs	3,239	3,840
Value-added tax and surcharge payable	680	224
Others	15	33
Total	3,934	4,097



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

17 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(a) Current taxation payable in the consolidated statements of financial position represent:

	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Corporate income tax payables	2,629	3,477
Total	2,629	3,477

(b) Deferred tax assets and liabilities recognised

(i) Movement of each component of deferred tax assets and liabilities

The components of deferred tax assets/(liabilities) recognised in the consolidated statements of financial position and their movements during the years are as follows:

Deferred tax arising from:	Impairment loss RMB'000	Total RMB'000
As at 1 January 2023	14	14
Credit to profit or loss	1	1
As at 31 December 2023 and 1 January 2024	15	15
Credit to profit or loss (Note 5(a))	1	1
As at 30 June 2024	16	16

(ii) Reconciliation to the consolidated statements of financial position

	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
Net deferred tax asset recognised in the consolidated statements of financial position	16	15
Net deferred tax liability recognised in the consolidated statements of financial position	-	-
As at the end of the period/year	16	15



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

18 CAPITAL AND RESERVES

(a) Paid-in capital/share capital and capital reserve

On 18 January 2023, Shanghai Zhaoqi Management Consulting Partnership (Limited Partnership) and Qingdao Haizhongjie Management Consulting Enterprise (Limited Partnership) injected RMB31.2 million to complement their subscribed capital contributions in comply with the capital increase agreements, signed in 2018 and 2019 respectively. The paid-in capital of the Company was increased from RMB83.0 million to RMB105.9 million, and the capital reserve of the Company was increased from RMB118.7 million to RMB127.0 million after the injection.

Pursuant to the shareholders' resolution and the promoters' agreement dated 6 March 2023, the then shareholders of the Company agreed to convert the Company into a joint stock company with limited liability with a registered capital of RMB105.9 million (105,895,600 shares with a nominal value of RMB1.0 each).

(b) PRC statutory reserve

PRC statutory reserve is established in accordance with the relevant PRC rules and regulations and the articles of association of the companies comprising the Group incorporated in the PRC.

In accordance with PRC Company Law, the Group are required to allocate 10% of their profit after taxation, as determined in accordance with the relevant PRC accounting standards, to their respective statutory reserves until the reserves reach 50% of their respective registered capital. For the entity concerned, statutory reserves can be used to make good previous years' losses, if any, and may be converted into capital in proportion to the existing equity interests of investors, provided that the balance of the reserve after such conversion is not less than 25% of the entity's registered capital.

(c) Dividends

No dividends have been paid by the Company during the Reporting Period.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

19 MATERIAL RELATED PARTY TRANSACTIONS

(a) Relationship with related parties

Related parties	Relationship
Haier Group Corporation	Controlling shareholder
Haier Group Corporation's subsidiaries	Companies controlled by Haier Group Corporation
Haier Group Corporation's affiliated companies	Companies under common control or significantly influenced by Haier Group Corporation
Other related parties	Persons related to the Group and other entities

(b) Key management personnel remuneration

	Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Salaries, allowances and benefits in kind	1,347	1,306
Discretionary bonuses	1,104	1,075
Retirement scheme contributions	120	124
Total	2,571	2,505

(c) The significant related party transactions are summarised as follows:

	Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
<i>Haier Group Corporation and its subsidiaries and affiliated companies</i>		
Revenue from IT and consulting services	3,577	3,368
Referral and service fees	(396)	(998)
Interest income	3	3,240
Finance costs	(16)	(15)
Sales and marketing expenses	(14)	(15)
General and administrative expenses and others	(680)	(760)



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

19 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(d) The balances of transactions with related parties:

	As at 30 June 2024 RMB'000	As at 31 December 2023 RMB'000
<i>Haier Group Corporation and its subsidiaries and affiliated companies</i>		
Trade related		
Accounts receivable	4,012	3,958
Cash and cash equivalent and restricted cash kept in related parties	1	4,814
Lease Liabilities	(454)	–
Accounts and other payables	(3,852)	(2,505)

20 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

On 6 August 2024, the Company issued an aggregate of 35,300,000 H shares at HK\$7 per H share, with par value of RMB1.00 each. Such shares were firstly traded on the Main Board of the Stock Exchange of Hong Kong Limited on the same day. No adjustment has been made in this interim financial report in this regard.



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is an insurance agency service provider in Shandong province, the PRC. Our insurance agency services strategically target both corporate and household insurance client markets, dedicated to providing insurance users with an ample product portfolio and customizing optimal insurance solutions. Our insurance products covered four major categories including (i) property insurance products; (ii) life and health insurance products; (iii) accident insurance products; and (iv) automobile insurance products, covering mainstream insurance products in the market.

The Group has an ecosystem based on the concept of “Collaboration and Creating Mutual Benefits”. In the ecosystem, we are responsible for exploring market opportunities, integrating resources, and empowering the ecosystem with our technical and professional capabilities to create value for our users and partners in the ecosystem. Through the Group’s professional knowledge and digital capabilities, the Group collaborates and cooperates with different industry participants including insurance company partners, insurance agents and strategic channel partners to provide insurance users with optimal insurance solutions based on their needs and risk exposures and enhance their user experience. As at 30 June 2024, the Group had connected with: (i) over 70 insurance companies as the Group’s customers, covering the top three insurance groups in the PRC in terms of market capitalisation; (ii) insurance agents across Shandong, Hebei, Henan and Jilin provinces; (iii) 20 strategic channel partners; and (iv) the Group had distributed insurance products to over 21,000 corporate insurance clients and 391,000 household insurance clients. With the broadening of our insurance client base and established relationship of trust, we expect an increasing number of cooperating partners will join our ecosystem and all participants will be able to contribute their respective values and enjoy benefits created therefrom, leading to a more robust ecosystem.

