

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Easou Technology Holdings Limited

宜搜科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2550)

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

The board (the “**Board**”) of directors (the “**Director(s)**”) of Easou Technology Holdings Limited (the “**Company**”) is pleased to announce the unaudited consolidated financial results of the Company and its subsidiaries (the “**Group**”, “**Easou Technology**”, “**we**” or “**us**”) for the six months ended June 30, 2025 (the “**Reporting Period**”).

FINANCIAL SUMMARY

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Revenue	382,260	277,839
Gross profit	149,535	114,770
Profit before tax	11,593	5,216
Profit for the period	10,255	3,399
Earnings per share attributable to ordinary equity holders of the Company (RMB cents)	3.16	1.07

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Since its establishment in 2005, the Group has been deeply involved in the research and development (R&D) of recommendation technology and continuously optimized its proprietary intelligent recommendation engine, Easou Recommendation Engine. The Group is primarily engaged in the artificial intelligence (AI) application sector, which includes online reading platform services, digital marketing services, online games publishing services and other digital content services. In addition, the Group is exploring the RWA (Real-World Assets) and other digital assets sector.

In the first half of 2025, Easou Technology continued to invest in the R&D of AI generated content (AIGC) and intelligent recommendation technology, resulting in the R&D expenses of RMB22.3 million. According to Global Generative AI In Content Creation Market Size, Share & Industry Analysis Report, 2025–2032, the global generative AI in content creation market size reached USD14.81 billion in 2024 and is expected to grow at a compound annual growth rate (CAGR) of 32%, reaching USD134.23 billion by 2032. Easou Technology's technological layout has been highly aligned with the industry growth trends, continuously building its core competitive advantages in the AI field.

During the period, by actively exploring the application scenarios of AI technology in fields such as advertising platforms, literary creation, speech generation, and film and television creation, Easou Technology has successfully improved the efficiency and personalization of content creation in those fields, and strengthened technical barriers and user stickiness, which enables it to drive growth of its core business and enhance its market competitiveness. In addition, the Group has further explored the commercial potential of short dramas, mobile games and other emerging application scenarios, continuously strengthening its competitive advantage in the digital content ecosystem and injecting new momentum into future performance growth.

BUSINESS PERFORMANCE FOR THE FIRST HALF OF 2025

I. Artificial Intelligence (AI) Application Sector

Digital Marketing Services

In terms of digital marketing services, as the core business of the Group, we achieved revenue of RMB230.3 million in the first half of 2025, representing a year-on-year increase of 47.0%. By continuously increasing investment in the R&D of AIGC technology, the Company reinforced the application of AI in its digital marketing business, significantly improving the intelligence level of its advertising creative generation system. Currently, the system has established core capabilities in key areas such as data analysis and prediction, advertising optimization, creative generation, and intelligent customer services, greatly enhancing the accuracy and execution efficiency of marketing. Additionally, through AI algorithms, the system has enabled to achieve precise matching between advertising customers' needs and third-party advertising channels, significantly optimizing the overall advertising effectiveness. In the first half of 2025, the annual number of clicks, displays and click-through rate of the Group's platforms were 339.8 million, 35,884.0 million and 0.9%, respectively. During the period, the Company increased efforts in market expansion with the new development directions of leveraging e-commerce customers and assisting domestic customers to go overseas, thereby further expanding the revenue scale.

Online Reading Platform Services

In terms of online reading platform services, Easou Technology continued to enhance users' experience and expand user scale for its online reading platform during the first half of 2025. For our Easou products, as of June 30, 2025, the number of cumulative registered users reached 47 million, and the average monthly active users reached 25 million.

By leveraging its AI-based recommendation engine, the Company has built a dynamic knowledge graph in the field of online reading to secure more precise prediction of users interests, in order to enhance the content matching efficiency. Additionally, Easou Technology made full use of the traffic advantages of its online reading platform to explore recommendation testing for games and other digital contents, driving synergistic development across multiple business lines.

The trend of short dramas going overseas continues to heat up. According to a report published by Sensor Tower (<https://sensortower.com/blog/state-of-short-drama-apps-2025>), the global in-app purchase revenue from the short drama applications has reached nearly USD700 million in the first quarter of 2025, with a significant increase in market size of nearly four times compared to the corresponding period in 2024. In response to this trend, Easou Technology has made active presence in its short drama content recommendation services by introducing quality domestic and international short drama resources, and has continued to penetrate into European, American, Southeast Asian, Japanese and South Korean markets by leveraging the overseas short drama application Eashort. Empowered by AI technology advantages, Easou Technology has effectively improved the accuracy of content recommendations and distribution efficiency while reducing content production costs. Meanwhile, the Company is actively making effective use of the traffic advantages of its online reading platform to explore synergistic monetization models among short dramas, games and interactive content. It is also developing localized and customized short dramas and digital content based on overseas user preferences, to further propel its globalization strategy and strengthen its capability of localized operation.

Online Games Publishing Services

In terms of online games publishing services, revenue for the first half of 2025 amounted to RMB6.7 million with a year-on-year increase of 26.3%. During the period, the Company focused on games publishing in overseas markets, particularly in Europe and North America, and continued to proactively collaborate with multiple content providers (CPs), with a particular emphasis on the promotion and publishing of light games with In-App Advertising (IAA) as a monetization method. Easou Technology also utilized AI technology to analyze game users' behavior and preferences, precisely matching game content with target users to enhance overall games publishing efficiency. Additionally, Easou Technology employed AI technology to shorten testing cycles for overseas games. During the first half of 2025, two games have completed testing and entered the trial operation phase, and no less than five games are expected to be launched in overseas markets in 2025.

II. RWA (Real-World Assets) and Other Digital Assets Sector

In terms of RWA and other digital assets business, the Company entered into a framework cooperation agreement with a technology company in Hong Kong (one of Huawei Cloud solution providers) in June 2025 for a term of 10 years to jointly develop RWA products and other digital asset projects, with the scope of cooperation covering cultural and creative intellectual property-related assets.

