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Beisen Holding Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9669)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025 AND CHANGE OF COMPOSITION OF THE NOMINATION COMMITTEE

The Board hereby announces the consolidated annual results of the Group for the year ended 31 March 2025 together with the comparative figures for the year ended 31 March 2024. The consolidated annual results of the Group for the Reporting Period have been audited by the Company's auditor and reviewed by the Audit Committee.

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments, or have been rounded to one or two decimal places. Any discrepancies in any tables, charts or elsewhere between totals and sums of amounts listed therein are due to rounding.

FINANCIAL HIGHLIGHTS

The key financial highlights are as follows:

	For the year ended 31 March		
	2025	2024	Change
	RMB'000	RMB'000	%
Revenue	945,076	854,741	10.6
Gross profit	613,530	514,927	19.1
Adjusted gross profit (a non-IFRS measure) ¹	625,377	546,898	14.3
Loss for the year	(147,406)	(3,208,587)	(95.4)
Adjusted net loss (a non-IFRS measure) ²	(29,101)	(105,366)	(72.4)
Net cash generated from/(used in) operating activities	76,929	(82,469)	(193.3)

Notes:

1. We define adjusted gross profit (a non-IFRS measure) as gross profit adjusted by adding back share-based payments included in cost of revenues and amortization of acquisition-related intangible assets.
2. We define adjusted net loss (a non-IFRS measure) as loss for the year adjusted by adding back share-based payments, fair value changes of redeemable convertible preferred shares, amortization of acquisition-related intangible assets and relevant tax impact.

BUSINESS REVIEW AND OUTLOOK

Industry Review

In 2024, digital transformation and domestic substitution were accelerating rapidly. China's 14th Five-Year Plan and the Xinchuang (Information Technology Application Innovation) initiative are directly driving growth in demand of the domestic software market. Meanwhile, advancement of technology such as cloud computing and AI large models are providing key momentum for a new wave of scientific and industrial revolution.

At the same time, the complexity and uncertainty of global economic growth have intensified further, with economic growth decelerated and businesses facing heightened operational pressures, leading to a greater focus on cost reduction and efficiency improvement. Demand for software from small and medium-sized enterprises has declined due to reduced purchasing power, while mid-sized and large enterprises, despite their desire to leverage digitalization for cost and efficiency gains, are experiencing slower decision-making processes. In response, Beisen has doubled down on its focus on the large-customer market, offering products and services that better meet their needs and deliver higher cost-performance value.

As Chinese companies accelerate their global expansion, effective management of overseas talents and optimization of global human resources allocation have become critical challenges. The demand for global human resources management and data compliance among Chinese enterprises has surged significantly. In response, Beisen has placed a strong emphasis on the needs of internationalizing clients and developed a comprehensive product feature set that supports multiple languages, time zones, and currencies, which provides digital solutions that align with global human resources management standards and data compliance requirements.

Among the many participants in China's cloud-based HCM solutions market, Beisen is the only provider offering integrated cloud-based HCM solutions and the only cloud-based HCM solutions provider that has built a unified and open PaaS infrastructure. As the digital economy and digital talent industry continue to evolve, coupled with the increasing real-world application of AI large models in business scenarios, Beisen is poised for sustained growth and is well-positioned to lead the digital transformation of human resources management.

Beisen’s cloud-based HCM solutions cover all major HCM use cases across the entire employment lifecycle, delivering comprehensive and fully integrated cross-functional solutions. As the leader in China’s HCM SaaS market, Beisen has been the top-ranking company in China’s HCM SaaS market in terms of market share for nine consecutive years since 2016. In the first half of 2024, Beisen had a market share of approximately 15% in China’s HCM SaaS market, widening the gap over its closest competitor. In sub-market level, we were also the top-ranking company in Core-HR market, recruitment management and performance management SaaS markets in terms of market share^{Note}. In addition, Beisen’s assessment business has consistently maintained its market dominance for many years.

Business Review

In 2024, the complex and volatile economic landscape has heightened uncertainties for companies. On one hand, companies were optimizing existing human capital and strengthening organizational resilience through lean management practices. On the other hand, many companies were accelerating overseas expansion to secure new growth drivers and maintain competitiveness. As the rapid advancement of generative AI, such as DeepSeek, and other digital technologies and their in-depth penetration into core business scenarios of companies, human resource management has ushered in new growth opportunities.

Commercialization has commenced, leading enterprises into the AI era of human resources. The digital transformation of human resources is evolving into an “employee-centric” era of AI-powered personalization. Beisen fully embraces AI large models, leveraging its underlying PaaS platform and based on general-purpose large models such as DeepSeek, it integrates Beisen’s more than 20 years of vertical accumulation of people science and combines with human resources integrated business scenarios. Beisen has launched seven AI assistants and more than 100 AI-powered features, including AI interviewer (AI面試官), AI employee assistants (AI員工助手), AI Coaching (AI陪練) and AI leadership coach (AI領導力教練) (Mr. Sen), forming the Beisen AI product family which is industry-leading and better at understanding talents. During FY2025, Beisen’s seven AI assistants rapidly commercialized, with numerous clients achieving human resources cost reduction, business efficiency and talent quality improvement through AI Agent.

Beisen acquired Cool College to accelerate the layout from eLearning to AI Learning. In the first half of 2025, Beisen acquired Cool College. Beisen will further strengthen the layout in eLearning market, increase investment in research and development of AI Learning products and assist more Chinese corporate clients in transitioning from traditional corporate learning management model to AI Learning era. Cool College’s corporate learning management platform provides an integrated “SaaS software + content + operation service” learning solutions and establishes a

^{Note} Data is sourced from IDC CHINA SEMIANNUAL HUMAN CAPITAL MANAGEMENT(HCM) SAAS, 2024H1

leading market position with thousands of paid clients and has been ranking the first in training product category on Ding Talk for 18 consecutive months. Following this acquisition, Beisen will achieve comprehensive coverage across large, medium and small enterprise markets, delivering tailored solutions to meet the personalized needs of clients at every scale. The talent competency standards and assessment technologies accumulated by Beisen over the past 20 years, as well as the research and development capabilities invested in the AI field over the past years, will fully empower the upgrade and improvement of the eLearning products after the acquisition, thereby providing customers with more professional and advanced corporate learning management solutions. In addition, based on its AI strategy, Beisen will further improve the efficiency and effectiveness of corporate learning management through this acquisition, promoting the comprehensive reshaping of product form from eLearning to AI Learning.

Global expansion has become a critical growth strategy for Chinese corporates.

Based on the PaaS platform, Beisen continues to increase its investment in research and development of international products and has developed global integrated HCM SaaS solutions which include key capabilities such as multiple languages, time zones and currencies, and privacy compliance, covering scenarios such as recruitment, organizational personnel, leave, target performance, corporate training, and provides global human data analysis to help companies broaden their global operational perspectives. Meanwhile, Beisen has partnered with Han Kun Law Offices to publish the “2024 White Paper on Data Compliance in Overseas Human Resources Management for Chinese Corporates” (《中企出海人力資源管理數據合規白皮書2024版》), empowering Chinese corporates to promptly identify and address compliance challenges in global expansion. During FY2025, Beisen has helped hundreds of companies to achieve global management, covering the full-scenario digital management of human resources management in many countries and regions including Hong Kong, Vietnam, Indonesia, Thailand, and Malaysia.

Fully embracing AI, supporting the global expansion of Chinese corporates and acquiring Cool College to upgrade Beisen’s eLearning products and market layout will further help corporates solve practical problems in the implementation of human digitalization, improve management efficiency, achieve optimal talent allocation, stimulate organizational potential and create a new engine for business growth.

During the Reporting Period, our total revenue was RMB945.1 million, representing a year-on-year increase of 10.6%, of which the revenue from cloud-based HCM solutions was RMB721.8 million, representing a year-on-year increase of 14.2%. The revenue from cloud-based HCM solutions accounted for 76.4% of our total revenue, representing a year-on-year increase of 2.4 percentage points. The adjusted net loss margin was 3.1%, representing a year-on-year improvement of 9.2 percentage points. The net cash generated from operating activities was RMB76.9 million, turning from operating cash outflow to operating cash inflow. The adjusted EBITDA (a non-IFRS measure) was RMB28.9 million and we maintained the subscription revenue retention rate of 106% and sustained a solid ARR growth of 29% for our Core HCM integration.

- 1. Deep cultivation of industry scenarios of Core HCM and support the digital transformation of corporates with over 10,000 employees. As of 31 March 2025, the ARR for our Core HCM Integration accounted for 59%^{Note} of our total ARR, representing a year-on-year increase of 29%, with the total number of our Core HCM Integration customers reached approximately 2,300.**

Amid intensifying digital transformation demands from large and mid-sized enterprises, Beisen remains steadfast in its focus on key-account strategy, deepening expertise in complex human resources management scenarios, particularly in manufacturing and retail chain sectors. In the first half of 2025, targeting at frontline stores and production workers, Beisen launched blue-collar workforce express onboarding solutions and upgraded the attendance clerk dashboard, automated monthly payroll reports and shift scheduling and approval functions for more sophisticated workforce management. We also launched new upgrades of complex salary functions such as bonus incentives and social insurance management, which makes talent incentives more scientific. We promptly launched the ability to automatically calculate delayed retirement dates to swiftly respond to national policy demands. Beisen upgraded White Paper on People Analytics 4.0 to cover more than 300 industry-specific human resources analysis metrics across manufacturing, retail chains and internet sectors, which drives decision-making with data to improve efficiency.

Multiple corporates with over 10,000 employees reached milestone achievements through cooperation with Beisen Core HCM. Beisen helped China Traditional Chinese Medicine Holdings Co. Limited, comprising nearly 100 subsidiaries and with approximately 17,000 employees, to establish a digital human resources management and control platform for all levels of the group, covering the entire lifecycle of employees and accumulated a talent pool of nearly 100 HRIS digital professionals. Emperor Group achieved digital upgrade of the group's human resources through Beisen Core HCM, which improved process efficiency by 50%, empowered HRSSC and cinema operation managers and comprehensively improved organizational effectiveness.

Note: The reported ARR percentage did not include ARR of Cool College

- 2. Beisen AI Family, leveraging our self-developed Luban PaaS platform and AI/BI technology foundation, combined with generative AI large model. With over 20 years of experience in the human resources field with continuous training and refinement, we have created Sen GPT, an AI large model for workforce management. Integrating this model into our integrated HCM SaaS business and data scenarios, we introduced a range of groundbreaking new products, including Mr. Sen (森教練), AI Interviewer (AI面試官), AI Interview Assistant (AI面試助手), AI Course Assistant (AI做課助手), AI Employee Assistant (AI員工助手), AI Coaching Assistant (AI陪練助手) and AI Assessment (AI測評), based on generative AI technology, further expanding the range of Beisen's AI Family products. As of 31 March 2025, we had over 300 Beisen AI Family customers and the ARR exceeded RMB6 million. Customers achieved cost reduction in human resources and improvement in business efficiency and talent quality.**

Beisen's AI Interviewer has successfully achieved commercialization, and the number of contracted customers exceeded 240 as of the end of March 2025. The application of AI technology in recruitment scenarios is evolving from efficiency tools to intelligent decision-making. During FY2025, Beisen completed its "AI + Recruitment" strategic layout and built three major AI products covering the entire chain of talent selection. "AI Recruitment Assistant" assisted HR in efficiently and precisely recommending and assessing the resumes. "AI Interview Assistant" assisted interviewers to implement job requirements and improve interview quality. "AI Interviewer" simulated real interviewers with digital avatars for raising questions about resume and work experience and making follow-up enquiries.