Since our establishment in 2017, the Group has been targeting the trend of digital transformation of the insurance intermediary industry and developed our online platforms, including our “Corporate Insurance Interactive Service Platform (企業保險交互服務平台)”, our “Quan Zhanggui (全掌櫃)” APP, our WeChat official account and WeChat mini programme “Quan Zhanggui Claim Centre (全掌櫃理賠中心)”, to enhance user experience of our insurance clients and provide comprehensive service support to our insurance agents. As at 30 June 2024, our online platforms had over 256,000 registered users (including both insurance agents and insurance client), among which, more than 113,000 insurance clients had utilised “Palm Insurance Policy” (掌上保單) function on our APP and we maintained more than 303,000 insurance policies that either purchased from us and/or other third parties. Since we introduced our online platforms and up to 30 June 2024, our online platforms had processed or submitted more than 45,000 insurance claims and had successfully sent more than 141,000 notifications to household insurance clients to renew their insurance policies. The Group extended and developed our IT services by leveraging on our IT technology and knowhow accumulated over years and offered IT services to various participants, including companies in insurance industry and companies from different industries, by designing and developing digitalised solutions based on their needs. Based on our marketing and promotion capabilities accumulated in the insurance agency business and the insurance client base we gained from insurance agency business, it allows the Group to provide human resources consulting services and marketing and promotion services.

The Group’s business comprises three main segments: (i) insurance agency business; (ii) IT services; and (iii) consulting services.



MANAGEMENT DISCUSSION AND ANALYSIS

Insurance Agency Business

The Group's insurance agency services cover major stages of insurance business including assistance on risk assessment and product selection, confirmation of insurance policy, premium payment, policy administration and insurance claims. The GWP that we facilitated increased by approximately 15.6% from approximately RMB576.1 million for the six months ended 30 June 2023 to approximately RMB666.2 million for the six months ended 30 June 2024. Commission income generated from our insurance agency business increased by approximately 8.3% from approximately RMB75.9 million for the six months ended 30 June 2023 to approximately RMB82.2 million for the six months ended 30 June 2024, of which, commission income from property insurance products distributed by us increased by approximately 18.5% from approximately RMB30.3 million for the six months ended 30 June 2023 to approximately RMB35.9 million for the six months ended 30 June 2024, which was mainly due to the further optimisation and upgrading of our Corporate Insurance Interactive Service Platform (企業保險交互服務平台), whereby we upgraded a wider range of property insurance products for insurance users to choose from. For the six months ended 30 June 2024, commission income generated from our insurance agency business accounted for 92.9% of our total revenue.

The Group's sales channels comprise (i) sales through insurance agents (whom the Group engages to promote and distribute insurance products to mainly household insurance clients, in return for commissions the Group paid for successful purchase of insurance products by insurance clients); (ii) referral from strategic channel partners (through whom a large population of corporate and household insurance clients are referred, in return for referral fees the Group paid for successful purchase of insurance products by insurance clients); and (iii) direct sales. At the upstream end, the Group provides insurance agency services to its insurance company partners, expand their insurance client base, whilst at the downstream end, the Group distributes insurance products to its corporate and household insurance clients and enhance their user experience.

IT Services

The Group offers IT services to insurance company partners, insurance intermediaries and companies from different industries, by designing and developing digitalised solutions based on their needs. The Group's IT services offering includes insurance related systems such as insurance claims system, insurance intermediary core business system and AI service system providing certificate recognition and document processing services. Our revenue from IT services increased by approximately 25.0% from approximately RMB4.4 million for the six months ended 30 June 2023 to approximately RMB5.5 million for the six months ended 30 June 2024. For the six months ended 30 June 2024, our revenue from IT services accounted for 6.2% of our total revenue.

Consulting Services

The Group also provides consulting services including the provision of human resources consulting services and marketing and promotion services. In particular, The Group provides advice to its customers on human resource management and recruitment strategies, and provide recruitment services directly to locate, attract and identify suitable talents for its customers. Based on the Group's marketing and promotion capabilities accumulated in the insurance agency business and the insurance client base it has access to, the Group also provides marketing and promotion services to its customers, including the design of promotional materials and advertisements, etc.

MARKET OVERVIEW

In recent years, China insurance intermediary industry has experienced a constant growth. In terms of underwriting premium, the market size of China insurance intermediary industry increased from RMB540.2 billion in 2019 to approximately RMB832.3 billion in 2023, with a CAGR of 11.4%. In contrast to developed countries like the U.S., where insurance intermediaries account for over 50% of total underwriting premiums, in China, their share is less than 20%. This disparity indicates that the insurance intermediary industry in China is still in its nascent stage of development. With rising income levels and an aging population, insurance awareness is continuously increasing. Additionally, with the standardised and orderly development of the insurance industry, it is expected that China insurance intermediary industry will maintain a steady growth trend in the future. It is estimated that by 2028, the scale of underwriting premium in China insurance intermediary industry will reach RMB1,505.5 billion, representing a CAGR of 12.8% from 2024.



MANAGEMENT DISCUSSION AND ANALYSIS

PROSPECTS

The Group will continue to focus on providing insurance agency services, IT services and consulting services. To continue on the rapid development in our principal business, the Group intends to adopt the following strategies.

