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# 元光科技

## MetaLight Inc.

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2605)**

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

The Board of the Company is pleased to announce the unaudited consolidated results of the Group for the six months ended June 30, 2025.

#### FINANCIAL SUMMARY

SUMMARY	For the six months ended		
	June 30,		
	2025	2024	Change
	(RMB'000)	(RMB'000)	(%)
Revenue	96,973	90,113	7.6%
Gross profit	75,684	71,283	6.2%
Profit/(loss) for the period	(125,505)	226	-55,633.2%
Adjusted net profit (non-IFRS measure)	28,183	26,646	5.8%

The highlights of the Group's performance for the six months ended June 30, 2025 are as follows:

- The Group achieved revenue of RMB97.0 million, compared to RMB90.1 million in the same period last year, representing an increase of 7.6% over the same period last year.
- The Group achieved gross profit of RMB75.7 million, compared to RMB71.3 million in the same period last year, representing an increase of 6.2% over the same period last year. The gross margin for the Reporting Period was 78.1%, compared to 79.1% in the same period last year, representing a decrease of 1 percentage point over the same period last year.
- The Group's net loss was RMB125.5 million, compared to a net profit of RMB0.2 million in the same period last year.
- The Group's adjusted net profit (non-IFRS measure) was RMB28.2 million, compared to RMB26.6 million for the same period last year, representing an increase of 5.8% over the same period last year.

## **BUSINESS REVIEW AND OUTLOOK**

### **BUSINESS REVIEW**

In the first half of 2025, the Group maintained a stable growth in its performance. During the Reporting Period, revenue reached RMB97.0 million, representing a year-on-year increase of 7.6%. Gross profit reached RMB75.7 million, representing a year-on-year increase of 6.2%. Net loss was RMB125.5 million, compared to a net profit of RMB0.2 million in the same period last year. The adjusted net profit (non-IFRS measure) was RMB28.2 million, representing a year-on-year increase of 5.8%.

#### **Business Growth**

##### ***Public Bus Information Service Business***

As the Group's core product, Chelaile (including its APP, WeChat mini program, and Alipay mini program) integrates real-time bus positioning data, traffic condition data, and user behavior data to provide accurate bus departure schedules and arrival time predictions, reducing the uncertainty of waiting times and enhancing the public transit experience. As of June 30, 2025, the number of cities and towns covered by this service increased from 466 at the end of 2024 to 476, and the number of cumulative users increased from 298.4 million at the end of 2024 to 315.0 million (an increase of 5.6%). The number of average monthly active users grew to 30.2 million from January to June 2025, up by 5% compared to the same period in 2024 and by 4% compared to the annual average in 2024. The growth was primarily driven by our precision operation strategies, including customized online-to-offline (O2O) integrated products and expansion plans customized to city-specific travel demands, thereby enhancing user penetration rates.

##### ***Internationalization of Public Bus Information Services***

Leveraging our proven domestic technologies and product experience, we have embarked on our overseas market expansion. In the first half of 2025, the Group completed the research and development and the launch of public transit products in Hong Kong and Kuala Lumpur. In August 2025, we radiated our services to five overseas markets, formulating the initial layout of our global business footprint. Moving forward, the Group will continue to deepen our international presence to deliver worldwide smart travel solutions.

## ***Public Transit Analytics Platform Business***

With our Chelaile's data insight system, we provide public transit analytics platform services to transportation entities such as local transportation authorities and bus companies. This platform integrates public bus operation data and user behavior data through a unified data dashboard, facilitating route and scheduling optimization, real-time monitoring, and smart decision-making for transportation entities. As of June 30, 2025, the platform has covered 140 cities and towns nationwide. The latest version of the product stresses on adapting large language model technology to public bus sector data, applying it to scenarios such as public bus passenger flow analysis. The platform has already been deployed in pilot partner cities. In the future, the Group will further deepen the application of advanced technologies like large language models in transportation data analysis, offering new technological empowerment for smart urban travel.

## **Revenue Distribution**

### ***Mobile Advertising Services***

The Chelaile mobile app has attracted a vast user base from various cities and towns in China. Its vast user base and high user engagement make it a compelling choice for advertisers. We sell advertising inventory through collaborations with programmatic advertising platforms or brand advertisers. As of June 30, 2025, the revenue from mobile advertising services was RMB94.2 million, representing a year-on-year increase of 6.4%. Such an increase was primarily due to the expansion of bus route coverage and increased advertising display impressions due to higher user penetration rates.

### ***Data Technology Services***

From January to June 2025, revenue from the Group's data technology services reached RMB2.8 million, representing an increase of 74.1% compared to the same period in 2024. Revenue of this segment is derived from: (i) transportation entities utilizing the public transit analytics platform; and (ii) other customized data intelligence technology solutions.

### ***AI Technology Reserves***

To maintain its leading edge in time series intelligence technology, the Group continued to invest in the research and innovation of the related sectors while progressively establishing its influence within the scientific research community. In the first half of 2025, we collaborated with Peking University and other academic institutions to set up joint research projects, focusing on industry-specific foundational large-scale deep neural network models and dynamic fusion of multiple large-scale deep neural network models and other areas. Some innovative achievements were published at the top international conferences including the International Conference on Machine Learning (ICML 2025) and the International Joint Conference on Neural Networks (IJCNN).

Simultaneously, the Group is dedicated to applying the latest AI research achievements to its online products. A new generation of deep neural network-based time series prediction services has been deployed in the Chelaile product, achieving significant improvements in prediction accuracy. Looking ahead, the Group will proactively invest in research areas including pre-training of time series foundation data models, time series data multi-modality forecast, and alignment techniques between time series data and large language models, ensuring its technological capabilities and influence remain at the industry's forefront.

## **FUTURE OUTLOOK**

### **Domestic market size will sustain a stable grow**

China's urban public bus industry is currently undergoing a crucial stage of intelligent upgrading. According to the statistics from Zero Power Intelligence Industrial Research Institute, the revenue size of China's urban public bus industry is expected to exceed RMB500.0 billion in 2025, representing a CAGR of 4%–5%. In 2025, the passenger volume of urban public buses and trams is projected to reach 120 billion man-trips, representing a 2.5% increase compared to 2024. The growth is primarily driven by the continuous deployment of new energy public buses, the densification of public transport network routes, and the widespread adoption of intelligent dispatching systems, which enhanced the overall operational efficiency and passenger experience of public buses, thereby stimulating a recovery in passenger traffic. We believe that the public bus information services industry still has untapped market demand. The travel habits of urban residents will gradually change with the smart mobility concepts become more and more widespread, thus creating growth opportunities for the product's market penetration. The Group will closely follow the latest advancements in AI technology, applying cutting-edge technologies to product functionality iteration to enhance core competitiveness and user satisfaction.

### **Overseas markets spearhead our future business growth**

The preliminary research on overseas markets has revealed that users have a clear demand for real-time public bus information with a high willingness to pay. The Group will leverage its more than 10 years of experience in algorithm innovation, data operations, and product design to adapt to local users' travel habits, gradually expand its overseas coverage, and optimize product experience. By leveraging the “technology export + localized operations” model, users around the world are expected to benefit from its smart transportation services.

