



医渡云
YIDUCLOUD

Yidu Tech Inc.
醫渡科技有限公司

(incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock code 股份代號: 2158



2021/2022

Interim Report 中期報告



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YIDUCLOUD

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CORPORATE INFORMATION

Executive Directors

Ms. Gong Yingying (宮盈盈)
(Chairlady and Chief Executive Officer)
Ms. Yang Jing (楊晶)
Dr. Yan Jun (閻峻)
Ms. Zhang Shi (張實)

Non-Executive Directors

Mr. Zeng Ming (曾鳴)
(appointed on 25 June 2021)
Ms. Gao Yongmei (高永梅)
(resigned on 26 September 2021)

Independent Non-Executive Directors

Dr. Ma Wei-Ying (馬維英)
Ms. Pan Rongrong (潘蓉蓉)
Prof. Zhang Linqi (張林琦)

Audit Committee

Ms. Pan Rongrong *(Chairperson)*
Dr. Ma Wei-Ying
Prof. Zhang Linqi

Remuneration Committee

Dr. Ma Wei-Ying *(Chairperson)*
Ms. Gong Yingying
Prof. Zhang Linqi

Nomination Committee

Ms. Gong Yingying *(Chairperson)*
Dr. Ma Wei-Ying
Prof. Zhang Linqi

Joint Company Secretaries

Ms. Bai Rui
Ms. Li Ching Yi

Authorized Representatives

Ms. Yang Jing
Ms. Li Ching Yi

Headquarters

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Haidian District, Beijing, PRC

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Auditor

PricewaterhouseCoopers
*Certified Public Accountants and
Registered Public Interest Entity Auditor*
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Central, Hong Kong

Legal Advisers

As to Hong Kong and U.S. laws

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As to PRC law

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As to Cayman Islands law

Maples and Calder (Hong Kong) LLP
26th Floor, Central Plaza
18 Harbour Road, Wan Chai, Hong Kong

Compliance Adviser

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Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East, Wanchai, Hong Kong

Principal Share Registrar and Transfer Office

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PO Box 1093, Boundary Hall
Cricket Square
Grand Cayman KY1-1102, Cayman Islands

Principal Banks

Citibank, N.A., Hong Kong branch
Citi Tower, One Bay East
83 Hoi Bun Road
Kwun Tong, Kowloon, Hong Kong

China CITIC Bank, Beijing branch,
Beijing Fuhua Mansion sub-branch
1st Floor, Tower E, Fuhua Mansion
8 Chaoyangmen North Street
Doncheng District, Beijing, PRC

Shanghai Pudong Development Bank,
Beijing branch, Dong Changan Street sub-branch
1st Floor, Tower B, Minsheng Financial Center
28 Jianguomen Inner Street
Dongcheng District, Beijing, PRC

Stock Code

2158

Company Website

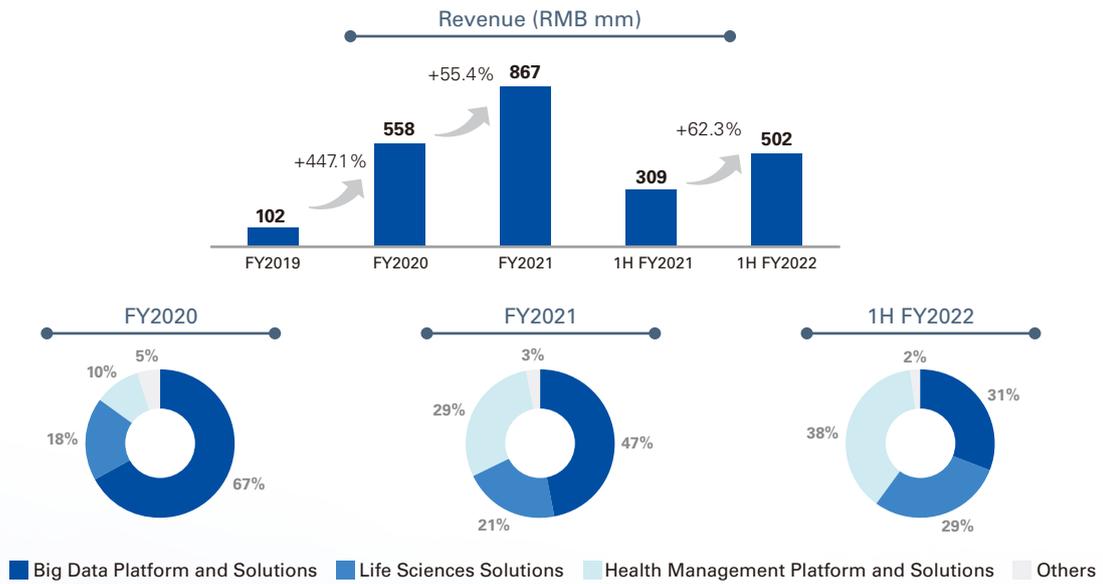
www.yidutechgroup.com



KEY FINANCIAL AND OPERATING DATA

Highlights in 1H FY2022

Fast-growing Momentum with a More Balanced Revenue Mix



Operating Highlights Powered by Our YiduCore

1 Big Data Platform and Solutions



Number of top research hospitals increased from **76 to 78**



Number of regulators and policy makers covered increased from **19 to 21**

2 Life Sciences Solutions



Number of life science customers increased from **108 to 127**



140% revenue retention rate of core pharmaceutical, biotech and medical device company customers



All of the **40** infectious diseases (as defined by CDC) under surveillance

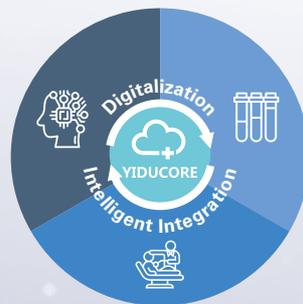
3 Health Management Platform and Solutions