(1) Expand our insurance client coverage, strengthen our relationship with insurance company partners and enhance training support to our insurance agents

In formulating the Group's geographical expansion strategy, the Group will take into account the economic situation, regulatory factors, market demand and other relevant factors, including population size, GDP, purchasing power of the population, insurance market size, and market dynamics of the target locations. The Group considers having branch offices allows us to expand the insurance client base, establish stronger relationships with insurance company partners, distribute suitable insurance products that align the demands and tailored to the specific needs and preference of insurance clients in each location and enhance the visibility and recognition of the Group as an insurance agency company, thereby increasing the Group's market presence and credibility.

In addition, the Group intends to provide systematic trainings to our insurance agents by establishing training centre(s) and organising regular trainings for our insurance agents. In particular, the Group plans to systematically organise training on a regular basis and prepare the relevant training materials on topics, such as insurance product knowledge, insurance claims knowledge and processing, techniques in effective communication, marketing and promotion and the Group's business process and after-sales and claims processing procedures.

(2) Continue to strengthen our digital capabilities and further develop the Group's IT services offerings

The Group will continue to invest in upgrading the core business system as a fully functional business system which supports centralised operations, upgrading our Corporate Insurance Interactive Service Platform (企業保險交互服務平台) by strengthening the AI functions, and upgrading the insurance claims system, the AI service system, intelligent contract management system, insurance policy management system, the online training system and insurance marketing and sales system gradually, and further introduce AI-based tools covering the main stages of the insurance life cycle to increase user efficiency and improve the intelligence level of our online platforms. For example, the Group plans to introduce AI-based customer support tools which empower the Group to accurately identify suitable insurance products based on the requirements of our insurance clients and upgrade the user interface of the Group's APP and website to further improve the overall user experience.

In addition, the Group intends to develop more new IT service products, some of which leverage on the inherent commonality between the digitalised solutions we developed for the Group's insurance agency business and the digitalised solutions demanded by our customers, allowing us to streamline the development process and ensure consistent quality of our IT service products. Development of new IT service products also allows the Group to reach out to customers in new industries sharing similarity with the insurance related business and meet their different needs, to deepen our understanding of different industry business scenarios, and then continuously improve our technological product capabilities, and ultimately achieve rapid and high-quality development of the Group's IT service business.



MANAGEMENT DISCUSSION AND ANALYSIS

(3) Promote the Group's brand awareness and market presence

It is the Group's plan to continue to promote our brand awareness through advertising effort. The Group's marketing and promotional campaign include placing of online advertisements through mainstream traditional media platforms, as well as marketing campaigns through emerging online user traffic portals, reputable Internet terminals and media platforms to promote our brand image. Specifically, the Group plans to initiate a series of marketing campaigns on user traffic portals like WeChat, Weibo, Xiaohongshu (小紅書) and Douyin (抖音) to increase daily interaction with insurance clients through these social media platforms.

(4) Selective investments and acquisitions in insurance intermediary and fintech industry

The Group intends to carry out selective investments and acquisitions in insurance intermediary and fintech industry to further accelerate the development of our business and strengthen our competitiveness. When selecting the investment and acquisition targets, the Group will mainly consider whether they can complement our business in terms of technical capabilities, resource channels or talent teams. Currently, the Group had not identified any potential investment or acquisition target nor entered into any binding commitment for any strategic investments and acquisitions.

FINANCIAL REVIEW

(1) Analysis of revenue and profit

The Group's revenue was generated from: (i) insurance agency business; (ii) IT services; and (iii) consulting services. The Group's revenue increased by 8.5% from approximately RMB81.6 million for the six months ended 30 June 2023 to approximately RMB88.5 million for the six months ended 30 June 2024, mainly due to the increase in revenue generated from our insurance agency business and IT services.

Our commission income generated from insurance agency business increased from RMB75.9 million for the six months ended 30 June 2023 to approximately RMB82.2 million for the six months ended 30 June 2024, primarily attributable to the increase in commission income generated from insurance company partners for distribution of property insurance products, accident insurance products and automobile insurance products. In particular, the increase was mainly due to (i) the increase in the distribution of new types of property insurance products on our Corporate Insurance Interactive Service Platform (企業保險交互服務平台); and (ii) the increase in the distribution of accident and automobile insurance products through our business expansion in Henan province and the business expansion of the existing cooperation channels.

Our revenue generated from IT services increased from RMB4.4 million for the six months ended 30 June 2023 to approximately RMB5.5 million for the six months ended 30 June 2024 mainly due to our higher tender success rate and obtaining more IT projects as the market continues to recognize our digital capabilities.



MANAGEMENT DISCUSSION AND ANALYSIS

Adjusted operating profit (non-IFRS measure)

Adjusted operating profit (non-IFRS measure) is defined as profit before tax less interest income, government grants, interest expense on lease liabilities, listing expenses and others.

Adjusted operating profit is used to assess the performance of the Group's core businesses, which is not a measure of IFRS. This measure facilitates comparisons of operating performance from period to period by eliminating potential impacts of non-recurring or special items, which the management considers non-indicative of the Group's operating performance, and provides investors with meaningful information about the Group's operating performance on a going concern.

For the six months ended 30 June 2024, the Group's adjusted operating profit (non-IFRS measure) was RMB22.4 million, representing an increase of 23.1% from approximately RMB18.2 million for the six months ended 30 June 2023. The increase in adjusted operating profit (non-IFRS measure) was mainly attributable to (i) the increase in the Group's operating profit from insurance agency business and IT services; and (ii) the decrease in administrative expenses and selling expenses as a result of enhancing operational efficiency.