### **Constantly investing in incubating new AI products**

The development of next-generation AI technology based on deep neural networks is progressing rapidly. With the maturity of training techniques for language foundation models and time series data foundation models steadily improving, inference costs are declining rapidly, which presents new market opportunities for technology companies with extensive experience in data intelligence. The Group will fully seize the opportunities of this era to continue investing in new product incubation as a strategic goal to create greater value for society and investors.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

		2025	2024
	Notes	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
REVENUE	5	96,973	90,113
Cost of sales		(21,289)	(18,830)
Gross profit		75,684	71,283
Other income and gains		2,223	2,518
Selling and distribution expenses		(18,649)	(16,687)
Administrative expenses		(37,976)	(27,025)
Research and development expenses		(21,633)	(18,580)
Impairment/(reversal of impairment) of financial assets, net	6	712	(83)
Fair value losses on financial liabilities at fair value through profit or loss		(119,202)	(8,006)
Other expenses and losses		(4,246)	(185)
Finance costs		(478)	(692)
PROFIT/(LOSS) BEFORE TAX	6	(123,565)	2,543
Income tax expense	7	(1,940)	(2,317)
PROFIT/(LOSS) FOR THE PERIOD		(125,505)	226
EARNINGS/(LOSS) PER SHARE			
ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	9		
Basic (RMB)		(1.69)	0.00
Diluted (RMB)		(1.69)	0.00

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	2025 <i>RMB'000</i> (Unaudited)	2024 <i>RMB'000</i> (Unaudited)
PROFIT/(LOSS) FOR THE PERIOD	<u>(125,505)</u>	<u>226</u>
OTHER COMPREHENSIVE LOSS		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of subsidiaries not operating in Mainland China	<u>(552)</u>	<u>(801)</u>
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods		
Exchange differences on translation of the Company	(686)	(1,957)
Fair value losses on the equity investment designated at fair value through other comprehensive income	<u>(5,560)</u>	<u>–</u>
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	<u>(6,246)</u>	<u>(1,957)</u>
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	<u>(6,798)</u>	<u>(2,758)</u>
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>(132,303)</u>	<u>(2,532)</u>

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of 30 June 2025

		<b>30 June 2025</b>	31 December 2024
	<i>Notes</i>	<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>NON-CURRENT ASSETS</b>			
Property and equipment	10	<b>1,367</b>	1,602
Right-of-use assets		<b>3,971</b>	1,571
Intangible assets		<b>280</b>	328
Investments in associates		<b>–</b>	–
Prepayments, other receivables and other assets		<b>528</b>	163
Financial investments		<b>10,125</b>	15,242
Time deposits		<b>30,000</b>	30,000
Deferred tax assets		<b>16,857</b>	18,797
		<hr/>	<hr/>
Total non-current assets		<b>63,128</b>	67,703
		<hr/>	<hr/>
<b>CURRENT ASSETS</b>			
Accounts receivable	11	<b>38,059</b>	33,659
Prepayments, other receivables and other assets		<b>19,261</b>	23,419
Financial investments		<b>56,511</b>	43,079
Cash and cash equivalents		<b>246,466</b>	56,306
		<hr/>	<hr/>
Total current assets		<b>360,297</b>	156,463
		<hr/>	<hr/>
<b>CURRENT LIABILITIES</b>			
Accounts payable	12	<b>5,030</b>	7,864
Contract liabilities		<b>555</b>	439
Other payables and accruals		<b>27,325</b>	31,480
Interest-bearing bank borrowings		<b>40,000</b>	30,000
Lease liabilities		<b>3,514</b>	1,178
Financial liabilities at fair value through profit or loss		<b>–</b>	465,189
		<hr/>	<hr/>
Total current liabilities		<b>76,424</b>	536,150
		<hr/>	<hr/>

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

*As of 30 June 2025*

		<b>30 June 2025</b>	31 December 2024
	<i>Notes</i>	<b><i>RMB'000</i></b>	<i>RMB'000</i>
		<b>(Unaudited)</b>	(Audited)
NET CURRENT ASSETS/(LIABILITIES)		<u><b>283,873</b></u>	<u>(379,687)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><b>347,001</b></u>	<u>(311,984)</u>
NON-CURRENT LIABILITIES			
Lease liabilities		<u><b>65</b></u>	<u>108</u>
Total non-current liabilities		<u><b>65</b></u>	<u>108</u>
Net assets/(deficiency in assets)		<u><b>346,936</b></u>	<u>(312,092)</u>
EQUITY			
Share capital	<i>13</i>	<b>109</b>	44
Reserves		<u><b>346,827</b></u>	<u>(312,136)</u>
Total equity/(deficit)		<u><b>346,936</b></u>	<u>(312,092)</u>



# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

					Fair value reserve of financial assets at fair value				
				Share- based payment reserve	comprehensive income through other	Statutory reserves	Exchange fluctuation reserve	Accumulated losses	Total
Note	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025 (audited)	44	12,525*	14,198*	21,142*	(8,749)*	1,135*	(24,567)*	(327,820)*	(312,092)
Loss for the period (unaudited)	-	-	-	-	-	-	-	(125,505)	(125,505)
Other comprehensive loss for the period:									
Exchange differences on translation of the Group's entities not operating in Mainland China (unaudited)	-	-	-	-	-	-	(1,238)	-	(1,238)
Fair value loss on an equity investment designated at fair value through other comprehensive income (unaudited)	-	-	-	-	(5,560)	-	-	-	(5,560)
Total comprehensive loss for the period (unaudited)	-	-	-	-	(5,560)	-	(1,238)	(125,505)	(132,303)
Issue of shares (unaudited)	13	18	221,818	-	-	-	-	-	221,836
Conversion of financial liabilities at fair value through profit or loss (unaudited)	13	47	-	584,060	-	-	-	-	584,107
Share transaction costs (unaudited)	-	(26,677)	(1,210)	-	-	-	-	-	(27,887)
Equity-settled share-based payment arrangements (unaudited)	-	-	-	13,275	-	-	-	-	13,275
Appropriation of statutory reserves (unaudited)	-	-	-	-	-	102	-	(102)	-
At 30 June 2025 (unaudited)	109	207,666*	597,048*	34,417*	(14,309)*	1,237*	(25,805)*	(453,427)*	346,936

\* These reserve accounts comprise the consolidated reserves of RMB346,827,000 (unaudited) in the consolidated statement of financial position as at 30 June 2025 (31 December 2024: negative balances of RMB312,136,000 (audited)).