The number of active users increased from **5 million to 8 million**



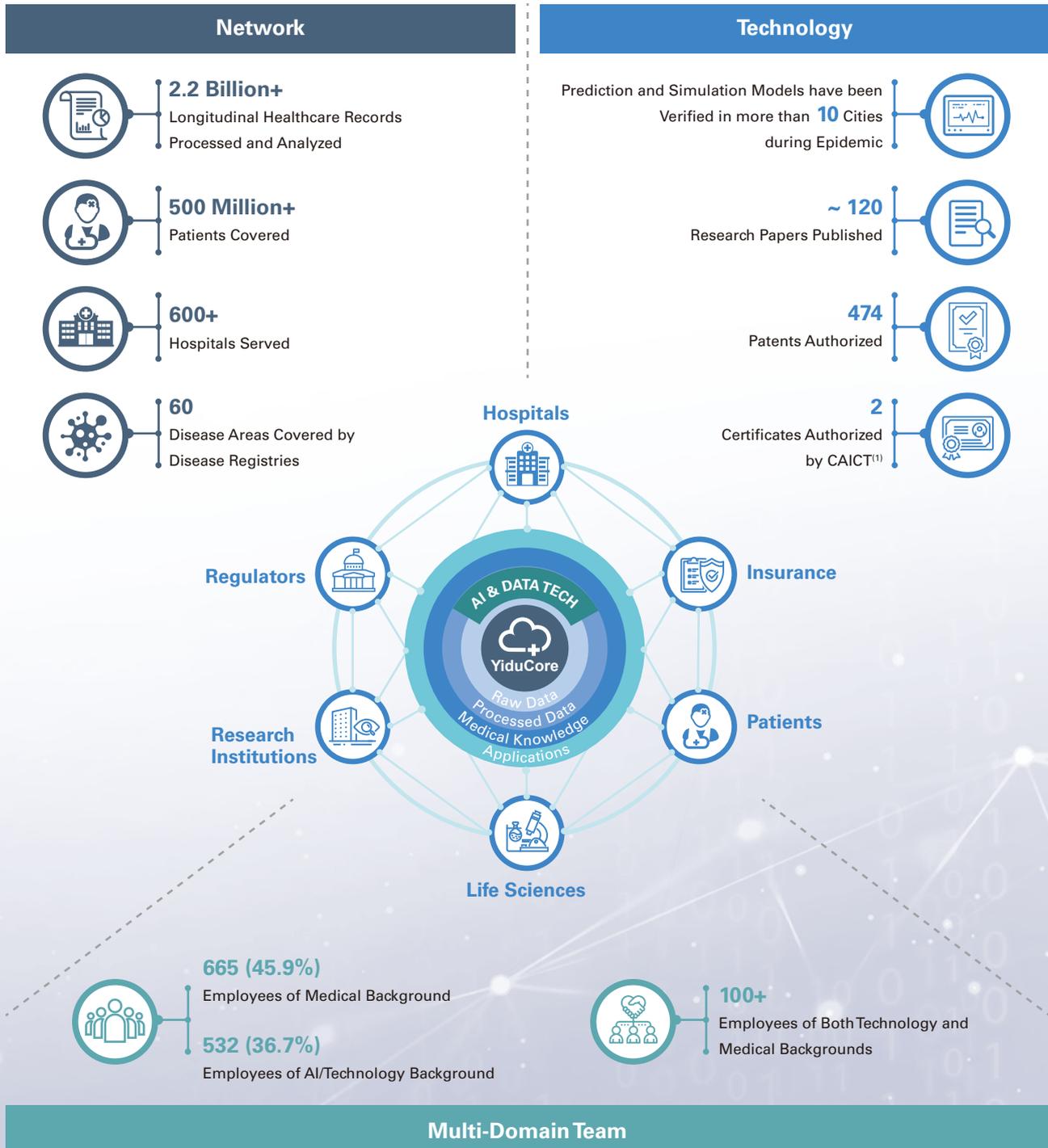
Served **17** out of Top20 MNC



Note : All comparison numbers are by the end of the FY2021.

Key Financial and Operating Data (Continued)

Core Competency



(1) Note: CAICT – China Academy of Information and Communications Technology



FINANCIAL HIGHLIGHTS

	Six months ended 30 September		
	2021	2020	Change (%)
	RMB'000, except percentages		
	(Unaudited)	(Unaudited)	
Revenue	501,931	309,168	62.3%
— Big Data Platform and Solutions	157,948	207,227	-23.8%
— Life Sciences Solutions	145,627	70,580	106.3%
— Health Management Platform and Solutions	190,438	25,646	642.6%
— Others	7,918	5,715	38.5%
Gross profit	144,070	87,632	64.4%
Operating loss	(442,214)	(256,102)	72.7%
Loss for the period	(442,542)	(1,192,357)	-62.9%
Non-IFRS adjusted net loss ⁽¹⁾	(321,504)	(165,806)	93.9%

(1) We define “adjusted net loss” as loss for the period and adding back (i) fair value changes of convertible redeemable preferred shares, (ii) fair value changes of convertible notes, (iii) fair value changes of warrants, (iv) share-based compensation expenses, and (v) listing expenses.

The Board does not recommend the distribution of an interim dividend for the six months ended 30 September 2021.

BUSINESS REVIEW AND OUTLOOK

Overview

Since the outbreak of the COVID-19 pandemic across the globe, digital technologies including artificial intelligence (AI) and big data technologies have demonstrated important roles in dealing with the pandemic and managing the public health. As the only a few economies with fast growth in 2021, China continuously leads the investment in new digital infrastructure, of which has been raised to its national strategy that focuses on digitalization, intelligence and innovation. The emphasis of new digital infrastructure together with “Healthy China 2030” and the “14th Five Year Plan” have driven the huge growth potential in the health technology sector. In order to achieve a healthy and sustainable growth, the Chinese legislators have enacted several legislations, such as Data Security Law and Personal Information Protection Law, to encourage scientific and technological innovations on the premise of sticking to the safety bottom line. The legislations which we fully support point out the direction for the industry.

We are on the front line of applying AI and big data technologies to empower the digital transformation of healthcare sector along the supply chain for higher efficiency. As a leading company in the health technology sector, we fulfilled our social responsibility by leveraging our state-of-the-art technology to support the fight against the pandemic. Our data intelligence infrastructure YiduCore consists of algorithms and insightful knowledge that are continuously accumulated as we expand our use-case scenarios upon proper authorization. As of 30 September 2021, YiduCore has processed and analyzed more than 2.2 billion healthcare records from over 500 million patients covering over 600 hospitals across more than 20 provinces. We have made significant breakthroughs in public health, research, and diagnosis and treatment scenarios where we put great efforts in.

Our business has revealed a strong growth momentum despite external pressure. For the six months ended 30 September 2021, our total revenue amounted to RMB501.9 million, representing a year-on-year increase of 62.3%. Our gross profit margin remained stable at 28.7%. As of 30 September 2021, we have provided service solutions for 78 top research hospitals in China and 21 regulators and policy makers, with an increase of two hospitals and two regulators and policy makers during the Reporting Period. The number of active life sciences customers we served reached 127 as at 30 September 2021, with an increase of 19 active customers during the Reporting Period.

YiduCore, our intelligent “medical brain”, supports our customers and partners to unlock the value of health data to drive better outcomes by enabling the secured applicability of high-quality data in different use-case scenarios. This has been made possible by our commitment to “data intelligence, green healthcare” and years of persistent investments.

As we adhere to our mission “to make value-based precision healthcare accessible to everyone”, we look forward to creating greater value for major participants¹ of the healthcare ecosystem and ultimately, delivering better services and outcomes for patients.

1: Major participants include physicians, researchers and hospitals, regulators and policy makers, pharmaceutical, biotech and medical device companies, and insurance companies.



Business Review and Outlook (Continued)

YiduCore

YiduCore, our data intelligence infrastructure represents our core capabilities that can be understood in terms of three layers. The first layer is our data processing capabilities which allow us to aggregate and convert the raw and scattered data on the information technology systems of hospitals and healthcare institutions into computable, structured and standardized data that can be analyzed with speed, accuracy and cost-efficiency. The second layer consists of our medical knowledge, insights and disease models that are continuously reinforced and expanded as they are applied to drive our data-analytics driven solutions for our customers in the various use-case scenarios. The final layer is our scenario specific operations and service capabilities that we develop to help our customers better realize the value of our solutions and our ecosystem to achieve their target outcomes.