The reconciliation of the Group's adjusted operating profit (non-IFRS measure) for the six months ended 30 June 2024 and 2023 to the profit before tax prepared in accordance with IFRS is set out below:

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Profit before tax	26,102	24,311
Adjust:		
Interest income	(3,959)	(4,773)
Government grants	(400)	(2,008)
Interest expense on lease liabilities	18	32
Listing expenses	676	643
Others	(30)	16
Adjusted operating profit (non-IFRS measure)	22,407	18,221



MANAGEMENT DISCUSSION AND ANALYSIS

Gross profit and gross profit margin

Our overall gross profit increased from RMB36.0 million for the six months ended 30 June 2023 to approximately RMB37.2 million for the six months ended 30 June 2024, primarily due to the increase in gross profit from insurance agency business and IT services.

Our overall gross profit margin decreased from 44.1% for the six months ended 30 June 2023 to approximately 42.0% for the six months ended 30 June 2024, primarily due to the decrease in gross profit margin of our insurance agency business from 42.6% in the Corresponding Period to 40.5% in the Period. The decrease was primarily attributable to (i) the increase in proportion of commission income contributed by the distribution of accident insurance products and automobile insurance products, both with comparatively lower gross profit margins; and (ii) a decrease in the commission income of the life and health insurance products with higher gross profit margin due to the continued decline in consumer demand for certain life and health insurance products, which are non-mandatory and non-material insurance products under applicable laws as a result of economic uncertainty.

Other income

Other income decreased from approximately RMB6.8 million for the six months ended 30 June 2023 to approximately RMB4.4 million for the six months ended 30 June 2024, primarily due to the decrease in interest income from time deposits and government grants.

Research and development costs

Our research and development costs slightly increased to RMB4.4 million for the six months ended 30 June 2024 from RMB4.2 million for the six months ended 30 June 2023.

General and administrative expenses

Our general and administrative expenses decreased from approximately RMB7.9 million for the six months ended 30 June 2023 to approximately RMB6.9 million for the six months ended 30 June 2024, primarily due to (i) decrease in expenses such as office expenses by enhancing expenditures management; and (ii) decrease in staff costs by optimizing our business process and enhancing our organization efficiency.

Selling and marketing costs

Our sales and marketing cost decreased from approximately RMB6.2 million for the six months ended 30 June 2023 to approximately RMB4.1 million for the six months ended 30 June 2024, primarily due to the decrease in staff costs and marketing expenses as a result of the optimization of our business process and the efficiency of our organization leading to the reduction in the number of in-house sales executives.

Finance costs

Our finance costs remained stable at RMB128,000 and RMB149,000 for the six months ended 30 June 2023 and 2024, respectively.

Income tax

Our income tax remained stable at RMB4.6 million and RMB4.8 million for the six months ended 30 June 2023 and 2024, respectively.

Profit

As a result of the foregoing, our profit for the period increased from approximately RMB19.7 million for the six months ended 30 June 2023 to approximately RMB21.3 million for the six months ended 30 June 2024. Our net profit margin remained stable at 24.1% for the six months ended 30 June 2023 and 2024, respectively.



MANAGEMENT DISCUSSION AND ANALYSIS

(2) Financial Position

Items	As at 30 June 2024 RMB'000 (unaudited)	As at 31 December 2023 RMB'000 (audited)
Non-current assets	142,738	140,665
Current assets	292,972	249,287
Current liabilities	50,633	26,733
Net assets	385,077	363,219

The Group's net assets increased from RMB363.2 million as at 31 December 2023 to RMB385.1 million as at 30 June 2024.

Cash and cash equivalents and time deposits

Items	As at 30 June 2024 RMB'000 (unaudited)	As at 31 December 2023 RMB'000 (audited)
Cash and cash equivalents	65,598	203,638
Time deposits		
– Current portion	151,261	–
– Non-current portion	134,326	132,277
Total	351,185	335,915

The Group's total cash and cash equivalents and time deposits increased from RMB335.9 million as at 31 December 2023 to RMB351.2 million as at 30 June 2024.



MANAGEMENT DISCUSSION AND ANALYSIS

(3) Analysis of Changes on Cash Flow

Items	During the six months ended 30 June	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
Cash and cash equivalents at the beginning of the period	203,638	23,546
Net cash generated from operating activities	19,306	12,512
Net cash (used in)/generated from investing activities	(150,011)	188,287
Net cash (used in)/generated from financing activities	(7,335)	21,248
Cash and cash equivalents at the end of the period	65,598	245,593

- (a) The net cash inflow from operating activities of the Group increased from RMB12.5 million in Corresponding Period to RMB19.3 million in the Period, which was mainly attributable to the increase in operating profit and improvement in operational efficiency during the Period.
- (b) The Group's net cash outflow from investing activities for the Period amounted to RMB150.0 million, compared with the net cash inflow of RMB188.3 million for the Corresponding Period, as detailed below:

Items	During the six months ended 30 June	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
Cash generated from retrieving deposits	–	265,000
Proceeds from interests received	–	3,418
Payment for the purchase of property, plant and equipment	(11)	(131)
Payment for the purchase of time deposits	(150,000)	(80,000)
Net cash (used in)/generated from investing activities	(150,011)	188,287



MANAGEMENT DISCUSSION AND ANALYSIS

- (c) The net cash outflow from the Group's financing activities for the Period amounted to RMB7.3 million, compared with the net cash inflow of RMB21.2 million for the Corresponding Period, as detailed below:

Items	During the six months ended 30 June	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
Capital contributions from shareholders	–	31,199
Capital contributions from non-controlling interests	600	–
Listing expenses paid	(7,099)	(9,314)
Capital element of lease rentals paid	(818)	(606)
Interest element of lease rentals paid	(18)	(31)
Net cash (used in)/generated from financing activities	(7,335)	21,248

Liquidity and Financial Resources

As at 30 June 2024, the net current assets of the Group amounted to RMB242.3 million (as at 31 December 2023: RMB222.6 million). The Group's cash and cash equivalents and time deposits as at 30 June 2024 amounted to RMB351.2 million (as at 31 December 2023: RMB335.9 million).