The AI Interviewer excels in campus recruitment scenarios, continuously optimizing candidate experience and enhancing capabilities for blue-collar hiring such as productivity assessments, ten major physical fitness tests, and three major behavioral game-based assessments, thereby helping corporates effectively manage employment risks and accelerate hiring processes. A leading Fortune Global 500 high-tech manufacturing company has utilized the AI Interviewer in its campus recruitment process and integrated assessment capabilities by replacing the traditional three-round interview process with a single round interview with the assistance of the AI Interviewer, resulting in the reduction in students' response time by 83% while enhancing the quality of the recognition of candidates' capabilities. A leading Fortune Global 500 automotive manufacturer has replaced initial interviews with AI interviews in its campus recruitment, establishing a tech-savvy employer brand and improving the candidates' experience. A leading property management company has employed the AI Interviewer for blue-collar recruitment, doubling its recruitment efficiency. To date, Beisen has secured contracts for our AI Interviewer product with corporations including a leading Fortune Global 500 state-owned enterprise in the energy sector, top cement manufacturers, leading baijiu producers, leading fast-moving consumer goods (FMCG) companies, premier software service providers, leading oncology-focused biopharmaceutical companies and renowned banks. A leading automotive manufacturer implemented Beisen's AI Interviewer for its 2024 fall campus recruitment, successfully establishing a standardized preliminary assessment system to enhance talent quality. The solution achieved a 95.5% candidate attendance rate, significantly improving both recruitment quality and candidate experience.

AI Training Assistant drives significant leaps in employee performance through real-world scenario simulations and instant feedback. A pharmaceutical company with 7,000 employees leveraged Beisen's AI Training Assistant to simulate four critical scenarios: new product professional knowledge, post-clinic visits, academic department presentations, and objection handling. Over 1,000 medical representatives mastered sales skills through the platform, achieving a 300% increase in training participation.

AI Leadership Coach Mr. Sen is equipped with almost a hundred of highly realistic management simulations and empowers leaders to transform theoretical knowledge into actionable behaviors. A leading new energy corporation with 100,000 employees, by deploying Mr. Sen, achieved closed-loop management for assessment, training, development and evaluation of both newly promoted managers and high-potential talent.

AI Course Assistant boosts course production efficiency by five times and addresses corporate knowledge retention challenges. A logistics company has significantly improved the efficiency of English course production using AI Course Assistant, which reduced the development time from 5 days to 0.5 days.

AI Employee Assistant is connected to Beisen's iTalent system and embedded into IM, which allows employees to conduct business and check data in real time. Currently, more than 20 leading enterprises, including over 10,000 employees top-tier food chains and small household appliance manufacturers, have applied online. For instance, an international smart logistics company achieved a 200% efficiency improvement in question-and-answer processes by leveraging AI Employee Assistants to rapidly build up their SSC knowledge base.

In 2024, human resource management of corporates continued to advance digital transformation. Empowered by AI, we are entering a new intelligent era centered around employees, where personalized smart experiences are now within reach, bringing unprecedented work methods and interaction models to employees. AI is reshaping the future of human resources at an unprecedented pace and scale.

3. **Beisen completed acquisition of Cool College in the first half of 2025, accelerating its strategic shift from eLearning to AI Learning.** As of 31 March 2025, the ARR of eLearning Cloud representing a year-on-year increase of 371%. The acquisition not only achieves comprehensive coverage across large, medium and small enterprise markets but also deeply integrates Beisen's over 20 years of people science expertise, AI agent capabilities and Cool College's thousands of client resources, which developed an integrated AI Learning corporate training solution that covers "knowledge delivery, skill training and competency development" and built a differentiated competitive edge in the talent development sector.

During FY2025, Beisen's eLearning Cloud cooperated with a leading national pharmacy chain to build a digital learning platform for its 50,000 employees. Through a closed-loop "Learn-Practice-Assess-Apply" system, the company achieves rapid onboarding for new hires within 6 weeks, with a 91% retention rate. The leadership development program boosted competency of senior management by 31%. With coverage across 11,000 retail stores, it effectively supported the company's "professionalization + diversification" strategy and set a new benchmark for talent development in pharmaceutical retail industry.

4. **Digitalization of executives and talents.** The digitalization of executives and talents solutions newly developed by Beisen provides large enterprises with comprehensive capabilities, including role-specific qualification standards, talent promotion and evaluation, workforce planning and succession development, selection and appointment of executives, talent profiling and searching and AI-powered talent recommendations, which is a must-have for leading enterprises and addresses three critical talent management challenges, namely, unclear workforce visibility, difficulty in identifying key talents and lack of a robust talent pipeline. In FY2025, our solutions have been trusted by top-tier companies in industries such as smart energy and retail chains. With over 20 years of expertise in talent management, assessment and development and our experience in serving 70% of China's Fortune Global 500 companies, along with executives and talent management software and AI technology, the digitalization of executives and talents solutions newly developed by Beisen will lead the premium talent management market for China's large enterprises and become a business line with huge market growth potential and distinct competitive advantages for Beisen in the near future.
5. **In FY2025, Beisen's talent management services became more diversified, enabling innovation in talent management business services and providing end-to-end human resources consulting services to clients, thereby enhancing customer value.** During the Reporting Period, we continued to promote talent management business diversification services. Based on clients' needs in talent system development, and leveraging our talent assessment technologies, digital capabilities, and AI technology, we designed integrated talent management consulting solutions, covering three major types and two key scenarios. For comprehensive talent infrastructure planning, we leverage years of talent assessment expertise to extend our capabilities in holistic talent planning and workforce architecture design. We provide clients with comprehensive talent system planning while developing specialized workforce solutions for "technology talent teams" and "performance-critical position groups", which deliver premium planning and services for enterprises to build specialised teams, enhance operational effectiveness, and provide high quality planning and services. For overall talent nurturing, Beisen launched an end-to-end talent development system design based on the "Thinking-Knowledge-Practice-Action" (思—知—練—行) framework. We provide a comprehensive suite of talent development solutions, including growth system design, assessment-training integration, and learning outcome reinforcement programs, tailored to address diverse organizational needs of different clients across all growth stages and enable enterprises to achieve rapid talent transformation during critical business transitions.

Beisen delivers precision-tailored services for talent selection and deployment, meticulously aligned with enterprise requirements. We help enterprises construct an internal talent labelling system and achieve talent visibility and agile team composition through the “talent label system construction and application” for business executives in talent matching. We have introduced an integrated Assessment Center or Development Center evaluation model for senior talent selection scenarios, enabling enterprises to achieve high-precision talent recruitment and development.

Leveraging the strengths of our HCM SaaS platform and AI technology, Beisen provides clients with comprehensive consulting services. During the clients’ integrated system implementation process, we identify process inefficiencies and provide clients with targeted process optimization consulting solutions and assist clients in optimizing business processes during system implementation to achieve greater operational efficiency. Leveraging our accumulated expertise in talent management business and combined with our new AI products such as Mr. Sen AI Interviewer and AI Coach, we provide customized AI consulting services and customized enterprise-specific AI agents.

6. Beisen is driven by the dual engines of “open technology + ecosystem synergy”, accelerating our strategic deployment in AI, global expansion, and PaaS ecosystem development

(1) AI technology empowers ecological innovation

Through strengthened strategic partnerships with leading AI providers such as Zhipu AI, Tongyi Qianwen, and ERNIE Bot, Beisen has introduced multiple intelligent HCM SaaS solutions. For example, “AI Interviewer”, which is based on the self-developed SenGPT human large model, has been commercialized, covering more than 240 customers, and has been applied on a large scale in campus recruitment and blue-collar recruitment scenarios. At the same time, it connects to the DeepSeek-R1/V3 large model to further upgrade products such as the AI Training Assistant and Mr. Sen leadership coach to promote the full-process intelligent transformation of human resource management.

(2) Global ecological network expansion

Beisen has launched global HCM SaaS solution, cooperating with globalization service providers such as Alibaba Cloud, Hand, DEEL, CDP and InteDao to support the needs of corporates in going global and enhance Beisen’s capabilities in meeting overseas market demands.

(3) PaaS ecosystem integration capabilities continue to improve

Regarding the PaaS ecosystem, focusing on the full module scenario of human resources, we have added nearly 20 new integrated manufacturers and cooperated with nearly 100 of integrated manufacturers. The solution now features deeper integrations across multiple workplace scenarios including OA systems, IM collaboration, employee benefit, travel expenses control, attendance tracking, administrative management, bank-enterprise direct linkage, tax processing, e-signature, customer service robot, recruitment channel, video interviews and employee background checks. These seamless integrations continuously reduce operational costs while delivering greater value to clients. The iTalent application is now fully compatible with Huawei HarmonyOS NEXT and available on Huawei AppMarket, delivering comprehensive mobile solutions for all-scenario application needs.

(4) Beisen has formed a strategic partnership with Hogan Assessments to launch comprehensive, tiered, and domain-specialized assessment services. We have made significant progress in building a healthy user ecosystem, delivering increasingly valuable enterprise services to our clients.

During FY2025, driven by the dual engines of “open technology + ecosystem synergy”, Beisen achieved ecosystem evolution from product integration to strategic merger and acquisition. In the coming three years, we will focus on three key pillars, which are AI Learning, globalized services and platform-level partnership, to continuously build an open and collaborative human resources SaaS ecosystem, empowering enterprises in their digital transformation of human resources.

Business Outlook

With the continuous implementation of our integrated strategy, in FY2026, we will continue to launch new products and features, thereby facilitating and creating more opportunities for cross-selling among different modules. We will further strengthen our competitive advantage with more new products, greater integration and higher ARR, which are unique to Beisen’s business model and continuously deepens Beisen’s moat. Beisen has achieved a CAGR of 19.6% in ARR for the past five years. In particular, the ARR of Core HCM integration has grown at a CAGR of 41.2%. Furthermore, contributed by the cross-selling of modules and the rapid growth of Core HCM, Beisen has consistently maintained a satisfactory level of subscription revenue retention rate at around 106% for the past five years. In addition, based on PaaS, Beisen’s integrated HCM SaaS is able to serve clients with over 10,000 employees, has laid a solid foundation for Beisen’s strategy of retaining large customers.

In FY2026, our business strategy will focus on the following directions:

- 1. Continue to implement AI-first strategy, fully embrace AI and launch AI agents that cater to more customer needs.** Amidst the transformative wave of AI technology, we resolutely adopt AI, reimagining human resources business scenario with AI capabilities and strengthen our pioneering position in AI application and products of human resources area. In the future, we will continue to focus on integrating AI into HCM SaaS unified scenarios and talent management software unified scenarios, with an emphasis on functional attributes. We will concentrate on transforming these scenarios and improving efficiency, continuously enhancing customer experience and differentiated competitiveness, such as polishing performance reviews, recommending questions for interviewers and generating and polishing interview summaries. Also, we will integrate human resources business scenarios to develop standalone applications, combining content and software to build Beisen's differentiated competitive advantage in the AI era, such as AI coaching for both generic and role-specific competencies in critical positions, AI recruitment assistant and AI learning assistant. Fully integrating and leveraging Beisen's over 20 years of expertise in people science, we will introduce more AI Agents and AI features tailored to the actual needs of our clients across the entire spectrum of HCM scenarios, including talent recruitment, talent cultivation, talent development, employee services and performance management, and establish an innovative talent management system where AI and human capital management deeply converge and mutually drive each other's advancement.
- 2. Beisen focuses on providing integrated and one-stop products and comprehensive solutions to mid-sized and large-scale customers.** We are committed to continuously improving the integration of talent management software and HCM SaaS software to meet the full range of human resources needs such as corporate organizational structure, recruitment, assessment, onboarding, attendance, performance, compensation, training, talent inventory, leadership development and organizational research, and provide integrated human resources management cloud suite products with commercial value.
- 3. Deepen development in the industry and firmly follow the key account strategy.** Beisen adheres to implementing key account strategy and accumulating the human resources operation experience of leading enterprises. Especially in modules such as Core HCM and executive digitalization, we continue to deepen our capabilities in group-wide and industry-specific human resources scenarios, meeting the business needs of more corporates with over 10,000 employees. We will fully focus on key target industries such as new energy, high-tech manufacturing and consumer retail chains, delivering in-depth services to leading enterprises to establish industry benchmarks. By enhancing customer acquisition efficiency and market penetration in these sectors, we aim to drive the growth for HCM SaaS sector. Promote the enhancement of the group-level capabilities

of HCM SaaS integrated products, comprehensively covering the core business scenarios of target industries (internet, manufacturing and chain retail) with multi-business support capabilities at the group level and enable the HCM SaaS integrated products to target large-scale customers with 60,000 employees. Building upon universal features, further explore and develop industry-specific functionalities for the HCM SaaS integrated software tailored to the internet, large-scale manufacturing, and retail chain sectors, enhance the workforce product offerings for manufacturing and chain retail industries and solidify Beisen's differentiated competitive advantages in industry-specific solutions. As of 31 March 2025, nearly 140 large-scale customers with over 10,000 employees have adopted our Core HCM solutions and performance products. In FY2026, through cross-selling of various modules, we will further deepen the penetration of Core HCM solutions among large-scale customers with over 10,000 employees.