Privacy and security have been built into YiduCore since day one. We invest heavily in the area of secure computation and we are one of the only three healthcare technology companies in China that were certified by China Academy of Information and Communications Technology (CAICT) in terms of Secure Multi-Party Computation and Federated Learning capabilities. We have also established a joint research center with Tsinghua University to carry-out and promote the use of federated learning and secure computing techniques.

Leveraging YiduCore, the effectiveness and value of our analytics solutions have been verified in various use-case scenarios.

- **Public Health:** Our comprehensive public health solutions offers large-scale simulation and predication to proactively assess the risks, optimizes the resource allocation and achieves efficient dynamic decision-making. We have assisted more than 10 local authorities to enhance the public safety measures at the peak of the epidemic. Our risk prediction and policy simulation models allowed one of the authorities in Guangdong province to effectively estimate epidemic outbreak curve and form lockdown strategy, reducing mortality rate while keeping economic continuity. The predicted outbreak curve coincided with the actual evolution, and the difference fell within 5 cases.
- **Research:** We increase the productivity of research-grade evidence generation and deliver high-quality care to patient as needed in an affordable way. We undertook the development of Real-World Data (“**RWD**”) Clinical Research Platform in Hainan Boao Lecheng with tens of millions of contract value. The platform aims to promote the application of RWD and accelerate the approval of fast-track drugs and devices. With advanced data governance and analytics-driven technologies, this platform facilitates researchers and regulators to generate and evaluate evidence of efficacy and safety in real-world clinical setting.
- **Clinical diagnosis:** We are patient-centric and outcome-based, in order to realize the mission of making precision healthcare accessible to everyone. We partnered with a leading physician at one of the top three hospitals in China and developed a predictive model to predict Candidaemia in ICU patients with New-Onset Systemic Inflammatory Response Syndrome. Compared with the traditional microbial-culture testing that generally takes days, this model can instantly identify patients at infection risk. In this way, physicians are able to prioritize resources and provide timely treatment to patients in need, and thus reducing the mortality rate and patients’ disease burden. The accuracy of the model has been verified in over 1,600 historical data from three hospitals, and the results have been published in *Frontiers in Medicine*.

Big Data Platform and Solutions

The Big Data Platform and Solutions segment is our longest operating business segment. It mainly serves hospitals and other healthcare institutions, as well as regulators and policy makers, to help them unlock the value of healthcare data through our analytics-driven solutions. As the segment grows, it also serves to expand and solidify the foundation of our data intelligence infrastructure.

We have entered into agreements with hospitals, regulators and policy makers, pursuant to which we provide our big data platforms to help them aggregate and process multi-source heterogeneous data into high-quality standardized and structured data that can be analyzed quickly and accurately. These platforms are implemented under proper authorization and can further empower a wide range of applications and solutions.

For hospitals, our platforms process longitudinal healthcare records across different settings and departments and mainly serve in medical research, clinical diagnosis and treatment and hospital operations management scenarios. We have further cooperated with top-grade hospitals and experts to establish disease registries and research networks. After obtaining proper authorizations, we can support them to conduct large scale clinical research with more refined disease data granularity.

The data we processed and analyzed for regulators and policy makers are more enriched and diversified and we mainly focus on three categories of use-case scenarios, including public health surveillance, pandemic response and population health management.

We implement a comprehensive and rigorous data privacy and security program to ensure the security, confidentiality, and integrity of data that we have been authorized to access and the stability and reliability of the services that we provide.

Our disease models for various disease areas continue to expand and refine as we collaborate with more top-grade hospitals and experts. During the Reporting Period, we have entered into agreements with two new top research hospitals and two new regulators and policy makers. We have also built disease registries covering 60 disease areas to enable the production of research-grade evidence to be more efficiently and effectively. Furthermore, we have partnered with two out of three hematology National Clinical Research Center (NCRC) hospitals, which are already within our network, to develop national disease registries and carry out efficient clinical trials and cross-institutional Real-World Evidence (RWE)-based researches. These NCRC hospitals have supported over 15 clinical studies and trials. We continue to refine and perfecting our real-world disease models by utilizing AI technologies, such as symbolic knowledge inference models and deep learning. As of 30 September 2021, nearly 120 papers have been published based on our disease registries and big data platforms.

Our clients highly recognized our value, which is evidenced by our ability to generate recurring engagements. For example, we served a city in Zhejiang province in prior years for a regional platform that covers over 200 healthcare institutions. The data granularity and analytics capabilities of our platform enable the local authority to plan and allocate medical resources more efficiently and effectively when combating the epidemic. During the Reporting Period, we escalated our solution offerings by providing comprehensive public health solutions which enable active monitoring and dynamic policy-making for 40 infectious diseases.



Business Review and Outlook (Continued)

For the six months ended 30 September 2021, this segment recorded a total revenue of RMB157.9 million, and a gross profit margin of 41.7%, representing a year-on-year increase of 4.9 percentage points. After normalizing the one-off international revenue of medical devices and other COVID-19 related supplies in the first half of fiscal year 2021, this segment maintained a solid year-on-year increase of 21.1%.

Life Sciences Solutions

Leveraging YiduCore and the network of top hospitals and experts accumulated through our Big Data Platform and Solutions segment, we incubated the Life Sciences Solutions segment in the second half of fiscal year 2018. We currently provide analytics-driven clinical development, RWE-based research and digital commercialization solutions in respect of the full life-cycle of a drug or a medical device from clinical development to post-market commercialization. We combine our deep understanding of diseases with the rich clinical experience of the team to help pharmaceutical, biotech, medical device companies, and other companies involved in the clinical development process to reduce the time and costs of drug and medical device development while enhancing commercial success.

We provide a full set of end-to-end services at every stage of clinical development, including clinical operations, monitoring, trial design, statistical analysis, and data management. During the Reporting Period, we served a top 20 MNC client and completed patient enrollment assigned to us for a Phase III trial of cardiovascular disease after obtaining compliance approval. Compared with the client's pre-determined requirements, our enrolment efficiency doubled and our screening failure rate decreased by 60%. With our in-depth medical knowledge and understanding, we are able to formulate advanced algorithms to disassemble precise inclusion and exclusion criterion to identify eligible patients in a larger scale to increase enrolment efficiency and reduce screening failure rate.

In addition, our capabilities to generate high-quality real-world evidences to empower life science clients to manage and optimize the entire product lifecycle, from drug approval, peri-launch evidence support, post-market growth, to label extension, have all been validated. During the Reporting Period, we conducted a comprehensive retrospective real-world study for a top 20 MNC client and obtained approval of CDE (Center for Drug Evaluation, National Medical Products Administration) for label revision of its antibiotic drug. The approved revision has reduced the complexity in use.