The Group will have sufficient liquidity to ensure meeting its working capital requirements in the current year, as well as maintaining the financial flexibility for future strategic investment opportunities.

Gearing Ratio

As at 30 June 2024, the Group's gearing ratio, which is based on the Group's total lease liabilities divided by total equity (including all capital and reserves) to arrive at a ratio of 0.14% (as at 31 December 2023: 0.07%), was at a very healthy level.

Bank Borrowings

As at 30 June 2024, the Group's bank borrowings were Nil.

Capital Expenditures

The Group incurred capital expenditure of RMB11,000 during the Period (RMB0.1 million during the Corresponding Period), the majority of which are related to the purchase of electronic equipment to support our business operation.



MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL MANAGEMENT

As part of the Group's cash management policy, the Group believes that the Group can make better use of the our cash by utilising wealth management products and time deposits to make better use of the Group's idle cash without interfering with the Group's business operations or capital expenditure. The Group may from time to time invest in wealth management products and time deposit issued by major commercial banks with low risks. In order to monitor and control the investment risks associated with such product portfolios, the Group has adopted a comprehensive set of internal policies and guidelines to manage the Group's investment programme in structured deposits and other wealth management products. We make investment decisions related to wealth management products after thoroughly considering a number of factors, including but not limited to macro-economic environment, general market conditions, risk control and credit of issuing banks, working capital conditions and the expected profit or potential loss of the investment.

FOREIGN EXCHANGE RISK

The Group's principal activities are carried out in the PRC. Given that the Group's business activities are denominated in RMB, the exposure to foreign exchange risk is insignificant. Currently, the Group has not implemented any foreign currency hedging policy. The Group will closely monitor the exchange rates in the market and adopt appropriate countermeasures and policies as and when necessary.

HUMAN RESOURCES

As at 30 June 2024, the Group had 123 employees. For the Reporting Period, the total employee remuneration expenses of the Group were approximately RMB14.3 million. The remuneration packages for our employees include salary, bonuses and allowances. For our in-house sales executives who are individual insurance sales practitioners registered with the NFRA under us, their remuneration packages will include incentives for successful sales of insurance products. As required by the PRC regulations, the Group participates in social insurance schemes operated by the relevant local government authorities and maintain mandatory pension contribution plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance for some of our employees. The Group also contributes to housing provident funds for some of our employees.

The Group highly values its employees and places emphasis on the development of its employees. The Group provides continuing education and training programmes to the employees to improve their skills and develop their potential. The Group also adopts evaluation programmes through which our employees can receive feedback. The Group foster strong employee relations by offering various staff benefits and personal development support.

CHARGES ON ASSETS

As at 30 June 2024, there were no charges on the Group's assets.

CONTINGENT LIABILITIES

As at 30 June 2024, the Group did not have any material contingent liabilities.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

As at 30 June 2024, the Group did not hold any significant investments. There were no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

FUTURE PLANS FOR SIGNIFICANT INVESTMENTS AND CAPITAL ASSETS

The Company intends to use the net proceeds raised from the Global Offering in accordance with the plans set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

Save as disclosed above, as at the date of this interim report, the Company does not have any plans for future material investments or additions of capital assets.



CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE CODE

The Company has adopted the Corporate Governance Code as its own code of corporate governance. The Company will constantly review and enhance its internal controls and procedures in light of changes in regulations and developments in best practices.

As the H Shares were listed on the Stock Exchange on the Listing Date, the Company did not apply the principles and code provisions of the CG Code during the Period.

Save as disclosed below, the Company has complied with all the principles and code provisions set out in the CG Code during the period from the Listing Date and up to the date of this interim report.

Pursuant to the code provision C.2.1 of Part 2 of the CG Code, the responsibilities between the chairman and the chief executive officer should be separate and should not be performed by the same individual, and listed companies on the Stock Exchange should comply with the relevant requirements but may choose to deviate from such requirement. The Company does not have a separate chairman and chief executive officer (being the chief executive officer defined in the CG Code), and Mr. Lu Yao is currently holding both roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired, and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of the chairman of the Board and the chief executive officer of the Company at an appropriate time taking into account the circumstances of the Group as a whole.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the CG Code and to maintain a high standard of corporate governance practices of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

Since the Listing Date, the Company has adopted a code of conduct regarding Directors' and Supervisors' securities transactions on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules.

Having made specific enquiry of all Directors and Supervisors, each of the Directors and Supervisors confirmed that he/she has complied with the required standards set out in the Model Code since the Listing Date and up to the date of this interim report. Meanwhile, the Company is not aware of any non-compliance with the Model Code by the relevant employees who may have access to inside information of the Group.



CORPORATE GOVERNANCE AND OTHER INFORMATION

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six-month period ended 30 June 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

From the Listing Date up to the date of this interim report, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE AND REVIEW OF INTERIM FINANCIAL INFORMATION

The Audit Committee assists the Board in discharging its responsibilities of financial reporting and corporate governance. The Audit Committee currently consists of three independent non-executive Directors, namely, Mr. Chung Wai Man, Ms. Fang Qiaoling and Ms. Ng Sin Kiu, who are independent non-executive Directors. The Audit Committee is chaired by Mr. Chung Wai Man, who has appropriate professional accounting qualifications and financial management expertise as required under the Listing Rules. The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as assigned by the Board.

The Audit Committee and the external auditors of the Company, KPMG, have reviewed the unaudited interim financial information for the Period.