4. **Comprehensive Support for the Globalization of Chinese Corporates.** The wave of Chinese corporates venturing into overseas markets has arrived. The globalization of Chinese corporates is transitioning from exporting products to exporting production capacity and production chain. Beisen's globalised HCM SaaS will continue to apply digitally for overseas institutions, covering talent acquisition, employee management, labor management, performance evaluation, and training development, which will empower Chinese corporates to go beyond borders. We will stay agile in meeting the new demands of Chinese corporates going global and support more Chinese corporates in their overseas ventures.
5. **Foster stable growth of the sales team and adopt a strategy of business tiering and customer segmentation for focused efforts.** The sales team is shifting from a regional setup to a more province- and city-oriented approach. We will develop effective marketing strategies for high-growth and high-value customers to enhance customer quality and concentration and transfer the renewal process for software clients with less than 2,000 users to the customer success team, which enables the sales team to focus more on new customer acquisition and improving overall sales efficiency. In terms of marketing, we will continue to implement the Account-Based Marketing methodology to enhance customer acquisition efficiency and funnel conversion.

6. **In FY2026, Beisen will further diversify talent management business, provide enterprises with premium and more diversified services and design “1+2+N” comprehensive service system.** We will continue to provide clients with customized and end-to-end services in business scenarios such as leadership training and simulation, key talent team development (performance-driven talent building), specialized services for state-owned enterprises (talent planning and technology talent team) and comprehensive consulting (goal alignment and performance management, organizational design and optimization and talent profiling that address clients’ business scenarios). Meanwhile, Beisen will continue further explore the integrated service model combining talent consulting services with HCM SaaS solutions, which is designed to enhance clients’ operational efficiency. We remain committed to advancing AI-powered consulting and transforming consulting outcomes into AI solutions and strive to deliver more effective, high-quality and innovative products and services for clients’ human resources business scenarios in the AI era.
7. **Digitalization of executives and talents.** We will continue to focus on leading large enterprises and refine the application scenarios for digitalization of executives and talents. We will continue to develop innovative intelligent AI-powered role profiling and AI-driven talent selection capabilities and create benchmark cases for leading enterprises. We will provide large enterprises with best practices and tailored consulting services for digitalization of executives and talents, leading the high-end digital talent management market.
8. **In FY2026, Beisen’s customer success system will conduct in-depth exploration in three aspects and continue to focus on improving operational efficiency.** By implementing the “Five Observations and Two Assessments” (五看兩盤點) approach in customer success management, we aim to further improve overall service effectiveness. Building on the customer success management team’s responsibility for renewals in the previous fiscal year, in FY2026, the customer success management system will be independently responsible for comprehensive operation of some customers, including customer service, contract renewal, cross-selling and customer relationship management. We will continue to build a complete methodology for product crossover in base product lines. Based on customer profiling, we focus on customers’ operational requirements to develop methods and procedures that meet customers’ demand and improve customers’ business value, thereby enhancing customer value and service experience.

CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS

For the year ended 31 March 2025

		Year ended 31 March	
		2025	2024
	Note	RMB'000	RMB'000
Revenues from contracts with customers	4	945,076	854,741
Cost of revenues	7	(331,546)	(339,814)
Gross profit		613,530	514,927
Selling and marketing expenses	7	(397,064)	(437,773)
General and administrative expenses	7	(164,185)	(184,889)
Research and development expenses	7	(287,606)	(350,870)
Net impairment losses on financial assets and contract assets		(5,132)	(3,779)
Other income	5	73,558	70,652
Other gains, net	6	20,431	2,010
Operating loss		(146,468)	(389,722)
Finance income		4,422	8,469
Finance costs		(1,250)	(2,019)
Finance income, net	8	3,172	6,450
Fair value changes of redeemable convertible preferred shares		–	(2,810,841)
Loss before income tax		(143,296)	(3,194,113)
Income tax expense	9	(4,110)	(14,474)
Loss for the year		(147,406)	(3,208,587)

		Year ended 31 March	
		2025	2024
	Note	RMB'000	RMB'000
Loss is attributable to:			
– Owners of the Company		(147,406)	(3,208,587)
– Non-controlling interests		–	–
		<u>(147,406)</u>	<u>(3,208,587)</u>
Loss per share for loss attributable to the ordinary equity holders of the Company (expressed in RMB per share)			
– Basic and diluted	10	<u>(0.20)</u>	<u>(4.48)</u>
Loss for the year		<u>(147,406)</u>	<u>(3,208,587)</u>
Other comprehensive income:			
<i>Item that may be reclassified to profit or loss</i>			
– Currency translation differences		(24,974)	(92,475)
<i>Item that may not be reclassified to profit or loss</i>			
– Currency translation differences		<u>30,786</u>	<u>119,782</u>
Other comprehensive income for the year, net of tax		<u>5,812</u>	<u>27,307</u>
Total comprehensive loss for the year		<u>(141,594)</u>	<u>(3,181,280)</u>
Total comprehensive loss is attributable to:			
– Owners of the Company		(141,594)	(3,181,280)
– Non-controlling interests		–	–
		<u>(141,594)</u>	<u>(3,181,280)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2025

		As at 31 March 2025 <i>RMB'000</i>	As at 31 March 2024 <i>RMB'000</i>
	<i>Note</i>		
ASSETS			
Non-current assets			
Property, plant and equipment		22,727	35,809
Right-of-use assets		39,699	25,293
Intangible assets		60,539	1,180
Goodwill		169,186	–
Deferred income tax assets		34,598	4,668
Other receivables and prepayments	13	15,391	1,940
Contract acquisition costs	4	30,189	29,716
Financial assets at fair value through profit or loss	11	7,709	5,420
Term deposits		20,681	–
Restricted cash		–	1,030
Total non-current assets		400,719	105,056
Current assets			
Contract acquisition costs	4	23,829	23,567
Contract assets	4	4,268	3,025
Trade receivables	12	26,704	31,161
Other receivables and prepayments	13	50,450	28,692
Financial assets at fair value through profit or loss	11	990,911	1,129,980
Term deposits		–	350,756
Restricted cash		1,342	52
Cash and cash equivalents		478,936	234,101
Total current assets		1,576,440	1,801,334
Total assets		1,977,159	1,906,390

		As at 31 March 2025 RMB'000	As at 31 March 2024 RMB'000
	<i>Note</i>		
EQUITY			
Share capital		50	49
Share premium		13,189,684	13,146,247
Reserves		(949,485)	(943,493)
Accumulated losses		<u>(11,195,341)</u>	<u>(11,047,935)</u>
Equity attributable to owners of the Company		1,044,908	1,154,868
Non-controlling interests		<u>—</u>	<u>—</u>
Total equity		<u>1,044,908</u>	<u>1,154,868</u>
LIABILITIES			
Non-current liabilities			
Lease liabilities		19,967	738
Deferred income tax liabilities		1,136	—
Contract liabilities	4	<u>71,862</u>	<u>55,202</u>
Total non-current liabilities		<u>92,965</u>	<u>55,940</u>
Current liabilities			
Trade payables	14	4,823	2,564
Other payables and accruals	15	268,753	210,079
Contract liabilities	4	549,506	460,936
Lease liabilities		<u>16,204</u>	<u>22,003</u>
Total current liabilities		<u>839,286</u>	<u>695,582</u>
Total liabilities		<u>932,251</u>	<u>751,522</u>
Total equity and liabilities		<u>1,977,159</u>	<u>1,906,390</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General information

Beisen Holding Limited (the “**Company**”) and its subsidiaries, including consolidated structured entities, (collectively, the “**Group**”) are primarily engaged in providing cloud-based human capital management (“**HCM**”) solutions in the People’s Republic of China (the “**PRC**”), which enables customers to recruit, evaluate, manage, develop and retain talents efficiently.

The Company is an investing holding company incorporated in the Cayman Islands on 6 April 2018 as an exempted company with limited liability under the Companies Act, (Cap.22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands.

On 13 April 2023, the Company completed its public offering and the international offering (the “**Global Offering**”), and its ordinary shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

These financial statements are presented in Renminbi (“**RMB**”), unless otherwise stated.

2 Basis of preparation and summary of material accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied throughout all the years presented unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“**IASB**”) and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that other financial assets are stated at their fair value.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2.2 New and amended standards adopted by the Group

The Group has applied the following amendments or annual improvements for the first time for their annual reporting period commencing 1 April 2024:

- Amendments to IAS 1, Presentation of financial statements: Classification of liabilities as current or non-current and non-current liabilities with covenants
- Amendments to IFRS 16, Leases: Lease liability in a sale and leaseback
- Amendments to IAS 7, Statement of cash flows and IFRS 7, Financial instruments: Disclosures: Supplier finance arrangements

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 Segment information

The Group's business activities are mainly in providing cloud-based HCM solutions and related professional services, for which discrete financial information is available, are regularly reviewed and evaluated by the chief operating decision-maker. As a result of this evaluation, the directors of the Company consider that the Group's operation is operated and managed as a single segment and no segment information is presented, accordingly.

All of the Group's revenues for the years ended 31 March 2024 and 2025 were generated in the PRC.

As at 31 March 2024 and 2025, all of the Group's long-lived assets are located in the PRC.

4 Revenues from contracts with customers

(a) *Disaggregation of revenue from contracts with customers*

Revenue for all the years presented are as follows:

	Year ended 31 March	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cloud-based HCM Solutions	721,826	632,227
Professional Services	223,250	222,514
	945,076	854,741

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

	Year ended 31 March	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Recognised over time	828,839	738,432
Recognised at a point in time	116,237	116,309
	945,076	854,741

(b) *Contract assets*

The Group records a contract asset when revenue recognised for professional services performance obligations fulfilled over a period of time exceed the contractual amount of billings for providing related professional services. And contract assets are reclassified to trade receivables when the Group's right to the considerations becomes unconditional.

	As at 31 March	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Contract assets	4,525	3,223
Less: Allowance for contract assets	(257)	(198)
Total contract assets	4,268	3,025

(c) Contract acquisition costs

The Group has recognised an asset in relation to costs to acquire contracts. This is presented as contract acquisition costs in consolidated statements of financial position.

Contract acquisition costs for initial contracts are amortised on a straight-line basis over a period of benefits that the Group estimated to be four years, while for the renewal contracts, contract acquisition costs are amortised on a straight-line basis over the renewal contract terms, or expensed as incurred if the amortization period is one year or less. The management expects the capitalised costs to be completely recovered and no impairment loss should be recognised since no losses are expected to be incurred for the related customer contracts when all the costs that relate to the fulfillment of the contract are taken into account.

	As at 31 March	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Total contract acquisition costs	54,018	53,283
Less: amounts to be amortised within one year	(23,829)	(23,567)
Contract acquisition costs – non-current	30,189	29,716

The following table shows the changes of contract acquisition costs balances:

	Year ended 31 March	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Asset recognised from costs incurred to obtain a contract	27,982	25,471
Amortization recognised as selling and marketing expenses related to services or products during the year	(27,247)	(24,316)

(d) Contract liabilities

During all the years presented, the additions to the contract liabilities were primarily due to cash collections in advance of fulfilling performance obligations, while the reductions to the contract liability balance were primarily due to the recognition of revenues upon fulfilment of performance obligations.

