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WEIMOB INC.

微盟集團*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2013)

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

The board (the “**Board**”) of directors (the “**Directors**”) of Weimob Inc. (the “**Company**” or “**Weimob**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended June 30, 2025 (the “**Reporting Period**”) together with the comparative figures for the six months ended June 30, 2024 as follows:

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

FINANCIAL PERFORMANCE HIGHLIGHTS

	Six months ended June 30,		Year-on-year
	2025	2024	change
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	
	<i>(RMB in millions, except percentages)</i>		
Revenue	775.5	867.4	(10.6%)
Adjusted revenue ⁽¹⁾	775.5	719.1	7.8%
Gross profit	582.3	575.9	1.1%
Adjusted gross profit ⁽²⁾	583.2	428.5	36.1%
Operating profit/(loss)	0.3	(287.3)	(100.1%)
Loss before income tax	(29.7)	(547.1)	(94.6%)
Loss for the period	(47.2)	(569.8)	(91.7%)
Non-HKFRS Measures:			
Adjusted earnings/(loss) before interest, tax, depreciation and amortization	71.8	(176.3)	(140.7%)
Adjusted net profit/(loss)	16.9	(187.4)	(109.0%)

Notes:

(1) Please refer to Note (1) under section “Revenue – Merchant Solutions”.

(2) Please refer to the notes under section “Adjusted Gross Profit and Gross Margin”.

RESULTS HIGHLIGHTS FOR THE FIRST HALF OF 2025

During the first half of 2025, faced with a complex and changing market environment and new opportunities brought about by technological advancements, we have been persistently committed to AI technology as its core driving force, and continued to deepen the landscape of our main businesses of SaaS and targeted marketing. Focusing on core scenarios such as e-commerce and retail, we kept promoting the widespread application and implementation of AI Agent technology. We adhered to the philosophy of “Technology-driven Business Growth” to help merchants achieve digital transformation and sustainable growth.

In the first half of 2025, the Group’s total revenue was RMB775 million, representing a year-on-year decrease of 10.6%, which was primarily due to the reduction of the full year rebate rate notified by the advertising platforms in the second half of 2024 regarding the Merchant Solutions. As a result, the revenue from Merchant Solutions in the first half of 2024 should have been reduced by RMB148 million correspondingly, resulting in an inflated year-on-year base. With the restoration effect of it, our adjusted total revenue increased by approximately 7.8% as compared with the same period of last year. In terms of Subscription Solutions, we downsized the lower-profit subscription business in 2024, resulting in a decrease in deferred subscription revenue for the first half of 2025. Among which, the proactive reduction in investments targeting small and micro merchants resulted in a year-on-year decrease in deferred revenue by approximately RMB30 million. The revenue from Subscription Solutions stabilized and showed a half-year-on-half-year rebound, mainly due to breakthroughs in our AI-related revenue, which amounted to RMB34 million in the first half of 2025.

Our gross profit was RMB582 million, representing an increase of 1.1% as compared to the first half of 2024 or 36.1% as compared to the adjusted gross profit of RMB429 million of the same period last year because of the impact of restoring rebates. Following the reduction of low margin TSO service, finance and other businesses over the past year, the quality of our revenue has continued to improve, with the gross profit margin rising from 66.4% to 75.1%. Our adjusted earnings before interest, tax, depreciation, and amortization (EBITDA) reached RMB72 million, representing a significant improvement of 140.7% from the loss of RMB176 million in 2024, marking its first turnaround since 2022. The adjusted net earnings were RMB17 million, representing a significant improvement of 109.0% from the loss of RMB187 million as compared with the same period of last year, marking its first turnaround since 2021. We insisted on cost reduction and efficiency enhancement, proactively downsizing non-core and lower-profit businesses to enhance operational efficiency. The loss from the Subscription Solutions business has narrowed significantly and the Merchant Solutions business continued to provide cash flow and profit support, the Group gradually unleashed its potential for profitability. In the first half of 2025, our operating cash flow saw a slight outflow of approximately RMB28 million. As of June 30, 2025, the cash and bank deposits balance of the Group was approximately RMB1,574 million, with healthy cash and financial conditions.

In the first half of 2025, our revenue from Subscription Solutions was approximately RMB438 million, representing a year-on-year decrease of 10.1%. The number of paying merchants was 59,149, representing a year-on-year decrease of 13.9%. The downsizing of lower-profit businesses led to a decrease in the number of merchants and deferred revenue. Meanwhile, we gradually identified new directions for revenue growth. AI-related revenue contributed RMB34 million in the first half of 2025, helping the revenue from Subscription Solutions stabilize and showed a half-year-on-half-year rebound. Our revenue from Smart Retail was approximately RMB286 million, representing a year-on-year decrease of 6.1%. The main reason was that due to the impact of the external macro-environment, the contraction of existing customer operations has led to a temporary delay in demand, and budget constraints of new customers have hindered expansion. Our revenue from Smart Retail accounted for 65.2% of the revenue from Subscription Solutions, and the number of merchants reached 7,323, among which there were 1,227 brand merchants, and the average order revenue per user of brand merchants was approximately RMB179 thousand. Brand merchants demonstrated strong operational stickiness, with a churn rate remaining stable at a low level.

Our revenue from Merchant Solutions was approximately RMB338 million, representing a year-on-year decrease of 11.3%. Adjusting for the impact of the reduction in the rebate rate on this portion of revenue in the first half of 2024, the adjusted year-on-year growth was 45.3%, with the rebate from advertising platforms returning to a normal level. Our gross profit was RMB308 million, with the gross profit margin increasing from 74.5% to 91.3%, which was in line with the reduction in low margin businesses. In the first half of 2025, the gross billing from advertisements placed by merchants, as facilitated by Weimob Marketing, amounted to approximately RMB8,623 million, representing a year-on-year increase of 3.4%. We proactively adjusted our customer structure and ceased serving certain customers with low profit margins, high advance payments or long payment terms. Although this slowed down the growth of gross billing, it improved operational efficiency and ensured financial health. We maintained growth on the Tencent channel with video advertising business growing rapidly, consolidated our leading position in Tencent Advertising. We also leveraged our multi-platform strategy, making rapid progress in channels like Xiaohongshu and expanding our market share. The number of paying merchants for Merchant Solutions increased by 1.5% to 39,281, and the average spend per paying merchant was RMB219,523 with an increase of 1.9%.

We continuously refined and iterated our AI products to help merchants achieve full-process intelligence from store setup, operation management to marketing deployment. We have launched an AI product matrix including WAI SaaS, WAI Pro, and WIME to help merchants improve efficiency intelligently. In the first half of 2025, revenue from AI products was approximately RMB34 million. During the Reporting Period, the average monthly active merchant of WAI SaaS increased by 57% as compared to the second half of 2024 by deploying a 15-product AI Agent matrix covering customer service, product selection, operations, store design, and planning. The

Shopping Guide Agent introduced intelligent sales task management functions and sales lead operation capabilities, with the number of Agent usage in the store setup increased by 4.5 times quarter-on-quarter and the number of merchants using Shopify increased by 3.9 times quarter-on-quarter. WAI Pro provided AI customized services for multiple large customers, offering a complete solution from initial AI consulting to the subsequent implementation of Agent applications. WIME served small and micro e-commerce operators as an AI store-building tool, becoming the first service provider to join the WeChat Mini Store Service Market, while launching on Xiaohongshu and activating the store function (namely “Shudian (薯店)”) on the platform, which continued to improve product experience and accelerated commercialization. The cumulative number of registered users in the first half of 2025 exceeded 110,000, representing an increase of 139% as compared to that at the end of last year. The number of paying users continued to increase, with the revenue increased by 172%.

We have always maintained close collaboration with the Tencent ecosystem and actively embraced new opportunities in WeChat e-commerce. At the beginning of 2025, we took the lead in launching five major solutions for “Weimob × WeChat Mini Shop”, while integrating the redirect link between mini programs and WeChat Mini Shop, supporting the “one-click gift delivery” feature, and helping merchants achieve seamless integration across both platforms. In the first month after the launch of the integrated solution of WeChat Mini Shop × Weimob Mini Program, it penetrated 15% of existing accounts. During the Reporting Period, merchants who enabled the feature saw an average month-on-month growth rate of 27% in monthly orders and 26% in monthly membership. In 2025, the number of new merchants binding to WeChat Mini Shop through Weimob has exceeded 300, with a monthly GMV scale of approximately RMB50 million and a monthly growth rate of around 100%. We jointly launched the “Private Domain Security Protection Plan (私域安全護航計劃)” with Tencent Cloud, focusing on three core areas: technology co-construction, expert support, and promotion escort. By integrating the strengths of both parties, we support customers in enjoying higher quality and more efficient technical services and security protection.

We actively expanded multi-channel ecosystems: As a Huawei HarmonyOS service provider, we actively explored market opportunities regarding the merchant technical services in HarmonyOS ecosystem. Weimob Mini Program integrated the “mini program/in-store” dual-end verification scenario for Douyin group purchase vouchers, and achieved full integration with the verification capabilities for Meituan group purchase vouchers. Weimob Mini Program integrated with “Xiaohongshu Guaranteed Payment Capability* (小紅書擔保支付能力)”, further solidifying our leading service position in Xiaohongshu’s key industries. We jointly launched the “Vitality Good Price Festival* (活力好價節)” with Alipay, providing brands with full-chain marketing closed-loop services, and the advertising consumption of customers served by it on the Alipay channel has risen sharply.

In the first half of 2025, we were upgraded from “BBB” to “A” in MSCI’s latest announcement on the ESG rating, marking a breakthrough that signifies the recognition of our systematic efforts in sustainable development by the capital market. During the Reporting Period, Weimob’s ultra-low energy consumption headquarters office building in Baoshan District, Shanghai, was officially put into use, representing an important step in our commitment to low-carbon and environmentally friendly practices and our response to the national “dual carbon” strategy.