As of 30 September 2021, we have over 400 employees in our Life Sciences Solutions segment with an average of 7.9 years of relevant experience in clinical research, data science, epidemiology, biostatistics, medical informatics, AI and others.

The number of our active customers grew rapidly. During the Reporting Period, the number of active customers increased by 19 to 127, and our core active pharmaceutical, biotech and medical device company customers increased by 10 to 90. In addition, we served 17 out of the top 20 global pharmaceutical companies in terms of revenue in 2020. While enlarging the customer base, we also actively enrich our solutions to enhance customer stickiness and expand the wallet share of our customers. During the Reporting Period, the overall revenue retention of all our customers was 133%, while the revenue retention of our core pharmaceutical, biotech and medical device company customers was 140%. For the six months ended 30 September 2021, the Life Sciences Solutions segment recorded a total revenue of RMB145.6 million, achieving a more than doubled year-on-year growth, and a gross profit margin of 20.0% representing an increase of 3.4 percentage points.

Health Management Platform and Solutions

Health Management Platform and Solutions segment is our latest segment with huge growth potential. During the Reporting Period, the revenue of this segment recorded a year-on-year increase by 642.6%.

In order to realize the mission of making precision healthcare accessible to everyone, we deliver AI-empowered and one-stop data-driven solutions for the management of patients with different types of diseases. We empower doctors and other care providers on our platform to be more effective by providing them relevant insights and knowledge upon proper authorization, and convenient patient management tools. Research doctors can also use our platform and tools to conduct their research and follow-up with and manage their research participants more efficiently. This is our approach to achieving “patient-centered, outcome-oriented” care.

Take “CausaHealth Diabetes Program” for example. With the medical knowledge and insights accumulated in YiduCore, we are able to offer coordinated care that integrates treatment in traditional care settings with out-of-hospital care and lifestyle interventions that include nutrition, mental and physical activities. We have established and verified the quantitative models of reducing glycosylated hemoglobin (HbA1c, the gold diagnosis standard for diabetes treatment effect) through AI-driven automated patient management. Apart from precisely recommending treatment plans, it can also conduct a risk prediction model to achieve personalized policy and treatment plans for different users. With a twelve-week intervention, we have achieved an average reduction of HbA1c by approximately 1%.

Within this segment, we also offer insurance technology and solutions to insurance companies and agencies. Leveraging our deep insights and knowledge powered by YiduCore, our solutions are aimed at facilitating insurance companies and agencies to develop innovative insurance products, enabling faster and more accurate insurance underwriting and expediting claim processing. Hui Min Bao is a city-level supplementary insurance product of the existing national social medical insurance. During the Reporting Period, we had an increasing market presence of the Hui Min Bao business. For example, we have served as the main operating platform, providing product design, user acquisition, promotion, customer services and claim management of Beijing Pu Hui Jian Kang Bao that was innovated in terms of insurance coverage to increase the affordability of patients. Through user operation, Hui Min Bao helps to bring in user traffic and improve our brand awareness among the general population as well as explore the opportunities in public health. During the Reporting Period, we had served five cities in China, and we intend to serve more cities in the foreseeable future.

As of 30 September 2021, the number of paying users who made at least one purchase on our health management platform exceeded 8 million.

Business outlook

To achieve our mission to make value-based precision healthcare accessible to everyone and further solidify our leadership, we intend to (i) deepen and broaden our knowledge and use-cases by disease areas, (ii) expand our customer base and deepen our relationship with existing customers, (iii) continue to strengthen our data processing and machine learning capabilities, (iv) explore opportunities in international markets, and (v) further enrich our ecosystem through strategic partnerships, investments and acquisitions.



Business Review and Outlook (Continued)

In respect of Big Data Platform and Solutions, we will continue our two-dimensional strategy. Horizontally, we strengthen YiduCore by (1) expanding our network of hospitals and regions, (2) enriching the use-case scenarios of existing customers, and (3) investing in core technology capabilities such as secure computation and explainable, computable modeled knowledge graph. Vertically, we continue to deepen and optimize insights and knowledge within each disease area by enabling multi-site researches to be carried out in our network.

In respect of Life Sciences Solutions, we will drive the development of our analytics-driven clinical development, RWE-based research and commercialization solutions in line with the evolving regulations and policies. YiduCore has paved a solid foundation for the generation of high-quality real-world evidence in China. Next, we will focus on (1) generation and application of real-world evidence in various scenarios, (2) diseases we excelled at in clinical development and (3) enlargement and preservation of our customer base.

In respect of Health Management Platform and Solutions, we will continue to leverage our disease insights and expert network to provide effective health management solutions to benefit more people with “patient-centered, outcome-oriented” care.

We are well positioned to serve as a leading player in the rapidly evolving healthcare technology industry. In the future, we will continue to introduce innovative AI-driven applications and solutions to capture the massive market opportunities in China and beyond, and to enable stakeholders in the ecosystem to derive more value from our data intelligence infrastructure.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenues

Our revenues increased by 62.3% from RMB309.2 million for the six months ended 30 September 2020 to RMB501.9 million for the six months ended 30 September 2021. The increase was primarily attributable to the increase in revenue realized from Life Sciences Solutions and Health Management Platform and Solutions segments.

Big Data Platform and Solutions. Revenue from Big Data Platform and Solutions decreased by 23.8% from RMB207.2 million for the six months ended 30 September 2020 to RMB157.9 million for the six months ended 30 September 2021, primarily due to changes in revenue structure. There were international revenue of medical devices and other COVID-19 prevention supplies of RMB76.8 million in the first half of fiscal year ended 31 March 2021, taking no account of which, revenue from Big Data Platform and Solutions increased by 21.1% from RMB130.4 million for the six months ended 30 September 2020 to RMB157.9 million for the six months ended 30 September 2021, primarily due to the increased number of active customers.

Life Sciences Solutions. Revenue from Life Sciences Solutions increased by 106.3% from RMB70.6 million for the six months ended 30 September 2020 to RMB145.6 million for the six months ended 30 September 2021, primarily due to the increased number of active customers and improved average revenue per active customer during the same periods.

Health Management Platform and Solutions. Revenue from Health Management Platform and Solutions increased by 642.6% from RMB25.6 million for the six months ended 30 September 2020 to RMB190.4 million for the six months ended 30 September 2021, primarily due to the growth of insurance services and platform solutions of CausaHealth.

Others. Other revenue increased by 38.5% from RMB5.7 million for the six months ended 30 September 2020 to RMB7.9 million for the six months ended 30 September 2021.

Cost of sales and services

Our cost of sales and services increased by 61.5% from RMB221.5 million for the six months ended 30 September 2020 to RMB357.9 million for the six months ended 30 September 2021. Share-based compensation expenses included in cost of sales and services were RMB3.2 million and RMB6.0 million for the six months ended 30 September 2020 and 2021, respectively. The increase was caused by business expansion in Life Sciences Solutions and Health Management Platform and Solutions, partially offset by the decrease in cost of sales and services from Big Data Platform and Solutions segment in the first half of fiscal year 2022.

Big Data Platform and Solutions. Cost of sales and services from Big Data Platform and Solutions segment decreased by 29.8% from RMB131.1 million for the six months ended 30 September 2020 to RMB92.0 million for the six months ended 30 September 2021. Taking no account of the corresponding cost of sales of COVID-19 related international supplies in the first half of fiscal year 2021, cost of sales and services from Big Data Platform and Solutions segment increased by 58.3% from RMB58.1 million for the six months ended 30 September 2020 to RMB92.0 million for the six months ended 30 September 2021, primarily due to the increased cost of software and hardware as well as outsourcing service fee from RMB14.7 million to RMB54.5 million.



Management Discussion and Analysis (Continued)

Life Sciences Solutions. Cost of sales and services from Life Sciences Solutions increased by 98.0% from RMB58.9 million for the six months ended 30 September 2020 to RMB116.5 million for the six months ended 30 September 2021, primarily due to increase in (i) employee benefits and expenses of employees engaging in the Life Sciences Solutions business from RMB27.9 million to RMB55.2 million, which included share-based compensation expenses of RMB1.4 million and RMB1.7 million in the respective periods, and (ii) increase in outsourcing service fee from RMB28.5 million to RMB56.7 million.

Health Management Platform and Solutions. Cost of sales and services from the Health Management Platform and Solutions segment increased by 443.1% from RMB26.2 million for the six months ended 30 September 2020 to RMB142.2 million for the six months ended 30 September 2021, primarily due to the increase in cost of pharmaceutical products and services from RMB0.2 million to RMB118.1 million.

Others. Other cost of sales and services increased by 30.2% from RMB5.4 million for the six months ended 30 September 2020 to RMB7.1 million for the six months ended 30 September 2021.

Gross profit and gross margin

As a result of the foregoing, our overall gross profit for the six months ended 30 September 2020 and 2021 were RMB87.6 million and RMB144.1 million, respectively, and our overall gross margin was 28.3% and 28.7%, respectively.

Big Data Platform and Solutions. Our gross margin in Big Data Platform and Solutions increased from 36.8% for the six months ended 30 September 2020 to 41.7% for the six months ended 30 September 2021. Taking no account of the COVID-19 related international revenue and corresponding cost in the first half of fiscal year 2021, our gross margin in Big Data Platform and Solutions decreased from 55.4% for the six months ended 30 September 2020 to 41.7% for the six months ended 30 September 2021, primarily attributable to revenue mix shift.

Life Sciences Solutions. Our gross margin in Life Sciences Solutions increased from 16.6% for the six months ended 30 September 2020 to 20.0% for the six months ended 30 September 2021, primarily due to increased pricing power and higher utilization.

Health Management Platform and Solutions. Our gross margin in Health Management Platform and Solutions increased from -2.3% for the six months ended 30 September 2020 to 25.3% for the six months ended 30 September 2021, primarily driven by product mix shift.

Selling and marketing expenses

Our selling and marketing expenses increased by 117.3% from RMB107.3 million for the six months ended 30 September 2020 to RMB233.1 million for the six months ended 30 September 2021, primarily attributable to increase in (i) employee benefits and expenses of employees engaging in selling and marketing function from RMB70.7 million to RMB136.6 million, which included share-based compensation of RMB5.2 million and RMB21.6 million in the respective periods, and (ii) business development, promotion and advertising expenses targeting to promote the Group's brand awareness and insurance services from RMB20.8 million to RMB83.5 million.

Management Discussion and Analysis (Continued)

Selling and marketing expenses as a percentage of revenue increased from 34.7% for the six months ended 30 September 2020 to 46.4% for the six months ended 30 September 2021 as a result of the foregoing reasons.

Administrative expenses

Our administrative expenses increased by 28.9% from RMB136.0 million for the six months ended 30 September 2020 to RMB175.3 million for the six months ended 30 September 2021, primarily attributable to increase in employee benefits and expenses of employees engaging in administrative function from RMB89.2 million to RMB134.1 million, which included share-based compensation of RMB55.8 million and RMB67.6 million in the respective periods.

As a percentage of revenue, administrative expenses declined from 44.0% for the six months ended 30 September 2020 to 34.9% for the six months ended 30 September 2021 as our revenue grew at a faster rate.

Research and development expenses

Our research and development expenses increased by 94.7% from RMB98.6 million for the six months ended 30 September 2020 to RMB192.0 million for the six months ended 30 September 2021. The increase in research and development expenses was primarily due to increase in (i) employee benefit and expenses for employees engaging in research and development function from RMB85.9 million to RMB167.3 million, including share-based compensation of RMB8.1 million and RMB25.8 million in the respective periods; and (ii) consulting fee and other professional fee from RMB2.8 million to RMB7.3 million.

Research and development expenses as a percentage of revenue increased from 31.9% for the six months ended 30 September 2020 to 38.2% for the six months ended 30 September 2021 as a result of the foregoing reasons.

Operating loss

As a result of the foregoing, operating loss of the Group increased from RMB256.1 million for the six months ended 30 September 2020 to RMB442.2 million for the six months ended 30 September 2021.

Fair value change of convertible redeemable preferred shares

Our fair value change of convertible redeemable preferred shares was a loss of RMB943.6 million and nil for the six months ended 30 September 2020 and 2021, respectively.

Fair value change of convertible notes

Our fair value change of convertible notes was a loss of RMB24.2 million and nil for the six months ended 30 September 2020 and 2021, respectively.

Fair value changes of warrants

Our fair value change of warrants was a gain of RMB34.4 million and nil for the six months ended 30 September 2020 and 2021, respectively.



Management Discussion and Analysis (Continued)

Taxation

Income tax credits of the Group decreased from RMB460,515 for the six months ended 30 September 2020 to RMB151,370 for the six months ended 30 September 2021.

Loss for the period

As a result of the foregoing, our loss for the period decreased by 62.9% from RMB1,192.4 million for the six months ended 30 September 2020 to RMB442.5 million for the six months ended 30 September 2021, primarily due to the conversion of convertible redeemable preferred shares and convertible notes upon successful initial public offering.

Non-IFRS Measure — Adjusted Net Loss

To supplement our consolidated financial statements which are presented in accordance with International Financial Reporting Standards (“IFRS”), we also use adjusted net loss (defined below) as an additional financial measure, which is not required by, or presented in accordance with IFRS. We believe that the presentation of this non-IFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impact of items that our management does not consider to be indicative of our operating performance such as certain non-cash items and certain impact of investment transactions. We believe that this measure provides useful information to investors in understanding and evaluating the Group’s consolidated results of operations in the same manner as they help our management. However, the use of non-IFRS measure has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under IFRS. In addition, the non-IFRS financial measure may be defined differently from similar terms used by other companies.

We define “adjusted net loss” as loss for the period and adding back (i) fair value changes of convertible redeemable preferred shares, (ii) fair value changes of convertible notes, (iii) fair value changes of warrants, (iv) share-based compensation expenses and (v) listing expenses.

For the six months ended 30 September 2020 and 2021, our adjusted net loss was RMB165.8 million and RMB321.5 million, respectively.

Management Discussion and Analysis (Continued)

The following table set forth the reconciliations of our non-IFRS financial measure for the six months ended 30 September 2020 and 2021 to the nearest measure prepared in accordance with IFRS.

	Six months ended 30	
	September	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss for the period	(442,542)	(1,192,357)
Add:		
Fair value changes of convertible redeemable preferred shares ⁽¹⁾	—	943,589
Fair value changes of convertible notes ⁽²⁾	—	24,192
Fair value changes of warrants ⁽³⁾	—	(34,398)
Share-based compensation expenses ⁽⁴⁾	121,038	72,273
Listing expenses ⁽⁵⁾	—	20,895
Non-IFRS adjusted net loss	(321,504)	(165,806)
Non-IFRS adjusted net loss margin (%)⁽⁶⁾	(64.1%)	(53.6%)

(1) Fair value changes of convertible redeemable preferred shares represent the gains or losses arising from change in fair value of our issued Series A, A-1, A-2, B and C convertible redeemable preferred shares, which was recognized as a financial liability at fair value change through profit or loss. Such changes are non-cash in nature and are not directly related to our operating activities.

(2) Fair value changes of convertible notes represent the gains or losses arising from change in fair value of our issued convertible notes, which was recognized as a financial liability at fair value change through profit or loss. Such changes are non-cash in nature and are not directly related to our operating activities.

(3) Fair value changes of warrants represent the gains or losses arising from change in fair value of the warrants we issued to our investors, which was recognized at fair value change through profit or loss. Such changes are non-cash in nature and are not directly related to our operating activities.

(4) Share-based compensation expenses relate to the share awards we offered to our employees, directors and consultants under the Share Incentive Plans, which are primarily non-cash in nature and commonly not included in similar non-IFRS measures adopted by other companies in our industry.

(5) Listing expenses are not expected to recur in future and commonly not included in similar non-IFRS financial measures.

(6) Represents non-IFRS adjusted net loss divided by the total revenue for the period indicated.



Management Discussion and Analysis (Continued)

Liquidity and capital resources

During the six months ended 30 September 2021, we had funded our cash requirements principally from capital contribution from shareholders and financing through issuance and sales of convertible redeemable preferred shares in private placement transactions. We had cash and cash equivalents, term deposits, restricted bank balance and deposits of RMB4,605.6 million and RMB4,219.5 million as at 31 March 2021 and 30 September 2021, respectively.

Significant Investments

The Group did not make or hold any significant investments (including any investment in an investee company with a value of 5 per cent. or more of the Company's total assets as at 30 September 2021) during the six months ended 30 September 2021.

Material acquisitions and disposals

The Group did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies for the six months ended 30 September 2021.

Pledge of assets

As at 30 September 2021, the Group has no material pledge of assets.

Future plans for material investments or capital asset

As at 30 September 2021, the Group did not have detailed future plans for material investments or capital assets.

Gearing ratio

The Group monitors capital on basis of the gearing ratio, which is calculated as net debt divided by deficits on total equity. Net debt is calculated as total liabilities which are considered as borrowings less cash and cash equivalents. As at 30 September 2021, the Group has a net cash position and the gearing ratio was not applicable, as compared with 99.0% as at 30 September 2020. The decrease was primarily due to the conversion of convertible redeemable preferred shares and convertible notes, as well as the increase in cash and cash equivalents.

Foreign exchange exposure

During the six months ended 30 September 2021, the Group mainly operated in China with most of the transactions settled in Renminbi. The functional currency of our Company and the subsidiaries and the consolidated affiliated entities that operate in China are U.S. dollar and Renminbi, respectively. Our management considers that the business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities denominated in the currencies other than the respective functional currencies of our group entities. As at 30 September 2021, we had currency translation loss of RMB60.2 million, as compared with currency translation gain of RMB179.5 million as at 30 September 2020. We did not hedge against any fluctuation in foreign currency during the six months ended 30 September 2020 and 2021.

Contingent liabilities

As at 30 September 2021, we did not have any material contingent liabilities (as at 30 September 2020: nil).

Management Discussion and Analysis (Continued)

Capital commitment

As at 30 September 2021, the Group has no material capital commitment.

Employees and remuneration

As at 30 September 2021, the Group had a total of 1,448 employees, 878 employees were based in Beijing, 225 employees were based in Shanghai and 345 employees were based in other offices in China and overseas. The following table sets forth the total number of employees by function as at 30 September 2021:

Function	Number of employees
Product Development and Technology	751
Medical Function	334
Sales and Marketing	144
General and Administrative	219
Total	1,448

Our people are our most valued assets. We are able to continue to attract the best talents across multiple domains due to their faith in the potential of YiduCore to transform healthcare. As at 30 September 2021, about 45.9% of our employees have clinical research experiences and medical background, about 36.7% have AI and technology experiences and background. The total remuneration cost incurred by the Group for the six months ended 30 September 2021 was RMB526.2 million, as compared to RMB314.4 million for the six months ended 30 September 2020. The Company has also adopted a post-IPO share award scheme and a post-IPO share option scheme.

Subsequent Event

As at the date of this interim report, the Group has no significant events occurred after the Reporting Period which require additional disclosures or adjustments.



Management Discussion and Analysis (Continued)

Use of Proceeds from Listing

The shares of the Company were listed on the Main Board of the Stock Exchange on 15 January 2021. The net proceeds from the Global Offering (following the full exercise of the Over-allotment Option, as defined in the prospectus of the Company dated 31 December 2020 (the “**Prospectus**”), was approximately HK\$4.6 billion (the “**Net Proceeds**”), after deducting the underwriting commissions and offering expenses paid or payable, which will be gradually utilized for the purposes as set out in the Prospectus.

- approximately 35% of the Net Proceeds is expected to be used in the next 24 to 36 months for continuous effort to strengthen our core capabilities, including data processing technology and machine learning algorithms, and enhance our ability to deliver solutions responsive to our customers’ needs. Specifically, we will continue to: (i) enhance federated learning capabilities and the research and implementation of information encryption technology, conduct joint research with universities such as Tsinghua University, and conduct technical cooperation with other technology companies; (ii) expand model knowledge graphs, which differ from traditional knowledge graphs, and are a set of concepts and technologies accumulated from our long-term work that are important in healthcare big data applications; (iii) construct basic NLP technology and invest resources to train the unique models in the healthcare field, including software and hardware, and continue to improve algorithms and strengthen the ability of basic structural standardization; and (iv) develop AI capabilities that are close to our business, including automated model building and knowledge discovery that empower doctors’ scientific research capabilities, intelligent health files and patient condition labels that empower doctors’ diagnosis and treatment. We will continue to attract and retain the best minds in the fields of AI and data science, experienced professionals with deep understanding of the healthcare industry and also top talents with strong knowledge in the healthcare domain. We will continue to improve and maintain our computing power. We also plan on expanding our cooperation with the world’s leading technology companies, universities and research centers, leveraging their advanced technologies and know-hows to facilitate our innovation, further strengthen our data processing capabilities and AI technology and shorten the development cycle of our solutions.
- approximately 35% of the Net Proceeds is expected to fund our business operations and further our business expansion in the next 24 to 36 months, including developing new applications and solutions for our existing and new markets and selling and marketing of such new applications and solutions in our existing or new markets. New markets that we currently plan to expand into include Southeast Asia, including Brunei and Singapore, and we plan to tap into these new markets through first providing our Big Data Platform and Solutions to medical institutions and regulator and policy maker customers. Some of our existing applications and solutions could be upgraded into an international version, including expanding our natural language processing capabilities to cover multiple languages and customizing our health management platform and solutions to accommodate different medical systems in various countries. In lieu of feasibility studies, we plan to promote and explore these new projects on a pilot basis and talk to potential customers in small-scale business teams. We will leverage our robust customer base and continue to deepen our long-term relationship with, and increase the spending by, existing customers, such as seeking to generate recurring revenues and drive purchases of additional services and solutions.

Management Discussion and Analysis (Continued)

- approximately 20% of the Net Proceeds is expected to be used for further enrich our ecosystem through strategic partnerships, investments and acquisitions. To complement our organic growth strategy, we will continue to enrich our ecosystem by selectively pursuing suitable strategic partnerships, investments and acquisitions in China and the international markets we plan to expand into, such as (i) businesses that possess cutting-edge technologies such as machine learning, big data analytics and other technologies related to our business that would allow us to enhance our data intelligence infrastructure; (ii) businesses with proven monetization models in the healthcare big data solutions market that synergize with our plans to broaden our service offerings; and (iii) companies that operate healthcare apps or social communities with meaningful user bases that would allow us to attract new participants to our ecosystem. We currently intend to make investments in targets located in China or Southeast Asian countries. We may invest in digital health companies, health management service providers, health content providers and strategic ecosystem providers that can operate on our big data platform or health management platform and can enrich our offerings to our customers. Our Directors believe that there are a sufficient number of potential targets as many digital health companies, health management service providers and health content providers exist both in China or overseas.
- approximately 10% of the Net Proceeds is expected to be used for working capital and general corporate purposes.

As at 30 September 2021, the Company had not utilized the Net Proceeds from the Global Offering. The Company will utilise the Net Proceeds of the Global Offering in accordance with the intended purposes as set out in the Prospectus.

Interim Dividend

The Board does not recommend the distribution of an interim dividend for the six months ended 30 September 2021.



CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company was incorporated in the Cayman Islands on 9 December 2014 as an exempted company with limited liability, and the Shares of the Company were listed on the Main Board of the Stock Exchange on 15 January 2021.

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and to enhance corporate value and accountability.

Compliance with the Corporate Governance Code

The Company is committed to enhancing its corporate governance practices appropriate to the conduct and the growth of its business and to reviewing such practices from time to time to ensure that they comply with statutory and professional standards and align with the latest development.

The Company has adopted the Corporate Governance Code as set out in Appendix 14 to the Listing Rules as its own code of corporate governance. During the six months ended 30 September 2021, the Company has complied with all applicable code provisions of the Corporate Governance Code, save for the deviations as explained below.

Code provision A.2.1 of the Corporate Governance Code recommends, but does not require, that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Ms. Gong performs both the roles of the Chairlady of the Board and the chief executive officer of the Company. Ms. Gong is the founder of the Group and has extensive experience in the business operations and management of the Group. The Board believes that vesting the roles of both Chairlady and chief executive officer in Ms. Gong has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers 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 effectively. The Board will continue to review and consider splitting the roles of chairperson of the Board and the chief executive officer of the Company if and when it is appropriate taking into account the circumstances of the Group as a whole.

Code provision E.1.5 of the Corporate Governance Code provides that the issuer should have a policy on payment of dividends and should disclose it in the annual report. As the Company intends to retain its available funds and earnings to fund the development and growth of our business, the performance of which will continue to be impacted by the relevant industry's and economic outlook in the foreseeable future, the Board is of the opinion that it is not appropriate to adopt a dividend policy at this stage. The Board will review the Company's status periodically and consider to adopt a dividend policy if and when appropriate.

Corporate Governance and Other Information (Continued)

Model Code for Securities Transactions

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transactions.

The Company's relevant employees, who because of his/her office or employment, are likely to be in possession of inside information of the Company, are also subject to the Model Code.

Having made specific enquiries of all the Directors and the relevant employees, they have confirmed that they have complied with the Model Code during the Reporting Period and up to the date of this interim report.

Change in Directors' and the Senior Management's Information

Save as disclosed in this interim report, during the six months ended 30 September 2021, there has been no change to the information of the Directors and the senior management which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or Any of Its Associated Corporations

As at 30 September 2021, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register required to be kept pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director	Nature of interest	Relevant entity	Number of Shares	Approximate % of interest ⁽¹⁾
Ms. Gong	Interest in controlled corporation/Interest of spouse	Sweet Panda Limited ⁽²⁾	416,543,425(L) ⁽³⁾	42.65%
Yan Jun	Beneficial owner	Company	2,833,640(L) ⁽⁴⁾	0.29%
Yang Jing	Beneficial owner	Company	8,004,390(L) ⁽⁵⁾	0.82%
Zhang Shi	Beneficial owner	Company	15,251,955(L) ⁽⁶⁾	1.56%
Zeng Ming	Interest in controlled corporation	Perfect Sword Limited ⁽⁷⁾	2,163,845(L) ⁽⁸⁾	0.22%



Corporate Governance and Other Information (Continued)

Notes:

- (1) The calculation is based on the total number of 976,622,627 Shares in issue as at 30 September 2021.
- (2) Sweet Panda Limited is wholly-owned by Ms. Gong.
- (3) Ms. Gong's spouse, Mr. Xu Jiming, is entitled to receive up to 17,332,785 Shares pursuant to the exercise of options granted to him under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options, and 321,750 Shares pursuant to the exercise of options granted to him under the Post-IPO Share Option Scheme. Ms. Gong is deemed to be interested in these Shares.
- (4) Represents Mr. Yan Jun's entitlement to receive up to 2,500,640 Shares pursuant to the exercise of options granted to him under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options, and 333,000 Shares pursuant to the exercise of options granted to him under the Post-IPO Share Option Scheme.
- (5) Represents Ms. Yang Jing's entitlement to receive up to 8,000,640 Shares pursuant to the exercise of options granted to her under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options, and 3,750 Shares pursuant to the exercise of options granted to her under the Post-IPO Share Option Scheme.
- (6) Represents Ms. Zhang Shi's entitlement to receive up to 14,624,205 Shares pursuant to the exercise of options granted to her under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options, and 627,750 Shares pursuant to the exercise of options granted to her under the Post-IPO Share Option Scheme.
- (7) Perfect Sword Limited is controlled by Mr. Zeng Ming and his spouse, Ms. Tan Qing.
- (8) Represents Mr. Zeng Ming, through Perfect Sword Limited, is entitled to received up to 2,163,845 Shares pursuant to the exercise of options granted to it under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options. Mr. Zeng Ming is deemed to be interested in these Shares.
- (9) The letter (L) denotes a long position in the Shares.