The following table shows how much of the revenue recognised during all the years presented is included in the contract liabilities at the beginning of each period:

	Year ended 31 March	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	430,099	404,130

The amount of contract liabilities expected to be recognised as income after more than one year is RMB71,862,000 (FY2024: RMB55,202,000). All of the other contract liabilities are expected to be recognised as income within one year.

5 Other income

	Year ended 31 March	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Value added tax (“VAT”) refund (a)	45,885	42,389
Government grants	27,291	27,501
Additional deductible input tax	–	406
Others	382	356
	73,558	70,652

- (a) According to the VAT tax regulations in the PRC, the applicable VAT tax rate for sales of computer software is 13% during the years presented.

6 Other gains, net

	Year ended 31 March	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Net fair value gains on financial assets at fair value through profit or loss	24,005	7,562
Net (losses)/gains on disposal of property, plant and equipment	(87)	114
Net foreign exchange losses	(2,989)	(3,319)
Others	(498)	(2,347)
	20,431	2,010

7 Loss before income tax

Loss before income tax is arrived at after charging:

(a) Staff costs

	Year ended 31 March	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Wages, salaries and bonuses	656,345	640,072
Pension cost-defined contribution plans	62,588	60,702
Share-based payments	117,302	292,380
Housing benefits	46,441	46,972
Other social security costs	38,627	35,963
Other employee welfare	36,907	32,295
	958,210	1,108,384

(b) Other items

	Year ended 31 March	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Depreciation and amortisation charge		
– property, plant and equipment	24,554	26,593
– right-of-use assets	27,667	31,793
– intangible assets	1,441	176
	53,662	58,562
Technical service fees	39,197	35,636
Professional service fees	43,830	23,928
Marketing expenses	14,241	15,588
Auditors' remuneration		
– Audit services	3,700	2,600
– Non-audit services	380	–
	4,080	2,600

8 Finance income, net

	Year ended 31 March	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Finance income	4,422	8,469
Finance costs		
Interest expenses on lease liabilities	(1,118)	(2,019)
Interest expenses on bank loans	<u>(132)</u>	<u>–</u>
	<u>(1,250)</u>	<u>(2,019)</u>
Finance income, net	<u>3,172</u>	<u>6,450</u>

9 Income tax expense

The income expense of the Group are analyzed as follows:

	Year ended 31 March	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current income tax	–	–
Deferred income tax	<u>4,110</u>	<u>14,474</u>
Income tax expense	<u>4,110</u>	<u>14,474</u>

(a) Cayman Islands

The Company is incorporated under the law of the Cayman Islands as an exempted company with limited liability under the Companies Act of the Cayman Islands and is not subject to Cayman Islands income tax. As such, the operating results reported by the Company, including the fair value change of redeemable convertible preferred shares, is not subject to any income tax.

(b) Hong Kong Income Tax

Hong Kong Income Tax rate is two-tiered profits tax regime, under which the tax rate is 8.25% or assessable profits on the first HK\$2 million and 16.5% or any assessable profits in excess of HK\$2 million. Hong Kong Income Tax was provided for the assessable profit that was subject to Hong Kong Income Tax during all the years presented.

(c) PRC Enterprise Income Tax (“EIT”)

The income tax provision of the Group in respect of its operations in PRC was calculated at the tax rate of 25% or 15% for enterprises qualified as “High and New Technology Enterprises” (“HNTE”) on the assessable profits for all the years presented, based on the existing legislation, interpretations and practices in respect thereof.

According to the relevant laws and regulations promulgated by the State Tax Bureau of the PRC (Ministry of Finance State Taxation Administration Announcement No.7 of 2023), where the research and development expenses actually incurred in an enterprise’s research and development activities are included in the current profits or losses before they become intangible assets, a super deduction of 100 percent of the research and development expenses shall be made in addition to the deduction of actual expenses in accordance with relevant regulations from January 1, 2023. The Group has made its best estimate for the Super Deduction to be claimed for the Group’s entities in ascertaining their assessable profits during all the years presented.

(d) PRC Withholding Tax (“WHT”)

According to the PRC Enterprise Income Tax Law (“EIT Law”), distribution of profits earned by PRC companies since 1 January 2008 to foreign investors is subject to withholding tax of 5% or 10%, depending on the country of incorporation of the foreign investor, upon the distribution of profits to overseas-incorporated immediate holding companies.

During all the years presented, none of the PRC subsidiaries within the Group have achieved the profitable state, nor have there been any undistributed profits. Accordingly, no deferred income tax liability on WHT was accrued as at the end of each reporting period.

10 Loss per share

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Year ended 31 March	
	2025	2024
Numerator:		
Loss for the year and attributable to owners of the Company (in RMB'000)	(147,406)	(3,208,587)
Denominator:		
Weighted average number of ordinary shares outstanding, basic	720,431,087	716,515,715
Basic net loss per share attributable to owners of the Company (in RMB)	<u>(0.20)</u>	<u>(4.48)</u>

(b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

As the Group incurred net losses for the years ended 31 March 2024 and 2025, the dilutive potential ordinary shares were not included in the calculation of dilutive loss per share, as their inclusion would be anti-dilutive. Accordingly, dilutive loss per share for the years ended 31 March 2024 and 2025 are the same as basic loss per share of the respective periods.

11 Financial assets at fair value through profit or loss

(a) *Classification of financial assets at fair value through profit or loss*

The Group classifies the following financial assets at fair value through profit or loss:

	As at 31 March	
	2025	2024
	RMB'000	RMB'000
Current assets		
– Wealth management products		
– Structured deposits	632,238	828,254
– Fund management products	358,673	301,726
Non-current asset		
– Unlisted equity investment	7,709	5,420
	998,620	1,135,400

As at 31 March 2024, the Group had held certain investments in fund management products issued by private funds established in Cayman Islands with principal and accrued interest in total amounted to approximately US\$42,527,000 (equivalent to approximately RMB\$301,726,000). During the year ended 31 March 2025, carrying value of such fund management products as at 31 March 2024 have been fully recovered by the Group through redemption from the issuers and disposal to third parties at considerations approximate to their carrying values respectively.

As at 31 March 2025, the Group had held certain investments in fund management products issued by Haitong International Asset Management (HK) Limited with principal and accrued interest in total amounted to approximately US\$49,967,000 (equivalent to approximately RMB\$358,673,000). Up to the date of issuance of these financial statements, all the fund management products have been recovered by the Group through redemption from the issuers.

(b) Amounts recognised in consolidated statements of comprehensive loss

During the years ended 31 March 2024 and 2025, the following gains were recognised in consolidated statements of comprehensive loss:

	Year ended 31 March	
	2025 RMB'000	2024 RMB'000
Fair value gains of financial assets at fair value through profit or loss recognised in other gains	24,005	7,562

12 Trade receivables

	As at 31 March	
	2025 RMB'000	2024 RMB'000
Trade receivables from contracts with customers	32,139	36,330
Less: allowance for impairment of trade receivables	(5,435)	(5,169)
	26,704	31,161

(a) The credit terms given to trade customers are determined on an individual basis.

The aging analysis of the trade receivables based on invoice date is as follows:

	As at 31 March	
	2025 RMB'000	2024 RMB'000
– Up to 6 months	22,539	29,741
– 6 months to 1 year	3,434	2,749
– 1-2 years	4,255	1,918
– Over 2 years	1,911	1,922
	32,139	36,330

13 Other receivables and prepayments

	As at 31 March	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Non-current:		
Rental and other deposits	10,428	1,740
Prepayment for purchase of intangible assets	343	200
Prepayment for property, plant and equipment	4,620	–
Sub-total	15,391	1,940
Current:		
Prepaid services and goods	32,260	15,465
Rental and other deposits	3,569	10,532
Prepaid shares repurchase	5,326	322
Receivable for VAT refund	4,155	–
Others	5,319	2,546
Sub-total	50,629	28,865
Total	66,020	30,805
Less: allowance for impairment of other receivables	(179)	(173)
Net book amount	65,841	30,632

14 Trade payables

	As at 31 March	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	4,823	2,564

The aging analysis of trade payables based on invoice date is as follows:

	As at 31 March	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Up to 6 months	4,823	2,564

15 Other payables and accruals

	As at 31 March	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Salary and welfare payable	200,443	154,193
Accrual for other taxes	32,931	42,145
Payables for acquisition considerations	18,074	–
Accrued service and goods	12,527	8,029
Accrued staff reimbursement	3,469	3,565
Personal tax refunds payable	1,024	1,601
Accrued listing expenses	–	16
Others	285	530
	268,753	210,079

16 Dividends

No dividends have been paid or declared by the Company or the companies now comprising the Group for the years ended 31 March 2025 and 2024.

17 Acquisition of a subsidiary

Acquisition of Kuxuan (Beijing) Technology Co., Ltd. (“Kuxuan”)

On 14 January 2025, Beisen Cloud Computing (the “**Purchaser**”), a PRC subsidiary of the Group, entered into an equity transfer agreement with several independent third parties (the “**Sellers**”), pursuant to which the Purchaser agreed to acquire, and the Sellers agreed to sell 100% equity interests in Kuxuan with a total consideration of RMB180 million in cash.

Kuxuan was incorporated in the PRC on 20 January 2017 as a limited liability company under the laws of the PRC. Kuxuan is principally engaged in research & development and sales of corporate training software and provision of training courses and operation services via the software under the brand of “Cool College”.

Upon completion of the above acquisition on 22 January 2025 (“**Acquisition Date**”), the Company controls 100% equity interests of Kuxuan and the Group recorded a goodwill of approximately RMB169,186,000, which is calculated as below:

	Acquisition Date <i>RMB’000</i>
Total cash consideration (<i>b</i>)	180,000
Less: Fair value of identifiable net assets acquired (<i>a</i>)	----- 10,814
Goodwill	<u><u>169,186</u></u>

(a) *Fair value of identifiable assets acquired and liabilities assumed at 22 January 2025*

	Acquisition Date <i>RMB'000</i>
Property, plant and equipment	69
Right-of-use assets	940
Intangible assets	60,800
Deferred income tax assets	42,165
Trade receivables	1,326
Other receivables and prepayments	3,020
Restricted cash	25
Cash and cash equivalents	5,472
Borrowings	(20,000)
Trade payables	(921)
Other payables and accruals	(14,453)
Contract liabilities	(57,649)
Lease liabilities	(719)
Deferred income tax liabilities	(9,261)
Total identifiable net assets	<u>10,814</u>

The values of assets and liabilities recognised on acquisition are their estimated fair values. In determining the fair values of identifiable assets and liabilities, the directors of the Company have referenced the fair value adjustments base on income method to valuation report issued by an independent professional valuer.

- (b) As of 31 March 2025, cash consideration of approximately RMB161,926,000 has been paid to the Sellers. Up to the date of issue of these financial statements, the unpaid cash consideration amounts to RMB136,000.

(c) *Net cash outflow arising on acquisition*

	<i>RMB'000</i>
Cash consideration	180,000
Less: cash consideration that had not been paid to the seller as at 31 March 2025	18,074
Cash on hand and at bank acquired	<u>5,472</u>
Total net cash outflow	<u><u>156,454</u></u>

(d) *Share exchange transaction*

On 14 January 2025, the Company, along with HRTech Holding Limited, a BVI subsidiary of the Group (“**BVI Company**”) and some of the Sellers (collectively, the “**Potential Share Exchange Vendors**”) also entered into the BVI Share Subscription Agreement and the Offshore Share Purchase Agreement. Pursuant to these agreements and other supplemental share exchange agreements signed thereon, BVI Company will obtain indirect control of Kuxuan through equity transfer within the Group. The Potential Share Exchange Vendors will first subscribe 99% (on as-diluted basis) of the share capital of the BVI Company at the aggregate consideration of approximately RMB127,584,000, and then the Company will purchase 99% of the share capital of the BVI Company from the Potential Share Exchange Vendors by allotting and issuing an aggregate of 34,761,638 ordinary Shares.