The Company leverages its resources in multiple digital content sectors such as online literature, short dramas and games to provide underlying assets and technical support for the cooperation projects, while the cooperator, supported by its strengths in blockchain technology and cloud infrastructure, assists in completing digital pilot projects of multiple intangible cultural IPs, facilitating the on-chain circulation and value discovery of the relevant assets.

The parties also entered into a letter of intent with respect to the investment in data centers in Hong Kong, Japan or other countries and regions in Southeast Asia, with a total consideration of not more than HK\$3.0 billion. Such target should be equipped with facilities that can be upgraded into a supercomputing center, aiming to provide the necessary digital asset infrastructure support for RWA products. This collaboration will help the Company integrate its AI-based recommendation technology with blockchain technology, enhance its digital asset operational capabilities, and may potentially drive its strategic transformation from a “content platform” to a “digital asset operator”.

Outlook

Looking ahead to the second half of the year, Easou Technology will continue to strengthen its core advantages in AI-based recommendation technology, and improve recommendation accuracy through algorithm iteration and upgrades, enabling its AI recommendation engine to gain deeper insights into users’ needs. While consolidating our strengths in online reading, digital marketing and online games publishing businesses, we will expand innovative exploration of diversified application scenarios and actively deploy RWA business and the Web3.0 business ecosystem to drive platform transformation and upgrading.

Strengthen AI-based recommendation technology moats and enhance AIGC innovation capabilities

In the field of AI-based recommendation technology, we will leverage the latest big model technology to build a multi-dimensional content understanding system. By introducing deep semantic analysis algorithms, we will achieve fine-grained analysis for text, image data and other multimedia contents. Simultaneously, by combining the time-aware attention mechanism, we conduct in-depth mining and dynamic tracking of users' historical behavior data to precisely capture the evolution of users' interest and preferences, thereby further enhancing the accuracy and efficiency of Easou Technology's AI engine.

In terms of AIGC technological innovation, we will continue to build multimodal generation framework based on the diffusion model to achieve cross-modal content generation from text to images and videos. In the field of literary creation, we will focus on optimizing long text generation by improving architecture and enhancing creative capabilities to comprehensively enhance the commercial value of literary works. In terms of speech generation, we will add an emotion intensity modeling module to the existing technical workflow of "speech recognition → large language model processing → speech synthesis", enabling precise expression of complex emotions such as joy, anger, sorrow, and happiness in film and television dubbing through fine-grained parameter control. Through continuous technological innovation, we will consolidate our technical leadership in the fields of content recommendation and generation, providing sustained momentum for business development.

Promote the commercial application of AI technology and expand the applicable application areas on a continuous basis

Benefiting from our leadership in AI-based recommendation technology, we will continue to improve our capabilities in commercial application thereof. In terms of digital marketing platforms, we will continue to optimize the technical architecture and service processes of our digital marketing platforms, achieve prompt response to users' behavior through real-time big data analysis platforms, establish accurate conversion prediction models using deep learning algorithms, integrate AIGC technology to achieve intelligent generation and optimization of advertising content, and deploy intelligent customer service systems with natural language understanding capabilities to comprehensively improve marketing conversion efficiency.

Furthermore, we will continuously upgrade the application of AI technology in fields such as literary creation, advertising, speech generation and film and television creation, and actively explore other digital content recommendation scenarios, such as digital music, video, and e-commerce. Through the synergistic interaction between technological innovation and scenario implementation, we will continuously expand the commercial application landscape of AI technology.

Apply short drama contents as a breakthrough point to accelerate global market expansion

In response to the rapidly growing overseas digital content market, we will take short drama contents as our core entry point with focus on developing two major content matrices: (i) promoting the localization adaptation of Chinese short dramas through an AI-powered premium dubbing system; and (ii) establishing an international original content creation system tailored to the specific needs of different regional markets. Initially, we will primarily target mature markets in Europe and America to make presence and gradually expand into other international markets of high potential.

Concurrently, we will actively promote overseas games publishing by establishing strategic cooperation with leading game developers to proactively explore high-quality overseas games publishing opportunities. Several premium games are currently in the preparation phase for overseas publishing and are expected to launch in major target markets in the near future.

Seize the opportunities presented by RWA and Web3.0 to comprehensively advance platforms’ strategic upgrade

Against the backdrop of strong growth momentum in the global RWA sector, we have put efforts in RWA digital issuance and the Web3.0 business ecosystem construction. Easou Technology has incorporated a joint venture, Novus Infusion Partners Limited, with Acceleronet HPC Limited (a subsidiary of Greenland Financial Technology Group Limited) in July this year, and plans to complete the strategic investment in Lightnet Pte. Ltd. (“**Lightnet**”), a fintech company owned by a key member of family controlling The Charoen Pokphand Group Company in the near future. As a major state-owned financial platform, Greenland Financial Technology Group Limited has established strong presence in the Web3.0 and RWA sectors, while Lightnet offers global payment solutions with real-time settlement capabilities powered by AI and blockchain technology.

Supported by these strategic partnerships, we will fully leverage our partners’ resource advantages while combining with our core competitiveness in the fields of IP asset reserves and technological innovation, prioritizing the promotion of the construction of on-chain rights confirmation and value conversion system for digital assets. By establishing an “AI+Web3.0+RWA” ecosystem closed-loop, we aim to achieve efficient value integration of digital content, blockchain technology, and physical assets. In the future, we will continue to deepen strategic collaboration with leading enterprises in the digital technology and financial sectors, driving the comprehensive transformation and upgrading of our platform business while cultivating innovative momentum for sustainable development.

Financial Review

Results of operation

Revenue

Our revenue increased by 37.6% from RMB277.8 million for the six months ended June 30, 2024 to RMB382.3 million for the six months ended June 30, 2025. The increase was mainly due to the increase in revenue generated from digital marketing services and online reading platform services.

Specifically, revenue of online reading platform services increased by 31.3% from RMB105.8 million for the six months ended June 30, 2024 to RMB139.0 million for the six months ended June 30, 2025, primarily due to the increase in online reading advertising as a result of our strategy to continue on promoting free reading.

