



**INTERNATIONAL
BUSINESS**
DIGITAL TECH

INTERNATIONAL BUSINESS DIGITAL TECHNOLOGY LIMITED

國際商業數字技術有限公司

Stock code : 1782

2025

Interim Report

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Director

Mr. Shi Zhimin (*Chief Executive Officer and Chairman*)

Non-executive Director

Mr. Guan Haiqing

Independent Non-executive Directors

Mr. Yeung Man Simon

Mr. Hu Jianjun

Ms. Ru Tingting

COMPANY SECRETARY

Mr. Chan Ngai Chi (*FCPA, FCCA, CFA*)

AUTHORISED REPRESENTATIVES

Mr. Shi Zhimin

Mr. Chan Ngai Chi (*FCPA, FCCA, CFA*)

AUDIT COMMITTEE

Mr. Yeung Man Simon (*Chairman*)

Mr. Hu Jianjun

Ms. Ru Tingting

REMUNERATION COMMITTEE

Mr. Hu Jianjun (*Chairman*)

Ms. Ru Tingting

Mr. Yeung Man Simon

Mr. Shi Zhimin

NOMINATION COMMITTEE

Ms. Ru Tingting (*Chairlady*)

Mr. Yeung Man Simon

Mr. Hu Jianjun

Mr. Shi Zhimin

INDEPENDENT AUDITOR

Ernst & Young

REGISTERED OFFICE

Windward 3, Regatta Office Park

PO Box 1350,

Grand Cayman KY1-1108

Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN THE MAINLAND CHINA

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
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16 Harcourt Road
Hong Kong

LEGAL ADVISER

Li & Partners
22/F., World Wide House
Central
Hong Kong

PRINCIPAL BANKER

In Mainland China
Industrial and Commercial Bank of China
China Merchants Bank

In Hong Kong
Standard Chartered Bank China
CITIC Bank International

WEBSITE ADDRESS

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STOCK CODE

1782

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Revenue	42,337	42,101
Loss for the period	(33,382)	(39,033)
Net loss attributable to the owners of the parent	(33,382)	(38,545)
Loss per share (RMB cents)	(4.36)	(5.06)
Gross margin	50%	42.4%
Net loss margin	-78.8%	-92.7%
	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
Cash and cash equivalents	81,117	77,321
Total assets	216,717	208,808
Total liabilities	49,581	44,256
Total Equity	167,136	164,552
Current ratio	4.2	4.7
Quick ratio	3.9	4.4
Debt to equity ratio (Note)	6.0%	6.1%

Note: Total interest-bearing borrowings divided by total equity and multiplied by 100%.

MANAGEMENT DISCUSSION AND ANALYSIS

The board (the “**Board**”) of directors (the “**Directors**”) of International Business Digital Technology Limited (the “**Company**”) announces its unaudited consolidated interim results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 June 2025 together with the comparative figures for the corresponding period in 2024.

BUSINESS REVIEW AND OUTLOOK

This Group is a pioneering enterprise in the field of digital technology in China. It possesses multiple core digital and information technologies and has earned industry accolades over years of experience in software development. The management’s latest strategy is to build upon the Group’s existing business while continuously exploring to expand into broader and more promising development opportunities by leveraging its technological and experiential advantages. Currently, the business of the Group consists of two sectors. The first sector is a new business market under exploration for the Central Bank Digital Currencies (“**CBDC**”) network system by utilizing cutting-edge digital technology. The second sector is to provide Application Performance Management (“**APM**”) products and service solutions to telecommunication operators and large enterprises in China.

The CBDC business under exploration is to provide the target customers with integrated systems, including primarily: (1) software development services; (2) technical services; and (3) sales of hardware. The Group plans to expand the CBDC products and services to a number of countries. Our goal is to make our CBDC products and services available globally to provide better digital financial services to local users. We have continued our negotiation with local ministries of finance, central banks, commercial banks, and other financial institutions, though these discussions have yet to translate into concrete business cooperations. We are diligently working to convert these relationships into revenue generating opportunities.

The business of providing APM products and service solutions for telecommunication operators and large enterprises includes (1) integrated APM system solutions; (2) software development services; (3) technical services; and (4) sales of embedded hardware and standard APM software. In the first half of 2025, the Group’s revenue amounted to approximately RMB42.3 million and its net loss attributable to the owners of the parent to approximately RMB33.4 million.

CBDC Business

CBDCs are digital versions of sovereign currencies. According to the Bank for International Settlements, approximately 90% of central banks are exploring CBDCs, with projects in various stages across over 50 countries. These initiatives aim to address financial challenges and support the digital economy.

We are involved in developing CBDC product modules and engaging with financial institutions to explore potential opportunities. While these efforts are ongoing, they are part of our broader strategy to stay at the forefront of financial technology. While we shape the future of digital finance through CBDCs, our APM business drives immediate growth with cutting-edge solutions.

MANAGEMENT DISCUSSION AND ANALYSIS

APM Business

The Group continues to empower various industries, driving intelligent innovation and growth. The following will be our two key APM development focuses in 2025.

Empowering Operators with AIOps (AI for IT Operations) through AI+ Network Solutions

The Group focuses on AI+ network intelligence, providing operators with intelligent and automated operations and maintenance systems to achieve:

- Accurate fault prediction and rapid localization, reducing failure rates and improving cost efficiency.
- Network intelligent optimization based on AI decision models, enhancing performance and user experience.

Advancing AI+ Vertical Industry Solutions

The Group actively promotes the integration of AI with industries, empowering multiple fields through “large models + small models + applications”:

- **Smart Video:** Achieving intelligent upgrades such as content detection and behaviour recognition, covering scenarios in security, transportation, film and television, and more.
- **Smart Energy:** Creating unmanned mining solutions through AI, digital twins, and 5G to improve safety and efficiency, and promote green transformation.
- **Smart Transportation:** Optimizing real-time monitoring and autonomous driving through vehicle-road-cloud collaboration solutions, securing cooperative orders from car companies, regulatory units, and others.
- **Smart Manufacturing:** Providing 5G+ smart factory services to support the interconnection of production equipment and digital transformation, expanding clients in steel, chemical, and other industries.

FINANCIAL REVIEW

Revenue

The Group's revenue for the six months ended 30 June 2025 amounted to approximately RMB42.3 million, representing an increase of approximately RMB0.2 million or 0.6% as compared with that of approximately RMB42.1 million recorded for the six months ended 30 June 2024. The increase was mainly attributable to the combined effect of: (1) the increase in revenue generated from the provision of integrated APM system solutions of approximately RMB3.3 million; (2) the decrease in revenue generated from the provision of software development services of approximately RMB1.5 million; (3) the decrease in revenue generated from the provision of technical services of approximately RMB1.7 million; and (4) the increase in revenue generated from sales of embedded hardware and standard APM software of approximately RMB0.1 million.

The following analysis sets forth a breakdown of the Group's revenue by service type for the six months ended 30 June 2024 and 2025, respectively:

Integrated APM system solutions

This segment provides integrated APM system solutions by tailor-making our APM products to allow our customers to better manage and monitor their applications and networks. The Group has recorded an increase in the revenue generated from the provision of integrated APM system solutions of approximately 20.2% from approximately RMB16.2 million for the six months ended 30 June 2024 to approximately RMB19.5 million for the six months ended 30 June 2025. The increase was primarily attributable to the shortened delivery timeframe for system solutions, which facilitated a faster project completion rate.

Software development services

This segment provides software development services which typically involve developing customized supporting software for upgrade and expansion of the APM products which are already integrated with our customers' systems and networks. Our revenue derived from the provision of software development services decreased by approximately 7.3% from approximately RMB19.9 million for the six months ended 30 June 2024 to approximately RMB18.4 million for the six months ended 30 June 2025. Such decrease was mainly due to the Group's strategic reallocation of resources towards the promotion of new products and technologies within its comprehensive APM system solutions.

MANAGEMENT DISCUSSION AND ANALYSIS

Technical services

This segment provides advisory services, including operational support, system maintenance, network analysis and optimization for our APM products, and research study of specific topics on application and network performance. Our revenue derived from the provision of technical services decreased by approximately 29.2% from approximately RMB5.8 million for the six months ended 30 June 2024 to approximately RMB4.1 million for the six months ended 30 June 2025. Such decrease was mainly due to the Group's strategic reallocation of resources towards the promotion of new products and technologies within its comprehensive APM system solutions.

Sales of embedded hardware and standard APM software

We sell embedded hardware and standard APM software to customers who do not require tailor-making services. Our revenue generated from the sales of embedded hardware and standard APM software increased by approximately 53.0% from approximately RMB0.2 million for the six months ended 30 June 2024 to approximately RMB0.3 million for the six months ended 30 June 2025. Such increase was mainly driven by a modest growth in demand for the Group's hardware and standard software offerings among non-telecommunication customers.

Gross profit and gross profit margin

The Group's gross profit increased by approximately 18.5% from approximately RMB17.9 million for the six months ended 30 June 2024 to approximately RMB21.2 million for the six months ended 30 June 2025. Such increase was mainly due to the increase in the business volume for sales of integrated APM system solutions, and software development services. The Group's gross profit margin was recorded at approximately 42.4% and approximately 50.0% for the six months ended 30 June 2024 and 2025, respectively. The improvement in gross profit margin reflects the Group's effective implementation of policies aimed at shortening project cycles and accelerating project delivery, resulting in tangible cost reduction achievements.

Other income and gains

The Group recorded other income and gains of approximately RMB4.3 million and approximately RMB0.9 million for the six months ended 30 June 2024 and 2025, respectively. The decrease was mainly due to:

- 1) the depreciation of the Hong Kong dollar against the RMB compared with the same period last year, resulting in an exchange loss, net of approximately RMB0.4 million for the six months ended 30 June 2025 from an exchange gain, net of approximately RMB0.5 million for the six months ended 30 June 2024;
- 2) the decrease in depository interest rate for Hong Kong dollars, resulting in a decrease in interest income from approximately RMB1.3 million for the six months ended 30 June 2024 to approximately RMB0.4 million for the six months ended 30 June 2025; and
- 3) the prolonged processing time of VAT refunds, resulting in a decrease of government grants from approximately RMB2.5 million for the six months ended 30 June 2024 to approximately RMB0.9 million for the six months ended 30 June 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Selling and distribution expenses

The Group's selling and distribution expenses decreased by approximately 16.9% from approximately RMB12.7 million for the six months ended 30 June 2024 to approximately RMB10.6 million for the six months ended 30 June 2025. Such decrease was mainly due to the Group's certain effort to downsize its workforce and streamline its operations.

Research and development expenses

The Group's research and development ("R&D") expenses decreased by approximately 3.5% from approximately RMB20.6 million for the six months ended 30 June 2024 to approximately RMB19.9 million for the six months ended 30 June 2025. The decrease was mainly due to the Group's certain effort to downsize its workforce and streamline its operations.

Administrative expenses

The Group's administrative expenses decreased by approximately 10.4% from approximately RMB27.6 million for the six months ended 30 June 2024 to approximately RMB24.8 million for the six months ended 30 June 2025. The decrease was mainly due to the Group's certain effort to downsize its workforce and streamline its operations.

Net loss

Due to the foregoing reasons, the Group recorded a net loss of approximately RMB33.4 million for the six months ended 30 June 2025 as compared to a net loss of approximate RMB39.0 million for the six months ended 30 June 2024.