The completion of the share exchange transaction is subject to the satisfaction and fulfilment of certain precedent conditions. Up to the date of issue of these financial statements, the share exchange transaction is not completed yet.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Revenues

During the Reporting Period, we generated revenues from two sources, namely (i) cloud-based HCM solutions, and (ii) professional services. Our total revenue was RMB945.1 million in the Reporting Period, representing a year-on-year increase of 10.6% (FY2024: RMB854.7 million). The following table sets forth a breakdown of our revenues, in absolute amounts and as percentages of total revenues, for the years indicated.

	For the year ended 31 March				
	2025 <i>RMB'000</i>	%	2024 <i>RMB'000</i>	%	Change %
Cloud-based HCM solutions	721,826	76.4	632,227	74.0	14.2
Professional services	223,250	23.6	222,514	26.0	0.3
Total	<u>945,076</u>	<u>100.0</u>	<u>854,741</u>	<u>100.0</u>	<u>10.6</u>

Cloud-based HCM solutions

We offer subscriptions to our cloud-based HCM solutions, and we derive revenues from subscriptions fees that give customers access to our cloud-based HCM solutions. We charge our customers fixed subscription fees at different prices for our cloud-based HCM solutions, based on the size of their workforce and the specific solution that the customer subscribes for.

Revenues generated from subscriptions to our cloud-based HCM solutions increased by 14.2% from RMB632.2 million for FY2024 to RMB721.8 million for the Reporting Period. The increase in revenues was attributable to acquisition of new customers and increased subscription of our cloud-based HCM solutions by existing customers. We achieved a subscription revenue retention rate of 106% for the Reporting Period. Our ARR experienced a growth from RMB756.5 million as of 31 March 2024 to RMB908.3 million as of 31 March 2025.

We refer to customers who subscribe to our Core HCM Integration along with at least one of our other cloud-based HCM solutions as Core HCM Integration customers. Core HCM integration has gained growing popularity among our customers due to its substantial scalability and synergy benefits. ARR for our Core HCM Integration increased by 29% from RMB386.9 million as of 31 March 2024 to RMB499.3 million as of 31 March 2025. As of 31 March 2025, ARR for our Core HCM Integration accounted for 59%^{Note} of our total ARR. The total number of Core HCM Integration customers increased to nearly 2,300 cumulatively and we achieved a subscription revenue retention rate of 114% for our Core HCM Integration.

Note: The reported ARR percentage did not include ARR of Cool College.

Professional services

We generate revenues from providing on-demand professional services to our customers, which primarily include implementation services and certain value-added services. We typically charge our customers service fees based on a number of factors, including the type of services selected by our customers, the number of our technical specialists staffed on a given project, and the duration of our services.

Professional services revenues increased by 0.3% from RMB222.5 million for FY2024 to RMB223.3 million for the Reporting Period.

Cost of Revenues

Our cost of revenues was RMB331.5 million for the Reporting Period (FY2024: RMB339.8 million), representing a year-on-year decrease of 2.4%. The decrease in cost of revenues was primarily attributable to the decrease of share-based compensation. Our cost of revenues after excluding the share-based compensation were RMB320.9 million (FY2024: RMB307.8 million), the percentage of which as a percentage of revenue decreased from 36.0% for FY2024 to 34.0% for the Reporting Period.

Gross Profit and Gross Margin

The following table sets forth a breakdown of our gross profit by offering type, in absolute amounts and as percentages of their respective revenues, or gross margins, for the years indicated.

	For the year ended 31 March				
	2025		2024		
	Gross Profit	Gross	Gross Profit	Gross	Change
	<i>RMB'000</i>	Margin	<i>RMB'000</i>	Margin	%
		%		%	
Cloud-based HCM solutions	581,370	80.5	486,533	77.0	19.5
Professional services	32,160	14.4	28,394	12.8	13.3
Total	613,530	64.9	514,927	60.2	19.1

Gross margin for our cloud-based HCM solutions is typically higher than that for our professional services. This is because our HCM solutions are cloud-based, standard products that generate recurring subscription revenues with limited incremental costs.

Our overall gross profit amounted to RMB514.9 million and RMB613.5 million for FY2024 and the Reporting Period, respectively. Our overall gross margin increased from 60.2% for FY2024 to 64.9% for the Reporting Period. After excluding the share-based compensation and amortization of acquisition-related intangible assets, our adjusted gross profit (a non-IFRS measure) increased from RMB546.9 million for FY2024 to RMB625.4 million for the Reporting Period and our adjusted gross margin (a non-IFRS measure) increased from 64.0% for FY2024 to 66.2% for the Reporting Period.

Cloud-based HCM solutions. Gross profit for our cloud-based HCM solutions increased from RMB486.5 million for FY2024 to RMB581.4 million for the Reporting Period. Gross margin for our cloud-based HCM solutions increased from 77.0% for FY2024 to 80.5% for the Reporting Period. After excluding the share-based compensation and amortization of acquisition-related intangible assets, the adjusted gross profit (a non-IFRS measure) for our cloud-based HCM solutions increased from RMB498.0 million for FY2024 to RMB587.3 million for the Reporting Period and the adjusted gross margin (a non-IFRS measure) for our cloud-based HCM solutions increased from 78.8% for FY2024 to 81.4% for the Reporting Period.

Professional services. Gross profit for our professional services increased from RMB28.4 million for FY2024 to RMB32.2 million for the Reporting Period. Gross margin for our professional services increased from 12.8% for FY2024 to 14.4% for the Reporting Period. After excluding the share-based compensation and amortization

of acquisition-related intangible assets, the adjusted gross profit (a non-IFRS measure) for our professional services decreased from RMB48.9 million for FY2024 to RMB38.1 million for the Reporting Period and the adjusted gross margin (a non-IFRS measure) for our professional services decreased from 22.0% for FY2024 to 17.1% for the Reporting Period, primarily due to the expansion of customer size, leading to a longer service and revenue recognition cycle.

Our adjusted overall gross profit and adjusted gross margins for our cloud-based HCM solutions increased for the Reporting Period primarily because of our efforts in improving cost-efficiency through focusing on performance management.

Selling and Marketing Expenses

Our selling and marketing expenses were RMB397.1 million for the Reporting Period (FY2024: RMB437.8 million), representing a year-on-year decrease of 9.3%. The decrease in selling and marketing expenses was primarily because of the decrease of share-based compensation. Our selling and marketing expenses after excluding the share-based compensation were RMB365.7 million (FY2024: RMB344.1 million), the percentage of which as a percentage of revenue decreased from 40.3% for FY2024 to 38.7% for the Reporting Period.

General and Administrative Expenses

Our general and administrative expenses were RMB164.2 million for the Reporting Period (FY2024: RMB184.9 million), representing a year-on-year decrease of 11.2%. The decrease in general and administrative expenses was primarily because of the decrease of share-based compensation. Our general and administrative expenses after excluding the share-based compensation were RMB127.5 million (FY2024: RMB111.1 million), the percentage of which as a percentage of revenue increase from 13.0% for FY2024 to 13.5% for the Reporting Period.

Research and Development Expenses

Our research and development expenses were RMB287.6 million for the Reporting Period (FY2024: RMB350.9 million), representing a year-on-year decrease of 18.0%. The decrease in research and development expenses was primarily because of the decrease of share-based compensation. Our research and development expenses after excluding the share-based compensation were RMB249.1 million (FY2024: RMB257.9 million), the percentage of which as a percentage of revenue decreased from 30.2% for FY2024 to 26.4% for the Reporting Period.

Net Impairment Losses on Financial Assets and Contract Assets

Our net impairment losses on financial assets and contract assets primarily relate to impairment on trade receivables and contract assets. We determine the provision for impairment of trade receivables and contract assets on a forward-looking basis and the expected lifetime losses are recognized from initial recognition of the assets by credit risks of our customers in accordance with IFRS 9.

We recorded net impairment losses on financial assets and contract assets of RMB3.8 million and RMB5.1 million for FY2024 and the Reporting Period, respectively.

Other Income

Our other income consists primarily of (i) value-added tax refund relating to the sales of our cloud-based HCM solutions granted by the PRC tax authorities as a way to provide tax relief for companies; (ii) government grants, representing financial assistance from local governments in the PRC; (iii) additional deductible input tax; and (iv) others.

The following table sets forth a breakdown of our other income for the years indicated.

	For the year ended 31 March		
	2025	2024	Change
	<i>RMB'000</i>	<i>RMB'000</i>	%
Value added tax (“VAT”) refund	45,885	42,389	8.2
Government grants	27,291	27,501	(0.8)
Additional deductible input tax	–	406	(100.0)
Others	382	356	7.3
Total	73,558	70,652	4.1

Other Gains, Net

Our other gains, net consist primarily of (i) net fair value gains on financial assets at fair value through profit or loss relating to our equity investments and investments in structured deposits and fund management products; (ii) net gains/(losses) on disposal of property, plant and equipment; (iii) net foreign exchange losses; and (iv) others.

The following table sets forth a breakdown of our other gains, net for the years indicated.

	For the year ended 31 March		
	2025	2024	Change
	RMB'000	RMB'000	%
Net fair value gains on financial assets			
at fair value through profit or loss	24,005	7,562	217.4
Net (losses)/gains on disposal of			
property, plant and equipment	(87)	114	(176.3)
Net foreign exchange losses	(2,989)	(3,319)	(9.9)
Others	(498)	(2,347)	(78.8)
Total	20,431	2,010	916.5

Finance Income, Net

Our finance income represents interest income from our bank deposits, and our finance costs are comprised of interest expenses on our lease liabilities and interest expenses on loan.

Our finance income, net decreased from RMB6.5 million for FY2024 to RMB3.2 million for the Reporting Period, primarily due to the decrease in interest income from bank deposits of RMB4.0 million and the decrease in interest expenses on lease liabilities of RMB0.9 million.

Fair Value Changes of Redeemable Convertible Preferred Shares

Our fair value changes of redeemable convertible preferred shares arise primarily from the changes in the carrying amount of our redeemable convertible preferred shares in connection with the Pre-IPO Investments. Prior to the Global Offering, such redeemable convertible preferred shares have not been traded in an active market and their value at each respective reporting date is determined using valuation techniques. Our Directors have used the discounted cash flow method to determine the underlying equity value of our Company, and adopted equity allocation model to determine the fair value of such redeemable convertible preferred shares.

For FY2024, we had fair value changes of redeemable convertible preferred shares of RMB2,810.8 million, as a result of changes in the valuation of our Company. After the completion of the Global Offering, all of such redeemable convertible preferred shares have been automatically converted to our Shares, and we will no longer recognize any further change in fair value liabilities in respect of them. The fair value of each of redeemable convertible preferred share on the conversion date is the offer price in the Global Offering.

Loss before Income Tax

As a result of the foregoing, we recorded loss before income tax of RMB3,194.1 million and RMB143.3 million for FY2024 and the Reporting Period, respectively.

Income Tax Expense

We recorded income tax expense of RMB4.1 million for the Reporting Period, as compared to income tax expense of RMB14.5 million for FY2024.

Loss for the year

As a result of the foregoing, we recorded loss of RMB3,208.6 million and RMB147.4 million for FY2024 and the Reporting Period, respectively.

Non-IFRS Measure

To supplement our consolidated financial statements that are presented in accordance with IFRS, we also use non-IFRS measures such as adjusted gross profit, adjusted net loss and adjusted EBITDA as additional financial measures, which are not required by, or presented in accordance with, IFRS. We believe that these non-IFRS measures facilitates comparisons of operating performance from period to period and company to company. We believe that these measures provide useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of the adjusted gross profit, adjusted net loss and adjusted EBITDA may not be comparable to similarly titled measures presented by other companies. The use of the non-IFRS measures has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

We define adjusted net loss as loss for the year adjusted by adding back share-based payments, fair value changes of redeemable convertible preferred shares, amortization of acquisition-related intangible assets and relevant tax impact. We define adjusted gross profit as gross profit adjusted by adding back share-based payments included in cost of revenues and amortization of acquisition-related intangible assets. We define adjusted EBITDA as loss for the year adjusted by adding back share-based payments, fair value changes of redeemable convertible preferred shares, depreciation and amortisation charge, interest expenses, amortization of acquisition-related intangible assets and income tax.