BUSINESS REVIEW

1. Subscription Solutions

During the Reporting Period, our revenue from Subscription Solutions was approximately RMB438 million, representing a year-on-year decrease of 10.1%, primarily due to the reduction of low-quality subscription businesses in 2024, which resulted in a decrease of approximately RMB30 million in deferred subscription revenue for the first half of 2025. Revenue from Subscription Solutions stabilized and showed a half-year-on-half-year rebound. The number of paying merchants was 59,149, representing a year-on-year decrease of 13.9%, while average revenue per user increased by 4.5% to RMB7,402. In terms of Smart Retail, we achieved revenue of approximately RMB286 million, representing a year-on-year decrease of 6.1%, primarily due to the impact of the external macro-environment. The contraction of existing customer operations has led to a temporary delay in demand, and budget constraints of new customers have hindered expansion efforts. Our revenue from Smart Retail accounted for 65.2% of the revenue from Subscription Solutions, and the number of merchants reached 7,323, including 1,227 brand merchants. The average order revenue per user of brand merchants was RMB179 thousand.

In the first half of 2025, the integrated solution represented by “Retail + WeCom” and “Retail + WeCom + Membership” gained increasing recognition from customers. The GMV of customers using our Smart Retail increased by 13.4% year-on-year, with the number of accounts whose GMV exceeding RMB100 million increasing by 60% year-on-year, and the number of accounts whose GMV exceeding RMB1 million increasing by 34% year-on-year. The trend of multi-brand cooperation and multi-business line cooperation among group enterprises was on the rise, with the number of multi-account cooperation customers increasing by 22.2% year-on-year, and revenue from multi-account cooperation customers increasing by 19.3% year-on-year. We further increased our influence in the key accounts merchants market, accounting for 48% of the Top 100 Fashion Retailers in China, 50% of the Top 100 Commercial Real Estate Companies and 42% of the Top 100 Convenience Store Chains.

By virtue of the core capabilities of our Smart Retail Solutions, we have upgraded the intra-city business through a dual-pronged approach of “optimized technical fulfillment chain + scenario-based operational empowerment” to help merchants instantly seize retail business opportunities. We have also expanded into the local services sector by launching the “Pet Industry Solution* (寵物行業解決方案)”, building a three-in-one growth model of “DTC sales closed loop + private domain in-depth operation + all-domain content empowerment”. Our Smart Shopping Department Store Solutions continued to iterate, building a multi-dimensional digital foundation for commercial complexes, and forming complete solutions in core modules such as full lifecycle member operations, intelligent commercial data analysis, asset security control, and data statistics and analysis. It has successfully served numerous leading merchants, including Poly Business and Tourism, Xincheng Holding Group, Distacom Group and Wushang Group.

We proactively initiated international opportunities. Our one-stop e-commerce growth solution, Markivo, which has become an application service provider for Shopify, launched a number of paid and free e-commerce application suites, including smart discounts, free shipping, fission recommendation, customer management and other features. Our subsidiary, Heading, not only assisted existing customers in expanding their business in Southeast Asia and Europe and the United States, but also newly expanded 3 Chinese overseas enterprises targeting the Thai and Indonesian markets and 1 overseas supermarket customer located in Oceania. We were awarded the title of “WAVE2025 Outstanding Cross-Border Service Provider* (WAVE2025 優秀品牌出海服務商)” by ShineGlobal, a global industry think tank.

2. Merchant Solutions

In 2025, Weimob Marketing sub-group continued to uphold the concept of “Science-Driven Global Domain Operation” with the excellent marketing service capabilities and innovative spirit. We created countless successful cases for multiple customers on diverse platform channels, including Tencent, Kuaishou and Xiaohongshu. During the Reporting Period, revenue from Merchant Solutions was approximately RMB338 million, representing a year-on-year decrease of 11.3% and a year-on-year adjusted increase of 45.3%; gross profit was RMB308 million and the gross profit margin increased from 74.5% to 91.3%. In the first half of 2025, the gross billing from advertisements placed by merchants, as facilitated by Weimob Marketing, amounted to approximately RMB8,623 million, representing a year-on-year increase of 3.4%. We proactively adjusted our customer structure and ceased serving certain customers with low profit margins, high advance payments or long payment terms. Although this slowed down the growth of gross billing, it improved operational efficiency and ensured financial health. The number of paying merchants for Merchant Solutions increased by 1.5% to 39,281, and the average spend per paying merchant was RMB219,523 with an increase of 1.9%.

During the Reporting Period, we further consolidated our leading position in Tencent Advertising. The market consumption increased by 4% year-on-year, and Video Accounts advertising consumption increased by 46% year-on-year. We obtained six major awards under Tencent Advertising's 2024 regional channel annual service provider, including "Strategic Partnership Award* (戰略合作獎)" and "Marketing Leadership Award* (營銷領軍獎)", accumulating a total of 25 major awards.

In the first half of 2025, we cooperated with over 130 new live streamer KOLs on Video Accounts; co-operating with KOLs on the supply chain side, we created multiple million level single-product cases for well-known brands including Adopt A Cow* (認養一頭牛) and Daivani* (戴凡妮). During the Reporting Period, Weimob increased its cooperation model with KOL live-streaming platforms, helping mid-tier brands in the apparel and food categories achieve GMV of over RMB6 million and over RMB5 million, respectively. In the second quarter of 2025, the average monthly GMV of Weimob KOLs' live-streaming sales reached RMB30 million.

Our annual consumption on the Xiaohongshu platform increased by 87% year-on-year, and we secured the top spots in two major categories, "Beauty and Personal Care" and "Maternal and Infant" on Xiaohongshu's "High-Quality Service Partner List* (優質服務合作夥伴榜單)". We also received two awards, namely "Top 10 Benchmark Partners of 2025* (2025 年度十佳標桿合作夥伴)" and "Outstanding Lead Management Partner* (線索經營優秀合作夥伴)", from Kuaishou Magnetic Engine. We continued to deepen the application quality of "AI + Marketing" in more marketing scenarios, achieving cost reduction and efficiency enhancement while amplifying the creative capabilities of the design team. During the Reporting Period, the average monthly volume of generated materials was 25 times that of when it was launched in 2024.

BUSINESS OUTLOOK

1. Fully embracing AI and promoting the implementation of AI Agent applications

We constantly expand the application scenarios of AI technology within its SaaS platform and the area of targeted marketing, comprehensively help merchants improve their business strategy planning, operational efficiency, business management capabilities, marketing content creation, and other aspects of their business capabilities through the AI product matrix, including WAI SaaS, WAI Pro, and WIME. We promote the implementation of AI Agent applications in areas including e-commerce retail, local services and targeted marketing, and WIME will also integrate with super apps such as WPS to enhance commercialization opportunities.

2. Dedicating to WeChat e-commerce ecosystem

We are dedicate to WeChat e-commerce ecosystem for a long term, continuously optimizing the integrated solution of Weimob × WeChat Mini Shop to improve merchant operational efficiency and user experience. We deepen the promoter segment and leverage the coverage of social distribution to improve the conversion efficiency and user stickiness of promoters. By combining social e-commerce functions such as “group buy” and “sending gifts” to help merchants acquire traffic at a low cost and precisely convert customers, thereby enhancing user engagement and repeat purchase rates. We focus on Video Account MCN business to assist merchants in achieving brand exposure and sales growth through live-streaming commerce, video clips, and KOLs’ recommendations and interactions.

3. Expanding multi-channel business opportunities

We further tap into the commercial potential of multi-channel ecosystems. In terms of SaaS, in addition to the existing WeChat channel, we will continue to deepen commercial opportunities across multiple platforms such as Douyin, Huawei HarmonyOS, Meituan, Xiaohongshu, and Alipay. By establishing and building integration capabilities between public domain platforms and mini program businesses, we provide a systematic infrastructure for enterprises’ unified all-domain operations to assist merchants in strengthening their multi-channel integrated management and operational capabilities. In terms of precision marketing, over the past two years, we have expanded into new channels such as Xiaohongshu and Kuaishou, and achieved rapid growth. In the fourth quarter of 2025 and next year, we will proactively expand into the Douyin channel, which is expected to bring new growth momentum to Merchant Solutions.

4. Focusing on the local services sector

Local life scenarios have emerged as a new blue ocean market. Weimob will pay close attention to this sector, strengthening the system support capabilities for offline local business scenarios involving “products, store services and experiences”. Through industry empowerment and ecological cooperation to integrate resources from all parties, we integrate multi-channel traffic and provide merchants with multi-dimensional capabilities such as member operations and targeted marketing, driving accelerated digital and intelligent upgrades and business growth in the local services sector.

5. Actively exploring internationalization

We further expand into North America and other mature overseas markets, and Markivo has become an application service provider for Shopify. Concentrating on different merchants’ business needs in areas such as marketing and promotion, and e-commerce independent station construction, we leverage our deep industry experience and technical expertise to promote the overseas expansion of AI application capabilities. Meanwhile, Weimob International has launched the Weimob Overseas Business, dedicated to helping Chinese brands go global. Leveraging years of SaaS technology accumulation and customer base, combined with extensive overseas marketing media placement capabilities and experience, Weimob Overseas Business provides merchants with AI-powered rapid website construction, multi-channel traffic acquisition, and brand consulting services. In addition, we further promote the expansion and growth of the business of Heading in overseas markets, with a focus on domestic high-quality new consumer merchants going global. It conducts in-depth research into the commercial logic, consumer preferences, and localized operational strategies of Southeast Asia and the Middle East, creating positive feedback loops, and gradually penetrating and expanding into local overseas merchants.