Revenue of digital marketing services increased by 47.0% from RMB156.6 million for the six months ended June 30, 2024 to RMB230.3 million for the six months ended June 30, 2025, primarily due to our expansion of digital marketing services as a result of the increase in advertising demand from our advertising customers.

Revenue of online games publishing services increased by 26.3% from RMB5.3 million for the six months ended June 30, 2024 to RMB6.7 million for the six months ended June 30, 2025. The increase was mainly attributable to our increased marketing and promotional efforts on an overseas game during the six months ended June 30, 2025.

Revenue of other digital content services decreased by 37.8% from RMB10.1 million for the six months ended June 30, 2024 to RMB6.3 million for the six months ended June 30, 2025. The decrease was mainly because of the decrease in revenue generated from music digital content products.

Cost of Sales

Our cost of sales increased by 42.7% from RMB163.1 million for the six months ended June 30, 2024 to RMB232.7 million for the six months ended June 30, 2025, primarily due to the increase in cost of sales of digital marketing services.

In terms of segment cost of sales, the cost of sales of online reading platform services increased by 15.0% from RMB11.5 million for the six months ended June 30, 2024 to RMB13.2 million for the six months ended June 30, 2025, which was in line with the increase in revenue of online reading platform services.

The cost of sales of digital marketing services increased by 47.9% from RMB144.5 million for the six months ended June 30, 2024 to RMB213.8 million for the six months ended June 30, 2025, which was in line with the increase in revenue of this business line.

The cost of sales of online games publishing services increased by 9.3% from RMB2.5 million for the six months ended June 30, 2024 to RMB2.8 million for the six months ended June 30, 2025, primarily due to the increase in revenue generated from online games publishing services.

The cost of sales of other digital content services decreased 34.6% from RMB4.6 million for the six months ended June 30, 2024 to RMB3.0 million for the six months ended June 30, 2025, which was in line with the decrease in revenue of this business line.

Gross Profit and Gross Profit Margin

Based on the foregoing, our gross profit increased by 30.3% from RMB114.8 million for the six months ended June 30, 2024 to RMB149.5 million for the six months ended June 30, 2025. Our gross profit margin decreased from 41.3% for the six months ended June 30, 2024 to 39.1% for the six months ended June 30, 2025, primarily because the revenue contribution from digital marketing services increased, the gross profit margin of which was significantly lower than that of our other business lines.

The gross profit margin for online reading platform services remained relatively stable at 89.2% and 90.5% for the six months ended June 30, 2024 and 2025, respectively.

The gross profit margin for digital marketing services remained relatively stable at 7.7% and 7.2% for the six months ended June 30, 2024 and 2025, respectively.

The gross profit margin for online games publishing services increased from 52.3% for the six months ended June 30, 2024 to 58.7% for the six months ended June 30, 2025, primarily due to the increase in revenue generated from online games publishing services and the relatively fixed apportionment of cost of copyrights.

The gross profit margin for other digital content services decreased from 54.8% for the six months ended June 30, 2024 to 52.4% for the six months ended June 30, 2025, primarily due to the decrease in revenue generated from music digital content products, which have higher gross profit margins.

The table below sets forth the revenue, the cost of sales, the gross profit and gross profit margin by our business lines for the periods indicated:

	For the six months ended June 30,							
	2025				2024			
		Cost of	Gross	Gross		Cost of	Gross	Gross
	Revenue	sales	profit	profit	Revenue	sales	profit	profit
	RMB'000	RMB'000	RMB'000	margin	RMB'000	RMB'000	RMB'000	margin
Online reading								
platform services	139,001	13,171	125,830	90.5%	105,843	11,457	94,386	89.2%
Digital marketing								
services	230,312	213,817	16,495	7.2%	156,623	144,532	12,091	7.7%
Online games								
publishing								
services	6,672	2,753	3,919	58.7%	5,284	2,518	2,766	52.3%
Other digital								
content services	<u>6,275</u>	<u>2,984</u>	<u>3,291</u>	52.4%	<u>10,089</u>	<u>4,562</u>	<u>5,527</u>	54.8%
Total	<u>382,260</u>	<u>232,725</u>	<u>149,535</u>	39.1%	<u>277,839</u>	<u>163,069</u>	<u>114,770</u>	41.3%

Other Income and Gains

Our other income and gains increased by 4.4% from RMB1.7 million for the six months ended June 30, 2024 to RMB1.8 million for the six months ended June 30, 2025, mainly attributable to the increase in government subsidies and interest income.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 53.9% from RMB68.8 million for the six months ended June 30, 2024 to RMB105.9 million for the six months ended June 30, 2025, primarily due to the increase in business marketing expenses as a result of our increased promotion of overseas reading and short drama products. Our selling and distribution expenses accounted for approximately 24.8% and 27.7% of our total revenue for the six months ended June 30, 2024 and 2025, respectively.

Administrative Expenses

Our administrative expenses decreased by 63.8% from RMB23.1 million for the six months ended June 30, 2024 to RMB8.4 million for the six months ended June 30, 2025, primarily due to the absence of listing expenses during the period. Our administrative expenses accounted for approximately 8.3% and 2.2% of our total revenue for the six months ended June 30, 2024 and 2025, respectively.

Research and Development Expenses

Our R&D expenses increased by 26.9% from RMB17.6 million for the six months ended June 30, 2024 to RMB22.3 million for the six months ended June 30, 2025, primarily due to the increase in server and bandwidth expenses and employee remuneration. Our R&D expenses accounted for approximately 6.3% and 5.8% of our total revenue for the six months ended June 30, 2024 and 2025, respectively.

Fair Value Gains on Financial Assets at FVTPL

We recorded a fair value gain on financial assets at fair value through profit or loss (“**FVTPL**”) of RMB403,000 for the six months ended June 30, 2025, compared to a fair value gain of RMB97,000 for the six months ended June 30, 2024, mainly due to changes in the fair values of financial assets.

Finance Costs

Our finance costs increased by 84.9% from RMB1.9 million for the six months ended June 30, 2024 to RMB3.5 million for the six months ended June 30, 2025, primarily attributable to the increase in average interest-borrowing balances during the period.

Profit Before Tax

As a result of the foregoing, we recorded a profit before tax of RMB11.6 million for the six months ended June 30, 2025, compared to a profit before tax of RMB5.2 million for the six months ended June 30, 2024.

Income Tax Expenses

We recorded income tax expenses of RMB1.3 million for the six months ended June 30, 2025, compared to the income tax expenses of RMB1.8 million for the six months ended June 30, 2024. The decrease was primarily due to the increase in deferred income tax expenses as a result of the utilisation of deferred tax assets which arose from the previously recorded tax losses of our Group's subsidiaries.

Profit for the Period

Based on the foregoing, we recorded a profit of RMB10.3 million for the six months ended June 30, 2025, compared to a profit of RMB3.4 million for the six months ended June 30, 2024. Our net profit margin was 1.2% and 2.7% for the six months ended June 30, 2024 and 2025, respectively.

Financial position

Overview

Our total assets increased by 17.2% from RMB680.8 million as of December 31, 2024 to RMB798.2 million as of June 30, 2025, primarily due to the increase in cash and cash equivalents and prepayments, while our total liabilities decreased by 27.2% from RMB235.1 million as of December 31, 2024 to RMB171.1 million as of June 30, 2025, primarily due to the decrease in bank borrowings. Our total equity increased by 40.7% from RMB445.7 million as of December 31, 2024 to RMB627.1 million as of June 30, 2025.

Net current assets

Our net current assets increased by 55.6% from RMB343.5 million as of December 31, 2024 to RMB534.5 million as of June 30, 2025, primarily due to the increase in current assets and the decrease in current liabilities. Our current assets increased by 22.2% from RMB574.7 million as of December 31, 2024 to RMB702.1 million as of June 30, 2025. Our current liabilities decreased by 27.5% from RMB231.2 million as of December 31, 2024 to RMB167.7 million as of June 30, 2025.

Certain items of current assets and current liabilities

Trade Receivables

Our trade receivables increased by 0.2% from RMB224.6 million as of December 31, 2024 to RMB225.1 million as of June 30, 2025, with minimal change and remaining relatively stable.

Financial Assets at FVTPL

Our financial assets at FVTPL increased by 0.6% from RMB72.3 million as of December 31, 2024 to RMB72.7 million as of June 30, 2025, remaining stable.

Trade Payables

Our trade payables decreased by 19.9% from RMB8.3 million as of December 31, 2024 to RMB6.7 million as of June 30, 2025, primarily because, during the six months ended June 30, 2025, we settled certain payables to suppliers which remained outstanding as of December 31, 2024.

Other Payables and Accruals

Our other payables and accruals (current portion) increased by 5.9% from RMB13.2 million as of December 31, 2024 to RMB14.0 million as of June 30, 2025, primarily due to the increase in accruals for marketing expenses and server and bandwidth expenses payable.

Contract Liabilities

Our contract liabilities (current portion) decreased by 9.4% from RMB16.0 million as of December 31, 2024 to RMB14.5 million as of June 30, 2025, mainly due to the fact that the amount of revenue recognised from our online reading platform services during the period was higher than the service fees collected in advance during the period.

Lease Liabilities

Our lease liabilities (current portion) decreased by 2.1% from RMB332,000 as of December 31, 2024 to RMB325,000 as of June 30, 2025, with minimal change and remaining relatively stable.

Certain items of non-current assets and non-current liabilities

Property, Plant and Equipment

Our property, plant and equipment decreased by 15.9% from RMB18.8 million as of December 31, 2024 to RMB15.8 million as of June 30, 2025, mainly due to the depreciation of original fixed assets.

Goodwill

Our goodwill remained stable at RMB32.3 million as of December 31, 2024 and June 30, 2025, respectively.

Other Intangible Assets

Our other intangible assets primarily include copyright and software. Our other intangible assets increased by 16.5% from RMB35.9 million as of December 31, 2024 to RMB41.8 million as of June 30, 2025, mainly due to purchase of copyrights of short dramas by the Company.

Contract Liabilities

Our contract liabilities (non-current portion) primarily consist of advertising fees collected in advance under the CPT pricing method. Our contract liabilities (non-current portion) decreased by 6.9% from RMB3.4 million as of December 31, 2024 to RMB3.2 million as of June 30, 2025, primarily because some of the non-current portion became current portion.

Lease Liabilities

Our lease liabilities (non-current portion) decreased by 58.7% from RMB271,000 as of December 31, 2024 to RMB112,000 as of June 30, 2025, mainly attributable to the amortization of expenses for our original long-term lease contract.

Liquidity and financial resources

Our Group has adopted a prudent financial management approach towards its funding and treasury policies and obligations. Our Group had maintained a healthy liquidity position during the six months ended June 30, 2025. To manage liquidity risks, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements from time to time.

Our Group funds our working capital mainly from cash from operating activities, borrowings and proceeds raised from the share placement. As of June 30, 2025, our cash and cash equivalents amounted to RMB258.4 million, representing an increase of 60.6% from RMB160.8 million as of December 31, 2024, primarily because of the proceeds raised from the share placement. Our bank balances and financial assets at FVTPL are primarily denominated in Renminbi (“**RMB**”), United States dollars and Hong Kong dollars.

As of June 30, 2025, our interest-bearing bank and other borrowings amounted to RMB132.2 million, representing a decrease of 31.5% from RMB193.1 million as of December 31, 2024, primarily due to the partial repayment of bank borrowings. Our borrowings are denominated in RMB. Our interest-bearing bank and other borrowings are all at fixed interest rates. Our Group’s borrowings as of June 30, 2025 were repayable within one year.

Our gearing ratio, which is calculated as total debt divided by total equity, was 21.1% as of June 30, 2025 (as of December 31, 2024: 43.3%).

For the six months ended June 30, 2025, our Group did not use any financial instruments for hedging purposes.

Capital expenditures

Our capital expenditures were primarily expenditures for property, plant and equipment, as well as intangible assets. Our capital expenditures amounted to RMB15.7 million for the six months ended June 30, 2025, representing an increase of 123.7% from RMB7.0 million for the six months ended June 30, 2024. We expect to fund our planned capital expenditures primarily with the cash generated from operations and the net proceeds from the share placement.

Contingent liabilities

As of June 30, 2025, we did not have any unrecorded significant contingent liabilities (December 31, 2024: none).

Mortgage and pledge of assets

As of June 30, 2025, our Group did not have any substantial pledge of assets.

Share option scheme

Pursuant to a written resolution of all the then shareholders of the Company passed on May 17, 2024, the Company adopted a share option scheme (the “**Share Option Scheme**”) for a period of 10 years commencing from the Listing Date (as defined below). The purpose of the Share Option Scheme is (i) to attract and retain the best quality personnel for the development of our Group’s businesses; (ii) to provide additional incentives or rewards to selected eligible participants for their contribution to the creation of our Company’s value; and (iii) to promote the long-term financial success of our Group by aligning the interest of any eligible participant who accepts an offer of the grant of an option in accordance with the terms of the Share Option Scheme to those of our shareholders (the “**Shareholder(s)**”).

The Company has granted share options under the Share Option Scheme to three executive Directors and 126 employees on April 3, 2025. Subject to the relevant performance targets, 50% of the share options granted shall vest and become exercisable from April 3, 2026 and ending on April 2, 2035 (both days inclusive) and the remaining 50% of the share options granted shall vest and become exercisable from April 3, 2027 and ending on April 2, 2035 (both days inclusive). Each share option shall entitle the holder to subscribe for one share of the Company (the “**Share(s)**”) upon exercise of such option at an exercise price of HK\$3.924 per Share. Further details of the share options granted are as follows:

Name	Position	Number of the share options granted
Mr. Wang Xi	Executive Director, chairman of the Board and chief executive officer	324,800
Mr. Chen Jun	Executive Director, chief financial officer and joint company secretary	280,000
Mr. Zhao Lei	Executive Director and chief operating officer	280,000
126 grantees	Employees	3,145,600

As at the June 30, 2025, following the grant of the share options on April 3, 2025 as set out above, there are 28,863,324 Shares available for future grant under the scheme mandate of the Share Option Scheme.

Foreign exchange risk management

The businesses of the Group are mainly managed and operated in the People's Republic of China, where most of its income and expenses are denominated in RMB.

For the six months ended June 30, 2025, the Group has foreign investments denominated in U.S. dollars but no borrowing in foreign currencies.

The Group will continue to monitor exchange rates so as to cope with changes in the foreign exchange market and enhance the risk management on exchange rates by various management measures.

Significant investments held, material acquisitions and disposal of subsidiaries and affiliated companies

The Group did not hold any significant investment or carry out any material acquisition or disposal of subsidiaries, associates, joint ventures or other affiliated companies during the six months ended June 30, 2025.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on June 7, 2024 (the “**Listing Date**”) and issued 14,802,500 Shares at an offer price of HK\$5.80 per Share, and the net proceeds from the Global Offering (as defined in the prospectus of the Company dated May 30, 2024 (the “**Prospectus**”)), after deduction of the underwriting fees and commissions and estimated expenses in connection with the Global Offering, amounted to approximately HK\$40.7 million. As of June 30, 2025, the Company had utilized HK\$31.1 million of the proceeds. The proceeds from the Global Offering will be utilized in accordance with the plan as disclosed in the section headed “Future Plans and Use of Proceeds” of the Prospectus and a summary of the use of the net proceeds is set out below.

Purpose	Percentage to the total net proceeds	Available amount for utilization <i>HK\$ in million</i>	Utilized as of June 30, 2025 <i>HK\$ in million</i>	Unutilized as of June 30, 2025 <i>HK\$ in million</i>	Expected timetable for the unutilized balance
Enhancing our R&D capabilities to ensure long-term technological advantage:					
– Investing in a series of R&D projects with a focus on improving our technological capability in Easou Recommendation Engine	15.0%	6.1	2.1	4.0	Second quarter of 2026
– Enhancing the versatility of our technology in proprietary intelligent recommendation engine	15.0%	6.1	2.9	3.2	Second quarter of 2026
– Increasing our investment in equipment to improve our hardware support capabilities	15.0%	6.1	6.1	0	–
Subtotal	45.0%	18.3	11.1	7.2	
Reinforcing the strength as a third-party online literature platform:					
– Expanding our user base by increasing the number of users in our online reading platform services	10.0%	4.1	4.1	0	–
– Expanding our collaboration with content providers	10.0%	4.1	4.1	0	–
– Continuously optimizing the application depth of our Easou Recommendation Engine in online reading platform services	5.0%	2.0	0.8	1.2	Third quarter of 2026
Subtotal	25.0%	10.2	9.0	1.2	

Purpose	Percentage to the total net proceeds	Available amount for utilization <i>HK\$ in million</i>	Utilized as of June 30, 2025 <i>HK\$ in million</i>	Unutilized as of June 30, 2025 <i>HK\$ in million</i>	Expected timetable for the unutilized balance
Expanding our digital marketing services:					
– Establishing cooperative relationship with new media channels and strengthening the depth of cooperation with media resources and attract more traffic	10.0%	4.1	4.1	0	–
– Deepening our collaboration with advertising customers, expanding our sales and marketing team in digital marketing business, exploring new advertising customers and retaining existing ones	5.0%	2.0	0.8	1.2	Second quarter of 2026
Subtotal	15.0%	6.1	4.9	1.2	
Relaunching our online games publishing services in overseas markets	15.0%	6.1	6.1	0	–
Total	100.0%	40.7	31.1	9.6	

Note: Figures shown as total in the table is not an arithmetic aggregation of the figures preceding them. Any discrepancies between the total shown and the sum of the amounts listed are due to rounding.

USE OF PROCEEDS FROM THE PLACING OF EXISTING SHARES AND TOP-UP SUBSCRIPTION OF NEW SHARES UNDER THE GENERAL MANDATE

On June 20, 2025, the Company, Growth Value LTD. (“**Growth Value**”) and the relevant placing agents entered into a placing and subscription agreement, pursuant to which: (i) Growth Value agreed to sell, and the relevant placing agents agreed to procure, on a best effort basis, as agents of Growth Value, not less than six placees for an aggregate of 57,330,000 placing shares at HKD3.20 per placing share (the “**June Placing**”); and (ii) Growth Value agreed to subscribe for, and the Company agreed to issue to Growth Value, an aggregate of 57,330,000 subscription shares at HKD3.20 per subscription share (the “**June Subscription**”). Such subscription shares have an aggregate nominal value of US\$573.3 based on the nominal value of US\$0.00001 per Share. On June 20, 2025, the closing price of the Shares as quoted on the Stock Exchange was HKD3.32 per Share. The completion of the June Placing and the June Subscription took place on June 24, 2025 and June 30, 2025, respectively.

The Directors have considered various ways of raising funds and consider that it would be in the interests of the Company to raise equity funding through the June Placing and the June Subscription to broaden its Shareholder base, strengthen the Group’s capital base and enhance its financial position and net assets base for long-term development and growth.

The net proceeds from the June Subscription (after deducting all fees, costs and expenses properly incurred by Growth Value (including without limitation, the placing agents’ commission (fixed and discretionary, if any), the stamp duty, the Stock Exchange trading fee, the transaction levy of the Securities and Futures Commission and the transaction levy of the Accounting and Financial Reporting Council of Hong Kong) borne by the Company, and other expenses incurred by the Company, in connection with the June Placing and the June Subscription) are approximately HKD180.7 million. The net subscription price of the June Subscription, after deducting such fees, costs and expenses, was approximately HKD3.15.

The proceeds from the June Subscription will be utilized in accordance with the plan as disclosed in the announcement of the Company dated June 30, 2025 and a summary of the use of the net proceeds from the June Placing and the June Subscription is set out below.

Purpose	Percentage to the total net proceeds	Available amount for utilization <i>HK\$ in million</i>	Utilized as of June 30, 2025 <i>HK\$ in million</i>	Unutilized as of June 30, 2025 <i>HK\$ in million</i>	Expected timetable for the unutilized balance
Research and development of the artificial intelligence recommendation engine to facilitate new application scenarios, such as short dramas, as well as the investment in technologies for artificial intelligence generated content (AIGC)	40.0%	72.3	0	72.3	Second quarter of 2027
Expansion of online games and short dramas in overseas markets	40.0%	72.3	0	72.3	Fourth quarter of 2026
Upgrading and development of intelligent advertisement platforms	20.0%	36.1	0	36.1	Second quarter of 2027
Total	<u>100.0%</u>	<u>180.7</u>	<u>0</u>	<u>180.7</u>	

FINANCIAL INFORMATION

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

For the six months ended 30 June 2025

		For the six months ended 30 June 2025 RMB'000 (Unaudited)	For the six months ended 30 June 2024 RMB'000 (Unaudited)
	<i>Notes</i>		
REVENUE	4	382,260	277,839
Cost of sales		<u>(232,725)</u>	<u>(163,069)</u>
Gross profits		149,535	114,770
Other income and gains	4	1,752	1,678
Selling and distribution expenses		(105,903)	(68,801)
Administrative expenses		(8,364)	(23,080)
Research and development expenses		(22,312)	(17,580)
Fair value gains on financial assets at fair value through profit or loss		403	97
Share of losses of associates		(65)	–
Finance costs	6	<u>(3,453)</u>	<u>(1,868)</u>
PROFIT BEFORE TAX	5	11,593	5,216
Income tax expenses	7	<u>(1,338)</u>	<u>(1,817)</u>
PROFIT FOR THE PERIOD		<u>10,255</u>	<u>3,399</u>

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

		For the six months ended 30 June 2025 RMB'000 (Unaudited)	For the six months ended 30 June 2024 RMB'000 (Unaudited)
	<i>Note</i>		
OTHER COMPREHENSIVE INCOME/(LOSS)			
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of the Company's financial statements		<u>2,451</u>	<u>(1,344)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>12,706</u>	<u>2,055</u>
Profit attributable to:			
Owners of the parent		<u>10,404</u>	<u>3,385</u>
Non-controlling interests		<u>(149)</u>	<u>14</u>
		<u>10,255</u>	<u>3,399</u>
Total comprehensive income attributable to:			
Owners of the parent		<u>12,855</u>	<u>2,041</u>
Non-controlling interests		<u>(149)</u>	<u>14</u>
		<u>12,706</u>	<u>2,055</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (<i>RMB cents</i>)	9	<u>3.16</u>	<u>1.07</u>

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

		30 June 2025	31 December 2024
		RMB'000	RMB'000
	<i>Notes</i>	(Unaudited)	(Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		15,814	18,800
Right-of-use assets		458	611
Goodwill		32,273	32,273
Other intangible assets		41,787	35,854
Equity investment designated at fair value through other comprehensive income		3,000	–
Investment in an associate		867	932
Prepayments and deposits		840	15,692
Deferred tax assets		1,015	2,014
Total non-current assets		96,054	106,176
CURRENT ASSETS			
Trade receivables	10	225,102	224,561
Prepayments, deposits and other receivables		144,360	106,842
Financial assets at fair value through profit or loss	11	72,727	72,324
Restricted cash		1,600	1,600
Pledged deposit		–	8,500
Cash and cash equivalents		258,359	160,846
Total current assets		702,148	574,673
CURRENT LIABILITIES			
Trade payables	12	6,656	8,309
Other payables and accruals		14,004	13,221
Contract liabilities		14,532	16,045
Interest-bearing bank and other borrowings		132,171	193,050
Lease liabilities		325	332
Tax payable		–	237
Total current liabilities		167,688	231,194

**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION (CONTINUED)**

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NET CURRENT ASSETS	534,460	343,479
TOTAL ASSETS LESS CURRENT LIABILITIES	630,514	449,655
NON-CURRENT LIABILITIES		
Other payables and accruals	148	228
Contract liabilities	3,177	3,412
Lease liabilities	112	271
Total non-current liabilities	3,437	3,911
Net assets	627,077	445,744
EQUITY		
Equity attributable to owners of the parent		
Ordinary share capital	26	22
Reserves	626,536	445,058
	626,562	445,080
Non-controlling interests	515	664
Total equity	627,077	445,744

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 9 February 2022 as an exempted company with limited liability under the Cayman Companies Act. The Company's registered office is at Suite 102, Cannon Place, P.O. Box 712, North Sound Road, George Town Grand Cayman, KY1-9006, Cayman Islands. The principal place of business of the Company is located at Room 403, Building 5C, Software Industry Base, Keyuan Road, Nanshan District, Shenzhen, the People's Republic of China (the "PRC").

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 7 June 2024. During the reporting period, the Company is an investing holding company. The Company and its subsidiaries (collectively referred to as the "**Group**") were involved in online literature recommendation services, digital marketing services, online games publishing services and other digital content services in the PRC. There has been no significant change in the Group's principal activities during the reporting period.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with HKAS 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange. The unaudited 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.

The unaudited interim condensed consolidated financial information has been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and equity investment designated at fair value through other comprehensive income, which have been measured at fair value. This unaudited interim condensed consolidated financial information is presented in Renminbi ("**RMB**") and all valuers are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the unaudited 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 unaudited interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in online literature recommendation services, digital marketing services, online games publishing services and other digital content services in Mainland China. Information reported to the Group's chief operating decision maker, for the purpose of resource allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

Geographical information

(a) *Revenue from external customers*

All significant external customers of the Group are located in Mainland China. Accordingly, no geographical information of revenue from external customers is presented.

(b) *Non-current assets*

All significant non-current assets of the Group are located in Mainland China. Accordingly, no geographical information of non-current assets is presented.

Information about a major customer

During the six months ended 30 June 2025 and 2024, no revenue from a single external customer contributed 10% or more of the Group's total revenue.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended 30 June 2025 RMB'000 (Unaudited)	For the six months ended 30 June 2024 RMB'000 (Unaudited)
Revenue from contracts with customers	<u>382,260</u>	<u>277,839</u>

Revenue from contracts with customers

	For the six months ended 30 June 2025 RMB'000 (Unaudited)	For the six months ended 30 June 2024 RMB'000 (Unaudited)
Types of goods or services		
Reading with paid services	9,940	7,446
Reading with advertising	129,061	98,397
Digital marketing services	230,312	156,623
Online games publishing services	6,672	5,284
Other digital content services	<u>6,275</u>	<u>10,089</u>
Total	<u>382,260</u>	<u>277,839</u>

Timing of revenue recognition

Point in time	382,015	276,986
Over time	<u>245</u>	<u>853</u>
Total	<u>382,260</u>	<u>277,839</u>

4. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

An analysis of the Group's other income and gains is as follows:

	For the six months ended 30 June 2025 RMB'000 (Unaudited)	For the six months ended 30 June 2024 RMB'000 (Unaudited)
Other income and gains		
Government subsidies*	600	533
Interest income	1,019	921
Others	133	224
Total	1,752	1,678

* Various government grants have been received by certain subsidiaries as these subsidiaries were qualified as High and New Technology Enterprises in the Mainland China. There are no unfulfilled conditions or contingencies relating to these grants.

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	For the six months ended 30 June 2025 RMB'000 (Unaudited)	For the six months ended 30 June 2024 RMB'000 (Unaudited)
Cost of sales	232,725	163,069
Depreciation of property, plant and equipment*	3,082	3,342
Depreciation of right-of-use assets*	153	78
Amortisation of other intangible assets*	9,690	7,992
Lease payments not included in the measurement of lease liabilities	1,168	100
Listing expense	–	14,323
Employee benefit expenses (including directors' remuneration)*		
Wages and salaries	17,657	14,993
Pension scheme contributions	3,300	3,014
Total	20,957	18,007
Fair value gains on financial assets at fair value through profit or loss	(403)	(97)
(Reversal of)/provision for impairment of trade receivables	(98)	581

* The depreciation of property, plant and equipment, depreciation of right-of-use assets, amortisation of other intangible assets and employee benefit expenses for the period are included in "Cost of sales", "Research and development expenses", "Administrative expenses" and "Selling and distribution expenses" in the unaudited interim condensed consolidated statement of profit or loss and other comprehensive income, respectively.

6. FINANCE COSTS

	For the six months ended 30 June 2025 RMB'000 (Unaudited)	For the six months ended 30 June 2024 RMB'000 (Unaudited)
Interest on bank and other borrowings	3,447	1,859
Interest on lease liabilities	<u>6</u>	<u>9</u>
Total	<u>3,453</u>	<u>1,868</u>

7. INCOME TAX

All subsidiaries of the Group established in the PRC are subject to PRC corporate income tax at a standard rate of 25% during the reporting period, except for:

- (i) Certain subsidiaries of the Group, which qualified as High and New Technology Enterprises in the PRC, were entitled to a lower PRC corporate income tax rate of 15%; and
- (ii) Certain subsidiaries of the Group, which applied the Small-Scaled Minimal Profit Enterprise Income Tax Preferential Policy announced by the PRC's State Administration of Taxation, were subjected to tax rates of 5% for the reporting period.

	For the six months ended 30 June 2025 RMB'000 (Unaudited)	For the six months ended 30 June 2024 RMB'000 (Unaudited)
Current – PRC		
Charge for the period	339	489
Deferred	<u>999</u>	<u>1,328</u>
Total tax charge for the period	<u>1,338</u>	<u>1,817</u>

8. DIVIDENDS

The Board does not recommend the payment of any interim dividend in respect of the six months ended 30 June 2025 (2024: Nil).

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

The calculation of basic earnings per share amounts for the period ended 30 June 2025 is based on the profit for the period attributable to owners of the Company and the weighted average number of ordinary shares of 329,253,984 (2024: 317,833,058) outstanding during the period.

The weighted average number of ordinary shares used to calculate the basic earnings per share for the period ended 30 June 2025 was the total number of the ordinary shares in issue during the period and the ordinary shares issued in connection with the placing.

The weighted average number of ordinary shares used to calculate the basic earnings per share for the period ended 30 June 2024 was the total number of the ordinary shares in issue during the period, the ordinary shares issued pursuant to the conversion of preferred shares as if these shares had been in issue throughout the period, and the ordinary shares issued in connection with the listing of the Company.

No adjustment has been made to the basic earnings per share amount presented for the six months ended 30 June 2025 in respect of a dilution as the share options issued by the Company had no dilutive effect on the basic earnings per share amount presented.

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

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 30 June 2025 RMB'000 (Unaudited)	For the six months ended 30 June 2024 RMB'000 (Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent used in the basic and diluted earnings per share calculation	10,404	3,385
	Number of shares 2025	2024
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic and diluted earnings per share calculation	329,253,984	317,833,058

10. TRADE RECEIVABLES

	30 June 2025	31 December 2024
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Trade receivables	230,558	230,115
Impairment	(5,456)	(5,554)
Net carrying amount	225,102	224,561

The Group's trading terms with its customers are mainly on credit. The credit period is generally 30 to 180 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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

	30 June 2025	31 December 2024
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Within 3 months	148,164	92,553
3 to 6 months	76,874	71,601
6 to 12 months	63	60,406
Over a year	1	1
Total	225,102	224,561

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Unlisted fund investments, at fair value	72,727	72,324

As at 30 June 2025, the above unlisted investments of carrying amounts of RMB72,727,000 (31 December 2024: RMB72,324,000) was denominated in United States dollars. It was mandatorily classified as financial assets at fair value through profit or loss as its contractual cash flows is not solely payments of principal and interest.

12. TRADE PAYABLES

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

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 3 months	4,517	7,429
3 to 6 months	1,758	510
6 to 12 months	82	83
Over a year	299	287
Total	6,656	8,309

The trade payables are non-interest bearing and are normally settled within three months.

EVENTS AFTER THE REPORTING PERIOD

On July 24, 2025, the Company, Growth Value and the relevant placing agents entered into a placing and subscription agreement, pursuant to which: (i) Growth Value agreed to sell, and the placing agents agreed to procure, on a best effort basis, as agents of Growth Value, not less than six placees for an aggregate of 65,787,000 placing shares at HK\$5.26 per placing share (the “**July Placing**”); and (ii) Growth Value agreed to subscribe for, and the Company agreed to issue to Growth Value, an aggregate of 65,787,000 subscription shares at HK\$5.26 per subscription share (the “**July Subscription**”). The completion of the July Placing and the July Subscription took place on July 28, 2025 and August 6, 2025, respectively.

The Company presently intends to use the net proceeds from the July Subscription as follows: (i) 50% for the investment in the internet digital center assets; (ii) 30% for the investment in companies that involve in areas including the artificial intelligence technologies and their application (with a focus on the artificial intelligence generated content), Web3.0 businesses (such as the RWA businesses) and/or the digital content creation; and (iii) 20% for the Group’s working capital, including (a) 10% for the repayment of the principal and interests of the Group’s bank and other borrowings; and (b) 10% for other matters in connection with the Group’s daily operation, including, among others, promotion of the Company’s brand image.

On August 6, 2025, the Company entered into a share subscription agreement with Lightnet and the founders of Lightnet, pursuant to which the Company has agreed to subscribe for, and Lightnet has agreed to issue and allot, approximately 1.23% shares of Lightnet for a total consideration of USD5,000,000 (equivalent to approximately RMB36,004,000), subject to certain conditions. As of the date of this interim results announcement, the transaction has not been completed.

Save as disclosed above, there has been no event subsequent to the Reporting Period and up to the date of this announcement which may have a material impact on the Group.

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended June 30, 2025 (2024: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including treasury shares) during the six months ended June 30, 2025. The Company did not hold any treasury shares as of June 30, 2025.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company aims to achieve and maintain a high level of corporate governance, which is crucial to our development and would safeguard the interests of the Shareholders, and has complied with all applicable code provisions as set out in the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) during the six months ended June 30, 2025, except as disclosed below.

Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. The roles of the chairman of the Board and the chief executive officer of the Company are both performed by Mr. Wang Xi, an executive Director. The Board believes that vesting the roles of both chairman of the Board and the chief executive officer of the Company in the same individual enables the Company to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and executing business plans. Furthermore, in view of Mr. Wang Xi's extensive industrial experience and significant role in the historical development of our Group, the Board believes that it is beneficial to the business prospects of our Group that Mr. Wang Xi continues to act as the chairman of the Board following the Listing Date, and that the balance of power and authority is sufficiently maintained by the operation of the Board, comprising the executive Directors and independent non-executive Directors.

The Company will continue to review and monitor its corporate governance practices on a regular basis to ensure compliance with the Corporate Governance Code.

MODEL CODE FOR DEALING IN SECURITIES BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions of the Company by the Directors. Having made specific enquiries to all of the Directors, all Directors confirmed that they had fully complied with the required standards set out in the Model Code during the six months ended June 30, 2025.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) consists of Mr. An Yingchuan, Ms. Meng Xue and Mr. Zhu Jianfeng, of whom Mr. An Yingchuan has been appointed as the chairman. The primary duties of the Audit Committee are to review and supervise our financial reporting process and internal control system, nominate and monitor external auditors and to provide advice and comments to the Board on matters related to corporate governance.

The Audit Committee has reviewed with the management the Group’s 2025 interim results and the unaudited interim condensed consolidated financial information for the six months ended June 30, 2025 and confirms that the applicable accounting standards and requirements had been complied with, and that adequate disclosures had been made.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

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

By order of the Board
Easou Technology Holdings Limited
Wang Xi
Chairman and Executive Director

Hong Kong, August 29, 2025

As at the date of this announcement, the Board comprises Mr. Wang Xi, Mr. Chen Jun and Mr. Zhao Lei as executive Directors; and Mr. Zhu Jianfeng, Mr. An Yingchuan and Ms. Meng Xue as independent non-executive Directors.