The following table reconciles our adjusted gross profit (a non-IFRS measure), adjusted net loss (a non-IFRS measure) and adjusted EBITDA (a non-IFRS measure) for the years presented to the most directly comparable financial measure calculated and presented in accordance with IFRS, for the years indicated.

	For the year ended 31 March		
	2025	2024	Change
	RMB'000	RMB'000	%
Gross profit	613,530	514,927	19.1
Add:			
Share-based payments included in cost of revenues	10,667	31,971	(66.6)
Amortization of acquisition-related intangible assets	1,180	—	—
Adjusted gross profit (a non-IFRS measure)	625,377	546,898	14.3
Loss for the year	(147,406)	(3,208,587)	(95.4)
Add:			
Share-based payments	117,302	292,380	(59.9)
Amortization of acquisition-related intangible assets and relevant tax impact	1,003	—	—
Fair value changes of redeemable convertible preferred shares	—	2,810,841	(100.0)
Adjusted net loss (a non-IFRS measure)	(29,101)	(105,366)	(72.4)
Add:			
Depreciation and amortisation charge	52,482	58,562	(10.4)
Interest expenses	1,250	2,019	(38.1)
Income tax expense	4,287	14,474	(70.4)
Adjusted EBITDA (a non-IFRS measure)	28,918	(30,311)	(195.4)

Notes:

1. Share-based payments relates to the share rewards we offered to our employees, which is a non-cash expense.
2. Fair value changes of redeemable convertible preferred shares arise primarily from the changes in the carrying amount of our redeemable convertible preferred shares in connection with the Pre-IPO Investments. These fair value changes are non-cash in nature. After the completion of the Global Offering, such redeemable convertible preferred shares were automatically converted into ordinary shares of our Company and one-off change in fair value of RMB2,810.8 million was recorded. No further fair value changes will be recognised thereafter.

LIQUIDITY AND CAPITAL RESOURCES

We have historically funded our cash requirements principally from cash generated from our business operations and shareholder equity contributions. To manage the liquidity risk, we monitor and maintain a level of cash and cash equivalents deemed adequate by our senior management to finance our operations and mitigate the effects of fluctuations in cash flows.

Cash and Cash Equivalents and Term Deposits

We had cash and cash equivalents of RMB478.9 million as of 31 March 2025, as compared to RMB234.1 million as of 31 March 2024, respectively. As of 31 March 2025, we had unutilized banking facilities of RMB70.0 million. Most of the cash and cash equivalents of the Group were denominated in Renminbi and U.S. dollars. The term deposits of the Group were denominated in Renminbi.

GEARING RATIO

The gearing ratio is calculated by dividing total liabilities by total assets and then multiplying by 100%. As of 31 March 2025, the Group's gearing ratio was 47.2% as compared with the gearing ratio of 39.4% as of 31 March 2024. The increase in the gearing ratio was primarily due to the increase of contract liabilities and the increase of salary and welfare payable.

FOREIGN EXCHANGE EXPOSURE

During the Reporting Period, the Group operated in China and the majority of the transactions were settled in Renminbi, which is also the functional currency of the Company's primary consolidated affiliated entities. As of 31 March 2025, the Group did not have significant foreign currency exposure from its operations.

The Group currently does not have any foreign currency hedging policies. The management of the Company will continue to pay attention to the Group's foreign exchange exposure and consider adopting prudent measures as appropriate.

CONTINGENT LIABILITIES

As of 31 March 2025, we did not have any material contingent liabilities.

CAPITAL COMMITMENTS

We mainly have capital commitments with respect to purchase of fixed assets, intangible assets and office renovation. Capital expenditure contracted for as of 31 March 2024 and 2025 but not recognized as liabilities were as follows:

	As of 31 March		Change %
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>	
Within 1 year	117	3,455	(96.6)

FINANCIAL RISKS DISCLOSURE

Our activities expose us to a variety of financial risks: foreign exchange risk, credit risk and liquidity risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance.

Risk management is carried out under policies approved by our Board. The management identifies and evaluates financial risks in close co-operation with our operating units.

Foreign Exchange Risk

The Group is exposed to currency risk primarily through transactions with external parties, which give rise to other payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily HK\$ and RMB. The Group ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

The following table details the Group's exposure at the end of the Reporting Period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rates at the end of the Reporting Period. Differences resulting from the translation of financial statements of operation with a functional currency other than RMB into the Group's presentation currency are excluded.

	At 31 March 2025	
	HK\$ <i>RMB'000</i>	RMB <i>RMB'000</i>
Cash and cash equivalents	3,507	1,870
Other payables and accruals	(268)	(3,151)
Gross exposure arising from recognised assets and liabilities	<u>3,239</u>	<u>(1,281)</u>

	At 31 March 2024	
	HK\$	RMB
	<i>RMB'000</i>	<i>RMB'000</i>
Cash and cash equivalents	3,199	1,089
Intra-group loan receivable due from a subsidiary	—	42,560
Gross exposure arising from recognised assets and liabilities	<u>3,199</u>	<u>43,649</u>

Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss before income tax that would arise if foreign exchange rates to which the Group has significant exposure at the end of the Reporting Period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between HK\$ and USD would be materially unaffected by any changes in movement in value of the USD against other currencies.

	2025		2024	
	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in loss after tax and accumulated losses <i>RMB'000</i>	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in loss after tax and accumulated losses <i>RMB'000</i>
HK\$	5%	(162)	5%	(160)
	-5%	162	-5%	160
RMB	5%	64	5%	(2,182)
	-5%	(64)	-5%	2,182

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' loss after tax and accumulated losses measured in the respective functional currencies, translated into RMB at the exchange rates ruling at the end of the Reporting Period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the Reporting Period. The analysis is performed on the same basis for FY2024.

Credit Risk

We are exposed to credit risk primarily in relation to its cash and cash equivalents, restricted cash, term deposits as well as trade receivables, other receivables and contract assets. The carrying amounts of each class of the above financial assets represent our maximum exposure to credit risk in relation to financial assets.

(i) Credit risk of cash and cash equivalents, restricted cash and term deposits

To manage risk arising from cash and cash equivalents, restricted cash and term deposits, we only transact with stated-owned financial institutions in the PRC or reputable banks and financial institutions having high-credit-quality in the PRC and Hong Kong. There has been no recent history of default in relation to these financial institutions. The expected credit loss is immaterial.

(ii) Credit risk of trade receivables, other receivables and contract assets

We have policies in place to ensure that trade receivables with credit terms are made to counter-parties with an appropriate credit history and the management performs ongoing credit evaluations of the counterparties. We make periodic collective assessments or individual assessment as appropriate on the recoverability of trade receivables, other receivables and contract assets based on historical settlement records, past experience, current conditions and our view of economic conditions over the expected lives of trade receivables, other receivables and contract assets. The main exposure to credit risk at each of the reporting dates is the carrying value of the Group's trade receivables and contract assets.

Impairment on other receivables is measured as 12-month expected credit losses unless there has been a significant increase in credit risk since initial recognition.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with us. Where financial assets and contracts have been written off, we continue to engage in activities to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

Liquidity risk

We aim to maintain sufficient cash and cash equivalents. Due to the dynamic nature of the underlying businesses, our policy is to regularly monitor our liquidity risk and to maintain adequate cash and cash equivalents to meet our liquidity requirements.

The following table shows the remaining contractual maturities (or the earliest date a financial liability may become payable in the absence of a fixed maturity date) at the balance sheet date of our financial liabilities based on contractual undiscounted cash flows:

	Less than 1 year <i>RMB'000</i>	Between 1 and 2 years <i>RMB'000</i>	Between 2 and 5 years <i>RMB'000</i>	Over 5 years <i>RMB'000</i>	Total <i>RMB'000</i>
As at 31 March 2024					
Trade payables	2,564	–	–	–	2,564
Other payables and accruals (excluding salary and welfare payable, accrual for other taxes)	13,741	–	–	–	13,741
Lease liabilities	22,492	674	80	–	23,246
	<u>38,797</u>	<u>674</u>	<u>80</u>	<u>–</u>	<u>39,551</u>
As at 31 March 2025					
Trade payables	4,823	–	–	–	4,823
Other payables and accruals (excluding salary and welfare payable, accrual for other taxes)	30,886	–	–	–	30,886
Lease liabilities	17,089	14,676	5,983	–	37,748
	<u>52,798</u>	<u>14,676</u>	<u>5,983</u>	<u>–</u>	<u>73,457</u>

PLEDGE OF ASSETS

As of 31 March 2025, we did not pledge any of our assets.

MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS

As of 31 March 2025, save as disclosed in this announcement, we did not hold any significant investments (including any investment in an investee company with a value of 5% or more of the Group's total assets as of 31 March 2025).

(a) Wealth management products

The financial assets that we invested mainly include investments in wealth management products. Save for the purchases of the wealth management products announced by the Company on 20 May 2024, 26 September 2024, 15 October 2024, 9 December 2024, 25 February 2025 and 31 March 2025, the wealth management products subscribed by the Group during the Reporting Period did not constitute notifiable transactions under Chapter 14 of the Listing Rules.

During the Reporting Period, the Group had subscribed for certain wealth management products. The exact returns on all of these wealth management products are not guaranteed, hence their contractual cash flow do not qualify for solely payments of principal and interests. Therefore, they are measured at fair value through profit or loss. As at 31 March 2025, the aggregated outstanding principal amount of the Group's wealth management products was RMB983.7 million, and the wealth management products (measured at fair value through profit or loss) as a percentage to the Group's total asset was 49.8%. As at 31 March 2025, the outstanding principal amount of certain wealth management products subscribed by the Group from Bank of China was RMB260.0 million, and the fair value of which was RMB261.4 million, accounted for 13.2% of the Group's total assets. The expected return rate for these products from Bank of China was 0.65% to 2.57%. As at 31 March 2025, the outstanding principal amount of certain wealth management products subscribed by the Group from Xiamen International Bank Co., Ltd was RMB120.0 million, and the fair value of which was RMB120.2 million, accounted for 6.0% of the Group's total assets. The expected return rate for these products from Xiamen International Bank Co., Ltd was 1.4% to 2.7%. As at 31 March 2025, the outstanding principal amount of certain wealth management products subscribed by the Group from Haitong International Asset Management (HK) Limited was RMB353.7 million, and the fair value of which was RMB358.7 million, accounted for 18.1% of the Group's total assets. The expected return rate at the time of subscriptions for these products from Haitong International Asset Management (HK) Limited was 3.41% to 4.7%. Save as disclosed above, as at 31 March 2025, there were no other outstanding wealth management products (in aggregate) subscribed from any single licensed bank that exceed 5% of the Group's total assets.