MANAGEMENT DISCUSSION AND ANALYSIS

Six Months Ended June 30, 2025 Compared to Six Months Ended June 30, 2024

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue	775,467	867,434
Cost of sales	<u>(193,211)</u>	<u>(291,529)</u>
Gross profit	582,256	575,905
Selling and distribution expenses	(389,495)	(565,260)
General and administrative expenses	(216,605)	(287,008)
Net impairment losses on financial assets	(1,564)	(4,810)
Other income	22,186	21,040
Other gains/(losses), net	<u>3,492</u>	<u>(27,190)</u>
Operating profit/(loss)	270	(287,323)
Finance costs	(36,354)	(212,986)
Finance income	2,873	8,097
Share of net profits/(losses) of associates accounted for using the equity method	3,557	(450)
Change in fair value of convertible bonds	<u>–</u>	<u>(54,483)</u>
Loss before income tax	(29,654)	(547,145)
Income tax expenses	<u>(17,588)</u>	<u>(22,697)</u>
Loss for the period	<u>(47,242)</u>	<u>(569,842)</u>
Loss attributable to:		
– Equity holders of the Company	(33,056)	(550,784)
– Non-controlling interests	<u>(14,186)</u>	<u>(19,058)</u>
	<u>(47,242)</u>	<u>(569,842)</u>

Key Operating Data

The following table sets forth our key operating data for the six months ended/as of June 30, 2025 and 2024.

Six months ended/as of June 30,
2025 **2024**

Subscription Solutions

Addition in number of paying merchants	4,793	8,515
Number of paying merchants	59,149	68,725
Attrition rate ⁽¹⁾	13.6%	9.2%
ARPU ⁽²⁾ (RMB)	7,402	7,083

Merchant Solutions

Number of paying merchants	39,281	38,706
Revenue (RMB in millions) ⁽³⁾	337.6	232.4
ARPU (RMB) ⁽³⁾	8,595	6,003
Gross billing (RMB in millions)	8,623.1	8,341.8

Notes:

- (1) Refers to the number of paying merchants not retained over a period divided by the number of paying merchants as of the end of the previous period.
- (2) Refers to the average revenue per paying merchant, which equals revenue from Subscription Solutions for the period divided by the number of paying merchants as of the end of such period.
- (3) Please refer to Note (1) under section “Revenue – Merchant Solutions”.

Key Financial Ratios

Six months ended June 30,
2025 **2024**

Per financial **Per financial**
statements **statements**
% **%**

Adjusted total revenue growth	7.8	(37.3)
Adjusted gross margin ⁽¹⁾	75.2	59.6
Adjusted EBITDA margin ⁽²⁾	9.3	(24.5)
Net margin ⁽³⁾ attributable to equity holders of the Company	(4.3)	(63.5)
Adjusted net margin ⁽⁴⁾ attributable to equity holders of the Company	3.1	(24.4)

Notes:

- (1) Equals adjusted gross profit divided by adjusted revenue for the period and multiplied by 100%.
- (2) Equals adjusted EBITDA divided by revenue for the period and multiplied by 100%. For the reconciliation from operating loss to EBITDA and adjusted EBITDA, see “Non-HKFRS Measures: Adjusted EBITDA and Adjusted Net Loss” below.
- (3) Equals net (loss)/profit attributable to equity holders of the Company divided by revenue for the period and multiplied by 100%.
- (4) Equals adjusted net (loss)/profit attributable to equity holders of the Company divided by adjusted revenue for the period and multiplied by 100%. For the reconciliation from net (loss)/profit to adjusted net (loss)/profit, see “Non-HKFRS Measures: Adjusted EBITDA and Adjusted Net Loss” below.

Revenue

Our total revenue decreased by 10.6% from RMB867.4 million in the six months ended June 30, 2024 to RMB775.5 million in the six months ended June 30, 2025, primarily due to the decrease in our revenue generated from our Subscription Solutions and Merchant Solutions. Our total adjusted revenue increased by 7.8% from RMB719.1 million in the six months ended June 30, 2024 to RMB775.5 million in the six months ended June 30, 2025. Please refer to the adjusted revenue from Merchant Solutions for details. The following table sets forth a breakdown of our revenue by business segments for the periods indicated.

	Six months ended June 30, 2025		2024	
	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
	<i>(RMB in millions, except percentages)</i>			
		%		%
Revenue				
– Subscription Solutions	437.9	56.5	486.8	56.1
– Merchant Solutions	337.6	43.5	380.6	43.9
Total	<u>775.5</u>	<u>100.0</u>	<u>867.4</u>	<u>100.0</u>

	Six months ended June 30, 2025		2024	
	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
	<i>(RMB in millions, except percentages)</i>			
		%		%
Adjusted Revenue				
– Subscription Solutions	437.9	56.5	486.8	67.7
– Merchant Solutions ⁽¹⁾	337.6	43.5	232.3	32.3
Total	<u>775.5</u>	<u>100.0</u>	<u>719.1</u>	<u>100.0</u>

Subscription Solutions

Subscription Solutions mainly comprise our commerce and marketing SaaS products and ERP solutions including WeiMall (微商城), Smart Retail (智慧零售), Smart Hotel (智慧酒店), Heading ERP (海鼎 ERP) and others. Based on our Weimob Cloud and PaaS, we also provide key accounts customization services, and offer applications developed by third-party vendors on the Weimob Cloud Service Market.

Revenue from Subscription Solutions decreased by 10.1% from RMB486.8 million in the six months ended June 30, 2024 to RMB437.9 million in the six months ended June 30, 2025. The decrease in revenue from Subscription Solutions was mainly due to (i) weak macro economy and lackluster consumption which negatively impacted the attrition rate of small merchants; (ii) lingering deflation pressure gave rise to headwinds in developing new brand merchants; and (iii) new revenue pipelines including as AI-related business and merchant value-added services such as logistics services, were still in early development stage and need more time for revenue ramp-up. In the first half of 2025, AI-related business revenue was about RMB30.0 million to RMB40.0 million.

Merchant Solutions

	Six months ended June 30,		
	2025	2024	Year-on-year change
	(Unaudited)	(Unaudited)	
	(RMB in millions, except percentages)		
Merchant Solutions			
Gross billing	8,623.1	8,341.8	3.4%
Revenue	<u>337.6</u>	<u>380.6</u>	<u>(11.3%)</u>
	Six months ended June 30,		
	2025	2024	Year-on-year change
	(Unaudited)	(Unaudited)	
	(RMB in millions, except percentages)		
Merchant Solutions			
Adjusted revenue ⁽¹⁾	<u>337.6</u>	<u>232.3</u>	<u>45.3%</u>

Note:

- (1) The adjustment in the revenue from Merchant Solutions in 2024 was made to true up the full year rebate rate from certain advertising platforms to the first half of 2024, as the full year rebate rate was reduced and informed to us only in the second half of 2024. The adjustment decreased the rebate and hence reduced the revenue from Merchant Solutions in the first half of 2024 decreased by RMB148.3 million.

Merchant Solutions mainly comprise value-added services offered to merchants as part of the integral solutions to meet merchants' online commerce and marketing, including targeted marketing services that enable merchants to acquire online customer traffic in various top online advertising platforms, our TSO service, and technology services to connect local banks and other financial institutions with merchants to fulfil their financing needs.

Gross billing from our Merchant Solutions increased from RMB8,341.8 million in the six months ended June 30, 2024 to RMB8,623.1 million in the six months ended June 30, 2025, primarily due to the increase in number of paying merchants and the average spend per advertiser.

Revenue from Merchant Solutions represents net rebate earned from advertising platforms by providing services to enable merchants to acquire online customer traffic, commission from targeted marketing operation service as well as fees and commission from TSO service. Adjusted revenue increased by 45.3% from RMB232.3 million in the six months ended June 30, 2024 to RMB337.6 million in the six months ended June 30, 2025, primarily because (i) net rebate earned from advertising platforms increased by approximately RMB171.1 million; due to growth in gross billing and expansion in net rebate rate, and (ii) revenue from TSO service and credit technology services decreased by approximately RMB65.8 million, due to business restructuring in which we downsized two business lines.

Cost of Sales

The following table sets forth a breakdown of our cost of sales by nature for the periods indicated.

	Six months ended June 30,			
	2025		2024	
	(Unaudited)		(Unaudited)	
	(RMB in millions, except percentages)			
Cost of sales				
Advertising traffic cost	—	—	42.8	14.7%
Staff costs	52.9	27.4%	27.1	9.3%
Broadband and hardware costs	58.5	30.3%	13.6	4.7%
Operation services costs	74.1	38.3%	100.0	34.3%
Amortization of intangible assets	0.9	0.5%	99.5	34.1%
Taxes and surcharges	6.1	3.2%	7.5	2.6%
Depreciation and amortization	0.7	0.3%	1.0	0.3%
Total	193.2	100.0%	291.5	100.0%

Our cost of sales decreased by 33.7% from RMB291.5 million in the six months ended June 30, 2024 to RMB193.2 million in the six months ended June 30, 2025, primarily due to the decrease in amortization of intangible assets by RMB98.6 million, as a result of the full impairment of self-developed software booked in 2024.

The following table sets forth a breakdown of our cost of sales by business segment for the periods indicated.

	Six months ended June 30,			
	2025		2024	
	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
	<i>(RMB in millions, except percentages)</i>			
Cost of sales				
– Subscription Solutions	163.8	84.8%	194.4	66.7%
– Merchant Solutions	29.4	15.2%	97.1	33.3%
Total	193.2	100.0%	291.5	100.0%

Subscription Solutions

The cost of sales of our Subscription Solutions decreased by 15.8% from RMB194.4 million in the six months ended June 30, 2024 to RMB163.8 million in the six months ended June 30, 2025, primarily because (i) the amortization of intangible assets decreased by RMB98.6 million resulting from the full impairment of self-developed software booked in 2024; and (ii) broadband and hardware costs and staff costs increased by RMB70.7 million mainly due to the new business development.

Merchant Solutions

Cost of sales of our Merchant Solutions decreased by 69.7% from RMB97.1 million in the six months ended June 30, 2024 to RMB29.4 million in the six months ended June 30, 2025, primarily due to the decrease in advertising traffic costs and contract operation services costs, which was in line with the decline in revenue from TSO service and sales commission revenue from credit technology solutions.

Gross Profit and Gross Margin

The following table sets forth a breakdown of our gross profit and gross margin by business segment for the periods indicated.

	Six months ended June 30,					
	2025			2024		
	<i>Gross profit</i>	<i>%</i>	<i>Gross margin</i>	<i>Gross profit</i>	<i>%</i>	<i>Gross margin</i>
	<i>(Unaudited)</i>			<i>(Unaudited)</i>		
	<i>(RMB in millions, except percentages)</i>					
– Subscription Solutions	274.1	47.1	62.6%	292.4	50.8	60.1%
– Merchant Solutions	308.2	52.9	91.3%	283.5	49.2	74.5%
Total	582.3	100.0	75.1%	575.9	100.0	66.4%

Adjusted Gross Profit and Gross Margin

	Six months ended June 30,					
	2025			2024		
	<i>Gross</i>		<i>Gross</i>	<i>Gross</i>		<i>Gross</i>
	<i>profit</i>	<i>%</i>	<i>margin</i>	<i>profit</i>	<i>%</i>	<i>margin</i>
	<i>(Unaudited)</i>			<i>(Unaudited)</i>		
	<i>(RMB in millions, except percentages)</i>					
– Subscription Solutions ⁽¹⁾	275.0	47.2	62.8%	293.3	68.4	60.3%
– Merchant Solutions ⁽²⁾	308.2	52.8	91.3%	135.2	31.6	58.2%
Total	583.2	100.0	75.2%	428.5	100.0	59.6%

Notes:

(1) In respect of Subscription Solutions, the adjusted gross margin included amortization of intangible assets of RMB0.9 million in both periods. The Company made non-GAAP adjustment accordingly.

(2) Please refer to Note (1) under section “Revenue – Merchant Solutions”.

Our adjusted gross profit increased by 36.1% from RMB428.5 million in the six months ended June 30, 2024 to RMB583.2 million in the six months ended June 30, 2025.

The adjusted gross margin of our Subscription Solutions increased from 60.3% in the six months ended June 30, 2024 to 62.8% in the six months ended June 30, 2025, primarily due to the decrease in amortization of intangible assets.

The adjusted gross margin of our Merchant Solutions increased from 58.2% in the six months ended June 30, 2024 to 91.3% in the six months ended June 30, 2025, primarily due to higher percentage of net rebate revenue in Merchant Solutions as a result of the restructuring of TSO and credit technology services.

Selling and Distribution Expenses

Our selling and distribution expenses decreased by 31.1% from RMB565.3 million in the six months ended June 30, 2024 to RMB389.5 million in the six months ended June 30, 2025, primarily due to (i) the decrease in staff costs from RMB382.6 million in the six months ended June 30, 2024 to RMB280.7 million in the six months ended June 30, 2025 as a result of the organization optimization since 2024; (ii) the decrease in contract acquisition cost from RMB83.9 million in the six months ended June 30, 2024 to RMB26.9 million in the six months ended June 30, 2025, which was in line with the decrease in subscription revenue from channels; and (iii) cost saving related to rental and property service expenses from RMB33.1 million in the six months ended June 30, 2024 to RMB22.3 million in the six months ended June 30, 2025.

Excluding the non-HKFRS items (share-based compensation and severance compensation), adjusted staff costs decreased by approximately RMB89.3 million from approximately RMB357.8 million in the six months ended June 30, 2024 to approximately RMB268.5 million in the six months ended June 30, 2025.

General and Administrative Expenses

Our general and administrative expenses decreased by 24.5% from RMB287.0 million in the six months ended June 30, 2024 to RMB216.6 million in the six months ended June 30, 2025, primarily due to (i) the decrease in staff costs from RMB221.7 million in the six months ended June 30, 2024 to RMB158.4 million in the six months ended June 30, 2025; and (ii) cost saving in server cost and network and communication fees from RMB18.4 million in the six months ended June 30, 2024 to RMB14.0 million in the six months ended June 30, 2025.

Excluding the non-HKFRS items (share-based compensation, severance compensation and amortization of intangible assets due to business combination), adjusted staff costs decreased by approximately RMB32.4 million from approximately RMB177.0 million in the six months ended June 30, 2024 to approximately RMB144.6 million in the six months ended June 30, 2025.

Research and Development Expenditure

Six months ended/as of June 30,
2025 2024
(Unaudited) (Unaudited)
(RMB in millions)

Research and development expenditure

Research and development expenditure capitalized in development cost & intangible assets	–	55.4
Research and development expenditure in general & administrative expenses	136.1	178.4
Total research and development expenditure	136.1	233.8

Our research and development expenditure decreased by 41.8% from RMB233.8 million in the six months ended June 30, 2024 to RMB136.1 million in the six months ended June 30, 2025.

Net Impairment Losses on Financial Assets

The net impairment losses on financial assets decreased by RMB3.2 million from RMB4.8 million in the six months ended June 30, 2024 to RMB1.6 million in the six months ended June 30, 2025, mainly due to the improvement of accounts receivables collection in target marketing business.

Other income

Our other income increased slightly from RMB21.0 million in the six months ended June 30, 2024 to RMB22.2 million in the six months ended June 30, 2025, primarily due to the increase of government grants.

Other Gains/(Losses), net

We had other net gains of RMB3.5 million in the six months ended June 30, 2025, primarily due to the favorable fair value change of RMB3.3 million from our financial investments and RMB1.6 million from our leased properties, netting off the bank charges.

Operating Profit/(Loss)

We achieved an operating profit of RMB0.3 million in the six months ended June 30, 2025, while the operating loss for the six months ended June 30, 2024 was RMB287.3 million.

Finance Costs

Our finance costs significantly decreased by approximately RMB176.6 million from RMB213.0 million in the six months ended June 30, 2024 to RMB36.4 million in the six months ended June 30, 2025, primarily due to the decrease of amortized interest expenses of RMB162.2 million arose from the convertible bonds issued by the Company in June 2021 (the “**2021 Convertible Bonds**”) which was early redeemed in April 2024. Also, the outstanding principal amount of the convertible bonds issued by the Company in September 2024 (the “**2024 Convertible Bonds**”) was only USD0.6 million, so the interest expense was less than RMB1 million during the period.

Finance Income

Our finance income decreased from RMB8.1 million in the six months ended June 30, 2024 to RMB2.9 million in the six months ended June 30, 2025, primarily due to the decrease in interest income from our bank deposits.

Share of Net Profits/(Losses) of Associates Accounted for Using the Equity Method

We recorded share of net profits of associates accounted for using the equity method of RMB3.6 million as of June 30, 2025, which represented our share of profits from equity investment funds.

Change in Fair Value of Convertible Bonds

We did not record any change in fair value of convertible bonds in the six months ended June 30, 2025 due to the settlement of the convertible bonds issued in April 2024.

Income Tax Expense

We recorded income tax expense of RMB17.6 million in the six months ended June 30, 2025, primarily due to the derecognition of deferred income tax assets resulting from the decreased impairment losses on financial assets netting off the decrease in taxable income of our subsidiaries in the PRC, which led to the decrease in current income tax expense.

Loss for the Period

As a result of the foregoing, we recorded a loss of RMB47.2 million in the six months ended June 30, 2025 while we recorded a loss of RMB569.8 million in the six months ended June 30, 2024.

Non-HKFRS Measures: Adjusted EBITDA and Adjusted Net Loss

To supplement our condensed consolidated financial statements, which are presented in accordance with HKFRS, we also use adjusted EBITDA and adjusted net loss as additional financial measures, which are not required by, or presented in accordance with, HKFRS. We believe these non-HKFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of items which our management considers non-indicative of our operating performance. We believe these measures provide useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as they help our management.

However, our presentation of adjusted EBITDA and adjusted net loss may not be comparable to similarly titled measures presented by other companies. The use of these non-HKFRS measures has limitations as an analytical tool, and should not be considered in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under HKFRS.

The following tables reconcile our adjusted EBITDA and adjusted net (loss)/profit for the periods presented to the most directly comparable financial measures calculated and presented in accordance with HKFRS, which are operating profit/(loss) for the period and net loss for the period:

For the six months ended June 30, 2025 (unaudited)									
Adjustments									
<i>(RMB in millions, unless specified)</i>									
	As	Share-	2024	Amortization	One-off	Fair value		Tax	Non-
	Reported	based	Convertible	of intangible	severance	changes	Others	effects	GAAP
		compensation	Bonds related costs	assets	compensation	of equity investments in unlisted companies			
Gross profit	582.3			0.9					583.2
Gross margin	75.1%								75.2%
Subscription Solutions	62.6%								62.8%
Merchant Solutions	91.3%								91.3%
Operating profit/(loss)	0.3	9.3	(0.6)	20.6	16.8				46.4
Operating margin	0.0%								6.0%
EBITDA	49.9	9.3	(0.6)	–	16.8	(3.6)			71.8
EBITDA margin	6.4%								9.3%
Net loss	(47.2)	9.3	0.4	20.6	16.8	(3.6)	3.0	17.6	16.9
Net margin	(6.1%)								2.2%
Net (loss)/profit attributable to equity holders of the Company	(33.1)	9.3	0.4	12.4	16.8	(3.6)	3.0	18.6	23.8
Net margin attributable to equity holders of the Company	(4.3%)								3.1%

For the six months ended June 30, 2024 (unaudited)

Adjustments

(RMB in millions, unless specified)

	As Reported	Merchants Solution revenue true up	Share-based compensation	2021 Convertible Bonds related costs	Fair value changes and one-off expenses related to 2024 bonds	Amortization of intangible assets	One-off severance compensation	Fair value changes of equity investments in unlisted companies	Others	Tax effects	Non- GAAP
Gross profit	575.9	(148.3)				0.9					428.5
Gross margin	66.4%										59.6%
Subscription Solutions	60.1%										60.3%
Merchant Solutions	74.5%										58.2%
Operating profit/(loss)	(287.3)	(148.3)	14.2	6.7		20.6	55.0	7.7			(331.4)
Operating margin	(33.1%)										(46.1%)
EBITDA	(183.6)	(148.3)	14.2	6.7	72.0		55.0	7.7			(176.3)
EBITDA margin	(21.2%)										(24.5%)
Net loss	(569.8)	(148.3)	14.2	335.6	72.0	20.6	55.0	7.7	2.9	22.7	(187.4)
Net margin	(65.7%)										(26.1%)
Net loss attributable to equity holders of the Company	(550.8)	(148.3)	14.2	335.6	72.0	12.5	55.0	7.7	2.9	23.8	(175.4)
Net margin attributable to equity holders of the Company	(63.5%)										(24.4%)

Note:

- (1) The true-up of revenue from Merchants Solutions in 2024 was made to true up the full year rebate rate from certain advertising platforms to the first half of 2024. For details, please refer to the revenue from Merchant Solutions.

Liquidity and Financial Resources

We fund our cash requirements principally from proceeds from our business operations, bank borrowings, other debt financing and shareholder equity contribution. As of June 30, 2025, we had cash and bank balances of RMB1,573.6 million. The details are as below:

RMB in millions

Current assets

Financial assets at fair value through profit or loss

Bank wealth management products 35.7

Restricted cash* 532.9

Cash and cash equivalents 1,004.8

Subtotal 1,573.4

Non-current assets

Restricted cash 0.2

Total cash and bank balances 1,573.6

* Restricted cash mainly refers to cash deposited in offshore banks as a guarantee of domestic loans in Renminbi (onshore loans against offshore guarantees).

The following table sets forth our gearing ratios as of June 30, 2025 and June 30, 2024, respectively.

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
	(RMB'000, except percentages)	
Net debt	890,502	947,855
Total equity	2,007,064	2,510,642
Total capital	2,897,566	3,458,497
Net debt to equity ratio	44.4%	37.8%

As of June 30, 2025, we had bank loans of approximately RMB2,198.5 million. The table below sets forth our main short-term and long-term bank loans and letter of credit:

Bank	Loan balance (RMB in millions)	Loan period	2025 Interest rate (per annum unless otherwise stated)
Short-term bank loans			
Bank of Jiangsu (Shanghai Lingang Branch)	50	6 months	3.86%
Bank of Shanghai (Puxi Branch)	248	1 year	2.60%
Bank of Shanghai (Puxi Branch)	150	1 year	2.50%
Bank of Shanghai (Puxi Branch)	150	0.98 year	3.80%
Bank of Shanghai (Puxi Branch)	100	1 year	3.70%
Shanghai Innovation Bank	60	6 months	3.20%
China Construction Bank (Shanghai Baogang Baoshan Branch)	50	1 year	3.35%
China CITIC Bank (Shanghai Branch)	150	1 year	3.50%
China Merchants Bank Company Limited (Shanghai Branch)	25	6 months	3.30%
Ping An Bank (Shanghai Branch)	41.3	2.77 months	2.95%
Ping An Bank (Shanghai Branch)	43.3	2.8 months	2.95%
Ping An Bank (Shanghai Branch)	36.34	2.67 months	2.95%
Bank of Communications (Shanghai Baoshan Branch)	100	6 months	2.95%
Long-term bank loans – current portion			
Shanghai Innovation Bank			
ICBC			
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)			
China Everbright Bank			
China CITIC Bank	346.75	2 years	3.75%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	2.79	14.98 years	4.00%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	6.34	14.88 years	4.00%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	7.66	14.80 years	4.00%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	17.3	14.64 years	4.00%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	13.81	14.54 years	4.00%

Bank	Loan balance (RMB in millions)	Loan period	2025 Interest rate (per annum unless otherwise stated)
Long-term bank loans			
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	14.97	14.54 years	4.00%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	18.32	14.30 years	3.75%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	7.88	14.21 years	3.75%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	5.26	14.09 years	3.75%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	9.3	14.05 years	3.65%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	18.62	13.97 years	3.65%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	12.2	13.88 years	3.65%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	19.72	13.8 years	3.40%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	13.16	13.7 years	3.40%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	26.52	13.61 years	3.40%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	53.72	13.55 years	3.40%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	35.74	13.18 years	3.30%
Bank of Shanghai (Puxi Branch)			
Shanghai Pudong Development Bank (Changning Branch)	14.48	13.13 years	3.30%
Letter of credit			
Shanghai Pudong Development Bank (Changning Branch)	50	0.98 year	2.23%
China Zheshang Bank (Shanghai Branch)	20	6 months	3.65%
Bank of Ningbo (Shanghai Branch)	50	0.99 year	3.00%
China Zheshang Bank (Shanghai Branch)	50	6 months	2.65%
China Zheshang Bank (Shanghai Branch)	150	6 months	2.80%
China Zheshang Bank (Shanghai Branch)	30	6 months	3.80%

Capital Expenditures

Our capital expenditures primarily consist of expenditures for (i) fixed assets, comprising computer equipment, office furniture, vehicles, renovation of rental offices and buildings; and (ii) intangible assets, including our trademark, acquired software license, and self-developed software.

The following table sets forth our capital expenditures for the periods indicated:

	Six months ended June 30,	
	2025	2024
	<i>(RMB in millions)</i>	
Fixed assets	113.3	45.2
Intangible assets	0.4	55.4
	<hr/>	<hr/>
Total	113.7	100.6
	<hr/> <hr/>	<hr/> <hr/>

Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures and Future Plans for Material Investments or Capital Assets

There were no significant investments held, nor were there material acquisitions or disposals of subsidiaries, associates or joint ventures by the Group during the six months ended June 30, 2025. Apart from those disclosed in this announcement, there were no future plans for material investments or additions of capital assets authorized by the Board as at the date of this announcement.

Pledge of Assets

As of June 30, 2025, we have pledged land use rights, property, plant and equipment and investment properties with the net carrying amount of RMB301,122,000, RMB507,100,000 and RMB25,310,000, respectively, to secure the Group's long-term borrowings of RMB249,894,000 and long-term bank borrowings due for repayment within one year of RMB47,898,000. The Group is not allowed to pledge these assets as security for other borrowings.

Foreign Exchange Risk Management

We mainly carry out our operations in the PRC with most transactions settled in Renminbi, and we are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States dollar and the Hong Kong dollar. Therefore, foreign exchange risk primarily arose from our recognized assets and liabilities when receiving or to receive foreign currencies from, or paying or to pay foreign currencies to, overseas business partners. In the six months ended June 30, 2025, we did not adopt any long-term contracts, currency borrowings or other means to hedge our foreign currency exposure.

Contingent Liabilities

As of June 30, 2025, we did not have any material contingent liabilities.

Employees

As of June 30, 2025, we had 3,400 full-time employees, the majority of whom are based in Shanghai, China. Within the total headcount, 951 are sales and marketing staff and 778 are research and development staff.

Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our human resources strategy, we offer employees competitive salaries, performance-based cash bonuses and other incentives.

As required under PRC regulations, we participate in various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury, maternity and unemployment benefit plans.

As a matter of policy, we provide a robust training program for new employees that we hire. We also provide regular and specialized trainings both online and offline, tailored to the needs of our employees in different departments. In addition, we provide training curriculums tailored to new employees, current employees and management members based on their roles and skill levels, through our training centre, Weimob University.

We have granted and planned to continue to grant share-based incentive awards to our employees in the future to incentivize their contributions to our growth and development.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS

For the Six Months Ended June 30, 2025

		Six months ended June 30,	
	Note	2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Revenue	5	775,467	867,434
Cost of sales	6	<u>(193,211)</u>	<u>(291,529)</u>
Gross profit		582,256	575,905
Selling and distribution expenses	6	(389,495)	(565,260)
General and administrative expenses	6	(216,605)	(287,008)
Net impairment losses on financial assets		(1,564)	(4,810)
Other income	7	22,186	21,040
Other gains/(losses), net	8	<u>3,492</u>	<u>(27,190)</u>
Operating profits/(losses)		270	(287,323)
Finance costs	9	(36,354)	(212,986)
Finance income	10	2,873	8,097
Share of net profits/(losses) of associates accounted for using the equity method		3,557	(450)
Change in fair value of convertible bonds		<u>–</u>	<u>(54,483)</u>
Loss before income tax		(29,654)	(547,145)
Income tax expenses	11	<u>(17,588)</u>	<u>(22,697)</u>
Loss for the period		<u>(47,242)</u>	<u>(569,842)</u>
Loss attributable to:			
– Equity holders of the Company		(33,056)	(550,784)
– Non-controlling interests		<u>(14,186)</u>	<u>(19,058)</u>
		<u>(47,242)</u>	<u>(569,842)</u>

		Six months ended June 30,	
	<i>Note</i>	2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Other comprehensive loss, net of tax			
<i>Items that may not be subsequently reclassified to profit or loss</i>			
Change in fair value of financial liabilities from own credit risk		<u>–</u>	<u>1,309</u>
<i>Items that may be subsequently reclassified to profit or loss</i>			
Currency translation differences		<u>(1,180)</u>	<u>(2,005)</u>
Total comprehensive loss for the period		<u>(48,422)</u>	<u>(570,538)</u>
Total comprehensive loss attributable to:			
– Equity holders of the Company		(34,236)	(551,480)
– Non-controlling interests		<u>(14,186)</u>	<u>(19,058)</u>
		<u>(48,422)</u>	<u>(570,538)</u>
Loss per share attributable to the equity holders of the Company (expressed in RMB per share)			
– Basic loss per share	<i>13</i>	<u>(0.01)</u>	<u>(0.19)</u>
– Diluted loss per share	<i>13</i>	<u>(0.01)</u>	<u>(0.19)</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2025

	Note	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		545,085	451,683
Right-of-use assets		339,434	361,618
Investment properties		57,410	32,100
Intangible assets		824,069	844,460
Deferred income tax assets		41,022	63,008
Contract acquisition cost		21,525	21,251
Investments accounted for using the equity method		266,504	263,072
Financial assets at fair value through profit or loss		525,181	511,120
Prepayments, deposits and other assets	14	7,289	4,900
Restricted cash		200	—
Total non-current assets		2,627,719	2,553,212
Current assets			
Contract acquisition cost		40,899	42,738
Prepayments, deposits and other assets	14	1,811,778	1,949,373
Trade and notes receivables	15	195,851	166,307
Financial assets at fair value through other comprehensive income		394,421	450,490
Financial assets at fair value through profit or loss		58,208	77,383
Restricted cash		532,905	526,930
Cash and cash equivalents		1,004,853	1,194,203
Total current assets		4,038,915	4,407,424
Total assets		6,666,634	6,960,636
EQUITY			
Capital and reserves attributable to the equity holders of the Company			
Share capital		2,470	2,298
Shares held for RSU Scheme		(142)	(144)
Share premium		9,761,217	9,449,301
Equity component of convertible bonds		1,141	76,842
Other reserves		(591,453)	(596,843)
Accumulated losses		(7,237,534)	(7,204,478)
		1,935,699	1,726,976
Non-controlling interests		71,365	85,780
Total equity		2,007,064	1,812,756

		As at June 30, 2025 <i>RMB'000</i> <i>(Unaudited)</i>	As at December 31, 2024 <i>RMB'000</i> <i>(Audited)</i>
	<i>Note</i>		
LIABILITIES			
Non-current liabilities			
Financial liabilities measured at fair value through profit or loss		37,595	37,595
Financial liabilities measured at amortised cost		138,184	369,780
Bank borrowings		249,894	158,642
Lease liabilities		10,388	15,556
Contract liabilities		47,014	49,473
Deferred income tax liabilities		1,275	1,576
Other non-current liabilities	16	26,284	2,906
Total non-current liabilities		510,634	635,528
Current liabilities			
Financial liabilities measured at fair value through profit or loss		21,269	21,269
Financial liabilities measured at amortised cost		322	323
Bank borrowings		1,951,765	2,064,104
Lease liabilities		19,043	22,394
Trade and other payables	16	1,953,012	2,187,419
Contract liabilities		196,285	204,557
Current income tax liabilities		7,240	12,286
Total current liabilities		4,148,936	4,512,352
Total liabilities		4,659,570	5,147,880
Total equity and liabilities		6,666,634	6,960,636

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Six Months Ended June 30, 2025

	Attributable to equity holders of the Company						
	Share capital RMB'000	Share premium RMB'000	Shares held for RSU scheme RMB'000	Equity component of convertible bonds RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Sub-total RMB'000
						Non- controlling interests RMB'000	Total RMB'000
(Unaudited)							
As at January 1, 2025	2,298	9,449,301	(144)	76,842	(596,843)	(7,204,478)	1,726,976
						85,780	1,812,756
Comprehensive loss							
Loss for the period	-	-	-	-	-	(33,056)	(33,056)
Currency translation differences	-	-	-	-	(1,180)	-	(1,180)
						(14,186)	(47,242)
						-	(1,180)
Total comprehensive loss for the period	-	-	-	-	(1,180)	(33,056)	(34,236)
						(14,186)	(48,422)
Transaction with owners							
Transfer of vested RSUs	-	-	2	-	(2)	-	-
Conversion of convertible bonds	172	311,916	-	(75,701)	-	-	236,387
Share-based compensation expenses for non-controlling shareholders	-	-	-	-	-	-	-
Share-based compensation expenses for employees	-	-	-	-	8,809	-	8,809
Transaction with non-controlling interests	-	-	-	-	(2,237)	(763)	(3,000)
Transactions with owners in their capacity for the period	172	311,916	2	(75,701)	6,570	-	242,730
						(229)	
As at June 30, 2025	2,470	9,761,217	(142)	1,141	(591,453)	(7,237,534)	1,935,699
						71,365	2,007,064

Attributable to equity holders of the Company

	Share capital RMB'000	Share premium RMB'000	Shares held for RSU scheme RMB'000	Equity component of convertible bonds RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Sub-total RMB'000	Non- controlling interests RMB'000	Total RMB'000
(Unaudited)									
As at January 1, 2024	1,882	8,784,371	(161)	245,808	(855,915)	(5,475,828)	2,700,157	102,097	2,802,254
Comprehensive loss									
Loss for the period	-	-	-	-	-	(550,784)	(550,784)	(19,058)	(569,842)
Currency translation differences	-	-	-	-	(2,005)	-	(2,005)	-	(2,005)
Change in fair value of financial liabilities from own credit risk	-	-	-	-	1,309	-	1,309	-	1,309
Total comprehensive loss for the period	-	-	-	-	(696)	(550,784)	(551,480)	(19,058)	(570,538)
Transaction with owners									
Issuance of ordinary shares	197	284,249	-	-	-	-	284,446	-	284,446
Share issuance costs	-	(6,700)	-	-	-	-	(6,700)	-	(6,700)
Issuance of ordinary shares for share-based compensation	14	-	(14)	-	-	-	-	-	-
Transfer of vested RSUs	-	-	4	-	(4)	-	-	-	-
Buy-back of convertible bonds	-	-	-	(245,808)	245,808	-	-	-	-
Share-based compensation expenses for non-controlling shareholders	-	-	-	-	-	-	-	951	951
Share-based compensation expenses for employees	-	-	-	-	13,229	-	13,229	-	13,229
Transaction with non-controlling interests	-	-	-	-	(11,828)	-	(11,828)	(1,172)	(13,000)
Transactions with owners in their capacity for the period	211	277,549	(10)	(245,808)	247,205	-	279,147	(221)	278,926
As at June 30, 2024	2,093	9,061,920	(171)	-	(609,406)	(6,026,612)	2,427,824	82,818	2,510,642

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the Six Months Ended June 30, 2025

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Cash flows from operating activities		
Cash generated in operations	6,316	52,705
Interest received	2,873	8,097
Interest paid	(36,301)	(29,864)
Income tax paid	(949)	(1,440)
	<hr/>	<hr/>
Net cash (used in)/generated from operating activities	(28,061)	29,498
	<hr/>	<hr/>
Cash flows from investing activities		
Purchase of investments measured at fair value through profit or loss (current and non-current portion)	(100,061)	(278,500)
Proceeds from disposal of investments measured at fair value through profit or loss	110,076	553,388
Placements of term deposits	–	(20,000)
Receipt from term deposits	–	22,274
Interest received from term deposits	–	299
Purchase of property, plant and equipment	137,972	(57,946)
Proceeds from disposal of property, plant and equipment	24	717
Purchase of intangible assets	(442)	–
Payment for development costs	–	(55,406)
Loans to related parties	(22,400)	(243,800)
Repayment from related parties	25,128	181,500
Loan to a third party	–	(9,759)
	<hr/>	<hr/>
Net cash (used in)/generated from investing activities	(125,647)	92,767
	<hr/>	<hr/>

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	–	284,446
Proceeds from issuance of bonds	–	604,061
Transaction costs of share issuance	–	(6,272)
Transaction costs of bond offering	–	(14,160)
Buy-back of convertible bonds at amortised cost	–	(1,473,462)
Proceeds from bank borrowings	1,189,960	1,064,980
Repayments of bank borrowings	(1,211,038)	(995,050)
Principal elements of lease payments	(13,218)	(19,452)
Decrease in deposits pledged for bank borrowings	–	50,322
Increase in deposits pledged for bank borrowings	–	(50,322)
Interest received from restricted cash	–	210
Acquisition of equity interests from non-controlling interests	(1,500)	(7,800)
	<hr/>	<hr/>
Net cash used in financing activities	(35,796)	(562,499)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(189,504)	(440,234)
Effect on exchange rate difference	154	(12,806)
Cash and cash equivalents at beginning of the period	1,194,203	1,666,760
	<hr/>	<hr/>
Cash and cash equivalents at end of the period	1,004,853	1,213,720
	<hr/>	<hr/>

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the Six Months Ended June 30, 2025

1 GENERAL INFORMATION

Weimob Inc. (the “Company”) was incorporated in the Cayman Islands on January 30, 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 P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries, including structured entities, (collectively, the “Group”) are principally engaged in providing digital commerce and media services for merchants in the People’s Republic of China (the “PRC”). The Group offers digital commerce services to merchants including software as a service (“SaaS”) product offering, customised software development, software related services, online marketing support services and in-depth operation and marketing services etc.

The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since January 15, 2019 (the “Listing”).

The condensed consolidated interim financial information comprises the condensed consolidated statement of financial position as at June 30, 2025, the related condensed consolidated statement of comprehensive loss for the six-month period then ended, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and a summary of material accounting policies and other explanatory notes (the “Interim Financial Information”). The Interim Financial Information is presented in Renminbi (“RMB”), unless otherwise stated.

The Interim Financial Information has been approved for issue by the Board of Directors on August 20, 2025.

2 BASIS OF PREPARATION

2.1 Compliance with HKFRS and the disclosure requirements of HKCO

The Interim Financial Information has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 ‘Interim Financial Reporting’ issued by the Hong Kong Accounting Standards Board and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended December 31, 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), as set out in the 2024 annual report of the Company dated March 21, 2025 (the “2024 Financial Statements”).

2.2 Going concern basis

During the six months ended June 30, 2025, the Group reported a net loss of RMB47,242,000 and net operating cash outflows of RMB28,061,000. As of June 30, 2025, the Group's total borrowings amounted to RMB2,201,659,000, out of which RMB1,951,765,000 were due for repayment within twelve months. Meanwhile, the Group's cash and cash equivalents, restricted cash pledged for bank borrowings, and short-term bank wealth management products amounted to RMB1,004,853,000, RMB514,753,000 and RMB35,653,000 respectively, totalling RMB1,555,259,000. The Group's current liabilities exceeded its current assets by RMB110,021,000.

In addition, the Group was in breach of certain covenants relating to bank borrowings totalling RMB371,750,000. Of this amount, bank borrowings of RMB54,750,000, RMB91,250,000 and RMB200,750,000 (collectively "Syndicated Loan") mature in November 2025, May 2026 and November 2026, respectively, and the lenders have granted temporary waivers for the breaches related to the Syndicated Loan. The remaining RMB25,000,000 matured and was repaid in July 2025.

In view of such circumstances, the directors of the Company have evaluated the Group's ability to operate as a going concern for at least twelve months from June 30, 2025. The directors of the Company have rigorously assessed future liquidity, operational forecasts, and financing avenues, alongside the following plans and measures:

- (1) Management expects continued improvements in operational efficiency and operating cashflows, driven by: (i) the proactive downsizing of non-core, lower-margin businesses to streamline operations and reduce costs; (ii) the accelerated integration of AI technologies – specifically AI Agent solutions – into e-commerce, retail and other key scenarios; and (iii) continued deepening of collaboration with the Tencent ecosystem in WeChat Mini Shop, Smart Retail, AI large models and targeted marketing.
- (2) During the six months ended June 30, 2025, the Group repaid bank borrowings totalling RMB1,211,038,000 and obtained new bank borrowings of RMB1,189,960,000. As of June 30, 2025, the Group had unutilized facilities amounted to of RMB84,060,000. Also, in July and August 2025, the Group repaid bank borrowings of RMB229,600,000 upon their maturities and secured new bank borrowings of RMB220,250,000. Management expresses confidence in renewing the existing facilities and securing new financing, supported by robust banking relationships and a track record of successful renewals. Additionally, the Group will continue to monitor compliance with the covenant requirements of all bank borrowings and facilities and obtain banks' waivers for any breaches of loan covenants as necessary.
- (3) The Group has been successful in raising funds through private placements and bond issuances in recent years, with the most recent one completed in September 2024. Management is confident it will be able to raise additional funds through issuing shares or convertible bonds to replace short-term borrowings as needed.

The directors of the Company have reviewed the management's cash flow projection covering not less than twelve months from June 30, 2025 and concluded that anticipated operational cash flows, renewed bank borrowings and unutilized credit facilities collectively provide sufficient liquidity to meet obligations as they fall due.

Notwithstanding the above, a material uncertainty exists as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon, inter alia,

- (1) successful in implementing the plan and measures to improve the Group's operating performance and cashflows;
- (2) successful in renewal of the bank borrowings and facilities when they fall due and obtain new bank facilities and draw down from those available bank facilities as and when required, continuously fulfil the covenant requirements of all borrowings and facilities; and
- (3) successful in issuance of shares and overseas bonds to raise additional funding as and when needed.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for further liabilities that may arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

3 MATERIAL ACCOUNTING POLICIES

The accounting policies applied are consistent with those used in the 2024 Financial Statements, as described in those annual financial statements, except for the adoption of new and amended standards as set out below.

3.1 New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period, which did not have any impact on the Group's accounting policies and did not require retrospective adjustments.

3.2 New standards and amendments to standards that have been issued but not effective

A number of new standards and amendments to standards have not come into effect for the financial year beginning January 1, 2025 and have not been early adopted by the Group in preparing the condensed consolidated financial statements. None of these is expected to have a significant effect on the condensed consolidated financial statements of the Group.

4 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker (“CODM”). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Company.

The Group structured its operating segments and its service offering by providing integrated products of SaaS and targeting marketing services, to better empower digital transformation for merchants through offering diverse business solution. The Group structured its operation two segments, subscription solutions and merchant solutions, both in the internal reports to CODM and in the consolidated financial statements of the Group. Subscription solutions mainly comprise the Group’s standard cloud-hosted SaaS products, customised software, and other software related services. Merchant solutions mainly comprise value-added services offered to merchants as part of the holistic solutions to meet merchants’ online digital commerce and marketing, including assisting merchants to purchase online advertising traffic in various media platforms, and providing in-depth operation and marketing services.

The CODM assesses the performance of the operating segments mainly based on segment revenues and segment gross profit. The revenues from external customers reported to CODM are measured as segment revenues, which are the revenues derived from the customers in each segment. The segment gross profit is calculated as segment revenue minus segment cost of sales. Cost of sales for subscription solutions segment primarily comprised of employee benefit expenses and other direct services costs. Cost of sales for merchant solutions primarily comprised of employee benefit expenses and out sourced service fees.

As at June 30, 2025 and December 31, 2024, substantial majority of the non-current assets of the Group were located in the PRC. Therefore, no geographical segments are presented.

Other information, together with the segment information, provided to the CODM, is measured in a manner consistent with that applied in the condensed consolidated financial statements. There were no separate segment assets and segment liabilities information provided to the CODM, as CODM does not use this information to allocate resources to or evaluate the performance of the operating segments.

	Subscription solutions RMB’000	Merchant solutions RMB’000	Total RMB’000
(Unaudited)			
Six months ended June 30, 2025			
Segment revenue	437,836	337,631	775,467
Segment cost of sales	(163,763)	(29,448)	(193,211)
	<u>274,073</u>	<u>308,183</u>	<u>582,256</u>
Gross profit	<u>274,073</u>	<u>308,183</u>	<u>582,256</u>
(Unaudited)			
Six months ended June 30, 2024			
Segment revenue	486,779	380,655	867,434
Segment cost of sales	(194,429)	(97,100)	(291,529)
	<u>292,350</u>	<u>283,555</u>	<u>575,905</u>
Gross profit	<u>292,350</u>	<u>283,555</u>	<u>575,905</u>

5 REVENUE

An analysis of the Group's revenue by category for the six months ended June 30, 2024 and 2025 was as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Subscription solutions	437,836	486,779
Merchant solutions	337,631	380,655
	<hr/>	<hr/>
Total revenue	775,467	867,434
	<hr/> <hr/>	<hr/> <hr/>

6 EXPENSES BY NATURE

Total cost of sales, selling and distribution expenses, general and administrative expenses by nature is shown below:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Employee benefits expenses ^(a)	492,025	631,371
Outsourced service fee	77,961	102,676
Promotion and advertising expenses ^(b)	68,514	127,653
Depreciation and amortisation of intangible assets and property, plant and equipment	27,924	128,275
Server and SMS charges related to subscription solutions revenue	24,557	31,248
Utilities and office expenses	21,445	28,989
Depreciation of right-of-use assets	15,177	22,245
Broadband and hardware costs	48,300	1,763
Travelling and entertainment expenses	7,920	9,020
Other consulting fees	3,097	5,675
Auditors' remuneration	2,700	2,700
Advertising traffic cost	–	42,818
Others	9,691	9,364
	<hr/>	<hr/>
	799,311	1,143,797
	<hr/> <hr/>	<hr/> <hr/>

(a) For the six months ended June 30, 2025, employee benefits expenses consist of RMB6,236,000 amortisation expenses of contract acquisition cost paid and payable to salesmen (six months ended June 30, 2024: RMB10,199,000).

(b) For the six months ended June 30, 2025, promotion and advertising expenses mainly consists of (i) RMB20,617,000 amortisation expenses of contract acquisition cost, mainly paid and payable to the Group's channel partners and other sales agents and (six months ended June 30, 2024: RMB73,655,000) and (ii) RMB27,977,000 advertising expenses for the Group, mainly paid and payable to online advertising platforms such as Baidu Online Network Technology (Beijing) Co., Ltd. (six months ended June 30, 2024: RMB28,687,000).

7 OTHER INCOME

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income from term deposits and loan to related and third parties	12,203	12,904
Government grants ^(a)	9,448	8,136
Operating lease income	535	—
	<u>22,186</u>	<u>21,040</u>

- (a) Government grants mainly represent tax refund entitled to receive and other government grants received. Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

8 OTHER GAINS/(LOSSES), NET

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Fair value change of listed equity security investments	8,867	1,066
Foreign exchange gains/(losses), net	248	(19,446)
Gains from disposal of short-term investments measured at FVPL	147	998
Losses on disposal of financial assets measured at FVOCI	—	(890)
Fair value change of non-current financial assets measured at FVPL	—	(7,169)
Fair value change of current financial assets measured at FVPL	(5,613)	124
Others, net	(157)	(1,873)
	<u>3,492</u>	<u>(27,190)</u>

9 FINANCE COSTS

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Interest expenses on borrowings	34,712	35,832
Interest expenses on put option liability	3,019	2,890
Interest expenses on liability component of convertible bonds	988	25,378
Interest expenses on lease liabilities	653	1,393
Adjustment of amortised cost of 2021 Convertible Bonds due to early redemption	–	137,804
Issuance cost for bonds offering	–	17,455
Less: Interest capitalization	(3,018)	(7,766)
	<u>36,354</u>	<u>212,986</u>

10 FINANCE INCOME

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Interest income on bank deposits held for cash management purpose	<u>2,873</u>	<u>8,097</u>

11 TAXATION

(a) Value added tax

The Group is principally subject to 6% and 13% VAT, and surcharges on VAT payments according to PRC tax law.

(b) Income tax

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Current tax	(4,096)	(96)
Deferred income tax	<u>21,684</u>	<u>22,793</u>
Income tax expenses	<u>17,588</u>	<u>22,697</u>

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(i) Pillar Two income taxes

Pillar Two legislation has not been enacted or substantively enacted in jurisdictions in which the Group operates as at the reporting date. Since the Pillar Two legislation was not effective at the reporting date, the Group has no related tax exposure. The Group is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect. Based on the assessment, the Group does not expect a material exposure to Pillar Two income taxes.

(ii) *Cayman Islands Income Tax*

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of the Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

(iii) *Hong Kong Profits Tax*

No provision for Hong Kong profits tax was made as the Group did not have any assessable income subject to Hong Kong profits tax for the six months ended June 30, 2025.

(iv) *PRC Enterprise Income Tax*

Income tax provision of the Group in respect of operations in Mainland China has been calculated at the applicable tax rate on the estimated assessable profits for the period, based on the existing legislation, interpretations and practices in respect thereof. The general corporate income tax rate in the PRC is 25%. Certain subsidiaries of the Group in the PRC are qualified as “high and new technology enterprises” and are subject to a 3-year preferential income tax rate of 15% effective from 2023 to 2026, or 2024 to 2027.

(v) *PRC Withholding Tax*

According to the applicable PRC tax regulations, dividends distributed by a company established in the PRC to a foreign investor with respect to profits derived after January 1, 2008 are generally subject to a 10% withholding income tax. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the PRC and Hong Kong, the relevant withholding tax rate will be reduced from 10% to 5%. There is no provision of withholding tax made for the six months ended June 30, 2024 and 2025 as majority of subsidiaries incorporated in the PRC have accumulated losses as at 30 June 2024 and 2025.

12 DIVIDENDS

No dividends have been paid or declared by the Company for the six months ended June 30, 2024 and 2025.

13 LOSS PER SHARE

(a) Basic

Basic loss per share for the six months ended June 30, 2024 and 2025 are calculated by dividing the loss attribute to the Company's equity holders by the weighted average number of ordinary shares excluding shares held for RSU scheme during the respective periods.

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Net loss attributable to the equity holders of the Company (RMB'000)	(33,056)	(550,784)
Weighted average numbers of ordinary shares in issue	3,579,959,455	2,862,176,129
Basic loss per share (expressed in RMB per share)	(0.01)	(0.19)

(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.

For the six months ended June 30, 2024 and 2025, convertible bonds issued by the Company and restricted shares units ("RSUs") granted to employees are considered to be potential ordinary shares. As the Group incurred losses for the six months ended June 30, 2024 and 2025, the dilutive potential ordinary shares of convertible bonds and RSUs were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive.

Accordingly, diluted loss per share for the six months ended June 30, 2024 and 2025 was the same as basic loss per share of the respective period.

14 PREPAYMENTS, DEPOSITS AND OTHER ASSETS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Non-current		
Deposits – third parties	7,289	4,900
Current		
Other receivables in relation to payment on behalf of advertisers – third parties ^(a)	1,432,502	1,596,266
Prepayments for purchasing advertising traffic for the Group	237,167	220,871
Other receivables due from related parties	197,068	182,489
Recoverable value-added tax	131,444	130,038
Prepayments to other vendors	53,621	52,334
Deposits – third parties	46,833	50,503
Contract fulfilment cost	27,531	27,993
Receivables in relation to value-added tax refund	4,218	4,731
Other loan receivables due from a third party	–	9,506
Others	14,805	10,810
	2,145,189	2,285,541
Less: Provision for impairment of other receivables	(333,411)	(336,168)
	1,811,778	1,949,373

- (a) The Group usually receives advance payment from advertisers before remitting funds to media publishers to purchase advertising traffic on their behalf. The Group also from time to time makes prepayments to the media publishers on behalf of the advertisers without receiving advance payments from the advertisers. These payments made on behalf of advertisers for advertising traffic that has been consumed and prepayments made are recognised as other receivables.

15 TRADE AND NOTES RECEIVABLES

	As at June 30, 2025 <i>RMB'000</i> <i>(Unaudited)</i>	As at December 31, 2024 <i>RMB'000</i> <i>(Audited)</i>
Trade receivables due from third parties	243,719	210,758
Notes receivables	4,637	3,849
Trade receivables due from related parties	4,488	3,962
	<u>252,844</u>	<u>218,569</u>
Less: Provision for impairment of trade and notes receivables	<u>(56,993)</u>	<u>(52,262)</u>
	<u>195,851</u>	<u>166,307</u>

The Group usually grants a credit period of 30 to 90 days to its customers. Aging analysis of trade and notes receivables (before allowance for doubtful debts) based on recognition date is as follows:

	As at June 30, 2025 <i>RMB'000</i> <i>(Unaudited)</i>	As at December 31, 2024 <i>RMB'000</i> <i>(Audited)</i>
0 – 90 days	198,219	157,878
90 – 180 days	4,874	5,717
over 180 days	49,751	54,974
	<u>252,844</u>	<u>218,569</u>

The Group applied the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the assets. The provision matrix is determined based on historical observed default rates over the expected life of trade and notes receivables with similar credit risk characteristics and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rate is updated and changes in the forward-looking estimates are analysed.

As at June 30, 2025 and December 31, 2024, the carrying amounts of trade and notes receivables were primarily denominated in RMB and approximated their fair values.

16 TRADE AND OTHER PAYABLES

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Non-current		
Payable related to property, plant and equipment	23,378	–
Payable related to business acquisitions	2,906	2,906
	<u>26,284</u>	<u>2,906</u>
Current		
Advance from advertisers – third parties	1,000,999	908,179
Trade payables for purchasing advertising traffic ^(a)	315,972	485,312
Payroll and welfare payables	215,931	264,191
Payable related to property, plant and equipment	92,728	129,790
Payable related to investments and business acquisitions	85,562	84,062
Commission payable	60,939	60,517
Advance from subscription solution customers – third parties	56,135	50,981
Other taxes payable	46,870	104,077
Trade payable related to subscription solutions ^(a)	38,252	48,882
Deposits	11,672	11,197
Auditors' remuneration accrual	2,700	3,000
Payables to purchase of non-controlling interests	1,500	–
Amounts due to related parties	5	5
Other payable and accruals	23,747	37,226
	<u>1,953,012</u>	<u>2,187,419</u>
Total	<u><u>1,979,296</u></u>	<u><u>2,190,325</u></u>

(a) As at December 31, 2024 and June 30, 2025, the aging of the trade payables is all within 3 months.

USE OF PROCEEDS FROM ISSUE OF THE 2021 CONVERTIBLE BONDS, THE 2023 PLACING AND THE 2024 PLACING

In June 2021, Weimob Investment Limited (the “**Bond Issuer**”), a wholly-owned subsidiary of the Company, completed the issue of the 2021 Convertible Bonds and raised net proceeds of approximately US\$293.6 million. As of June 30, 2025, the Company had utilized US\$275.6 million as intended. The table below sets out the details of actual usage of the net proceeds as of June 30, 2025:

Use of proceeds	Net proceeds utilized up to June 30, 2025 (US\$ million)	Unutilized net proceeds as of June 30, 2025 (US\$ million)	Expected timeline of full utilization
Improving the Group’s comprehensive research and development capabilities	128.8	18.0	By December 31, 2025
Upgrading the Group’s marketing system	44.0	–	Not applicable
Supplementing capital for potential strategic investment and merger and acquisition and working capital	58.8	–	Not applicable
General corporate purposes	44.0	–	Not applicable

In January 2023, the Company completed the placing of a total of 248,000,000 new shares of the Company (the “**2023 Placing**”) and raised net proceeds of approximately HK\$1,568.7 million. As of June 30, 2025, the Company had utilized HK\$1,411.8 million as intended. The table below sets out the details of actual usage of the net proceeds as of June 30, 2025:

Use of proceeds	Net proceeds utilized up to June 30, 2025 (HK\$ million)	Unutilized net proceeds as of June 30, 2025 (HK\$ million)	Expected timeline of full utilization
Improving the Group’s comprehensive research and development capabilities	–	156.9	By December 31, 2025
Upgrading the Group’s marketing system	313.7	–	Not applicable
Supplementing working capital	470.6	–	Not applicable
General corporate purposes	627.5	–	Not applicable

The expected timeline for fully utilizing net proceeds is based on the best estimation of the future market conditions made by the Company. It may be subject to change based on the current and future development of market conditions.

INTERIM DIVIDEND

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

CORPORATE GOVERNANCE

The Group is committed to maintaining a high standard of corporate governance to safeguard the interests of its shareholders and enhance its value and accountability. The Company has adopted the principles and code provisions as set out in the Corporate Governance Code (the “**Corporate Governance Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

During the six months ended June 30, 2025, the Company has complied with all the applicable code provisions under the Corporate Governance Code with the exception for the deviation from code provision C.2.1 of the Corporate Governance Code.

Code provision C.2.1 of the Corporate Governance Code requires that the roles of chairman of the board of directors and chief executive officer should be separate and should not be performed by the same individual. Mr. SUN Taoyong is the Chairman of the Board and chief executive officer of the Company. Throughout the business history of the Company, Mr. SUN Taoyong has been the key leadership figure of the Group, who has been primarily involved in the strategic development, overall operational management and major decision making of the Group. Taking into account the continuation of the implementation of the Company’s business plans, the Directors consider that at the current stage of development of the Group, vesting the roles of both Chairman of the Board and the chief executive officer in Mr. SUN Taoyong is beneficial and in the interests of the Company and its shareholders as a whole. The Board will review the current structure from time to time and shall make necessary changes when appropriate and inform the shareholders accordingly.

The Group will continue to review and monitor its corporate governance practices in order to ensure the compliance with the Corporate Governance Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions. Specific enquiry has been made to all Directors and each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code during the six months ended June 30, 2025.

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

During the six months ended June 30, 2025, the Company has not purchased any of its shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) pursuant to the share buy-back mandates approved by our shareholders at the annual general meetings of the Company held on May 10, 2024 and May 16, 2025.

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares, if any) during the six months ended June 30, 2025.

SUBSEQUENT EVENTS

On July 21, 2025, Weimob Global Limited, a subsidiary of the Group, entered into an agreement with two venture capital partners, pursuant to which, Weimob Global Limited and two venture capital partners subscribed for 17.5%, 3.75% and 3.75% newly issued redeemable preferred shares of Genstore Inc. with a cash consideration of US\$7,000,000, US\$1,500,000 and US\$1,500,000, respectively.

Save as disclosed in this announcement, there are no material subsequent events undertaken by the Group after June 30, 2025 and up to the date of this announcement.

AUDIT COMMITTEE

The Board has established the Audit Committee (the “**Audit Committee**”), comprising of three independent non-executive Directors, namely, Mr. TANG Wei (Chairman), Mr. LI Xufu and Ms. XU Xiao’ou. The primary duties of the Audit Committee are to review and supervise our Company’s financial reporting process, risk management and internal controls.

The Audit Committee has reviewed the accounting policies adopted by the Company with the management. They also discussed risk management, internal controls of the Group and financial reporting matters, including having reviewed and agreed to the unaudited interim condensed consolidated financial statements for the period under review.

PUBLICATION OF INTERIM RESULTS AND 2025 INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.weimob.com). The interim report of the Company for the six months ended June 30, 2025 containing all the information required by the Listing Rules will be published on the above websites in due course.

By Order of the Board
Weimob Inc.
SUN Taoyong
Chairman of the Board and Chief Executive Officer

Shanghai, the PRC
August 20, 2025

As at the date of this announcement, the Board comprises Mr. SUN Taoyong, Mr. FANG Tongshu, Mr. YOU Fengchun and Mr. FEI Leiming as executive Directors; and Mr. LI Xufu, Mr. TANG Wei and Ms. XU Xiao’ou as independent non-executive Directors.

* *For identification purpose only*