LIQUIDITY AND FINANCIAL RESOURCES

For the six months ended 30 June 2025, the Group's cash and cash equivalents, together with available credit facilities and expected cash flow from operations, were sufficient to satisfy the current operational requirements and the capital expenditures of the Group.

The Group's net current assets decreased from approximately RMB151.0 million as at 31 December 2024 to approximately RMB148.5 million as at 30 June 2025. Our cash and cash equivalents were approximately RMB81.1 million as at 30 June 2025 (as at 31 December 2024: approximately RMB77.3 million).

The Group's current ratio decreased from 4.7 as at 31 December 2024 to 4.2 as at 30 June 2025. The Group's debt to equity ratio decreased from 6.1% as at 31 December 2024 to 6.0% as at 30 June 2025. The calculation of debt-equity ratio is based on the total interest-bearing borrowings divided by total equity and multiplied by 100%.

The current ratio decreased slightly and the debt to equity ratio increase slightly, primarily attributable to the recorded net loss and operating cash outflows for the current period but offset by the issuance of 10,000,000 new shares in April 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

TREASURY POLICY

The Group has adopted a prudent financial management approach towards its treasury policy and thus maintained a healthy liquidity position for the six months ended 30 June 2025. To manage the liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

EXPOSURE TO EXCHANGE RATE FLUCTUATION

The Group's main operations are in China with most of its transactions being settled in RMB. Some of the Group's cash and bank deposits are denominated in Hong Kong dollars ("HK\$") and US dollars ("US\$"). The balance of cash and cash equivalents in currencies other than RMB as at 30 June 2025 mainly included HK\$40.6 million (equivalent to approximately RMB37.0 million) held in banks in Hong Kong and China. The Group did not experience any impact or difficulties in liquidity on its operations resulting from currency exchange and no hedging transaction or forward contract arrangement was made by the Group during the six months ended 30 June 2025. The management will continue to closely monitor foreign exchange risk to ensure that appropriate measures are implemented in a timely and effective manner.

CAPITAL STRUCTURE

On 17 March 2025, Imperium International Securities Limited as the placing agent ("**Placing Agent**") and the Company entered into the placing agreement ("**Placing Agreement**") pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure not less than six placees to subscribe for up to 10,000,000 ordinary shares at the placing price of HK\$3.95 per placing share (the "**Placing**"). On 9 April 2025, the Placing was completed. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiry, there were not less than six placees under the Placing who were individual investors that were third parties independent of and not connected with the Company and its connected persons. None of the placees under the Placing has become a substantial shareholder (as defined under the Listing Rules) of the Company immediately upon completion of the Placing. The aggregate nominal value of the maximum number of placing shares under the Placing is HK\$100,000. The net issue price per Placing Share (after deduction of the placing commission, professional fees and all related expenses) is approximately HK\$3.897 per Placing Share. The closing price of the Company's shares was HK\$4.12 per share as quoted on the Stock Exchange on 17 March 2025 (being the date of the Placing Agreement).

The Directors consider that the Placing represents a good opportunity to raise additional funds through the equity market, broaden its shareholder base and will strengthen the Group's financial position.

Save for the increase in the number of total issued Shares from 762,000,000 to 772,000,000 upon the completion of the Placing on 9 April 2025, there was no change in the capital structure of the Company during the six months ended 30 June 2025. The capital structure of the Group mainly consists of shareholders' equity, which includes share capital and reserves, and bank borrowings. As at 30 June 2025, the Company's issued share capital comprises only 772,000,000 ordinary shares of HK\$0.01 each and amounted to HK\$7,720,000 (equivalent to RMB6,778,000). Total shareholders' equity of the Company amounted to approximately RMB167.1 million as at 30 June 2025 (as at 31 December 2024: approximately RMB164.6 million).

MANAGEMENT DISCUSSION AND ANALYSIS

As at 30 June 2025, the Group's interest-bearing bank borrowings which were repayable within one year amounted to RMB10.0 million (as at 31 December 2024: RMB10.0 million). There is no material seasonality of borrowing requirements for the Group. The interest rates of the Group's total interest-bearing bank borrowings were denominated in RMB and fixed at approximately 2.25% per annum.

USE OF PROCEEDS

On 9 April 2025, the Company completed the Placing and the placing shares were issued pursuant to the general mandate granted by the shareholders of the Company to the Directors at the annual general meeting of the Company held on 24 May 2024 to raise net proceeds of approximately HK\$39.0 million (equivalent to approximately RMB36.0 million) by issuing additional 10,000,000 placing shares at the placing price of HK3.95 per placing share. For further information, please refer to the announcements of the Company dated 17 March 2025 and 9 April 2025 respectively (the "Placing Announcements").

As disclosed in the Placing Announcements, the Company intended to apply approximately HK\$33.0 million (equivalent to approximately RMB30.5 million) of the net proceeds towards the investment in and upgrade of digital technologies (including but not limited to CBDC, big data, AI and their related technologies) to expand the businesses of all its existing business segments.

The following table sets out the details of the said net proceeds that were utilised and unutilised as of 30 June 2025 with reference to the intended utilisation of net proceeds in accordance with the Placing Announcements:

Intended use of proceeds	Intended use of proceeds RMB million	Net proceeds utilised up to 30 June 2025 RMB million	Unutilised net proceeds as at 30 June 2025 RMB million	Expected timeline for utilising unutilised net proceeds
Investment in and upgrade of digital technologies (including but not limited to CBDC, big data, AI and their related technologies) to expand the businesses of all its existing business segments	30.5	6.6	23.9	Expected to be utilised by 30 June 2027
General working capital purposes of the Group	5.5	0.4	5.1	Expected to be utilised by 30 June 2027
	36.0	7.0	29.0	

The remaining unutilised net proceeds as at 30 June 2025 were placed as bank balances with licensed bank in Hong Kong and will be applied in the manner consistent with the proposed allocations.

MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL EXPENDITURES

For the six months ended 30 June 2025, the Group's capital expenditures amounted to approximately RMB0.5 million (for the six months ended 30 June 2024: RMB1.6 million), for purchases of computer equipment and other intangible assets.

COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2025, apart from the future lease payments of RMB1.8 million (as at 31 December 2024: RMB2.9 million) for non-cancellable lease contracts due within one year and for which the underlying assets are of low value, the Group had no other material commitments or contingent liabilities.

DIVIDEND

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

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the Placing Announcements, the Group did not have other substantial future plans for material investments and capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

For the six months ended 30 June 2025, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

SIGNIFICANT INVESTMENTS AND ACQUISITION OF CAPITAL ASSETS

Save as disclosed above, for the six months ended 30 June 2025, the Group did not hold any significant investments nor made any significant acquisition of capital assets.

CHARGE ON ASSETS

As at 30 June 2025, apart from RMB1.3 million that were pledged in relation to a letter of guarantee (as at 31 December 2024: RMB1.2 million), no other Group's assets were charged to any financial institutions.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES, TRAINING AND REMUNERATION POLICIES

As at 30 June 2025, the Group had a total of 278 employees. The Group's staff costs including directors' emoluments were approximately RMB37.7 million for the six months ended 30 June 2025 (for the six months ended 30 June 2024: approximately RMB40.8 million).

The employees' compensation of the Group includes basic salary, bonuses, cash subsidies and Pension Scheme Contributions. The Group determines employees' compensation based on each employee's performance, qualifications, position and seniority.

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "**MPF Scheme**") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme.

The employees of the Group's subsidiaries which operates in Chinese Mainland are required to participate in a central pension scheme operated by the local municipal government. The subsidiary operating in Chinese Mainland is required to contribute a certain percentage of its payroll costs to the central pension scheme. The contributions are charged to the consolidated statement of profit or loss and other comprehensive income as they become payable in accordance with the rules of the central pension scheme.

No contributions under the above pension schemes are available to be forfeited by employer to reduce the contribution payable in future years.

The Company adopted a share option scheme (the "**Share Option Scheme**") on 21 November 2016 to provide incentives and rewards to eligible persons for their contributions and continuing efforts for promoting the interest of the Group. For details of the Share Option Scheme, please refer to the section headed "SHARE OPTION SCHEME" in this report.

The Company recognises the importance of keeping the Directors updated with the latest information of duties and obligations of a director of a company whose shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the general regulatory and environment requirements for such listed company. To meet this goal, the Group is committed to our employees' continuing education and development.

The Group provides various training programs to the employees on a quarterly basis, such as corporate culture training and initial training for new employees in order to improve employees' knowledge in a number of important areas of our services. Internal training programs of our Group are dynamic and are tailored in accordance with the particular stage of the Group's development.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirm that at least 25% of the Company's total issued share capital was held by the public (as defined under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as at the date of this interim report.

OTHER INFORMATION

SHARE OPTION SCHEME

The Company adopted the Share Option Scheme on 21 November 2016.

Details of the Share Option Scheme are as follows:

- | | | |
|----|--|--|
| 1. | Purpose of the Share Option Scheme | The purpose of the Share Option Scheme is to enable the Company to grant options to eligible persons as incentives and rewards for their contributions and continuing efforts for promoting the interest of the Group. |
| 2. | Who may join | Any eligible employee (full time or part-time), executive Director, non-executive Director and independent non-executive Director, advisor and consultant of the Group. |
| 3. | Total number of shares available for issue and grant under the Share Option Scheme | As at 1 January and 30 June 2025, the total number of shares available for issue and grant under the Share Option Scheme was 48,674,500 Shares (representing 10% of the total number of Shares in issue as at 15 December 2016 (the “ Listing Date ”), the date on which the shares of the Company were listed on GEM of the Stock Exchange and approximately 6.3% of the total number of Shares in issue as at the date of this report). |
| 4. | Subscription price | <p>The subscription price shall be a price determined by the Board, but in any case shall not be less than the highest of:</p> <ul style="list-style-type: none">(i) the closing price of the Shares as stated in the Stock Exchange’s daily quotation sheet on the date of the grant, which must be a trading day;(ii) the average closing price per share as stated in the Stock Exchange’s daily quotation sheets for the five trading days immediately preceding the date of the grant; and(iii) the nominal value of a share on such date of grant. |
| 5. | Maximum entitlement of each participant | The total number of Shares issued and to be issued upon exercise of options granted in any 12-month period to a participant under this Share Option Scheme and other schemes must not exceed 1% of the Shares in issue. |
| 6. | Time of acceptance | Options granted may be accepted by the eligible person within 28 days from the date of the grant of options. |
| 7. | Option period | A period which may expire no later than 10 years from the date of the offer of to be determined and notified by Directors to the grantee thereof. |
| 8. | Rights are personal to grantee | An option shall be personal to the grantee and shall not be transferable or assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber, or create any interest in favour of any third party over or in relation to any option. |
| 9. | Remaining life of the Share Option Scheme | As at 30 June 2025, the remaining life of the Share Option Scheme was approximately 1 years and 4 months (expiring on 20 November 2026). |

Since the adoption of the Share Option Scheme and up to the date of this report, no share option has been granted, exercised, lapsed and cancelled pursuant to the Share Option Scheme. As at 1 January 2025 and 30 June 2025 and up to the date of this report, the Company does not have any outstanding share options, warranties, derivatives or securities that are convertible into or exchangeable for shares.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at 30 June 2025, none of the Directors and chief executive of the Company had an interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571) of the laws of Hong Kong (the “SFO”)) which was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or was required to be recorded pursuant to section 352 of the SFO, or required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the “Model Code”).

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES DISCLOSEABLE UNDER THE SFO

As at 30 June 2025, so far as known to the Directors, the following Shareholders (other than Directors and the chief executive of the Company) who had interests or short positions in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Long Positions in Shares

Name of Shareholders	Capacity/Nature of interest	Number of Shares held	Approximate percentage of shareholding (Note 1)
International Business Digital Technology Group Limited (Note 2)	Beneficial owner	479,110,000	62.06%
International Business Digital Technology Group (Hong Kong) Limited (Note 2 and 3)	Interest in a controlled corporation	479,110,000	62.06%
International Business Digital Technology Group Limited (Note 3 and 4)	Interest in a controlled corporation	479,110,000	62.06%
Du Li (Note 4)	Interest in a controlled corporation	479,110,000	62.06%

Notes:

- As at 30 June 2025, the Company had 772,000,000 Shares in issue.
- International Business Digital Technology Group Limited (formerly Phoenix Wealth (Cayman) Asset Management Limited) is an exempt company incorporated in the Cayman Islands with limited liability and is wholly-owned by International Business Digital Technology Group (Hong Kong) Limited.
- International Business Digital Technology Group (Hong Kong) Limited (formerly Phoenix Wealth (Hong Kong) Asset Management Limited) is incorporated in Hong Kong and is wholly-owned by International Business Digital Technology Group Limited.
- International Business Digital Technology Group Limited (formerly Phoenix Wealth Investment (Holdings) Limited) is incorporated in the British Virgin Islands and is wholly-owned by Mr. Du Li.

OTHER INFORMATION

Save as disclosed above, as at 30 June 2025, the Company has not been notified by any persons (other than the Directors or chief executive of the Company) who held an interest or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the sections headed "SHARE OPTION SCHEME" and "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES" above, during the six months ended 30 June 2025 and up to the date of this report, none of the Directors and chief executive of the Company and their respective close associates (as defined in the Listing Rules) had any interest in, or had been granted or exercised any rights to subscribe for shares or underlying shares of the Company and/or its associated corporations (within the meaning of the SFO).

COMPETING INTERESTS

During the six months ended 30 June 2025 and up to the date of this report, none of the Directors or the controlling Shareholders or their respective associates (as defined in the Listing Rules) had an interest in any business which competes or may compete, either directly or indirectly, with the business of the Group or has any conflicts of interest which has or may have with the Group.

CORPORATE GOVERNANCE

During the six months ended 30 June 2025, the Company has applied the principles of and is in compliance with all code provisions of the Corporate Governance Code (the "**Code**") as set forth in Appendix C1 to the Listing Rules save as disclosed below.

Code provision C.2.1 of the Code provides that the roles of Chairman and Chief Executive should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and Chief Executive should be clearly established and set out in writing. Currently, Mr. Shi Zhimin is both the Chairman and Chief Executive Officer of the Company. In view of the fact that Mr. Shi Zhimin possesses extensive management experience in listed companies, the Board considers that vesting the roles of both the Chief Executive Officer and the Chairman in the same person has the benefit of ensuring consistent leadership with the Company and enables more effective and efficient overall strategic planning for the Company. The Board believes that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and efficiently. The Board shall nevertheless review the structure from time to time and it will consider the appropriate move to take should suitable circumstance arise.

CHANGE IN INFORMATION OF DIRECTORS

As at the date of this report, there has been no change in the information of the Directors of the Company since the publication of the 2024 annual report of the Company which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct for dealing in securities of the Company by the Directors.

The Company has made specific enquiry to all Directors, who have confirmed that, during the six months ended 30 June 2025, each of them were in compliance with the Model Code.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any securities of the Company during the six months ended 30 June 2025.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) was established on 21 November 2016 with written terms of reference revised by the Board with effect from 29 November 2018 in compliance with Rules 3.21 and 3.22 of the Listing Rules and the code provision D.3.3 of the Code. During the six months ended 30 June 2025, the Audit Committee comprised Mr. Yeung Man Simon, Mr. Hu Jianjun and Ms. Ru Tingting, all of them were independent non-executive Directors. The chairman of the Audit Committee was Mr. Yeung Man Simon, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

During the six months ended 30 June 2025, none of the members of the Audit Committee are former partners of the Company’s existing external auditors.

The Group’s unaudited condensed consolidated results for the six months ended 30 June 2025 and this report have not been reviewed by the Company’s auditor but have been reviewed by the Audit Committee with the management. The Audit Committee is of the view that such results complied with the applicable accounting standards, the requirements under the Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

OTHER INFORMATION

EVENTS AFTER THE REPORTING PERIOD

There is no significant event subsequent to 30 June 2025 which would materially affect the Group's operating and financial performance as at the date of this report.

ACKNOWLEDGEMENT

The Board would like to take this opportunity to express its gratitude to all shareholders and business associates for their continuous support and to all employees for their dedication and contribution to the Group.

* *For identification purpose only*

By order of the Board
International Business Digital Technology Limited
Shi Zhimin
*Chairman, Chief Executive Officer
and Executive Director*

Hong Kong, 22 August 2025

As at the date of this report, the Board comprises Mr. Shi Zhimin as executive Director; Mr. Guan Haiqing as non-executive Director and Mr. Yeung Man Simon, Mr. Hu Jianjun and Ms. Ru Tingting as independent non-executive Directors.

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			
	Notes	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
REVENUE	5	42,337	42,101
Cost of sales		(21,187)	(24,250)
Gross profit		21,150	17,851
Other income and gains	5	914	4,308
Selling and distribution expenses		(10,559)	(12,701)
Research and development expenses		(19,890)	(20,619)
Administrative expenses		(24,754)	(27,642)
Reversal of impairment losses on financial and contract assets, net		134	52
Other expenses		(97)	(39)
Finance costs		(275)	(219)
LOSS BEFORE TAX	6	(33,377)	(39,009)
Income tax expenses	7	(5)	(24)
LOSS FOR THE PERIOD		(33,382)	(39,033)
OTHER COMPREHENSIVE INCOME		–	–
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(33,382)	(39,033)
Attributable to:			
Owners of the parent		(33,382)	(38,545)
Non-controlling interests		–	(488)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	8	(4.36)	(5.06)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
NON-CURRENT ASSETS			
Property and equipment	9	3,490	4,164
Right-of-use assets		10,469	4,140
Other intangible assets		3,635	4,375
Contract assets		2,392	2,392
Long term deposit	12	527	527
Deferred tax assets		—	—
Restricted cash	13	665	1,100
Total non-current assets		21,178	16,698
CURRENT ASSETS			
Inventories	10	14,047	10,747
Trade and bills receivables	11	13,428	13,804
Contract assets	12	71,230	72,450
Prepayments, other receivables and other assets		15,132	17,692
Restricted cash	13	585	96
Cash and cash equivalents	13	81,117	77,321
Total current assets		195,539	192,110
CURRENT LIABILITIES			
Trade payables	14	11,266	13,134
Other payables and accruals		17,856	16,691
Interest-bearing bank borrowings		10,000	10,000
Lease liabilities		7,900	1,294
Total current liabilities		47,022	41,119
NET CURRENT ASSETS		148,517	150,991
TOTAL ASSETS LESS CURRENT LIABILITIES		169,695	167,689

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
NON-CURRENT LIABILITIES			
Deferred tax liabilities		—	—
Other payables and accruals		—	104
Lease liability		2,559	3,033
Total non-current liabilities		2,559	3,137
Net assets		167,136	164,552
EQUITY			
Issued capital	15	6,778	6,686
Reserves		160,358	157,866
Capital and reserves attributable to the owners of the parent		167,136	164,552
Non-controlling interests		—	—
Total equity		167,136	164,552

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

30 June 2025

	Issued capital RMB'000 (Note 15)	Share premium RMB'000	Capital reserve RMB'000	Statutory surplus reserve RMB'000	Retained profits RMB'000	Subtotal RMB'000	Non- controlling interests RMB'000	Total RMB'000
At 1 January 2024	6,686	192,753	30,710	14,358	(1,888)	242,619	(557)	242,062
Loss for the period	–	–	–	–	(38,545)	(38,545)	(488)	(39,033)
Total comprehensive loss for the period	–	–	–	–	(38,545)	(38,545)	(488)	(39,033)
Transfer from retained profits	–	–	–	55	(55)	–	–	–
Acquisition of an additional 7.41% interests in a subsidiary	–	–	(967)	–	–	(967)	300	(667)
At 30 June 2024 (Unaudited)	6,686	192,753	29,743	14,413	(40,488)	203,107	(745)	202,362
At 1 January 2025	6,686	192,753	27,711	14,413	(77,011)	164,552	–	164,552
Loss for the period	–	–	–	–	(33,382)	(33,382)	–	(33,382)
Total comprehensive loss for the period	–	–	–	–	(33,382)	(33,382)	–	(33,382)
Issuance of new Shares under the Placing	92	36,349	–	–	–	36,441	–	36,441
Share issue expenses	–	(475)	–	–	–	(475)	–	(475)
At 30 June 2025 (Unaudited)	6,778	228,627	27,711	14,413	(110,393)	167,136	–	167,136

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

		For the six months ended 30 June	
	Notes	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(33,377)	(39,009)
Adjustments for:			
Finance costs		275	219
Interest income		(414)	(1,338)
Depreciation of property and equipment		753	485
Depreciation of right-of-use assets		1,950	4,200
Amortization of other intangible assets	6	1,132	2,412
Net foreign exchange differences	6	433	(459)
		(29,248)	(33,500)
Increase in inventories		(3,300)	(2,302)
Decrease in contract assets		1,220	10,514
Decrease in trade and bills receivables		376	1,653
Decrease/(Increase) in prepayments and other receivables		2,268	(667)
Decrease/(Increase) in restricted cash for guarantee	13	(54)	59
Decrease in trade payables		(1,868)	(3,417)
Increase/(Decrease) in other payables and accruals		1,061	(6,249)
Cash used in operations		(29,545)	(33,899)
Interest received		351	1,302
Income tax paid		(5)	(16)
Net cash flows used in operating activities		(29,199)	(32,613)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of items of property and equipment	9	(79)	(1,612)
Additions to other intangible assets		(392)	–
Acquisition of an additional 7.41% interests in a subsidiary		–	(667)
Net cash flows used in investing activities		(471)	(2,279)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

		For the six months ended 30 June	
	Notes	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from the Placing		35,966	–
Interest paid		(275)	(219)
Decrease in pledged deposits for a short term bank loans	13	–	4,200
Principal portion of lease payments		(1,972)	(4,119)
Decrease/(Increase) in rental deposit		180	(3,085)
Net cash flows generated from/(used) in financing activities		33,899	(3,223)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		4,229	(38,115)
Cash and cash equivalents at beginning of period		77,321	122,620
Effect of foreign exchange rate changes, net		(433)	459
UNRESTRICTED CASH AND CASH EQUIVALENTS	13	81,117	84,964

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

1. CORPORATE INFORMATION

International Business Digital Technology Limited (formerly known as Vixel Technologies Holdings Limited, the change of name was confirmed by the Registrar of Companies in Hong Kong on 4 July 2023 under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) (the “**Company**”) was incorporated in the Cayman Islands on 10 November 2015 as an exempted company with limited liability under the Companies Law (2013 Revision) of the Cayman Islands. The address of the registered office of the Company is Windward 3, Regatta Office Park PO Box 1350, Grand Cayman KY1-1108 Cayman Islands. The shares of the Company were listed on the GEM of the Stock Exchange on 15 December 2016.

The Company has successfully transferred listing from GEM to the Main Board of the Stock Exchange on 29 November 2018.

The Company is an investment holding company. The Group is principally engaged in providing APM solutions in the PRC. The Group is currently planning to enter a new business market under exploration for the CBDC network system by utilizing cutting-edge digital technology.

2. BASIS OF PRESENTATION

The interim condensed consolidated financial statements for the six months ended 30 June 2025 has been prepared in accordance with the Hong Kong Accounting Standards (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants, and the disclosure requirements of the Hong Kong Companies Ordinance.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statement, and should be read in conjunction with those of the annual report for the year ended 31 December 2024.

Certain comparative figures have been reclassified so as to conform to the current year’s presentation. The reclassification has had no effect on the reported results of operations.

The unaudited consolidated results for the six months ended 30 June 2025 have not been audited by the Company’s auditors, but have been reviewed by the Company’s audit committee.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

3. NEW STANDARDS, INTERPRETATION AND AMENDMENTS ADOPTED BY THE GROUP

Except as described below, the accounting policies applied in this condensed consolidated interim financial information are consistent with those of the annual financial statements for the year ended 31 December 2024.

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

Adoption of revised framework and amendments to standards

The Group has adopted the following revised framework and amendments to standards which are relevant to the Group's operations and are mandatory for the financial year beginning on 1 January 2025.

Amendments to HKAS 21

Lack of Exchangeability

The adoption of the above revised framework and amendments to standards did not have any significant financial impact on this condensed consolidated interim financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

4. OPERATING SEGMENT INFORMATION

For the six months ended 30 June 2025, the Group is principally engaged in the provision of APM solutions in the Mainland China.

Under HKFRS 8 Operating Segments, it is required that operating segments to be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to segments and to assess their performance. The information reported to the directors of the Company, who are the chief operating decision-makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Mainland China	42,053	41,653
Others	284	448
	42,337	42,101

The revenue information of continuing operations above is based on the locations of the customers.

(b) Non-current assets

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Mainland China	11,826	14,005
Hong Kong	9,352	2,693
Total non-current assets	21,178	16,698

The non-current asset information of continuing operations above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers

Revenue of approximately RMB34,637,000 (six months ended 30 June 2024: RMB30,547,000) was derived from sales to a state-owned telecommunication operator group, including sales to a group of entities which are known to be under common control with that group, and accounted for more than 10% of the total revenue for the six months ended 30 June 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

5. REVENUE, OTHER INCOME AND GAINS

Revenue represents the value of provision of digital technology related solutions during the period.

An analysis of revenue, other income and gains is as follows:

	For the six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Revenue		
Integrated APM system solutions	19,462	16,191
Software development services	18,409	19,853
Technical services	4,131	5,838
Sales of embedded hardware and standard APM software	335	219
	42,337	42,101
Other income and gains		
Interest income	414	1,338
Government grants — related to expense (Note)	933	2,511
Exchange (loss)/gain, net	(433)	459
	914	4,308

Note: Government grants received from the government of the Mainland China mainly represented the refund of the value added tax previously paid. There are no unfulfilled conditions or contingencies relating to the grants.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

6. LOSS BEFORE TAX

The Group's loss before tax from continuing operations is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Cost of inventories sold	155	77
Cost of services rendered	21,032	13,037
Employee benefit expenses (excluding directors' and chief executives' remuneration):		
Salaries, allowance and other benefits	34,381	35,879
Pension scheme contributions (defined contribution scheme)	1,848	1,934
	36,229	37,813
Research and development costs	19,890	20,619
Depreciation of property and equipment	753	485
Depreciation of right-of-use assets	1,950	4,200
Amortization of other intangible assets	1,132	2,412
Bank interest income	(414)	(1,338)
Foreign exchange difference, net	433	(459)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

7. INCOME TAX

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Company Law of the Cayman Islands and accordingly is not subject to income tax.

No Hong Kong profits tax has been provided since no taxable profit arose in Hong Kong during the period.

Pursuant to the PRC Corporate Income Tax Law and the respective regulations, Vixel Technologies Limited, Vixel Software Limited, Depuda (Wuxi) Technologies Limited and Vixel Yunwang (Beijing) Technologies Limited are subject to corporate income tax at a rate of 25% on the taxable profit. A preferential tax treatment is available to Vixel Technologies Limited, which was recognised as a High and New Technology Enterprise in 2010 in Mainland China, and a lower corporate income tax of 15% has been applied since then. The certificate of High and New Technology Enterprise must be renewed every three years and Vixel Technologies Limited must re-apply for it every six years. Vixel Technologies Limited has re-applied for and obtained the certificate of High and New Technology Enterprise on 30 December 2023. A preferential tax treatment is available to Vixel Yunwang (Beijing) Technologies Limited, which was recognised as a software enterprise in 2021 in Mainland China, that it can be exempted from the income taxation in the first year and the second year; it should only pay half of the income taxation from the third year to the fifth year.

The income tax expenses of the Group for the reporting period are analysed as follows:

	For the six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Current — PRC	5	16
Deferred tax	—	8
Total tax expenses for the period	5	24

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share for the period is based on the loss for the period attributable to ordinary equity holders of the parent, and the adjusted weighted average number of ordinary shares of 766,585,636 (six months ended 30 June 2024: 762,000,000) in issue during six months ended 30 June 2025.

There were no potentially dilutive ordinary shares in issue during the six months ended 30 June 2025 and 2024, and therefore the diluted loss per share amount is equivalent to the basic loss per share.

	For the six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Loss		
Loss attributable to ordinary equity holders of the parent (RMB'000)	(33,382)	(38,545)
Shares		
Weighted average number of ordinary shares in issue	766,585,636	762,000,000
Basic and diluted loss per share (RMB cents)	(4.36)	(5.06)

9. PROPERTY AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets with a cost of RMB471,000 (six months ended 30 June 2024: RMB1,612,000) on additions to computer equipment and other intangible assets.

No assets were disposed of by the Group during the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

10. INVENTORIES

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Raw materials	14,047	10,747

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

11. TRADE AND BILLS RECEIVABLES

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Trade receivables	13,659	13,493
Bills receivable	–	555
	13,659	14,048
Impairment	(231)	(244)
Trade and bills receivables	13,428	13,804

Trade receivables represented the outstanding contracted values for integrated APM system solutions, software development services, technical services and sales of embedded hardware and standard APM software receivable from the customers.

The Group's trading terms with its customers are mainly on credit. For integrated APM system solutions and software development services, the credit period granted to the customers is normally 30 to 60 days upon issuance of invoice and receipt of certain forms of acceptance from its customers during the course of contracts. The forms of acceptance evidence the satisfaction from the customers of the progress of completion. For sales of embedded hardware and standard APM software, the credit period granted to the customers is normally 30 to 60 days upon the goods were accepted by the customers, except for new customers where payment in advance is normally required. For technical services, the credit period granted to the customers is normally due upon completion of the service, except for one contract where payment in advance is received.

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 number of the largest state-owned telecommunication operators in the PRC and a large number of their independently-operated provincial subsidiaries, 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 aged analysis of the trade receivables as at the end of the reporting period, based on the billing date and net of loss allowance, is as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Within 90 days	6,985	6,465
90 to 180 days	1,797	2,795
180 days to 1 year	3,079	3,120
Over 1 year	1,798	1,424
	13,659	13,804

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

12. CONTRACT ASSETS

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Contract assets arising from:		
Integrated APM system solutions	33,122	35,314
Software development services	36,863	41,892
Sales of embedded hardware and standard APM software	1,209	429
Technical services	5,100	–
Total contract assets	76,294	77,635
Impairment	(2,672)	(2,793)
	73,622	74,842
Analysed into:		
Current portion	71,230	72,450
Non-current portion	2,392	2,392

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

13. CASH AND BANK BALANCES

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Cash and bank balances	82,367	78,517
Less: Restricted bank deposit		
Pledged time deposit for a bank loan	—	—
Current restricted cash for guarantee	(585)	(96)
Non-current restricted cash for guarantee	(665)	(1,100)
Cash and cash equivalents	81,117	77,321
Cash and cash equivalents, pledged deposit, timed deposit and restricted cash		
Denominated in:		
RMB	45,330	63,779
HK\$	37,037	14,201
US\$	—	537

At the end of the reporting period, the cash and bank balances of the Group were denominated in RMB and HK\$. The RMB is not freely convertible into other currencies, however, under the Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates.

14. TRADE PAYABLES

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

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Within 90 days	5,062	7,652
90 to 180 days	2,360	2,521
180 days to 1 year	2,312	1,161
Over 1 year	1,532	1,800
Total	11,266	13,134

Trade payable are non-interest-bearing and are normally settled within 180-days from acceptance.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

15. ISSUED CAPITAL

	Par value HK\$	No of shares	Nominal value of ordinary shares HK\$'000
Authorized:			
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	0.01	20,000,000,000	200,000
	No of shares	HK\$'000	RMB'000
Issued and fully paid:			
At 1 January 2024, 31 December 2024 and 1 January 2025	762,000,000	7,620	6,686
Issuance of new ordinary shares under the Placing	10,000,000	100	92
At 30 June 2025	772,000,000	7,720	6,778

16. RELATED PARTY TRANSACTIONS

- (a) There was no related party transaction between the Group and its related party during the periods ended 30 June 2025 and 30 June 2024.
- (b) Compensation of key management personnel of the Group:

During the period, the Company did not identify any personnel as key management other than the directors of the Company. The details of directors' and the chief executive's emoluments are set forth as follows:

	For the six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Fee	1,064	1,613
Other emoluments:		
Salaries, allowances and other benefits	388	463
Pension scheme contributions	8	8
	396	471
	1,460	2,084

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

17. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments of the Group as at the end of the reporting period are as follows:

Financial assets at amortised costs	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Trade and bills receivables	13,428	13,804
Financial assets included in prepayments, other receivables and other assets	5,707	5,157
Restricted cash	1,250	1,196
Cash and cash equivalents	81,117	77,321
Long term deposit	527	527
	102,029	98,005
Financial liabilities at amortised cost	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Trade payables	11,266	13,134
Financial liabilities included in other payables and accruals	1,976	2,462
Interest-bearing bank and other borrowings	10,000	10,000
Lease liabilities	10,459	4,327
	33,701	29,923

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has determined that the carrying amounts of cash and cash equivalents, trade and bills receivables, financial assets included in prepayments, other receivables and other assets, trade payables, and financial liabilities included in other payables and accruals reasonably approximate to their fair values because these financial instruments are mostly short term in nature.

19. EVENTS AFTER THE REPORTING PERIOD

There are no significant event subsequent to 30 June 2025 which would materially affect the Group's operating and financial performance as of the date of this report.

20. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These financial statements were approved and authorised for issue by the Board on 22 August 2025.