USE OF PROCEEDS FROM THE LISTING

The Company's shares were listed on the Main Board of the Stock Exchange on Listing Date with a total of 35,300,000 H Shares being issued based on the share price of HK\$7.00 per Share. The aggregate nominal value of the said offer Shares is RMB35,300,000. The net proceeds from the Global Offering, after deducting the underwriting fees and commissions and expenses payable by our Company in connection with the Global Offering, were approximately HK\$195.8 million. The net price per offer Share is approximately HK\$5.55. There was no change to the intended use of the net proceeds from that disclosed in the Prospectus as at the date of this interim report. During the Reporting Period, the Group had not obtained the proceeds from the Global Offering.



CORPORATE GOVERNANCE AND OTHER INFORMATION

The following table sets forth the planned use and actual use of the net proceeds from the Listing Date up to the date of this interim report:

Major purposes	Percentage of net proceeds	Planned allocation of total net proceeds (HK\$ million)	Amount utilised (as at the date of this interim report) (HK\$ million)	Unutilised amount (as at the date of this interim report) (HK\$ million)	Expected timetable of utilisation of the unutilized net proceeds from the Global Offering ⁽¹⁾
Development of insurance agency business	53.8%	105.3	–	105.3	by the end of 2027 ⁽²⁾
Enhancing IT service offerings and research and development capabilities	26.2%	51.3	–	51.3	by the end of 2029 ⁽²⁾
Pursuing selective investments and acquisitions	10.0%	19.6	–	19.6	by the end of 2026 ⁽²⁾
General working capital and general corporate purpose	10.0%	19.6	–	19.6	by the end of 2027 ⁽²⁾
Total	100.0%	195.8	–	195.8	

Notes:

- (1) The expected timetable of utilisation of the unutilised net proceeds is based on the Group's best estimate of market conditions.
- (2) The Company will deposit the unutilized net proceeds into a short-term interest-bearing account(s) of licensed commercial banks and/or other authorised financial institutions as defined under the SFO or the Law of the People's Republic of China on Commercial Banks and other relevant PRC laws).



CORPORATE GOVERNANCE AND OTHER INFORMATION

CHANGES TO THE INFORMATION OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The changes on directors' information since the date of the Prospectus up to the date of this interim report are set out below:

Name of Director	Details of Changes
Ms. Fang Qiaoling	ceased to be an independent non-executive director of Bank of Qingdao Co., Ltd., a company listed on the Stock Exchange (stock code: 3866) and Shenzhen Stock Exchange (stock code: 002948), on 14 August 2024

Save as disclosed above, there has been no change in the information of the Directors, Supervisors and senior management that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the Prospectus up to the date of this interim report.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this interim report, at no time during the Reporting Period and up to the date of this interim report was the Company or its subsidiaries a party to any arrangements to enable the Directors or the Supervisors to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate and none of the Directors, the Supervisors, their spouses or children under the age of 18, had any rights to subscribe for Shares in, or debt securities of, the Company or any other body corporate, or had exercised any such rights.

EVENTS AFTER THE PERIOD

The Company was listed on the Main Board of the Stock Exchange on the Listing Date. For the Global Offering, the Company issued and allotted a total of 35,300,000 H Shares at an offer price of HK\$7.00 per H Share.

Save as disclosed, there were no events which had a material impact on the Group from the end of the Reporting Period to the date of this interim report.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company does not have any disclosure obligation under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

APPRECIATION

I would like to take this opportunity to thank all my fellow Directors and staff members for their dedicated services, contributions and supports during the Period.

By order of the Board
Zhongmiao Holdings (Qingdao) Co., Ltd.
LU Yao
Chairman and Executive Director



DISCLOSURE OF INTERESTS

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As the Company had not been listed on the Stock Exchange as at 30 June 2024, Divisions 7 and 8 of Part XV of the SFO and Section 352 of the SFO were not applicable to the Directors, Supervisors and chief executives of the Company as at 30 June 2024.

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

(a) Interest in the Shares of our Company

Name of Director, Supervisor or Chief Executive	Position	Nature of Interest	Shares and class of shares held ⁽¹⁾	Approximate percentage of shareholding in the relevant class of shares ⁽¹⁾ (%)	Approximate percentage of total number of Shares in issue ⁽¹⁾ (%)
Lu Yao	Chairman, executive Director and general manager	Interest in controlled corporation ⁽²⁾	27,501,600 Domestic Shares(L)	25.97	19.48
Zhang Zhiquan	Executive Director and deputy general manager	Interest in controlled corporation ⁽³⁾	24,000,000 Domestic Shares(L)	22.66	17.00



DISCLOSURE OF INTERESTS

Notes:

- (1) As at the Listing Date, the total number of issued shares of the Company was 141,195,600 shares, comprising (i) 105,895,600 Domestic Shares, and (ii) 35,300,000 H Shares.
- (2) Shanghai Zhaoqi, Qingdao Haizhongjie and Qingdao Haixinsheng hold 24,000,000 Domestic Shares, 2,933,300 Domestic Shares and 568,300 Domestic Shares respectively and each of them is a limited partnership with Qingdao Haichuang Management Consultant Co., Ltd. (青島海創管理諮詢有限公司) as its general partner. Qingdao Haichuang Management Consultant Co., Ltd. is wholly owned by Lu Yao. By virtue of the SFO, Lu Yao is deemed to be interested in the shares in which each of Shanghai Zhaoqi, Qingdao Haizhongjie and Qingdao Haixinsheng is interested.
- (3) Shanghai Zhaoqi holds 24,000,000 Domestic Shares. Shanghai Zhaoqi is owned as to (i) 31.40% by Zhang Zhiqian; (ii) 28.60% by Beijing Quanzhangui Internet Technology Co., Ltd. (北京全掌櫃互聯網科技有限公司) (a limited liability company owned as to 70.00% by Zhang Zhiqian and as to 30.00% by Li Jia, the spouse of Zhang Zhiqian). By virtue of the SFO, Zhang Zhiqian is deemed to be interested in the shares in which Shanghai Zhaoqi is interested.
- (L) Long position.