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the six months ended 30 June 2024

					Fair value reserve of financial assets at fair value				
				Share- based payment reserve	comprehensive income	Statutory reserves	Exchange fluctuation reserve	Accumulated losses	Total
Note	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024 (audited)	30	12,525	36,748	2,862	–	850	(17,800)	(301,397)	(266,182)
Profit for the period (unaudited)	–	–	–	–	–	–	–	226	226
Other comprehensive loss for the period:									
Exchange differences on translation of the Group's entities not operating in Mainland China (unaudited)	–	–	–	–	–	–	(2,758)	–	(2,758)
Total comprehensive loss for the period (unaudited)	–	–	–	–	–	–	(2,758)	226	(2,532)
Issue of shares (unaudited) 13	21	–	–	–	–	–	–	–	21
Repurchase of shares (unaudited) 13	(7)	–	(22,515)	–	–	–	–	–	(22,522)
Equity-settled share-based payment arrangements (unaudited)	–	–	–	6,467	–	–	–	–	6,467
At 30 June 2024 (unaudited)	<u>44</u>	<u>12,525</u>	<u>14,233</u>	<u>9,329</u>	<u>–</u>	<u>850</u>	<u>(20,558)</u>	<u>(301,171)</u>	<u>(284,748)</u>

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before tax	(123,565)	2,543
Adjustments for:		
Finance costs	478	692
Bank interest income	(861)	(644)
Other interest income	(23)	(59)
Investment income	(529)	(752)
Fair value losses/(gains) on financial investments at fair value through profit or loss, net	3,553	(424)
Fair value losses on financial liabilities at fair value through profit or loss	119,202	8,006
Loss on disposal of financial investments at fair value through profit or loss	563	–
Loss on early termination of a lease	289	–
Depreciation of property and equipment	235	263
Depreciation of right-of-use assets	1,151	1,292
Amortisation of intangible assets	48	26
Impairment/(reversal of impairment) of financial assets, net	(712)	83
Write-off of other receivables	–	3
Equity-settled share-based payment expense	13,275	6,467
	<b>13,104</b>	<b>17,496</b>
Decrease/(increase) in accounts receivable	(4,294)	12,732
Increase in prepayments, other receivables and other assets	(819)	(1,500)
Increase/(decrease) in accounts payable	(2,834)	324
Increase/(decrease) in contract liabilities	116	(250)
Decrease in other payables and accruals	(4,554)	(13,525)
Effect of foreign exchange rate changes, net	(67)	(118)
	<b>652</b>	<b>15,159</b>
Cash generated from operations	222	644
Interest received	(57)	(51)
Interest paid		
Net cash flows from operating activities	<b>817</b>	<b>15,752</b>

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the six months ended 30 June 2025

	2025 <i>RMB'000</i> (Unaudited)	2024 <i>RMB'000</i> (Unaudited)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	434	11
Purchases of property and equipment	–	(7)
Repayment of other loans advanced	1,029	1,400
Investments in equity investments at fair value through profit or loss	(11,981)	–
Purchases of financial investments at fair value through profit or loss	(137,000)	(198,000)
Proceeds from maturity of financial investments at fair value through profit or loss	130,608	170,811
Net cash flows used in investing activities	(16,910)	(25,785)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of ordinary shares	221,836	–
Proceeds from issue of preferred shares	–	18,518
Repurchase of shares	–	(11,703)
Capital return to registered owners of a subsidiary	–	(17,000)
Payments of share transaction costs	(22,205)	(2,219)
New bank borrowings	10,000	–
Principal portion of lease payments	(1,547)	(1,312)
Interest paid on bank borrowings	(421)	(673)
Net cash flows from/(used in) financing activities	207,663	(14,389)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	191,570	(24,422)
Cash and cash equivalents at beginning of period	56,306	55,511
Effect of foreign exchange rate changes, net	(1,410)	3
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	246,466	31,092

# **INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**

*For the six months ended 30 June 2025*

	<b>2025</b> <b><i>RMB'000</i></b> <b>(Unaudited)</b>	2024 <i>RMB'000</i> (Unaudited)
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	<b>103,294</b>	31,092
Highly liquid time deposits	<b>143,172</b>	–
	<b>246,466</b>	31,092
Cash and cash equivalents as stated in the interim condensed consolidated statement of financial position and the statement of cash flows	<b>246,466</b>	31,092

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

## 1. CORPORATE INFORMATION

MetaLight Inc. (the “**Company**”) is a limited liability company incorporated in the Cayman Islands on 21 May 2015. The ordinary shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with effect from 10 June 2025. The registered office of the Company is located at Palm Grove, Unit 4, 265 Smith Road, George Town, P.O. Box 52A Edgewater Way, #1653, Grand Cayman, KY1-9006, Cayman Islands.

During the period, the Company and its subsidiaries (collectively referred to as the “**Group**”) were principally engaged in the provision of mobile advertising services and vehicle dynamic information via app and mini program in WeChat, both of which are known as *Chelaile*, and data technology services.

## 2. BASIS OF PRESENTATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s accountants’ report for the year ended 31 December 2024.

The interim condensed consolidated financial information is presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (*RMB’000*) except when otherwise indicated.

### Contractual arrangements

Due to regulatory restrictions on foreign ownership in providing value-added telecommunication services in the People’s Republic of China (the “**PRC**”), certain of the Group’s businesses were carried out by Wuhan Yuanguang Technology Co., Ltd. (“**Wuhan Yuanguang**”), a major group company operating in Mainland China, during the period. Wuhan Yuanguang is directly owned as to 50% by Wuhan Yuanguang Zhineng Technology Co, Ltd, which is a wholly-owned subsidiary of the Group.

On 11 November 2024, Wuhan Yuanguang and its relevant registered owners entered in a set of contractual arrangements, comprising an exclusive business cooperation service agreement, an exclusive option agreement and an equity pledge agreement, as well as consents granted by spouses of the then registered owners of Wuhan Yuanguang (if applicable) and powers of attorney granted by the then registered owners of Wuhan Yuanguang, to enable to Company to exercise effective control over Wuhan Yuanguang and obtain substantially all economic benefits of Wuhan Yuanguang.

Accordingly, Wuhan Yuanguang is effectively controlled by the Company and is therefore classified as a subsidiary of the Company based on the aforementioned contractual arrangements notwithstanding that the Company does not have any direct or indirect majority equity interest in Wuhan Yuanguang.

### 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's accountants' report for the year ended 31 December 2024, except for the adoption of the following amended International Financial Reporting Standards ("IFRS") Accounting Standard for the first time for the current period's financial information.

Amendments to IAS 21

*Lack of Exchangeability*

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

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

### 4. OPERATING SEGMENT INFORMATION

For management purposes, during the period, the Group has only one reportable operating segment, which is the provision of mobile advertising services and vehicle dynamic information via app and mini program in Wechat, both of which are known as *Chelaile*, and data technology services, because the Group's chief operating decision maker, who has been identified as the Chief Executive Officer ("CEO"), regularly reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

#### Geographical information

##### (a) Revenue from external customers

All of the Group's external revenue were derived from customers located in Mainland China during the period.

##### (b) Non-current assets

All of the Group's non-current assets were located in Mainland China as at the end of the period. The non-current asset information excludes financial instruments and deferred tax assets.

#### Information about major customers

During the period, revenues from transactions with single external customers (including entities under common control with those customers) amounting to 10% or more of the Group's revenues are as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Customer A	21,874	26,847
Customer B	15,073	19,236
Customer C	16,042	*

\* The revenues from transactions with this customer were less than 10% of the Group's revenues in the indicated period.

## 5. REVENUE

An analysis of revenue from contracts with customers is as follows:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Mobile advertising services	94,158	88,496
Data technology services	2,815	1,617
	<hr/>	<hr/>
Total	96,973	90,113
	<hr/> <hr/>	<hr/> <hr/>

Disaggregation of the Group's revenue from contracts with customers by the timing of revenue recognition is set out below:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Transfer at a point in time:		
Mobile advertising services	94,158	88,496
Data technology services	1,506	638
	<hr/>	<hr/>
Subtotal	95,664	89,134
	<hr/>	<hr/>
Transfer over time:		
Data technology services	1,309	979
	<hr/>	<hr/>
Subtotal	1,309	979
	<hr/>	<hr/>
Total revenue	96,973	90,113
	<hr/> <hr/>	<hr/> <hr/>



## 6. PROFIT/(LOSS) BEFORE TAX

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

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Cost of services provided	<b>21,289</b>	18,830
Impairment/(reversal of impairment) of financial assets, net:		
Accounts receivable	<b>(106)</b>	83
Financial assets included in prepayments, other receivables and other assets	<b>(606)</b>	—
Total	<b>(712)</b>	83
Write-off of other receivables	—	3
Foreign exchange differences, net	<b>655</b>	—

## 7. INCOME TAX

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

### Cayman Islands

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

### Hong Kong

The Hong Kong profits tax rate during the period was 16.5%. No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the period. For the six months ended 30 June 2024, Hong Kong profits tax has been provided with respect to the Group's subsidiary incorporated in Hong Kong at an effective tax rate of 8.25% under the two-tiered profits tax rates regime, in which the first HK\$2,000,000 of assessable profits arising in Hong Kong are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

### Mainland China

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations, the entities which operate in Mainland China are subject to corporate income tax ("CIT") at a rate of 25% (30 June 2024: 25%) on the taxable income. During the period, two of the Group's subsidiaries were entitled to a preferential tax rate of 15% (30 June 2024: 15%) because they were regarded as "high and new technology enterprises". In addition, the Group's other subsidiaries operating in Mainland China were entitled to effective preferential tax rates of 5% during the period (30 June 2024: 5%) because they were regarded as "small-scaled minimal profit enterprises" with taxable income no more than RMB1,000,000.

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Current tax charged for the period	–	2
Deferred tax charged for the period	<u>1,940</u>	<u>2,315</u>
Total tax charged for the period	<u><u>1,940</u></u>	<u><u>2,317</u></u>

## 8. DIVIDENDS

There was no dividend declared or paid by the Company during the period (30 June 2024: Nil (unaudited)).

## 9. EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/loss per share amount is based on the profit/loss for the period attributable to the ordinary equity holders of the Company, and the weighted average number of ordinary shares of 74,450,469 (30 June 2024: 51,706,266 (unaudited)) outstanding during the period.

The calculation of the diluted earnings/loss per share amount is based on the profit/loss for the period attributable to the ordinary equity holders of the Company, adjusted to reflect the fair value changes of the preferred shares classified as financial liabilities at fair value through profit or loss, where applicable (see below). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings/loss per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares, where applicable (see below).

The calculations of basic and diluted earnings/(loss) per share are based on:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Earnings/(loss)</b>		
Earnings/(loss) attributable to ordinary equity holders of the Company, as used in the basic earnings/(loss) per share calculation	<b>(125,505)</b>	226
Adjustment for fair value losses on the preferred shares	<b>119,202</b>	8,006*
	<b>(6,303)</b>	8,232*
<b>Profit/(loss) attributable of ordinary equity holders of the Company, as used in the basic earnings/(loss) per share calculation</b>		
	<b>(6,303)</b>	8,232*
<b>Number of shares</b>		
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Shares</b>		
Weighted average number of ordinary shares outstanding used in the basic earnings/(loss) per share calculation	<b>74,450,469</b>	51,706,266
Effect of dilution – weighted average number of ordinary shares	—*	5,796,800
Share options	—*	—*
Preferred shares	—*	—*
	<b>74,450,469</b>	57,503,066*
Total	<b>74,450,469</b>	57,503,066*

\* These share options and preferred shares were ignored in the calculation of diluted earnings/(loss) per share amounts for the six months ended 30 June 2025 and 2024 because they had anti-dilutive effects on the basic earnings/(loss) per share amount as evidenced by the potential decrease in diluted loss per share amount for the six months ended 30 June 2025 when taking these share options and preferred shares into account, and the potential increase in diluted earnings per share amount for the six months ended 30 June 2024 when taking these preferred shares into account.

## 10. PROPERTY AND EQUIPMENT

During the six months ended 30 June 2025, the Group neither acquired nor disposed of any assets (30 June 2024: RMB7,000 and nil (unaudited)).

## 11. ACCOUNTS RECEIVABLE

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
Accounts receivable	<b>39,320</b>	35,487
Impairment	<b>(1,261)</b>	(1,828)
	<hr/>	<hr/>
Net carrying amount	<b>38,059</b>	33,659
	<hr/> <hr/>	<hr/> <hr/>

An ageing analysis of the accounts receivable as at the end of the period, based on the date of services rendered and net of loss allowance, is as follows:

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
Within 6 months	<b>37,482</b>	33,357
7th to 12th months	<b>577</b>	302
	<hr/>	<hr/>
Total	<b>38,059</b>	33,659
	<hr/> <hr/>	<hr/> <hr/>

## 12. ACCOUNTS PAYABLE

An ageing analysis of the accounts payable as at the end of the period, based on the date of service received, is as follows:

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
Within 3 months	<b>1,974</b>	6,118
4th to 12th months	<b>2,324</b>	870
13th to 24th months	<b>462</b>	528
Over 24 months	<b>270</b>	348
	<hr/>	<hr/>
	<b>5,030</b>	7,864
	<hr/> <hr/>	<hr/> <hr/>

### 13. SHARE CAPITAL

	<b>30 June 2025 RMB'000 (Unaudited)</b>	31 December 2024 RMB'000 (Audited)
Issued and fully paid:		
154,276,537 (31 December 2024: 63,973,298) ordinary shares at USD0.0001 each	<b>109</b>	44

A summary of movements in the Company's issued and fully paid ordinary shares is as follows:

		<b>Six months ended 30 June 2025</b>		<b>Six months ended 30 June 2024</b>	
	<i>Notes</i>	<b>Number of shares in issue (Unaudited)</b>	<b>Share capital RMB'000 (Unaudited)</b>	<b>Number of shares in issue (Unaudited)</b>	<b>Share capital RMB'000 (Unaudited)</b>
At beginning of period		<b>63,973,298</b>	<b>44</b>	46,971,135	30
Issue of shares	(i)	<b>24,856,000</b>	<b>18</b>	28,895,000	21
Conversion of financial liabilities at fair value through profit or loss	(i)	<b>65,447,239</b>	<b>47</b>	–	–
Repurchase of shares	(ii)	–	–	(11,892,837)	(7)
At end of period		<b>154,276,537</b>	<b>109</b>	63,973,298	44

*Notes:*

- (i) On 10 June 2025, the Company issued 24,856,000 ordinary shares in its initial public offering at HK\$9.75 per share for a total cash consideration, before expenses, of HK\$242,346,000 (equivalent at approximately RMB221,836,000), and converted all of its 65,447,239 preferred shares with an aggregate carrying amount of RMB584,107,000 to 65,447,239 ordinary shares. The excess of the proceeds from the issue of ordinary shares in the initial public offering over the par value of the Company's ordinary shares issued, amounting to RMB25,755,000, has been credited to the share premium, and the aggregate carrying amount of the preferred shares converted over the par value of the Company's ordinary shares issued, amounting to RMB584,060,000, has been credited to the capital reserve.

During the six months ended 30 June 2024, a total of 28,895,000 (unaudited) ordinary shares of the Company at nil consideration were granted to certain directors and employees of the Group as share awards under the pre-IPO share scheme.

### 13. SHARE CAPITAL (continued)

- (ii) During the six months ended 30 June 2024, the Company purchased 892,837 (unaudited) ordinary shares at USD0.0001 per share for USD89 (unaudited) (equivalent to RMB1,000 (unaudited)) from two shareholders, and purchased 11,000,000 (unaudited) ordinary shares at USD0.15 per share for USD1,650,000 (unaudited) (equivalent to RMB11,703,000 (unaudited)) from one shareholder. The purchased shares were cancelled and became authorised but unissued shares of the Company upon completion of the share purchase transaction. According to a written resolution of the shareholders of the Company, ordinary shares of 11,000,000 (unaudited) are additionally reserved solely for the purpose of future issuance under the employee share option plan or other equity incentive plan to be adopted by the Company from time to time. The excess of the repurchase consideration over the par value of the Company's ordinary shares, amounting to RMB11,697,000 (unaudited), has been credited to the capital reserve.

### 14. RELATED PARTY TRANSACTIONS

- (a) The Group had the following transactions with related parties during the period:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Entities controlled by the Company's shareholding companies with significant influences over the Company		
Provision of mobile advertising services	–	2,230
Cloud storage service fee charges	–	29
Associates		
Provision of IT solution and other services	–	95

The above transactions were conducted in accordance with the terms and conditions mutually agreed by the parties involved.

- (b) Compensation of key management personnel of the Group

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Short-term employee benefits	1,080	2,365
Equity-settled share-based payment expense	8,433	4,195
Post-employment benefits	104	102
	<u>9,617</u>	<u>6,662</u>

## 15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Financial assets				
Financial investments	66,636	58,321	66,636	58,321
Non-current portion of financial assets included in prepayments, other receivables and other assets	528	163	512	157
Non-current time deposits	30,000	30,000	30,780	30,027
Financial liabilities				
Financial liabilities at fair value through profit or loss	–	465,189	–	465,189

Management has assessed that the fair values of cash and cash equivalents, accounts receivable, accounts payable, current portion of financial assets included in prepayments, other receivables and other assets, financial liabilities included in other payables and accruals, and interest-bearing bank borrowings approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's senior management is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the end of the period, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the senior management.

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

The fair values of structured deposits included in financial investments have been estimated by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

The fair values of an unlisted equity investment and an unlisted debt investment with a conversion feature included in financial investments have been estimated using a market-based valuation technique, a binominal model and/or discounted cash flow model based on assumptions that are not supported by observable market prices or rates. The valuation requires that directors to determine comparable public companies (peers) based on industry and to calculate an enterprise price-to-sales ("Price/Sales") multiple for each comparable companies identified. The multiple is calculated by dividing the enterprise value of the comparable company by the sales amount. The multiple is then discounted for considerations such as illiquidity. The fair values determined based on the discounted cash flow model are based on expected future cash flows discounted using current market rates after considering entity-specific risks. The directors believe that the estimated fair values resulting from Price/Sales multiple and discounted cash flows, which are recorded in the consolidated statement of financial position, and the related changes in fair value, which is recorded in profit or loss, are reasonable and are the most appropriate values.

## 15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair value of the underlying unlisted equity investment held by the Group's interest in a limited partnership included in financial investments have been determined using the backsolve method of the market approach, together with the hybrid method, i.e., hybrid between the probability-weighted expected return method and the option pricing method, for equity allocation purpose. Such valuations are then used in determining the fair values of the Group's interest in a limited partnership using an asset-based approach.

The fair values of listed equity investments included in financial investments is based on quoted market prices.

The fair values of the non-current portion of financial assets included in prepayments, other receivables and other assets as well as non-current time deposits have been calculated by discounting the expected future cash flows using current market rates of instruments with similar terms and risk.

With respect to the preferred shares included in the financial liabilities at fair value through profit or loss, the discounted cash flow method was used to determine the total equity value of the Group and then equity value allocation model based on the hybrid method, i.e., hybrid between the probability-weighted expected return method and the option pricing method, was adopted to determine the fair value of the preferred shares.

### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
<i>Assets measured at fair value</i>				
Financial investments				
30 June 2025 (unaudited)	9,734	50,159	6,743	66,636
31 December 2024 (audited)	8,960	43,079	6,282	58,321
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<i>Liabilities measured at fair value</i>				
Financial liabilities at fair value through profit or loss				
30 June 2025 (unaudited)	–	–	–	–
31 December 2024 (audited)	–	–	465,189	465,189
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>



# 15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The movements in fair value measurements within Level 3 during the period are as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Financial investments		
At beginning of period	6,282	3,496
Fair value gains recognised in profit or loss	461	204
Disposals	—	(17)
At end of period	<u>6,743</u>	<u>3,683</u>
Financial liabilities at fair value through profit or loss		
At beginning of period	465,189	18,518
Repurchases of preferred shares	—	(6,098)
Fair value losses recognised in profit or loss	119,202	8,006
Conversion of preferred shares to ordinary shares	(584,107)	—
Foreign exchange adjustments	(284)	2,560
At end of period	<u>—</u>	<u>426,234</u>

## 15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Below is a summary of significant unobservable inputs to the valuation of unlisted investments together with a quantitative sensitivity analysis summarised below:

	Year/period end date	Significant unobservable inputs	Value	Increase/ (decrease) in input %	Increase/ (decrease) in fair value RMB'000
Unlisted equity investment	30 June 2025 (unaudited)	Price/Sales multiple of peers	0.33–6.75	5 (5)	58 (50)
		DLOM	23%	5 (5)	(93) 93
	31 December 2024 (audited)	Price/Sales multiple of peers	0.38–7.08	5 (5)	60 (72)
		DLOM	24%	5 (5)	(119) 119
Interest in a limited partnership	30 June 2025 (unaudited)	Recent transaction price per share	RMB50.6	5 (5)	162 (194)
	31 December 2024 (audited)	Recent transaction price per share	RMB50.6	5 (5)	168 (182)
Unlisted convertible debt investment	30 June 2025 (unaudited)	Discount rate	5.3%	0.5 (0.5)	(8) 8
	31 December 2024 (audited)	Discount rate	5.3%	0.5 (0.5)	(8) 8

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (30 June 2024: Nil (unaudited)).

## 16. EVENTS AFTER THE REPORTING PERIOD

On 31 July 2025, the Group agreed to convert the entire loan principal amount of RMB1,000,000, together with the corresponding accumulated interest amount, of its unlisted convertible debt investment into 5.0% equity interest of the investee entity, and agreed to invest an additional amount of RMB1,000,000 to the investee entity. The Group has since owned a total of 10.0% equity interest of the investee entity.

## REVIEW OF FINANCIAL RESULTS

### Revenue

The revenue data for each business segment are as follows:

	For the six months ended		
	June 30,		
	2025	2024	% Change
	<i>RMB'000</i>	<i>RMB'000</i>	
Mobile advertising services	<b>94,158</b>	88,496	6.4%
Data technology services	<b>2,815</b>	1,617	74.1%
	<b>96,973</b>	90,113	7.6%

The Group's revenue increased from RMB90.1 million for the six months ended June 30, 2024 to RMB97.0 million for the six months ended June 30, 2025, primarily due to an increase in revenue from mobile advertising services. This was mainly attributable to (1) the Company continued to provide high-quality public bus information services in the first half of 2025, with expanding service coverage across cities and user base growth, driving a RMB5.7 million increase in mobile advertising services; and (2) the Company's ongoing expansion of its public transit analytics platform business in the first half of the year, establishing partnerships with more transportation entities such as local transportation authorities and bus companies, which contributed RMB1.2 million growth in revenue from data technology services.

### Cost of Sales

For the six months ended June 30, 2025, the Group's cost of sales was RMB21.3 million, representing an increase of RMB2.5 million or 13.06% as compared to RMB18.8 million for the six months ended June 30, 2024. For the six months ended June 30, 2024, the Group's cost of sales as a percentage of revenue was 20.9%, as compared to 22.0% for the same period in 2025. Our cost of sales primarily comprises data licensing fees associated with obtaining the rights to access and use bus data, staff costs, cross-network advertising fees and server rental costs incurred for leasing servers to provide the infrastructure necessary for our businesses. The increase in cost of sales was primarily due to an increase in cross-network advertising fees for the six months ended June 30, 2025.

## **Gross Profit and Gross Margin**

Our gross profit increased by 6.2% from RMB71.3 million for the six months ended June 30, 2024 to RMB75.7 million for the six months ended June 30, 2025. For the six months ended June 30, 2024 and the six months ended June 30, 2025, our gross margin remained stable at 79.1% and 78.1%, respectively.

## **Selling Expenses**

Selling expenses increased from RMB16.7 million for the six months ended June 30, 2024 to RMB18.7 million for the six months ended June 30, 2025, primarily due to an increase in advertising and promotional expenses, attributable to our enhanced marketing efforts to attract new users and enhance user engagement on Chelaile.

## **Administrative Expenses**

Administrative expenses increased from RMB27.0 million for the six months ended June 30, 2024 to RMB38.0 million for the six months ended June 30, 2025, which was attributable to an increase in listing expenses and equity incentive expenses.

## **Research and Development Expenses**

For the six months ended June 30, 2024 and 2025, research and development expenses amounted to RMB18.6 million and RMB21.6 million, respectively. The increase in research and development expenses was primarily due to an increase in staff costs in relation to hiring additional research and development personnel for new business initiatives and equity incentive expenses.

## **Other Income**

For the six months ended June 30, 2025, other income was RMB2.2 million, representing a decrease of RMB0.3 million or 11.7% as compared to the same period last year. This was primarily due to a decrease of RMB0.8 million in investment income and a decrease of RMB0.4 million in fair value gains on financial investments at fair value through profit or loss (FVTPL), but was partially offset by an increase of RMB0.9 million in government grants.

## **Other Losses**

Other losses for the six months ended June 30, 2025 were RMB4.2 million, as compared to RMB0.2 million for the same period last year. Other losses mainly consist of losses from changes in fair value of equity investments at FVTPL held by the Company and foreign exchange gains or losses.

## **Fair Value Losses on Financial Liabilities at FVTPL**

For the six months ended June 30, 2025, the Group recorded fair value losses on financial liabilities at FVTPL of RMB119.2 million, representing a significant increase from RMB8.0 million for the same period last year. This change primarily resulted from adjustments to the carrying amount of contingent redeemable preferred shares, and such adjustments were driven by changes in the redemption price of such preferred shares. Following the Group's successful listing, such contingent redeemable preferred shares were automatically converted into ordinary shares in accordance with the terms, and therefore no further fair value fluctuations of this nature are expected in the future.

## **Non-IFRS Measures**

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

We define “adjusted net (loss)/profit” (non-IFRS measure) as (loss)/profit for the year/period, adjusted to exclude the impact of the following items on profit or loss: (i) fair value losses on financial liabilities at FVTPL, (ii) listing expenses, (iii) share-based payment expenses, and (iv) gains or losses on change in the fair value of equity investments measured at fair value. The additional adjustment item (iv), compared to the disclosure in the Prospectus, is due to the significant increase in the fair value fluctuations of such equity investments in the first half of 2025, which is non-operating and non-cash in nature and had a material impact on reflecting the Group’s core operating performance. During the offering stage, such changes were relatively minor and had limited reference value for investors in assessing the Group’s profitability and operation; hence, they were not included in the adjustment scope at that time. The amount of gain or loss on change in fair value of equity investments measured at fair value for each period is as follows:

<i>Unit: RMB’000</i>	<b>For the six months ended June 30,</b>		<b>For the year ended December 31,</b>		
	<b>2025</b>	2024	2024	2023	2022
			<i>(RMB’000)</i>		
<b>Profit/(loss) for the period/year</b>	<b>(125,505)</b>	226	(26,138)	(20,328)	(20,037)
Adjusted for:					
Fair value losses on financial liabilities at FVTPL	<b>119,202</b>	8,006	42,968	55,545	29,455
Listing expenses	<b>17,499</b>	12,371	19,109	10,797	–
Share-based payment expenses	<b>13,275</b>	6,467	18,280	481	396
Gain or loss on change in fair value of equity investments measured at fair value	<b>3,712</b>	(424)	(1,802)	(412)	3,002
<b>Adjusted net profit (non-IFRS measure)</b>	<b>28,183</b>	26,646	52,417	46,083	12,816

## LIQUIDITY AND CAPITAL RESOURCES

The following table sets forth our cash flows during the periods indicated:

	<b>For the six months ended</b>	
	<b>June 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>(RMB'000)</b>	<b>(RMB'000)</b>
Net cash from operating activities	<u>817</u>	<u>15,752</u>
Net cash (used in) investing activities	(16,910)	(25,785)
Net cash from/(used in) financing activities	207,663	(14,389)
Net increase/(decrease) in cash and cash equivalents	191,570	(24,422)
Cash and cash equivalents at beginning of period	<u>56,306</u>	<u>55,511</u>
Effect of exchange rate changes on cash and cash equivalents	(1,410)	3
Cash and cash equivalents at end of period	<u><u>246,466</u></u>	<u><u>31,092</u></u>

During the Reporting Period, the net cash from operating activities of the Company was RMB0.8 million, primarily due to loss before income tax of RMB123.6 million, most of which were non-cash items, mainly including (i) fair value losses of RMB119.2 million on financial liabilities at FVTPL. This change primarily resulted from adjustments to the carrying amount of contingent redeemable preferred shares, and such adjustments were driven by changes in the redemption price of such preferred shares; (ii) equity-settled share-based payment expense of RMB13.2 million; (iii) gains on fair value change of financial assets at FVTPL of RMB3.5 million. In addition, the change in working capital amounted to RMB12.5 million, mainly reflecting changes in accounts receivable, other receivables, accounts payable and other payables.

The net cash used in investing activities was RMB16.9 million, primarily due to purchase of financial investments at FVTPL of RMB137.0 million, which was mainly related to our investments in structured deposits before Listing. This cash outflow was partially offset by proceeds from the disposal/maturity of financial investments at FVTPL, resulting from the redemption of matured structured deposits.

Net cash from financing activities was RMB207.7 million, primarily including proceeds from the Global Offering of RMB221.8 million and net proceeds from borrowings of RMB10.0 million, partially offset by expenses of RMB22.2 million related to stock-related transactions.

Our primary sources of liquidity have been cash-generated from operating activities, capital injections from Shareholders, and bank borrowings.

As of June 30, 2025, the Group's cash and cash equivalents amounted to RMB246.5 million (December 31, 2024: RMB56.3 million), representing an increase of 337.8%, which were primarily held in US dollars, Hong Kong dollars, and Renminbi. The Group completed its Listing on June 10, 2025, and the proceeds from the initial public offering of shares significantly increased the cash and cash equivalents.

### **Accounts Receivable**

The Group's accounts receivable represents amounts due from customers in the ordinary course of business. As of June 30, 2025, the Group's accounts receivable amounted to RMB38.1 million, representing an increase of RMB4.4 million as compared to December 31, 2024, primarily due to higher advertising income in June due to promotional events such as 618 shopping festival, resulting in higher accounts receivable as of June 30, 2025.

### **Accounts Payable**

The Group's accounts payable represents amounts due to suppliers in the ordinary course of business. As of June 30, 2025, the Group's accounts payable amounted to RMB5.0 million, representing a decrease of RMB2.8 million as compared to December 31, 2024, primarily due to the settlement of related outstanding accounts payable in the current period, as the Company had paid the commercial promotion expenses that were accrued in the previous period.

### **Bank Loans as of June 30, 2025**

<b>Borrower</b>	<b>Loan amount (RMB'000)</b>	<b>Interest rate per annum</b>	<b>Maturity date</b>	<b>Security or guarantee status</b>
Beijing Yuanguang Zhixing Information Technology Co., Ltd.	10,000	2.8%	July 19, 2025	Yes
Beijing Yuanguang Zhixing Information Technology Co., Ltd.	10,000	2.2%	June 27, 2026	Yes
Wuhan Yuanguang Technology Co., Ltd.	10,000	2.9%	December 10, 2025	Yes
Wuhan Yuanguang Technology Co., Ltd.	10,000	3.0%	August 20, 2025	Yes



As of June 30, 2025, the Group had 4 bank loans, including a bank loan of RMB10.0 million at a fixed annual interest rate of 2.8% for a term of 1 year, which is due for repayment in July 2025 and is secured by patent rights. We also have a bank loan of RMB10.0 million at a fixed annual interest rate of 2.2% for a term of 1 year, which is due for repayment in June 2026 and is guaranteed by Wuhan Yuanguang Technology Co., Ltd. The third bank loan of RMB10.0 million at a fixed annual interest rate of 2.9% for a term of 1 year, which is due for repayment in December 2025 and is secured by patent rights and guaranteed by Beijing Yuanguang Zhixing Information Technology Co., Ltd. The fourth bank loan of RMB10.0 million at a fixed annual interest rate of 3.0% for a term of 1 year, which is due for repayment in August 2025 and is secured by patent rights and guaranteed by Wuhan Yuanguang Technology Co., Ltd. and Beijing Yuanguang Zhixing Information Technology Co., Ltd. As of the date of this interim results announcement, both the first loan (due July 2025) and the fourth loan (due August 2025) have been fully repaid.

### **Gearing Ratio**

As of June 30, 2025, the Group's gearing ratio (total liabilities/total assets) was 18.1% (December 31, 2024: 239.2%).

### **Net Current Assets/(Liabilities)**

As at June 30, 2025, the Group recorded net current assets of RMB283.9 million, as compared to net current liabilities of RMB379.7 million as at December 31, 2024. As at June 30, 2025, the current ratio, calculated as current assets divided by current liabilities, was 4.7 (December 31, 2024: 0.3). As at December 31, 2024, net current liabilities mainly included contingent redeemable preferred shares. The redeemable preferred shares issued by the Group were converted from liabilities to equity due to their automatic conversion into ordinary shares, and therefore their net liabilities were converted into net assets upon Listing.

### **Capital Structure**

The Company's capital comprises ordinary shares and reserves. The Group finances its working capital, capital expenditures and other liquidity requirements through a combination of its cash and cash equivalents, cash flows generated from operations, bank facilities, and net proceeds from the initial public offering of the Company.

### **Contingent Liabilities**

As at June 30, 2025, the Group did not have any material contingent liabilities.

## HUMAN RESOURCES

We recognize the immense value of our employees and consider them vital to our ongoing success. We have consistently strived to attract and retain top talent by offering training programs, competitive compensation packages, and opportunities for career advancement. As of June 30, 2025, we had a total of 138 employees and all of them are based in China. For the six months ended June 30, 2025, the total staff costs, including the directors' emoluments, amounted to RMB39.6 million.

The Group's emolument policies are formulated based on the performance and experience of employees and in line with the local salary trends. We offer employees competitive salaries, performance-based bonuses and share options. Bonus payments are generally discretionary and based in part on employee performance and on the overall performance of our business. The fair value of share options granted to employees is recognized as an employee cost with a corresponding increase in share-based payment reserve. The fair value is measured at grant date using the Binomial option pricing model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognized in prior years is charged/credited to the profit or loss for the year under review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share-based payment reserve. On vesting date, the amount recognized as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share-based payment reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognized in the share-based payment reserve until either the option is exercised (when it is included in the amount recognized in share capital and share premium for the shares issued) or the option expires (when it is released directly to retained profits).

As required by laws and regulations in China, the Company participates in multiple employee social security plans that are organized by municipal and provincial governments, including pensions, maternity insurance, unemployment insurance, work-related injury insurance, health insurance, and housing fund plans. Moreover, to support the health and well-being of our employees, we provide various benefits and perks to our employees, such as medical check-ups, team-building events, technology allowances, as well as gifts for holidays, birthdays and other special occasions.

In terms of employee training, the Group has integrated a comprehensive approach tailored to developmental needs. This includes an ongoing commitment to new employee onboarding training, deepening the cultivation of core workplace competencies, reinforcing our internal training team's capabilities, and vigorously supporting pivotal talent development programs. Additionally, the Group organize professional and vocational training sessions to broaden its employees' skill sets and enhance their overall competency.

## MATERIAL ACQUISITIONS AND DISPOSALS AND SIGNIFICANT INVESTMENTS

From the Listing Date to June 30, 2025, the Group did not hold any material acquisitions or disposals of subsidiaries, associates or joint ventures, nor made any material acquisitions.

## MATERIAL INVESTMENTS AND FUTURE PLANS FOR CAPITAL ASSETS

The Company subscribed for certain structured deposit products as of June 30, 2025. Details of the structured deposit products are set out below:

Trustee	Type of entrusted wealth management	Amount of entrusted wealth management RMB	Start date of entrusted wealth management	End date of entrusted wealth management	Fund allocation	Annualized rate of return	Actual gain or (loss) RMB	Actual recovery
Shanghai Innovation Bank	Structured deposits	5,000,000.00	2025-3-31	2025-7-1	Bank	2.25%	28,750.00	Not yet due, at the end of the Reporting Period, not yet redeemed
Shanghai Innovation Bank	Structured deposits	20,000,000.00	2025-4-21	2025-7-21	Bank	2.25%	88,750.00	Not yet due, at the end of the Reporting Period, not yet redeemed
Shanghai Innovation Bank	Structured deposits	5,000,000.00	2025-6-13	2025-9-15	Bank	2.05%	5,125.00	Not yet due, at the end of the Reporting Period, not yet redeemed
Shanghai Innovation Bank	Structured deposits	15,000,000.00	2025-6-20	2025-9-22	Bank	2.05%	9,395.83	Not yet due, at the end of the Reporting Period, not yet redeemed

As of June 30, 2025, the fair value of the structured deposits held by Beijing Yuanguang Zhixing Information Technology Co., Ltd. at Shanghai Innovation Bank was RMB45.1 million, accounting for 10.7% of the Group's total asset. As of June 30, 2025, the gain or loss on fair value change of structured deposits held by Beijing Yuanguang Zhixing Information Technology Co., Ltd. was RMB132,000. The Group's subscription of structured deposit products constitutes a reasonable and effective use of certain portions of its internal resources, which is conducive to enhancing the Group's overall capital returns and aligns with the Group's core objectives of safeguarding its capital and ensuring liquidity. These investments were not financed through proceeds from our initial public offering.

Save as disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus and above, we did not have other plans for material investments or capital assets as of June 30, 2025.

## **CAPITAL COMMITMENT**

As of June 30, 2025, we had no capital commitment contracted for but not recognized as liabilities.

## **CAPITAL EXPENDITURE**

During the Reporting Period, we had no capital expenditures.

## **PLEDGE OF ASSETS**

As of June 30, 2025, the Group pledged certain patent rights to secure the Group’s bank borrowings of RMB30.0 million for general business operation purposes. Although these patents had a net book value of RMB nil, they retain economic value and legal enforceability, making them acceptable as collateral to the lender.

## **FINANCIAL RISKS**

Exposure to credit, liquidity and exchange rate risks arises in the normal course of the Group’s business. The Group’s exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

### **(a) Credit risk**

Our credit risk is primarily attributable to accounts receivable. Individual credit verification procedures are performed on all customers who wish to trade on credit terms. These evaluations focus on the customer’s past history of making payments when due and current ability to pay and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Receivable balances and our exposures to credit risks are monitored on an ongoing basis.

### **(b) Liquidity risk**

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by its management to finance the operations and mitigate the effects of fluctuations in cash flows.

**(c) Exchange rate fluctuation risk**

The functional currency of the Group is RMB. The majority of the Group's revenue and expenditures are denominated in RMB. The Group also has certain cash and bank balances and financial assets at FVTPL denominated in US dollars and Hong Kong dollars, which would expose the Group to foreign exchange risk. The Group currently does not have any foreign currency hedging policies. The management will continue to monitor the Group's foreign exchange risk exposure and consider adopting prudent measures as appropriate.

**OTHER INFORMATION**

**INTERIM DIVIDEND**

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

**CORPORATE GOVERNANCE**

Since the Company was listed on the Stock Exchange on June 10, 2025, the CG Code set out in Appendix C1 to the Listing Rules was not applicable to the Company prior to the Listing Date.

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders. After Listing, the Company has adopted the CG Code as its own code of corporate governance. The Company has been in compliance with all applicable code provisions under the CG Code for the period from the Listing Date to the date of this announcement. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) from the Listing Date to June 30, 2025. As at June 30, 2025, there were no treasury shares held by the Company.

**COMPLIANCE WITH MODEL CODE OF THE LISTING RULES**

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. As the shares of the Company were listed on the Stock Exchange on June 10, 2025, the Model Code was not applicable to the Company prior to the Listing Date. Having made specific enquiry with all Directors, each Director has confirmed his/her compliance with the Model Code from the Listing Date to the date of this announcement.

## **SUBSEQUENT EVENTS**

On July 31, 2025, the Group agreed to convert the entire loan principal amount of RMB1,000,000, together with the corresponding accumulated interest amount, of its unlisted convertible debt investment into 5.0% equity interest of the investee entity, and agreed to invest an additional amount of RMB1,000,000 to the investee entity. The Group has since owned a total of 10.0% equity interest of the investee entity.

## **REVIEW OF INTERIM RESULTS**

The Audit Committee of the Company consists of three independent non-executive Directors, namely Ms. Su Yu (Chairperson of the Audit Committee), Dr. Xie Tao, and Mr. Huang Xiaoling.

The Audit Committee has reviewed the accounting standards and practices adopted by the Group, as well as the unaudited consolidated financial statements and results of the Group for the six months ended June 30, 2025, and is of the opinion that the unaudited consolidated financial statements of the Group for the six months ended June 30, 2025 have been prepared in accordance with applicable accounting standards, laws, and regulations, and appropriate disclosures have been made.

The interim results for the six months ended June 30, 2025 are unaudited but have been reviewed by the independent auditor of the Company, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

## **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

This interim results announcement is published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company’s website ([www.metalight.com.cn](http://www.metalight.com.cn)). The Company’s 2025 interim report will be published on the websites of the Stock Exchange and the Company in due course.

## **DEFINITIONS**

“Audit Committee”	the audit committee of the Board
“Board” or “Board of Directors”	the board of Directors of the Company
“Corporate Governance Code” or “CG Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules

“Company,” “our Company” or “the Company”	MetaLight Inc., an exempted company incorporated with limited liability in the Cayman Islands on May 21, 2015, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2605)
“Director(s)” or “our Director(s)”	the director(s) of the Company
“Group,” “our Group,” “the Group,” “our” or “we,” “us,”	our Company together with our subsidiaries from time to time or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
“HK\$” or “Hong Kong dollars” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“HK” or “Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Date”	June 10, 2025, being the date on which the Shares were first traded on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“China” or “the PRC”	the People’s Republic of China, for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus of the Company dated June 2, 2025
“Renminbi” or “RMB”	Renminbi, the lawful currency of the PRC
“Reporting Period”	the six months ended June 30, 2025
“Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of US\$0.0001 each
“Shareholder(s)”	holder(s) of the Share(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under Section 15 of the Companies Ordinance
“%”	per cent

By order of the Board  
**MetaLight Inc.**  
**Dr. Sun Xi**  
*Chairman of the Board, Executive Director and  
Chief Executive Officer*

Hong Kong, August 25, 2025

*As at the date of this announcement, the directors are: (i) Dr. Sun Xi (孫熙), Ms. Qian Jinlei (錢金蕾), Mr. Xu Cheng (許誠) and Ms. Lu Lu (呂露) as executive directors and (ii) Dr. Xie Tao (謝濤), Ms. Su Yu (蘇瑜) and Mr. Huang Xiaoling (黃曉凌) as independent non-executive directors.*