The following outstanding wealth management products (in aggregate) subscribed from each of the licensed banks had a percentage of over 5% to the Group's total assets as of 31 March 2025 respectively:

Subscription Date	Maturity Date	Name of Product	Name of Bank	Principal amount of subscription	Type of product and risk rating	Expected return rate	Investment scope of product	Fair value and relative size to the Group's total assets as of 31 March 2025
26-Sep-24	8-Apr-25	RMB Structured Deposit	Bank of China	RMB70.0 million	Principal-guaranteed with guaranteed minimum return	1.1%/2.48%	EUR/USD exchange rate	RMB70.9 million; 3.6%
15-Nov-24	18-Nov-25	RMB Structured Deposit	Bank of China	RMB50.0 million	Principal-guaranteed with guaranteed minimum return	0.7%/2.57%	USD/JPN exchange rate	RMB50.5 million; 2.6%
20-Jan-25	18-Oct-25	RMB Structured Deposit	Bank of China	RMB30.0 million	Principal-guaranteed with guaranteed minimum return	0.65%/2.49%	USD/CAD exchange rate	RMB30.0 million; 1.5%
27-Mar-25	28-Mar-26	RMB Structured Deposit	Bank of China	RMB50.0 million	Principal-guaranteed with guaranteed minimum return	0.65%/2.56%	USD/CHF exchange rate	RMB50.0 million; 2.5%
25-Feb-25	6-Feb-26	RMB Structured Deposit	Bank of China	RMB60.0 million	Principal-guaranteed with guaranteed minimum return	0.75%/2.42%	EUR/USD exchange rate	RMB60.0 million; 3.0%
22-Jan-25	23-Apr-25	Corporate Structured Deposit Product (Type A of three-intervals pegged exchange rate)	Xiamen International Bank Co., Ltd	RMB20.0 million	Principal-guaranteed with guaranteed minimum return	1.4%/2.45%/2.55%	EUR/USD exchange rate	RMB20.1 million; 1.0%
25-Feb-25	8-May-25	Corporate Structured Deposit Product (Type A of three-intervals pegged exchange rate)	Xiamen International Bank Co., Ltd	RMB50.0 million	Principal-guaranteed with guaranteed minimum return	1.4%/2.4%/2.5%	EUR/USD exchange rate	RMB50.1 million; 2.5%

Subscription Date	Maturity Date	Name of Product	Name of Bank	Principal amount of subscription	Type of product and risk rating	Expected return rate	Investment scope of product	Fair value and relative size to the Group's total assets as of 31 March 2025
28-Mar-25	30-Jun-25	Corporate Structured Deposit Product (Type A of three-intervals pegged exchange rate)	Xiamen International Bank Co., Ltd	RMB50.0 million	Principal-guaranteed with guaranteed minimum return	1.4%/2.4%/2.7%	EUR/USD exchange rate	RMB50.0 million; 2.5%
27-Jun-24	redeem at the first business day of each month	Haitong Cash Management Fund I S. P. (Class A USD)	Haitong International Asset Management (HK) Limited	RMB84.3 million	Non-principal guaranteed with variable return	3.45%	Invests in short-term bonds, cash and deposits and other cash management instruments including cash management funds	RMB86.3 million; 4.4%
15-Oct-24	redeem at any business day	Haitong US Dollar Money Market Fund (Class B USD)	Haitong International Asset Management (HK) Limited	RMB35.9 million	Non-principal guaranteed with variable return	4.70%	Invests in short-term deposits and high-quality money market instruments, including but not limited to bonds, notes and certificates of deposit denominated or settled in USD with a maximum maturity of 397 days (2 years for government bonds or other public bonds)	RMB36.6 million; 1.9%

								Fair value and relative size to the Group's total assets as of 31 March 2025
Subscription Date	Maturity Date	Name of Product	Name of Bank	Principal amount of subscription	Type of product and risk rating	Expected return rate	Investment scope of product	
16-Oct-24	redeem at the first business day of each month	Haitong Cash Management Fund I S. P. (Class A USD)	Haitong International Asset Management (HK) Limited	RMB71.8 million	Non-principal guaranteed with variable return	3.41%	Invests in short-term bonds, cash and deposits and other cash management instruments including cash management funds	RMB72.7 million; 3.7%
9-Dec-24	redeem at the first business day of each month	Haitong Cash Management Fund I S. P. (Class A USD)	Haitong International Asset Management (HK) Limited	RMB90.8 million	Non-principal guaranteed with variable return	3.41%	Invests in short-term bonds, cash and deposits and other cash management instruments including cash management funds	RMB91.6 million; 4.6%
13-Dec-24	redeem at the first business day of each month	Haitong Cash Management Fund I S. P. (Class A USD)	Haitong International Asset Management (HK) Limited	RMB70.8 million	Non-principal guaranteed with variable return	3.41%	Invests in short-term bonds, cash and deposits and other cash management instruments including cash management funds	RMB71.5 million; 3.6%

The Company's investment strategy related to these wealth management products focuses on minimizing the financial risks by reasonably and conservatively matching the maturities of the investment portfolio to anticipated operating cash needs, while generating desirable investment returns for the benefits of the Company. In order to effectively manage the idle cash of the Company, the Company will invest in short-term wealth management products that can provide better return than that of current saving or fixed deposit of comparable maturity period generally offered by commercial banks in the PRC, with the view to gain a more attractive return. The risk profiles of these wealth management products are low in nature, typically comprise underlying assets with high liquidity and market credit rating, including gold, sovereign bonds, inter-bank deposits, bond funds and other money market instruments denominated in RMB/USD/HKD or other major foreign currencies. The minimum holding periods of these wealth management products range from redeemable on demand to 12 months.

The Board has authorised the purchase of wealth management products with medium-low risk or below. The characteristics of such products mean the probability of capital loss should be relatively low and returns are generally stable. During the Reporting Period, all the products subscribed by the Group aligned with the Company's risk tolerance and investment objectives as approved by the Board.

The Company has also established a set of internal risk management policies to monitor and control the investment risks associated with these wealth management products. The Company primarily invests in wealth management products issued and/or guaranteed by reputable licensed banks or financial institutions with relatively low risks. The finance department, headed by the chief financial officer, is responsible for overseeing the Group's investment portfolio. It will (i) keep track of the maturity date of each wealth management product and the Company's maximum exposure with each issuer of the wealth management products on an on-going basis to achieve risk diversification; and (ii) request account statements from the issuers on a quarterly basis at least to monitor the return of such wealth management products.

The Company will make investment decisions related to wealth management products on a case-by-case basis after thoroughly considering a number of factors, including but not limited to macro-economic environment, general market conditions, risk control and credit rating of the issuers, its own working capital conditions, and the expected profit or potential loss of such investments. Specifically, the finance department will identify potential investment targets based on, among other things, (i) the balance of the Company's cash surplus, (ii) short-to-medium term working capital needs, and (iii) recommendations from the Company's relationship and account managers at reputable banks or financial institutions. The Company may early redeem or decide not to renew the investment if there is risk of over-concentration, or when the level of return is lower than the expected level.

(b) Acquisition of Kuxuan (Beijing) Technology Co., Ltd.

References are made to the announcements of the Company dated 14 January 2025, 5 February 2025, 22 April 2025 and 15 May 2025 (the “**Announcements**”). Unless otherwise specified, capitalized terms used herein shall have the same meanings as those defined in the Announcements. On 14 January 2025, the Onshore Holdco, Kuxuan (Beijing) Technology Co., Ltd.* (酷渲(北京)科技有限公司) (the “**Target Company**”) and the Vendors entered into the Equity Transfer Agreement, pursuant to which the Onshore Holdco has conditionally agreed to acquire and the Vendors have conditionally agreed to sell the entire equity interest in the Target Company at an aggregate consideration of RMB180,000,000. For details, please refer to the Announcements. On the same day, the Company and the Share Exchange Vendors entered into the BVI Share Subscription Agreement and the Offshore Share Purchase Agreement (both of which were amended on 22 April 2025). Pursuant to the agreements, the Share Exchange Vendors will first subscribe 99% (on as-diluted basis) of the share capital of the BVI Company at the aggregate consideration of RMB127,583,905 and then the Company will purchase 99% of the share capital of the BVI Company from the Share Exchange Vendors by allotting and issuing a maximum of 34,761,638 Shares to the Share Exchange Vendors (the “**Concurrent Share Transaction**”). Since 22 January 2025, the Target Company is wholly-owned by the Group and its financial results are consolidated in the Company’s financial accounts. As of the date of this announcement, the Concurrent Share Transaction has not yet been completed. The Share Exchange Vendors are expected to obtain the ODI Approval by the end of October 2025. Save as disclosed, there were no material acquisitions, disposals of subsidiaries, associates and joint ventures during the Reporting Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As of 31 March 2025, the Group did not have plans for material investments and capital assets.

EMPLOYEES

As of 31 March 2025, we had 1,898 (31 March 2024: 1,854) employees in total. For the year ended 31 March 2025, the Group’s total staff costs amounted to approximately RMB958.2 million, including salaries, wages, bonuses, share-based compensation, pension costs, other social security costs, housing benefits and other employee benefits. The Group continued to optimize the incentive-based system in line with business development needs and implemented remuneration policies with competitiveness.

Our success depends on our ability to attract, retain and incentivize qualified personnel. We provide various incentives and benefits for our employees. We offer competitive salaries, bonuses and share-based compensation to our employees, especially key employees.

The Group believes that it is vital to attract, recruit and retain quality employees. To maintain the quality, knowledge and skill levels of the Group's workforce, the Group provides the employees with periodic training, including introductory training for new employees, technical training, professional and management training and health and safety training. The Group believes that it maintains a good relationship with its employees and the Group did not experience any significant labor disputes or any difficulty in recruiting staff for its operations.

EVENTS AFTER THE REPORTING PERIOD

On 22 April 2025, the Company, HRTech Holding Limited and the Share Exchange Vendors (as defined in the Announcements) entered into a supplemental BVI share subscription agreement and a supplemental offshore share purchase agreement (together, the “**Supplemental Share Exchange Agreements**”) to enable the Company to exercise control over the Target Company through equity ownership. On 24 April 2025, the transfer of the entire equity interests in the Target Company to Tianjin Beisen Cloud Information Technology Co., Ltd* (天津北森雲信息技術有限公司) and the business registration process as required under the applicable PRC laws has been completed. The second instalment of the Cash Consideration (as defined in the Announcements) was paid by the Company on 25 April 2025. For details, please refer to the announcements of the Company dated 22 April 2025 and 15 May 2025.

Save as disclosed above, The Company is not aware of any material subsequent events after 31 March 2025 and up to the date of this announcement.

USE OF NET PROCEEDS FROM GLOBAL OFFERING

The Shares were listed on the Main Board of the Stock Exchange on 13 April 2023. Our Company received net proceeds (after deduction of underwriting fees and commissions and expenses payable by us) in connection with the Global Offering in the amount of approximately HK\$155.0 million. Such net proceeds have been and will be applied in accordance with the purposes as set out in the Prospectus by the Company. The details of intended application of net proceeds from the Global Offering and the actual use of net proceeds as of 31 March 2025 are set out as follows:

Item	Approximate % of total net proceeds	Net proceeds from the Global Offering (<i>HK\$ million</i>)	Unutilized net proceeds from the Global Offering as of 1 April 2024 (<i>HK\$ million</i>)	Net proceeds		Expected timeline of full utilization of the unutilized net proceeds ⁽¹⁾
				from the Global Offering during the Reporting Period ⁽²⁾ (<i>HK\$ million</i>)	Unutilized net proceeds from the Global Offering as of 31 March 2025 (<i>HK\$ million</i>)	
Further upgrade our integrated cloud-based HCM solutions						
(a) Integrate more seamlessly our cloud-based HCM solutions	15%	23.3	22.7	4.8	17.9	Before 31 December 2028
(b) Enhance the functionality and features of our Core HCM solutions	15%	23.3	21.4	7.2	14.2	Before 31 December 2028
(c) Upgrade our other HCM solutions	5%	7.8	5.4	5.4	–	Not applicable
Continue to enhance our technology development capabilities						
(a) Upgrade our PaaS infrastructure	20%	31.0	30.4	2.6	27.8	Before 31 December 2028
(b) Expand R&D teams with enhanced R&D efficiency	10%	15.5	14.8	2.2	12.6	Before 31 December 2028
Strengthen our sales and marketing efforts						
(a) Expand our sales force nationwide	7%	10.9	–	–	–	Not applicable
(b) Expand and diversify our sales and marketing channels	5%	7.8	–	–	–	Not applicable
(c) Improve our sales and marketing technologies	3%	4.7	4.3	4.3	–	Not applicable
Enhance our customer success and services capabilities	10%	15.5	5.5	5.5	–	Not applicable
Working capital and other general corporate purposes	10%	15.2	2.8	2.8	–	Not applicable
Total	100.0	155.0	107.3	34.8	72.5	

Notes:

- (1) The expected timeline is based on the best estimation made by the Group on future market condition and may change with the current market condition and future development.