Save as disclosed above, as at the Listing Date, none of the Directors, Supervisors and chief executives of the Company had or was deemed to have any interests or short positions in the shares or underlying shares of the Company which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required, pursuant to section 352 of the SFO, to be recorded in the register maintained by the Company.

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

As the Company had not been listed on the Stock Exchange as at 30 June 2024, Divisions 2 and 3 of Part XV of the SFO and Section 336 of the SFO were not applicable to the following persons (other than directors, supervisors and chief executive of the Company) as at 30 June 2024.



DISCLOSURE OF INTERESTS

To the best knowledge of our Company based on publicly available information, as at the Listing Date, the interests and short positions of the following persons (other than the Directors, Supervisors and chief executives of the Company) in the Shares, underlying Shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO (including interests or short positions which the persons (other than the Directors, Supervisors and chief executives of the Company) were taken or deemed to have under such provisions of the SFO) or interests or short positions in the register required to be kept by the Company under section 336 of the SFO, were as follows:

Name of Shareholders	Nature of Interest	Shares and class of shares held ⁽¹⁾	Approximate percentage of shareholding in the relevant class of shares ⁽¹⁾ (%)	Approximate percentage of total number of Shares in issue ⁽¹⁾ (%)
Haier Group Corporation (海爾集團公司)	Interest in controlled corporation ⁽²⁾⁻⁽⁶⁾	64,000,000 Domestic Shares (L) ⁽²⁾⁻⁽⁶⁾	60.44	45.33
Qingdao Haichuangke Management Consulting Enterprise (Limited Partnership) (青島海創客管理諮詢企業 (有限合夥))	Interest in controlled corporation ⁽²⁾⁻⁽⁶⁾	64,000,000 ⁽¹⁰⁾ Domestic Shares (L) ⁽²⁾⁻⁽⁶⁾	60.44	45.33
Qingdao Haichuanghui IoT Co., Ltd. (青島海創匯物聯有限公司)	Interest in controlled corporation ⁽²⁾⁻⁽⁶⁾	64,000,000 Domestic Shares (L) ⁽²⁾⁻⁽⁶⁾	60.44	45.33
Qingdao Haichuanghui Investment Co., Ltd. (青島海創匯投資有限公司)	Interest in controlled corporation ⁽³⁾⁻⁽⁶⁾	64,000,000 Domestic Shares (L) ⁽³⁾⁻⁽⁶⁾	60.44	45.33
Haichuanghui Holding Co., Ltd. (海創匯控股有限公司)	Interest in controlled corporation ^{(4)&(5)}	8,000,000 Domestic Shares (L) ^{(4)&(5)}	7.56	5.67
Ningbo Meishan Free Trade Port Area Haichuanghui Investment Management Co., Ltd. (寧波梅山保稅港區海創匯投資管理有限公司)	Interest in controlled corporation ^{(4)&(5)}	8,000,000 Domestic Shares (L) ^{(4)&(5)}	7.56	5.67

DISCLOSURE OF INTERESTS

Name of Shareholders	Nature of Interest	Shares and class of shares held ⁽¹⁾	Approximate percentage of shareholding in the relevant class of shares ⁽¹⁾ (%)	Approximate percentage of total number of Shares in issue ⁽¹⁾ (%)
Qingdao Haichuanghui Venture Capital Co., Ltd. (青島海創匯創業投資有限公司)	Interest in controlled corporation ^{(4)&(5)}	8,000,000 Domestic Shares (L) ^{(4)&(5)}	7.56	5.67
Qingdao Haichuanghui Ronghai Venture Capital Center (Limited Partnership) (青島海創匯融海創業投資中心(有限合夥))	Beneficial interest ⁽⁵⁾	8,000,000 Domestic Shares (L) ⁽⁵⁾	7.56	5.67
Qingdao Haiyinghui Management Consulting Co., Ltd. (青島海盈匯管理諮詢有限公司)	Beneficial interest ⁽⁶⁾	56,000,000 Domestic Shares (L) ⁽⁶⁾	52.88	39.66
Qingdao Haichuang Management Consultant Co., Ltd. (青島海創管理諮詢有限公司)	Interest in controlled corporation ⁽⁷⁾	27,501,600 Domestic Shares (L) ⁽⁷⁾	25.97	19.48
Shanghai Zhaoqi	Beneficial interest ⁽⁷⁾	24,000,000 Domestic Shares (L) ⁽⁷⁾	22.66	17.00
Li Jia (李佳)	Interest of spouse ⁽⁸⁾	24,000,000 Domestic Shares (L) ⁽⁸⁾	22.66	17.00
Qingdao Haizhi Huiying Equity Investment Management Co., Ltd. (青島海智匯贏股權投資管理有限公司)	Interest in controlled corporation ⁽⁹⁾	14,394,000 Domestic Shares (L) ⁽⁹⁾	13.59	10.19
Qingdao Haichuangying Equity Investment Partnership (Limited Partnership) (青島海創贏股權投資合夥企業(有限合夥))	Beneficial interest ⁽⁹⁾	14,394,000 Domestic Shares (L) ⁽⁹⁾	13.59	10.19



DISCLOSURE OF INTERESTS

Notes:

- (1) As at the Listing Date, the total number of issued Shares of the Company was 141,195,600 shares, comprising (i) 105,895,600 Domestic Shares, and (ii) 35,300,000 H Shares.
- (2) Haier Group Corporation and Qingdao Haichuangke Management Consulting Enterprise (Limited Partnership) hold 51.20% and 48.80% of the issued shares in Qingdao Haichuanghui IoT Co., Ltd, respectively. Haier Group Corporation is also entitled to exercise the 48.80% voting rights in Qingdao Haichuanghui IoT Co., Ltd. held by Haichuangke Management Consulting Enterprise (Limited Partnership), through an irrevocable voting rights entrustment arrangement.
- (3) Qingdao Haichuanghui IoT Co., Ltd. (i) indirectly wholly owns Qingdao Haiyinghui Management Consulting Co., Ltd. through its wholly-owned subsidiary, Qingdao Haichuanghui Investment Co., Ltd.; (ii) indirectly owns 49.50% of Qingdao Haichuanghui Ronghai Venture Capital Center (Limited Partnership) through its wholly-owned subsidiary, Qingdao Haichuanghui Investment Co., Ltd.; and (iii) indirectly wholly owns Haichuanghui Holding Co., Ltd. through its wholly-owned subsidiary Qingdao Haichuanghui Investment Co., Ltd..
- (4) Qingdao Haichuanghui Ronghai Venture Capital Center (Limited Partnership) is owned as to 1.00% by Qingdao Haichuanghui Venture Capital Co., Ltd. as its general partner. Qingdao Haichuanghui Venture Capital Co., Ltd. is a wholly-owned subsidiary of Ningbo Meishan Free Trade Port Area Haichuanghui Investment Management Co., Ltd., which is indirectly wholly owned by Haichuanghui Holding Co., Ltd.
- (5) Qingdao Haichuanghui Ronghai Venture Capital Center (Limited Partnership) directly owns 8,000,000 Domestic Shares.
- (6) Qingdao Haiyinghui Management Consulting Co., Ltd. directly holds 56,000,000 Domestic Shares.
- (7) Shanghai Zhaoqi, Qingdao Haizhongjie and Qingdao Haixinsheng directly hold 24,000,000, 2,933,300 and 568,300 Domestic Shares, respectively, which are limited partnerships with Qingdao Haichuang Management Consultant Co., Ltd. (青島嗨創管理諮詢有限公司) as their general partner.
- (8) Li Jia is the spouse of Zhang Zhiquan. By virtue of the SFO, Li Jia is deemed to be interested in the Shares in which Zhang Zhiquan is interested.
- (9) Qingdao Haichuangying Equity Investment Partnership (Limited Partnership) directly holds 14,394,000 Domestic Shares, and Qingdao Haizhi Huiying Equity Investment Management Co., Ltd. is its general partner.
- (L) Long positions.

Save as disclosed above, as at the Listing Date, to the best knowledge of the Directors, no person (not being the Directors, Supervisors and chief executive of the Company) had any interests or short positions in the Shares or underlying Shares which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or which were required, pursuant to section 336 of the SFO, to be recorded in the register maintained by the Company.



DEFINITIONS

In this interim report, unless the context otherwise requires, the following expressions shall have the following meanings:

“Audit Committee”	the audit committee of our Board
“Board”	the board of Directors
“Company” or “our Company”	Zhongmiao Holdings (Qingdao) Co., Ltd. (眾淼控股(青島)股份有限公司), a joint stock company established in the PRC with limited liability on 16 March 2017 and the H Shares of which are listed on the Stock Exchange (stock code: 1471)
“Corporate Governance Code” or “CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Corresponding Period”	Six-month period from 1 January 2023 to 30 June 2023
“PRC” or “The People’s Republic of China”	The People’s Republic of China, for the purpose of this interim report and for geographical reference only and except where the context requires otherwise, references in this interim report to “China” or “PRC” do not include Hong Kong, Macau and Taiwan
“Director(s)”	the director(s) of our Company
“Domestic Share(s)”	ordinary share(s) of the Company with a nominal value of RMB1.00 each, subscribed for or credited as paid up in Renminbi
“Global Offering”	the Hong Kong Public Offering and the International Offering
“Group”, “our Group”, “the Group”, “we”, “us”, or “our”	the Company and its subsidiaries
“GWP”	total premiums (whether or not earned) for insurance contracts written or assumed during a specific period, without deduction for premiums ceded
“H Share(s)”	overseas listed foreign share(s) in the share capital of our Company with nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and are to be listed on the Stock Exchange
“HK\$” or “Hong Kong dollars” or “HK dollars”	the lawful currency of Hong Kong
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
“NFRA”	the National Financial Regulatory Administration (國家金融監督管理總局)



DEFINITIONS

“Listing Date”	6 August 2024 (Tuesday), being the date of the listing of the H Shares on the Stock Exchange and on which the H Shares are permitted to be dealt on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Qingdao Haixinsheng”	Qingdao Haixinsheng Management Consulting Enterprise (Limited Partnership)(青島海欣盛管理諮詢企業(有限合夥))
“Qingdao Haizhongjie”	Qingdao Haizhongjie Management Consulting Enterprise (Limited Partnership)(青島海眾捷管理諮詢企業(有限合夥))
“Reporting period” or “Period”	Six-month period from 1 January 2024 to 30 June 2024
“Model Code”	pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, set out in Appendix C3 to the Listing Rules
“Prospectus”	Prospectus of the Company dated 29 July 2024
“RMB” or “Renminbi”	The lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented and modified from time to time
“Shanghai Zhaoqi”	Shanghai Zhaoqi Management Consulting Partnership (Limited Partnership)(上海壘奇管理諮詢合夥企業(有限合夥))
“Share(s)”	ordinary share(s) with nominal value RMB1.00 each in the share capital of our Company, comprising Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited