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edensoft
EDENSOFT HOLDINGS LIMITED
伊登軟件控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1147)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

FINANCIAL HIGHLIGHTS

- The Group's unaudited revenue for the six months ended 30 June 2025 was approximately RMB455.7 million, representing a decrease of approximately 9.5% as compared to that of the unaudited revenue for the corresponding period in 2024 of approximately RMB503.6 million.
- The unaudited gross profit of the Group for the six months ended 30 June 2025 was approximately RMB53.9 million, representing a decrease of approximately 12.8% as compared to that of the unaudited gross profit for the corresponding period in 2024 of approximately RMB61.8 million.
- The unaudited profit for the period attributable to owners of the parent for the six months ended 30 June 2025 was approximately RMB10.9 million, representing an increase of approximately 40.8% as compared to that of the unaudited profit for the period attributable to owners of the parent for the corresponding period in 2024 of approximately RMB7.8 million.
- The unaudited basic and diluted earnings per share attributable to owners of the parent increased by approximately 39.5% to approximately RMB0.53 cents (30 June 2024: approximately RMB0.38 cents).
- The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2025 (30 June 2024: nil).

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

For the six months ended 30 June 2025

	<i>Notes</i>	2025 RMB’000 (Unaudited)	2024 RMB’000 (Unaudited)
REVENUE	5	455,711	503,584
Cost of sales		<u>(401,765)</u>	<u>(441,749)</u>
Gross profit		<u>53,946</u>	<u>61,835</u>
Other income and gains	5	853	974
Selling and distribution expense		(15,179)	(16,206)
Administrative expense		(10,221)	(12,797)
Research and development expense		(15,200)	(22,975)
Other expense		(428)	(957)
Recognition of impairment losses on financial and contract assets, net		(2,879)	(1,355)
Finance costs	8	<u>(473)</u>	<u>(1,142)</u>
PROFIT BEFORE TAX	6	10,419	7,377
Income tax credit	7	<u>500</u>	<u>380</u>
PROFIT FOR THE PERIOD		<u><u>10,919</u></u>	<u><u>7,757</u></u>
Attributable to:			
Owners of the parent		<u><u>10,919</u></u>	<u><u>7,757</u></u>

	<i>Notes</i>	2025 RMB'000 (Unaudited)	2024 <i>RMB'000</i> (Unaudited)
OTHER COMPREHENSIVE (LOSS)/INCOME			
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:			
Exchange differences on currency translation		<u>(789)</u>	<u>30</u>
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD, NET OF TAX		<u>(789)</u>	<u>30</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>10,130</u>	<u>7,787</u>
Attributable to:			
Owners of the parent		<u>10,130</u>	<u>7,787</u>
EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF PARENT	10		
Basic and diluted			
– For profit for the periods		<u>RMB0.53 cent</u>	<u>RMB0.38 cent</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		30 June 2025	31 December 2024
	Notes	RMB'000 (Unaudited)	RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	11	440	562
Right-of-use assets		3,593	4,650
Goodwill		6,217	6,217
Other intangible assets		62	126
Deferred tax assets		10,375	9,875
Other non-current assets		1,413	–
Total non-current assets		22,100	21,430
CURRENT ASSETS			
Inventories		61,720	120,278
Trade and bills receivables	12	165,335	182,161
Prepayments, deposits and other receivables		12,578	21,920
Contract assets		3,238	2,792
Pledged deposits		4,790	4,826
Cash and cash equivalents		71,304	84,239
Total current assets		318,965	416,216
CURRENT LIABILITIES			
Trade and bills payables	13	107,391	162,093
Other payables and accruals		2,992	6,264
Contract liabilities		17,464	24,084
Interest-bearing bank borrowings		–	38,034
Lease liabilities		1,984	1,984
Tax payable		3,285	3,094
Total current liabilities		133,116	235,553
NET CURRENT ASSETS		185,849	180,663
TOTAL ASSETS LESS CURRENT LIABILITIES		207,949	202,093

		30 June 2025	31 December 2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Audited)
NON-CURRENT LIABILITIES			
Lease liabilities		353	1,268
Deferred tax liabilities		16	32
		<hr/>	<hr/>
Total non-current liabilities		369	1,300
		<hr/>	<hr/>
Net assets		207,580	200,793
		<hr/>	<hr/>
EQUITY			
Equity attributable to owners of the parent			
Share capital	14	18,654	18,654
Reserves		188,926	182,139
		<hr/>	<hr/>
Total equity		207,580	200,793
		<hr/>	<hr/>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the parent									Non-controlling interests	Total equity
	Share capital	Other capital reserve	Share premium reserve	Statutory surplus reserve	Merger reserve	Awarded share reserve	Exchange fluctuation reserve	Retained profits	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2024 (audited)	18,654	(1,152)	79,294	15,368	28,877	188	(550)	60,114	200,793	-	200,793
Profit for the year	-	-	-	-	-	-	-	10,919	10,919	-	10,919
Other comprehensive income for the year:											
Exchange differences on currency translation	-	-	-	-	-	-	(789)	-	(789)	-	(789)
Total comprehensive (loss)/income for the year	-	-	-	-	-	-	(789)	10,919	10,130	-	10,130
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	-	-
Issue of new shares under Award Shares Scheme-vested	-	-	-	-	-	-	-	-	-	-	-
Issue of new shares under Award Shares Scheme-shares held for share award scheme	-	-	-	-	-	-	-	-	-	-	-
Employee share award schemes-value of employee services	-	-	-	-	-	40	-	-	40	-	40
Release of vested awarded shares	-	-	-	-	-	-	-	-	-	-	-
Final 2024 dividend declared	-	-	-	-	-	-	-	(3,383)	(3,383)	-	(3,383)
At 30 June 2025 (unaudited)	18,654	(1,152)	79,294	15,368	28,877	228	(1,339)	67,650	207,580	-	207,580

For the six months ended 30 June 2024

	Attributable to owners of the parent								Non-controlling interests	Total equity
	Share capital	Other capital reserve	Share premium reserve	Statutory surplus reserve	Merger reserve	Awarded share reserve	Exchange fluctuation reserve	Retained profits	Total	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2023 (audited)	18,654	(1,152)	79,095	15,368	28,877	239	(1,548)	52,093	191,626	191,578
Profit for the year	–	–	–	–	–	–	–	7,757	7,757	7,757
Other comprehensive income for the year:										
Exchange differences on currency translation	–	–	–	–	–	–	30	–	30	30
Total comprehensive income/(loss) for the year	–	–	–	–	–	–	30	7,757	7,787	7,787
Disposal of a subsidiary	–	–	–	–	–	–	–	–	48	48
Issue of new shares under Award Shares Scheme-vested	–	–	–	–	–	–	–	–	–	–
Issue of new shares under Award Shares Scheme-shares held for share award scheme	–	–	–	–	–	–	–	–	–	–
Employee share award schemes-value of employee services	–	–	–	–	–	64	–	–	64	64
Release of vested awarded shares	–	–	–	–	–	–	–	–	–	–
Final 2023 dividend declared	–	–	–	–	–	–	–	–	–	–
At 30 June 2024 (unaudited)	18,654	(1,152)	79,095	15,368	28,877	303	(1,518)	59,850	199,477	199,477

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

		2025	2024
	Notes	RMB'000 (Unaudited)	RMB'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		10,419	7,377
Adjustments for:			
Depreciation of property, plant and equipment	6	180	113
Depreciation of right-of-use assets	6	1,057	1,618
Amortisation of other intangible assets		64	110
Bank interest income	5	(222)	(154)
Recognition of impairment losses on financial and contract assets		2,879	1,355
Employee share award schemes-value of employee services		40	65
Foreign exchange losses, net		(58)	914
Finance costs	8	473	1,142
		14,832	12,540
Decrease/(increase) in inventories		58,558	(42,787)
Decrease/(increase) in trade and bills receivables		12,567	(8,276)
Decrease in prepayments, deposits and other receivables		9,342	47,859
(Increase)/decrease in contract assets		(479)	336
(Decrease)/increase in trade payables		(54,702)	35,571
Decrease in other payables and accruals		(3,272)	(172)
(Decrease)/increase in contract liabilities		(6,620)	126,622
Decrease in pledged deposits		36	9,096
Cash generated from operations		30,262	180,789
Income tax paid		—	—
Net cash flows from operating activities		30,262	180,789

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(58)	(12)
Purchases of financial assets at fair value through profit or loss		—	—
Interest received	5	222	154
		<hr/>	<hr/>
Net cash flows from investing activities		164	142
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank and other borrowings		26,000	20,003
Repayment of bank and other borrowings		(64,034)	(34,232)
Principal and interest elements of lease payments		(983)	(746)
Dividend paid		(3,383)	—
Interest paid		(405)	(1,006)
		<hr/>	<hr/>
Net cash flows used in financing activities		(42,805)	(15,981)
		<hr/>	<hr/>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
		(12,379)	164,950
Cash and cash equivalents at the beginning of period		84,239	5,643
Effect of foreign exchange rate changes, net		(556)	(869)
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CASH AND CASH EQUIVALENTS AT THE END OF PERIOD			
		71,304	169,724
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NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 4 September 2018. The registered office of the Company is located at 71 Fort Street, P.O. Box 500, George Town, Grand Cayman KY1-1106, Cayman Islands.

The Company is an investment holding company. During the six months ended 30 June 2025, the principal activities of the subsidiaries comprised provision of IT infrastructure services, IT Implementation and Commercial Application Services, Cloud and AI services in the Chinese Mainland.

2. BASIS OF PRESENTATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period’s financial information.

Amendments to HKAS 21 *Lack of Exchangeability*

The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

4. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their services and has three reportable operating segments as follows:

- Cloud and AI services: Offering design, management and technical support for using cloud platforms which include self-developed cloud platform and other third party cloud platforms.
- IT infrastructure services: Assessing customers' needs and their existing IT environment and providing IT infrastructure services by advising them on the suitable hardware and/or software products that their IT environment would require and procuring the relevant hardware and/or software products from IT products vendors and installing these IT products in customers' IT environment.
- IT Implementation and Commercial Application Services: (i) design of IT solutions, (ii) development and/or implementation of solution-based software and/or hardware products and (iii) provision of technical and maintenance supporting services.

Revenue and expense are allocated to the reportable segments with reference to revenue generated by those segments and the expense incurred by those segments. The measure used for reporting segment profit is gross profit. No inter-segment sales have occurred during the periods ended 30 June 2024 and 2025. The Group's other income and expense items, such as administrative expense, and assets and liabilities are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning capital expenditure, depreciation and amortisation, interest income and interest expense is presented.

Information regarding the Group's reportable segments as provided to the Group's management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2025 and 2024 is set out below:

	Six months ended 30 June 2025			
	IT Implementation and Commercial			
	IT infrastructure services <i>RMB'000</i> (Unaudited)	Application Services <i>RMB'000</i> (Unaudited)	Cloud and AI services <i>RMB'000</i> (Unaudited)	Total <i>RMB'000</i> (Unaudited)
Reportable segment revenue	168,895	75,235	211,581	455,711
Reportable segment cost of sales	(154,952)	(48,580)	(198,233)	(401,765)
Reportable segment gross profit	13,943	26,655	13,348	53,946
	Six months ended 30 June 2024			
	IT Implementation and Commercial			
	IT infrastructure services <i>RMB'000</i> (Unaudited)	Application Services <i>RMB'000</i> (Unaudited)	Cloud and AI services <i>RMB'000</i> (Unaudited)	Total <i>RMB'000</i> (Unaudited)
Reportable segment revenue	147,126	67,186	289,272	503,584
Reportable segment cost of sales	(131,910)	(48,096)	(261,743)	(441,749)
Reportable segment gross profit	15,216	19,090	27,529	61,835

5. REVENUE AND OTHER INCOME AND GAINS

Revenue from contracts with customers

Disaggregated revenue information

	Six months ended 30 June 2025			Six months ended 30 June 2024		
	IT infrastructure services RMB'000 (Unaudited)	IT Implementation and Commercial Application Services RMB'000 (Unaudited)	Cloud and AI services RMB'000 (Unaudited)	IT infrastructure services RMB'000 (Unaudited)	IT Implementation and Commercial Application Services RMB'000 (Unaudited)	Cloud and AI services RMB'000 (Unaudited)
Type of services						
Sale of software and/or hardware products and related services	168,895	-	-	147,126	-	-
Sale of solution-based software and/or hardware products and related services	-	46,005	79,752	-	25,802	-
IT supporting and maintenance services	-	11,866	-	-	8,596	-
IT design and implementation services	-	17,364	-	-	32,788	-
Cloud solution services	-	-	-	-	-	285,644
Cloud platform design services	-	-	131,829	-	-	3,628
Total	168,895	75,235	211,581	147,126	67,186	289,272
Geographical markets						
Chinese Mainland	153,502	67,365	188,930	144,579	60,745	283,909
Hong Kong	15,393	7,870	22,651	2,547	6,441	5,363
Total	168,895	75,235	211,581	147,126	67,186	289,272
Timing of revenue recognition						
At a point in time	168,895	46,005	79,752	147,126	25,802	-
Over time	-	29,230	131,829	-	41,384	289,272
Total	168,895	75,235	211,581	147,126	67,186	289,272

Six months ended 30 June

2025	2024
RMB'000	RMB'000
(Unaudited)	(Unaudited)

Other income

Bank interest income	222	154
Government grants – related to income	573	820
Foreign exchange gains	58	-
Total	853	974

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of inventories sold and services provided	401,765	441,749
Depreciation of property, plant and equipment	180	113
Depreciation of right-of-use assets	1,057	1,618
Lease payments not included in the measurement of lease liabilities	29	49
Research and development expenses	15,200	22,975
Tax surcharges	237	555
	<hr/>	<hr/>
Employee benefit expense(including Directors' remuneration):		
Wages and salaries	28,475	30,632
Pension scheme contributions	5,686	5,455
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Total	34,161	36,087
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Foreign exchange differences, net*	(58)	914
Impairment of trade and bills receivables	2,846	1,392
Impairment of contract assets	33	(37)
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* Included in "Other income and gains" or "Other expense" in profit or loss

7. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.

Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any tax in the Cayman Islands.

Pursuant to the rules and regulations of the British Virgin Islands, the Group is not subject to any tax in the British Virgin Islands.

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during periods ended 30 June 2025 and 2024, except for one subsidiary of the Company which is a qualifying entity under the two-tier profit tax rate regime effective from the year of assessment 2025/2024. The first HK\$2,000,000 of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Pursuant to the PRC Income Tax Law and the respective regulations, subsidiaries of the Company operating in Chinese Mainland are subject to Corporate Income Tax at a rate of 25% on the taxable income. Preferential tax treatment is available to the Company's operating subsidiaries, Eden Information Service Limited, Dongguan Edensoft Ltd., and Shenzhen Yundeng Technology Ltd., since Eden Information Service Limited was recognised as High Technology Enterprise and was entitled to a preferential tax rate of 15%, and Dongguan Edensoft Ltd. and Shenzhen Yundeng Technology Ltd. were recognised as Micro and Small Company and were entitled to a preferential tax rate of 5% for the first RMB1,000,000 of assessable profits and the remaining assessable profits below RMB3,000,000 are taxed at 10% for the period ended 30 June 2025.

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current – PRC – charge for the period	–	–
Deferred	<u>(500)</u>	<u>(380)</u>
Total tax credit for the period	<u>(500)</u>	<u>(380)</u>

8. FINANCE COSTS

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on bank loans	405	1,006
Interest on lease liabilities	<u>68</u>	<u>136</u>
Total	<u>473</u>	<u>1,142</u>

9. DIVIDENDS

A final dividend of HK0.18 cent (2024: Nil) per share was approved by the shareholders of the Company at the 2024 annual general meeting of the Company held on 23 May 2025, amounting to HK\$3,681,000 (2024: Nil), and was fully paid on 23 June 2025.

10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the period attributable to owners of the parent of RMB10.9 million (30 June 2024: RMB7.8 million), and the weighted average number of ordinary shares of 2,044,947,350 (30 June 2024: 2,044,947,350) shares in issue during the period.

The Group had no potentially dilutive ordinary shares in issue during the periods ended 30 June 2025 and 2024.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets with a cost of RMB58,379 (30 June 2024: RMB11,574) and disposed of assets with a net carrying amount of Nil (30 June 2024: Nil).

12. TRADE AND BILLS RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables	188,774	172,328
Impairment	(23,701)	(20,855)
Trade receivables, net	165,073	151,473
Bills receivables	262	30,688
Total	165,335	182,161

The Group grants certain credit periods to customers, except for new customers, where payment in advance is normally required. The credit period for specific customers is considered on a case-by-case basis and set out in the sales contracts, as appropriate.

The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management.

An ageing analysis of the trade receivables as at the end of the reporting periods, based on the invoice date, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 6 months	131,759	123,330
6 to 12 months	25,018	19,557
Over 12 months	31,997	29,441
Total	188,774	172,328

13. TRADE AND BILLS PAYABLES

An ageing analysis of the trade payables as at the end of the reporting periods, based on the invoice date, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 30 days	100,672	154,339
31 to 60 days	1,793	3,868
61 to 90 days	–	1,337
Over 90 days	4,926	2,549
Total	107,391	162,093

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 90 days. The carrying amounts of the trade payables approximate to their fair values.

14. SHARE CAPITAL

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Issued and fully paid: 2,044,947,350 (2024: 2,044,947,350) ordinary shares of HK\$0.01 each (HK\$)	2,044,947,350	2,044,947,350
Equivalent to RMB	18,654,000	18,654,000

15. PLEDGE OF ASSETS

As at 30 June 2025, the mainly pledged bank deposit amounting to RMB4,786,000 were restricted due to the reason of judicial freezing.

16. RELATED PARTY TRANSACTIONS AND BALANCES

(1) Other transactions with related parties:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Banking facilities and borrowings guaranteed by: Ms. Ding Xinyun*	175,000	175,000

* Controlling Shareholder of the Company.

- (2) Compensation of key management personnel of the Group including Directors' remuneration:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Salaries, allowances and benefits in kind	1,666	1,648
Pension scheme contributions	146	95
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Total	1,812	1,743
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17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

At 30 June 2025 and 31 December 2024, the fair values of the Group's financial assets and financial liabilities approximated to their respective carrying amounts.

Management has assessed that the fair values of cash and cash equivalents, pledged deposits and bank deposits, trade and bills receivables, financial assets at fair value through profit or loss, financial assets included in prepayments, deposits and other receivables, trade payables, financial liabilities included in other payables and accruals, lease liabilities and interest-bearing bank borrowings approximate to their respective carrying amounts largely due to the short-term maturities of these instruments.

The Group's corporate finance team headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the chief financial officer. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of the non-current portion of lease liabilities has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for lease liabilities as at the end of each of the Relevant Periods were assessed to be insignificant.

18. EVENTS AFTER THE REPORTING PERIOD

There were no material subsequent events after 30 June 2025 and up to the date of approval of these financial statements.

19. APPROVAL OF THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited interim condensed consolidated financial statements were approved and authorised for issue by the Board on 22 August 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2025, the industry has seen innovation and exponential growth in AI technologies and applications with the emergence of open-source large models such as DeepSeek. Remaining steadfast in its Data + AI strategy, the Group actively promoted the vertical application of its AI products in different sectors and the transformation of its products towards deeper AI integration and higher value by leveraging its robust AI research and development capabilities and its strengths in IT infrastructure and cloud services. These efforts have significantly contributed to operational performance and received positive feedback from the market.

1. Core Business – Cloud Services and Generative AI

During the Reporting Period, revenue from the Group's cloud services and generative AI business amounted to approximately RMB211.6 million. Gross margin was 6.3%.

As an independent third-party cloud managed service provider (MSP), the Group not only provides domestic basic cloud resources (such as Huawei Cloud, Alibaba Cloud or Tencent Cloud), but also overseas basic cloud resources (such as Microsoft Azure, Amazon AWS or Google GCP). It offers comprehensive cloud solutions including cloud consulting, migration services, implementation services as well as cloud security and hybrid cloud solutions which aimed at assisting enterprises in steeping up their digital transformation. The Group's efforts in developing its cloud capabilities have continuously gained recognition and accreditation from major cloud vendors.

Capitalising on its extensive experience in Cloud services and profound efforts in exploring the field of generative AI, the Group has managed to significantly enhance the value of services provided to customers with generative AI technology. During the Reporting Period, the Group's E-AI Enterprise Intelligent Assistant, a self-developed commercial intelligent application platform, quickly responded to market changes and integrated with DeepSeek. In May, our Office AI All-scenario Office Assistant, eCopilot, was introduced at the Group's launch event. This major new product is a mature office plug-in that enables customers to rapidly employ in their environments and significantly enhance work efficiency and innovation capabilities.

E-AI Enterprise Intelligent Assistant can customise AI agents and RAG knowledge bases according to users' application scenarios and assist employees in their daily work and data analysis, thus significantly improving customer service quality and internal operational efficiency, and providing customers with stronger intelligent service capabilities and knowledge management levels.

eCopilot Office AI Office Assistant is highly compatible with Microsoft Office and WPS Office, enabling seamless AI collaboration across Word, PowerPoint, Excel, Outlook, and Teams. It covers high-frequency office scenarios and is localised to offer intelligent scenario templates with high compatibility, thus providing smart office solutions for both corporate and individual users. Users can make better use of their internal corporate resources in the large models to complete work tasks in a more efficient and accurate manner. In addition, it offers localised deployment solutions. With years of experience in corporate IT services, Edensoft equips its products with enterprise-level management and control capabilities which enable administrators to flexibly configure data permissions to ensure data security and compliance. Such user experience surpasses that of mainstream products on the market. In the future, Edensoft will further explore office scenario in detail to develop more vertical application solutions and promote the the implementation and application of large-model technology in production and office environments.

E-AI Enterprise Intelligent Assistant and eCopilot have sparked a wave of interest among customers since their launches, and are expected to become major growth engines for the company's AI business.

During the Reporting Period, the Group's AI products received a number of important certifications and gained high level of recognition from various partners. In the Chinese market, Edensoft's E-AI Enterprise Intelligent Assistant and eCopilot have officially been given the Huawei Cloud certification and are successfully listed on the Huawei Cloud Store as co-branded products. They have also successfully received technology certification from Huawei Kunpeng and Ascend, and are efficiently compatible with WPS Office with the launch of WPS Office AI, thereby achieving an important breakthrough in the information technology application innovation sector.

On the overseas front, e-Copilot has received Amazon Web Services and technology certification and has been successfully listed on the AWS Marketplace overseas, allowing global users to subscribe and use it on Amazon Cloud. Leveraging this global digital product platform, the Group can rapidly expand its overseas presence. The Group has obtained Microsoft Azure Data & AI certification, demonstrating its close relationship with global top-tier technology firms and further validating the industry recognition of its Data + AI strategy.

During the Reporting Period, the Group has made impressive strides in expanding the scope of application of its AI products with the successful implementation at leading clients in the financial sector. Currently, the Group's AI products have been scaled up and implemented in retail, education, and financial markets. The Group will continue to deepen its strategic collaboration with global technology powerhouses such as Microsoft, Amazon Web Services and Huawei, and continuously drive the implementation and conversion of high-value AI products across various industry segments by capitalising on its edges in terms of customer, industry understanding and product.

2. IT Infrastructure Services

During the Reporting Period, revenue from the Group's IT infrastructure services business amounted to RMB168.9 million, representing a year-on-year increase of 14.8%. Gross margin was 8.3%, representing a decrease of 2.0% year-on-year.

The Group's IT infrastructure services comprise all products and services required by an enterprise to build and run software applications, including hardware, network components, operating systems, data storage and corresponding technical operation maintenance services.

In the first half of the year, the Group obtained the H3C's cloud intelligence product certification and joined the H3C Virtualisation Software Sales Alliance (新華三虛擬化軟件銷售聯盟) in recognition of its extensive experience and resources in developing and providing virtualisation services and team of seasoned technicians. Being committed to become an indispensable and trusted partner in clients' journey of business innovation and digital transformation, it will continue to team up with leaders in the field of digital solutions and establish a leading foothold in the domestic virtual machine market.

3. IT Implementation and Commercial Application Services

During the Reporting Period, revenue from the Group's IT Implementation and Commercial Application Services amounted to approximately RMB75.2 million, representing a year-on-year increase of 12.0%. Gross margin was 35.4%, representing an increase of 7.0% year-on-year.

In today's fiercely competitive environment, enterprises across all sectors look for IT service providers who can assist them in stepping up digital transformation for diverse goals, such as enhancing operational efficiencies, entering markets in a swiftly and accurately manner, etc. Capitalising on its established partnership with various mainstream enterprise-level software brands across the globe and by employing AI-driven tools and comprehensive approaches of digital transformation, the Group helps corporate clients to overcome their business challenges by providing them with data commercial application, data and network security, infrastructure and cutting edge office solutions.

From 20 to 22 June, as a professional partner of Huawei Cloud, Edensoft was invited to attend the Huawei Developer Conference 2025 (HDC 2025) and actively participated in numerous activities and offered professional insights and feasible solutions regarding the development of the industry cloud ecosystem. During the event, as one of Huawei Cloud's key ecosystem partners, the Group was invited to become one of the first leading partners to jointly launch the "Root Ecosystem, Smart Future – Huawei Cloud AI Application Innovation Pioneer Programme (根生態 智未來 – 華為雲 AI 應用創新領航計劃)". Based on the Huawei Cloud technology and Ascend AI Cloud Service root ecosystem, such programme offers all-round support in terms of resources, technology, and business operation to its partners, and aims to accelerate AI applications in all industries. In the coming future, the Group will extensively communicate the strategic value of such programme and deliver the latest and most comprehensive digital transformation solutions to industry clients.

OUTLOOK

1. Further promote Data + AI strategy and iterate and innovate AI products

The rapid advancement of AI technology has fueled considerable growth in the cloud and AI market. According to Gartner, the global cloud computing market, represented by IaaS, PaaS, and SaaS, reached USD692.9 billion in 2024, with a year-on-year growth rate of 20.3%. In the next few years, the demand for cloud computing will continue to grow, as driven by the increasing IaaS spending from AI model training and the continuous improvement of application-based model services on the SaaS side. It is projected that by 2030, the size of the global cloud computing market will reach USD2 trillion.

Being fully committed to its Data + AI strategy, particularly in the field of GenAI, the Group continues to stay abreast of the trends in world-leading large models and GenAI and will offer competitive and customised solutions that meet customers' business requirements. Riding on the global trends, it aims to step towards a leading position in the next wave of intelligent innovation and achieve long-term and sustainable business growth.

2. Promote core AI products in various sectors

eCopilot, as the Group's flagship product for the year, is an AI office assistant plug-in integrated into Microsoft and WPS Office suites (such as Word, Excel, PowerPoint, etc.) and can significantly enhance the degree of office automation and intelligence. Technological validation has been completed for localisation and information technology innovation adaptation, thus enabling rapid deployment in various industry client environments. Following its successfully listing on the cloud stores of leading cloud vendors at home and abroad, eCopilot is able to reach customers around the world and penetrate domestic and international markets. As it further supports industry-specific customisation, its value will be further enhanced.

The year of 2025 is considered the start of the commercialisation of Agent AI, which is currently the hottest trend in the AI field. It presents huge potential for application and commercialisation across various sectors and drives transformations in industrial value and business models. E-AI Enterprise Intelligent Assistant is a commercial intelligent application platform that supports AI Agent and MCP toolkits, enabling deep integration with various vertical industries. It transforms AI from a general-purpose capability into industry productivity and creates value in actual business operations. By deeply understanding the needs of corporate clients across industries, it achieves in-depth application of AI in business operations and generates replicable and scalable solutions, thus realising sustainable growth and securing innovation leadership in the next round of industrial upgrading.

3. Boost the value and profitability of AI-driven products

The cloud services and AI products offered by the Company to its customers include basic cloud resource services as well as self-developed AI and customised products. The extensive application of AI technology in its products has contributed to the significant increase in the value of the Company's self-developed products and, hence, the continuous growth in product value and profitability. The Company strives to constantly enhance product value and profitability by vigorously promoting the research, development and promotion of its AI products.

FINANCIAL REVIEW

Revenue

The Group's revenue for the six months ended 30 June 2025 was approximately RMB455.7 million, representing a decrease of approximately RMB47.9 million, or approximately 9.5%, compared to revenue of approximately RMB503.6 million for the same period of last year. The overall decrease in revenue was primarily due to the decrease in the cloud and AI services segment compared with the same period of last year.

Cost of sales

Cost of sales of the Group decreased by approximately 9.1% from approximately RMB441.7 million for the six months ended 30 June 2024 to approximately RMB401.8 million for the six months ended 30 June 2025. The decrease was generally in line with the decrease in revenue for the same period.

Gross profit and margin

The following table sets forth a breakdown of gross profit and gross profit margin for the periods indicated:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Revenue	455,711	503,584
Cost of sales	401,765	(441,749)
Gross profit	53,946	61,835
Gross profit margin (%)	11.8	12.3

The gross profit decreased by approximately 12.8%, from approximately RMB61.8 million for the six months ended 30 June 2024 to approximately RMB53.9 million for the six months ended 30 June 2025, which was in line with the decrease in revenue for the same period. The gross profit margin decreased from approximately 12.3% for the six months ended 30 June 2024 to approximately 11.8% for the six months ended 30 June 2025, primarily due to a reduction in certain profit margins to secure orders and expand the customer base in new industries.

Other income and gains

The other income and gains decreased by approximately 12.4% from approximately RMB1.0 million for the six months ended 30 June 2024 to approximately RMB0.9 million for the six months ended 30 June 2025. Such decrease was primarily due to the decrease of government grants in the Reporting Period.

Selling and distribution expense

The selling and distribution expense decreased by approximately 6.3% from approximately RMB16.2 million for the six months ended 30 June 2024 to approximately RMB15.2 million for the six months ended 30 June 2025. Such decrease was mainly due to decreased personnel costs incurred in the Reporting Period.

Administrative expense

The administrative expense decreased by approximately 20.1% from approximately RMB12.8 million for the six months ended 30 June 2024 to approximately RMB10.2 million for the six months ended 30 June 2025. Such decrease was mainly due to decreased personnel costs incurred in the Reporting Period.

Research and development expense

The research and development expense decreased by approximately 33.8% from approximately RMB23.0 million for the six months ended 30 June 2024 to approximately RMB15.2 million for the six months ended 30 June 2025. Such decrease was primarily due to strategic adjustments in the direction of certain projects, resulting in a short-term reduction in costs during the Reporting Period.

Other expenses

Other expenses of the Group decreased from approximately RMB1.0 million for the six months ended 30 June 2024 to approximately RMB0.4 million for the Reporting Period, representing a decrease of approximately 55.3%. Such decrease was mainly due to the Group's reduced foreign exchange losses as a result of the smaller volatility in RMB/USD exchange rates in the Reporting Period.

Recognition of impairment

The Group recorded an impairment of trade and bills receivables of approximately RMB2.9 million for the Reporting Period due to higher bad debt provisions based on accounts receivable aging, as compared to approximately RMB1.4 million for the six months ended 30 June 2024.

Finance costs

Finance costs decreased from approximately RMB1.1 million for the six months ended 30 June 2024 to approximately RMB0.5 million for the six months ended 30 June 2025, representing a decrease of approximately 58.6%. Such decrease was due to reduced borrowings and lower interest expenses during the Reporting Period.

Income tax credit

Income tax credit increased from approximately RMB0.4 million for the six months ended 30 June 2024 to approximately RMB 0.5 million for the six months ended 30 June 2025, representing an increase of approximately 31.5%. The increase in the deferred tax credit was primarily due to the increase of provision for the trade receivables in the six months ended 30 June 2025.

Profit for the period attributable to owners of the parent

As a result of the foregoing, the Group recorded a profit for the period attributable to owners of the parent of approximately RMB10.9 million for the Reporting Period, representing an increase of approximately 40.8%, as compared to a profit for the period attributable to owners of the parent of approximately RMB7.8 million for the six months ended 30 June 2024.

PLEDGE OF ASSETS

As at 30 June 2025, pledged bank deposit amounting to approximately RMB4.8 million were restricted due to the reason of judicial freezing in relation to the Lawsuit (as defined in the paragraph headed “Litigation and Contingent Liabilities” in this announcement) (31 December 2024: pledged bank deposit amounting to approximately RMB4.8 million were restricted due to the reason of judicial freezing in relation to the Lawsuit and approximately RMB0.35 million to secure acceptance bill and letters of guarantee of the Group).

CAPITAL EXPENDITURE AND COMMITMENTS

As at 30 June 2025, the Group had capital expenditure amounted to RMB58,379 (31 December 2024: RMB36,000) in relation to the purchase of equipment. The Group had no commitments (31 December 2024: nil), which had been contracted but not provided for as at 30 June 2025.

PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

As at 30 June 2025, the Group's prepayments, deposits and other receivables were approximately RMB12.6 million, representing a decrease of approximately 42.6% as compared to approximately RMB21.9 million as at 31 December 2024. The decrease was mainly due to the reduced tax receivable, representing value added tax recoverable, which decreased by approximately RMB7.7 million during the Reporting Period.

LITIGATION AND CONTINGENT LIABILITIES

On 17 January 2022, Eden Information Service Limited* (深圳市伊登軟件有限公司) ("**Eden Information**", one of the Group's subsidiaries) entered into a software sales agreement with its supplier (the "**Plaintiff**"). The parties were later in dispute over the payment of the contract sum of approximately RMB3.38 million (the "**Sum**") and the Plaintiff filed a claim with the People's Court of Nanshan District, Shenzhen City* (深圳市南山區人民法院) against Eden Information (the "**Lawsuit**") on 30 April 2024.

The Plaintiff also applied to the court to freeze the bank accounts of Eden Information during the legal proceedings of the Lawsuit. As at 30 June 2025, the aggregate of the Sum together with the liquidated damages of approximately RMB4.8 million under the bank accounts of Eden Information have been frozen.

Save as disclosed above, as at 30 June 2025, the Group did not have any significant contingent liabilities (31 December 2024: nil but with the same Lawsuit).

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2025, the Group's current assets were approximately RMB319.0 million (31 December 2024: approximately RMB416.2 million), of which approximately RMB71.3 million (31 December 2024: approximately RMB84.2 million) were cash and cash equivalents and approximately RMB4.8 million (31 December 2024: approximately RMB4.8 million) were pledged deposits. As at 30 June 2025, the net asset value of the Group amounted to approximately RMB207.6 million, representing an increase of approximately 3.4% as compared to approximately RMB200.8 million at 31 December 2024.

As at 30 June 2025, the Group's gearing ratio was 15.6% (31 December 2024: 38.0%). Net debt is calculated as interest-bearing bank borrowings, lease liabilities, trade payables, financial liabilities included in other payables and accruals, less cash and cash equivalents. Capital represents equity attributable to owners of the parent.

As at 30 June 2025, the share capital of the Company was RMB18.7 million (31 December 2024: RMB18.7 million). The Group's consolidated reserves were approximately RMB188.9 million (31 December 2024: RMB182.1 million). As at 30 June 2025, the Group had total current liabilities of approximately RMB133.1 million (31 December 2024: RMB235.6 million), mainly comprising trade payables, other payables and accruals, interest-bearing bank and other borrowings and contract liabilities. The total non-current liabilities of the Group amounted to approximately RMB0.4 million (31 December 2024: RMB1.3 million), which mainly represented lease liabilities.

CAPITAL STRUCTURE OF THE GROUP AND EXCHANGE RATE RISK

The capital structure of the Group consists of debts, which include interest-bearing bank borrowings, lease liabilities, trade payables, financial liabilities included in other payables and accruals. Equity reserves attributable to owners of the parent, comprising issued share capital and various reserves.

The Directors review the capital structure on a semi-annual basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on the recommendations of the management of the Company, the Group will balance its overall capital structure through new share issues and share buy-backs as well as the issue of new debts or the redemption of existing debts. The Group's monetary assets, liabilities and transactions are mainly denominated in RMB. The Group was not engaged in any hedging by financial instruments in relation to exchange rate risk. The Group is closely monitoring the risk and will apply appropriate hedging instruments when it is needed.

INTEREST RATE RISK

Interest rate risk refers to the risk that the fair value of interest rate risk in relation to fixed rate bank borrowings. The Group is also exposed to cash flow interest rate due to fluctuation of prevailing market interest rate on bank deposits and bank borrowings carried at prevailing market interest rates. The Group however did not engage in any derivatives agreements and did not commit any financial instrument to hedge its interest rate risk during the six months ended 30 June 2025. The management monitors the Group's interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group employed a total of 251 (30 June 2024: 234) employees. Total employee benefit expense (including Directors' remuneration) for the six months ended 30 June 2025 and 2024 were approximately RMB34.2 million and RMB36.1 million, respectively. Remuneration is determined with reference to market level of salaries paid by comparable companies, the respective responsibilities of the individual employee and the performance of the Group. In addition to a basic salary, benefits in kind and discretionary bonuses were offered to those employees according to the assessment of individual performance.

The Group also provides continuous learning and training programs to its employees to enhance their skills and knowledge, so as to maintain their competitiveness and improve customer service quality.

In addition, the Company adopted a Share Option Scheme to recognise the contribution by certain employees of the Group, and to provide them with incentives in order to retain them for their continuing support in the operation and development of the Group.

SHARE OPTION SCHEME

The Company has adopted the share option scheme on 14 April 2020 to attract and retain the best competent personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners and service providers of the Group and to promote the success of the business of the Group. As at 30 June 2024, there were no outstanding share options. No share options were granted, exercised or cancelled or lapsed from the Listing Date to 30 June 2025.

SHARE AWARD PLAN

The Company adopted a Share Award Plan (the “**Plan**”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’ operations. Unless the context otherwise requires, capitalised terms used in this section shall have the same meanings as those defined in the announcements of the Company dated 9 November 2021, 11 January 2022 and 23 March 2022 in relation to the adoption of the Plan.

Eligible participants of the Plan will be selected by the committee, which comprises Directors and senior management of the Group. The Plan became effective on 9 November 2021 (the “**Adoption Date**”) and, subject to any early termination in accordance with the rules of the Plan, the Plan shall be valid and effective for a term of 10 years commencing from the Adoption Date.

According to the Plan, any Award Shares shall either be (i) existing Shares as may be purchased by the Trustee on the Stock Exchange or off the market; or (ii) new Shares to be allotted and issued to the Trustee by the Company pursuant to general mandate or specific mandate granted by Shareholders at general meeting(s) of the Company from time to time. The maximum number of Shares to be subscribed for and/or purchased by the Trustee for the purpose of the Plan shall not exceed 10% of the total number of issued Shares as at the Adoption Date (i.e. not exceed 200,000,000 Shares).

On 23 March 2022, the Board has resolved to grant 44,947,350 Award Shares to 42 Selected Participants, all of whom are Employees (i.e. Class (I) Participants), under the Plan (the “**Grantee(s)**”). The Award Shares represent (i) approximately 2.25% of the issued share capital of the Company as at the Adoption Date (i.e. 2,000,000,000 Shares) and (ii) approximately 2.20% of the enlarged issued share capital after the allotment. No funds will be raised from the allotment and issue of the new Shares. Further information will be disclosed in the 2025 interim report.

DIVIDEND

The Board did not recommend the payment of an interim dividend for the Reporting Period (30 June 2024: nil).

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS OR DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

There were no significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies by the Group during the Reporting Period. Save as those disclosed in elsewhere in this announcement, there was no plan for material investments or capital assets as at 30 June 2025.

REPURCHASE, SALE OR REDEMPTION OF THE COMPANY’S SECURITIES

Neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of the securities of the Company for the six months ended 30 June 2025 and up to the date of this announcement (including treasury shares). As of 30 June 2025, the Company did not hold any of treasury shares.

CORPORATE GOVERNANCE CODE COMPLIANCE

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interest of the Shareholders. To accomplish this, save for the deviation from the Code Provision C.2.1, the Company complied with the code provisions set out in the Corporate Governance Code Part 2 – Principles of good corporate governance, code provisions and recommended best practices (the “**CG Code**”) in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) for the six months ended 30 June 2025 and up to the date of this announcement.

Code Provision C.2.1 stipulates that the role of chairperson and chief executive should be separate and should not be performed by the same individual. Ms. Ding Xinyun (“**Ms. Ding**”), an executive Director, is the chairperson of the Board and the chief executive officer of the Company. In view that Ms. Ding being one of the founders of the Group and has been operating and managing Eden Information, the major operating subsidiary of the Group, since November 2002, the Board believes that the vesting of the roles of chairperson and chief executive officer in Ms. Ding is beneficial to the business operations and management of the Group and will provide a strong and consistent leadership to the Group.

To the best knowledge of the Directors, there is no financial, business, family or other relationship between the Directors, the chairperson and the chief executive officer and the senior management of the Company.

The Directors will continue to review and consider splitting the roles of chairperson and chief executive of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct governing securities transactions by the Directors. Following a specific enquiry made by the Company with each of them, all Directors confirmed that they had complied with the required dealing standards set out in the Model Code for the six months ended 30 June 2025 and up to the date of this announcement.

REVIEW OF RESULTS BY AUDIT COMMITTEE

The Company established an audit committee (the “**Audit Committee**”) on 14 April 2020, with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D3 of the CG Code as set forth in Appendix C1 to the Listing Rules. The Audit Committee is chaired by Mr. Leung Chu Tung, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules, and has two other members, namely Ms. Zhu Weili and Mr. Cai Jiong. The unaudited condensed consolidated interim results of the Group for the period ended 30 June 2025 have been reviewed by the Audit Committee, who is of the opinion that such statements comply with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures have been made.

EVENTS AFTER THE REPORTING PERIOD

There were no material subsequent events after 30 June 2025 and up to the date of approval of these financial statements.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND 2025 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.edensoft.com.cn), and the 2025 interim report containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company in due course.

By Order of the Board
Edensoft Holdings Limited

Ms. Ding Xinyun

Chairperson, Executive Director and Chief Executive Officer

Hong Kong, 22 August 2025

As at the date of this announcement, the Board comprises Ms. Ding Xinyun (Chairperson and Chief Executive Officer) and Ms. Li Yi as the executive Directors, and Mr. Leung Chu Tung, Ms. Zhu Weili and Mr. Cai Jiong as the independent non-executive Directors.

The English translation of or any descriptions in Chinese which are marked with “” is for identification purpose only.*