(2) The amount is calculated based on the exchange rate of HK\$1.00 to RMB0.92.

(3) The figures in the table are approximate figures.

The Company will use the remaining proceeds for the purpose as disclosed in the Prospectus.

FINAL DIVIDEND

The Board did not recommend the distribution of a final dividend for the year ended 31 March 2025 (for the year ended 31 March 2024: nil).

CORPORATE GOVERNANCE PRACTICES

The Board is committed to achieving good corporate governance standards.

The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of Shareholders, enhance corporate value, formulate our business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions of the CG Code as the basis of the Company's corporate governance practices.

In the opinion of the Directors, during the Reporting Period, the Company has complied with all the code provisions as set out in the CG Code. The Directors will periodically review on the Company's corporate governance policies and will propose any amendment, if necessary, to ensure compliance with the code provisions from time to time.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions since the Listing Date.

Having made specific enquiries of all Directors, each of the Directors has confirmed that he or she had complied with the requirements as set out in the Model Code during the Reporting Period.

The Company's employees, who are likely to be in possession of unpublished inside information of the Company, are also subject to the Model Code. No incident of non-compliance with the Model Code by the employees was noted by the Company during the Reporting Period.

SOCIAL RESPONSIBILITIES, ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to fulfilling social responsibility, promoting employee benefits and development, protecting the environment and giving back to community and achieving sustainable growth. In June 2024, the Group made donation in the amount of RMB120,000 to Beijing Yixin Care Charity Foundation (北京一心關愛慈善基金會) in support of Love Kitchen Project, and RMB60,000 to Xining Xingguang Special Children Service Institution (西寧市星光特殊兒童服務機構) in support of the daily life and study of autistic children within the institution. In December 2024, the Group donated RMB100,000 to Shanghai Yongda Foundation (上海永達基金會) to support assistance for poor children. The environmental, social and governance report of the Company will be disclosed as a separate report and published on the websites of the Stock Exchange and the Company together with the publication of the annual report of the Company.

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

For the year ended 31 March 2025, the Company repurchased a total of 22,091,200 Shares (the “**Shares Repurchased**”) on the Stock Exchange at an aggregate consideration (excluding transaction costs) of HK\$98,259,972. All of the Shares Repurchased were held as treasury shares. The Company intends to use the treasury shares as awards for the participant(s) in the RSU Plan and/or for other purposes in compliance with the Listing Rules. The repurchase was effected because the Board considered that a share repurchase in the then conditions demonstrates the Company's confidence in its own business outlook and prospects and would, in the long term, benefit the Company and create value to the Shareholders. Particulars of the Shares Repurchased for the year ended 31 March 2025 are as follows:

Month of repurchase	No. of Shares repurchased	Highest price paid per Share (HK\$)	Lowest price paid per Share (HK\$)	Aggregate consideration (HK\$)
June 2024	12,820,800	5.25	3.74	62,546,644
July 2024	2,340,200	4.50	3.73	9,559,328
August 2024	2,024,000	3.80	3.48	7,386,380
September 2024	2,890,200	3.70	3.08	9,904,608
October 2024	1,040,000	3.81	3.46	3,762,242
January 2025	193,000	4.75	4.61	907,304
February 2025	162,600	4.73	4.71	769,020
March 2025	620,400	5.77	5.20	3,424,446
Total	22,091,200			98,259,972

During the Reporting Period, the trustee of the RSU Plan has purchased 79,000 Shares on the Stock Exchange, at a consideration ranging from HK\$3.92 to HK\$4.64 per share, representing an aggregate of approximately HK\$0.35 million (including commission and transaction costs). The Shares purchased during such period will be used as awards for the participant(s) in the RSU Plan.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of the treasury shares) for the year ended 31 March 2025.

AUDIT COMMITTEE

The Audit Committee consists of three independent non-executive Directors, namely Mr. Zhao Hongqiang, Mr. Ge Ke and Mr. Du Kui. Mr. Zhao Hongqiang, who has financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules, serves as the chairman of the Audit Committee. The Audit Committee has also adopted written terms of reference which clearly set out its duties and obligations (the terms of reference are available on the websites of the Company and Stock Exchange).

The Audit Committee has jointly reviewed with the management of the Company the accounting principles and policies adopted by the Company and discussed internal control and financial reporting matters (including the review of the audited consolidated financial statements for the year ended 31 March 2025) of the Group. The Audit Committee considered that the audited consolidated financial statements are in compliance with the applicable accounting standards, laws and regulations.

SCOPE OF WORK OF AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive loss and the related notes thereto for the year ended 31 March 2025 as set out in this annual results announcement have been agreed by the Company's auditor, KPMG, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 March 2025. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance has been expressed by KPMG on this announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.beisen.com. The annual report of the Company for the year ended 31 March 2025 containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company and dispatched to the Shareholders by the means of receipt of communications chosen by the Shareholders in accordance with the requirements under the Listing Rules.

ANNUAL GENERAL MEETING

The AGM is expected to be held on Thursday, 18 September 2025. The notice of the AGM will be published on the websites of the Stock Exchange and the Company and dispatched to the Shareholders by the means of receipt of communications chosen by the Shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 15 September 2025 to Thursday, 18 September 2025, both days inclusive, during which period no transfer of Shares will be registered. Shareholders whose names appear on the register of members of the Company on 18 September 2025 will be entitled to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 12 September 2025.

CHANGE OF COMPOSITION OF THE NOMINATION COMMITTEE

The Board has resolved that with effect from 19 June 2025, Ms. Liu Xianna has been appointed as a member of the Nomination Committee in lieu of Mr. Wang Zhaohui in order to comply with the new gender diversity requirement of the Nomination Committee under the amended CG Code and the Listing Rules which will be implemented with effect from 1 July 2025. Following the above change, the Nomination Committee comprises three members, namely, Mr. Du Kui (as the chairman), Ms. Liu Xianna and Mr. Ge Ke. The Board is convinced that implementing these changes could strengthen the effectiveness and diversity of the Board, and further enhance the level of corporate governance practices of the Company as a whole. Mr. Wang Zhaohui has confirmed that he has no disagreement with the Board and is not aware of other matters about his cessation as a member of the Nomination Committee that need to be brought to the attention of the Shareholders and the Stock Exchange.

The Board would like to express its sincere gratitude to Mr. Wang Zhaohui for his contributions towards the Nomination Committee during his tenure as the member thereof, and to extend a warm welcome to Ms. Liu Xianna in her new role in the Nomination Committee.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings:

“AGM”	the annual general meeting of the Company to be held on Thursday, 18 September 2025
“Audit Committee”	the audit committee of the Board
“Board”, “our Board” or “Board of Directors”	the board of Directors
“CAGR”	compound annual growth rate
“CG Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“China” or “PRC”	the People’s Republic of China, for the purposes of this announcement only, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Cool College”	the brand under which the Group will operate the ordinary business of Kuxuan (Beijing) Technology Co., Ltd.* (酷渲(北京)科技有限公司)
“Company” or “our Company”	Beisen Holding Limited (北森控股有限公司), a company with limited liability incorporated in the Cayman Islands on 6 April 2018, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 9669)
“Consolidated Affiliated Entity”	entity we control wholly through the Contractual Arrangements, namely Onshore Holdco
“Director(s)”	the director(s) of our Company
“FY2024”	the financial year ended 31 March 2024
“FY2025”	the financial year ended 31 March 2025
“FY2026”	the financial year ending 31 March 2026
“Global Offering”	the Hong Kong public offering and the international offering of the offer shares

“Group”, “our Group”, “we”, “us”, “our”, or “Beisen”	the Company, its subsidiaries and the Consolidated Affiliated Entity from time to time, and where the context requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries and Consolidated Affiliated Entity, such subsidiaries and Consolidated Affiliated Entity as if they were subsidiaries and Consolidated Affiliated Entity of our Company at the relevant time
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	13 April 2023, being the date on which the Shares were listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“Nomination Committee”	the nomination committee of the Company
“Onshore Holdco”	Beijing Beisen Cloud Computing Co., Ltd. (北京北森雲計算股份有限公司), a company established under the laws of the PRC on 17 May 2005 and the Consolidated Affiliate Entity of our Company
“Prospectus”	the prospectus of our Company, dated 30 March 2023, in relation to the Global Offering
“Reporting Period”	the year ended 31 March 2025
“RMB” or “Renminbi”	Renminbi Yuan, the lawful currency of China
“RSU(s)”	restricted share unit award(s) to be granted to participants under the RSU Plan

“RSU Plan”	the restricted share unit plan of our Company adopted by the Board on 31 December 2021, and subsequently amended by the Board on 23 March 2023
“Share(s)”	ordinary share(s) in the share capital of our Company, with a nominal value of US\$0.0001 each prior to the Share Subdivision or US\$0.00001 each upon the completion of the Share Subdivision
“Shareholder(s)”	holder(s) of our Shares
“Share Subdivision”	the subdivision of each share in the Company’s issued and unissued share capital with par value of US\$0.0001 each into 10 shares of the corresponding class with nominal value of US\$0.00001 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD” or “US\$” or “US dollar”	United States Dollar, the lawful currency of the United States of America
“%”	per cent.

In this announcement, unless otherwise indicated, the terms “associate”, “associated corporation”, “connected person”, “controlling shareholder”, “subsidiary” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules.

GLOSSARY OF TECHNICAL TERMS

“AI”	artificial intelligence
“application”	application software designed to run on smartphones and other mobile devices
“ARR” or “annual recurring revenue”	We define ARR as the annualized revenue run-rate of effective subscriptions of our cloud-based HCM solutions at a point in time. We calculate ARR by taking the monthly recurring revenue, or MRR, as of the last day of a particular month and multiplying it by 12. MRR is defined as the total contract value of effective subscriptions of our cloud-based HCM solutions, divided by the number of months within the duration of such subscriptions. Effective date of such subscriptions is provided in the relevant subscription agreements
“BI”	business intelligence
“cloud-based”	applications, services or resources made available to users on demand via the internet from a cloud computing provider’s servers with access to shared pools of configurable resources
“Core HCM”	core human capital management, which generally comprises of the functions of human resources (on-boarding and off-boarding, probation management, position transfer management, organization structure, contract management, personnel management), attendance management (attendance, scheduling, labour allocation) and payroll (salary accounting and payment, compensation structure optimization, social insurance and tax treatment, flexible benefits, commercial insurance)
“HCM”	human capital management
“PaaS”	platform as a service, a category of cloud computing that provides a platform and environment to allow developers to build applications over the internet

“SaaS”	software as a service, a cloud-based software licensing and delivery model on a subscription basis with centrally hosted associated data
“subscription revenue retention rate”	We use subscription revenue retention rate to measure growth in revenue generated from existing customers of our cloud-based HCM solutions over time. To calculate such metric for a given current 12-month period, we first identify those customers who generated cloud-based HCM solution revenue in the prior 12-month period (the “ Trailing Twelve Months ”) and then identify those among them who generated cloud-based HCM solution revenue in the current 12-month period. We then calculate the subscription revenue retention rate by dividing the subscription revenue such customers generated in the current 12-month period, by our total subscription revenue in the Trailing Twelve Months. The subscription revenues used in calculating our subscription revenue retention rate are based on our internal management accounts
“use case(s)”	a specific business scenario in which a product or service could potentially be used

By order of the Board
Beisen Holding Limited
WANG Zhaohui
Chairman and Executive Director

PRC, 19 June 2025

As at the date of this announcement, the executive Directors are Mr. WANG Zhaohui, Mr. JI Weiguo and Ms. LIU Xianna, and the independent non-executive Directors are Mr. DU Kui, Mr. ZHAO Hongqiang and Mr. GE Ke.