Save as disclosed above, as at 30 September 2021, none of the Directors and chief executives of the Company has any 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 SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Model Code.

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

As at 30 September 2021, so far as our Directors are aware, the following persons (other than the Directors and chief executives whose interests have been disclosed in this interim report) had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company, pursuant to Section 336 of the SFO:

Name of Shareholder	Capacity/Nature of interest	Number of Shares	Approximate % of interest⁽¹⁾
Sweet Panda Limited ⁽²⁾	Beneficial interest	398,888,890	40.84%
Ms. Gong ⁽²⁾	Interest in controlled corporation/Interest of spouse	416,543,425	42.65%
Xu Jiming ⁽²⁾	Beneficial interest/Interest of Spouse	416,543,425	42.65%
Sunshine Longevity Limited ⁽³⁾	Beneficial interest	96,068,715	9.84%
Sunshine Life Insurance Corporation Limited ⁽³⁾	Interest in a controlled corporation	96,068,715	9.84%
Sunshine Insurance Group Inc., Ltd. ⁽³⁾	Interest in a controlled corporation	96,068,715	9.84%
Astonish Investment Pte. Ltd. ⁽⁴⁾	Beneficial interest	60,068,295	6.15%
Apstar Investment Pte Ltd ⁽⁴⁾	Interest in a controlled corporation	60,068,295	6.15%
GIC (Ventures) Pte. Ltd. ⁽⁴⁾	Interest in a controlled corporation	60,068,295	6.15%
GIC Special Investments Private Limited ⁽⁴⁾	Interest in a controlled corporation	60,068,295	6.15%
GIC Private Limited ⁽⁴⁾	Interest in a controlled corporation	60,068,295	6.15%
MSA China Fund I L.P. ⁽⁵⁾	Beneficial interest	33,625,730	3.44%
Magic Stone Alternative Private Equity Fund GP, Ltd. ⁽⁵⁾	Interest in a controlled corporation	33,625,730	3.44%
Magic Stone Hong Tao Alternative Fund, L.P. ⁽⁵⁾	Beneficial interest	17,529,995	1.79%
Magic Stone Hong Tao Family Offices GP ⁽⁵⁾	Interest in a controlled corporation	17,529,995	1.79%
MSA Management Holdings Pte. Ltd. ⁽⁵⁾	Interest in a controlled corporation	51,155,725	5.24%
Ms. Zeng Yu ⁽⁵⁾	Interest in a controlled corporation	51,155,725	5.24%



Corporate Governance and Other Information (Continued)

Notes:

- (1) The calculation is based on the total number of 976,622,627 Shares in issue as at 30 September 2021.
- (2) Sweet Panda Limited is wholly-owned by Ms. Gong. Ms. Gong's spouse, Mr. Xu Jiming, is entitled to receive up to 17,332,785 Shares pursuant to the exercise of options granted to him under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options, and 321,750 Shares pursuant to the exercise of options granted to him under the Post-IPO Share Option Scheme. Ms. Gong is deemed to be interested in these Shares.
- (3) Sunshine Longevity Limited is wholly-owned by Sunshine Life Insurance Corporation Limited, which is a non-wholly owned subsidiary of Sunshine Insurance Group Inc., Ltd.. Under the SFO, each of Sunshine Life Insurance Corporation Limited and Sunshine Insurance Group Inc., Ltd. is deemed to be interested in the Shares held by Sunshine Longevity Limited.
- (4) Astonish Investment Pte. Ltd. is wholly-owned by Apstar Investment Pte Ltd, which is in turn wholly-owned by GIC (Ventures) Pte. Ltd.. Astonish Investment Pte. Ltd. is managed by GIC Special Investments Private Limited, which is in turn wholly-owned by GIC Private Limited. Under the SFO, each of Apstar Investment Pte Ltd, GIC (Ventures) Pte. Ltd., GIC Special Investments Private Limited and GIC Private Limited is deemed to be interested in the Shares held by Astonish Investment Pte. Ltd.
- (5) MSA China Fund I L.P. (formerly named Magic Stone Alternative Private Equity Fund, L.P.) is managed by its general partner, Magic Stone Alternative Private Equity Fund GP, Ltd., and Magic Stone Hong Tao Alternative Fund, L.P. is managed by its general partner, Magic Stone Hong Tao Family Offices GP. Magic Stone Hong Tao Family Offices GP and Magic Stone Alternative Private Equity Fund GP, Ltd. are controlled by MSA Management Holding Pte. Ltd.. MSA Management Holding Pte. Ltd. is controlled by Ms. Zeng Yu. Under the SFO, (i) Magic Stone Alternative Private Equity Fund GP, Ltd. is deemed to be interested in Shares held by MSA China Fund I L.P.; (ii) Magic Stone Hong Tao Family Offices GP is deemed to be interested in the Shares held by Magic Stone Hong Tao Alternative Fund, L.P.; and (iii) each of MSA Management Holding Pte. Ltd. and Ms. Zeng Yu is deemed to be interested in the Shares held by MSA China Fund I L.P. and Magic Stone Hong Tao Alternative Fund, L.P.

Save as disclosed herein, as at 30 September 2021, no person, other than the Directors and chief executives whose interests are set out in this interim report, had any interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Corporate Governance and Other Information (Continued)

Share Schemes

Pre-IPO Share Option Plans

The two Pre-IPO Share Option Plans of the Company were approved and adopted pursuant to a Shareholders' resolution of the Company passed on 16 March 2015 (the "**Pre-IPO ESOP I**" and the "**Pre-IPO ESOP II**", respectively).

The purposes of the Pre-IPO Share Option Plans are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentives to selected employees, directors, and consultants of the Group and to promote the success of the Company's business by offering these individuals or entities an opportunity to acquire a proprietary interest in the success of the Company.

Persons eligible to participate in the Pre-IPO Share Option Plans include employees, including officers and directors, of the Group and consultants of the Group or any parent company of the Company.

The maximum aggregate number of Shares under the Pre-IPO ESOP I which may be issued by the Company is 68,333,335. The maximum aggregate number of Shares under the Pre-IPO ESOP II which may be issued by the Company is 83,333,335.

As of 30 September 2021, the Company has granted options under the Pre-IPO Share Option Plans to 1,173 grantees (including Directors, senior management and other connected persons of the Company, external consultants, external grantee(s), grantee(s) who have been granted options to subscribe for five million Shares or more, and other employees of the Company). The exercise price of the options under the Pre-IPO Share Option Plans is between US\$0.0028 per Share and US\$2.56 per Share. No consideration was paid by the grantees for the grant of options under the Pre-IPO Share Option Plans. As of 30 September 2021, 7,462,912 options has been exercised under the Pre-IPO Share Option Plans, and under the Pre-IPO ESOP II 33,660 options were cancelled and 2,083,793 options lapsed.

The aggregate number of Shares underlying the outstanding options as at 30 September 2021 were 140,854,805 Shares, represents approximately 14.42% of the issued Shares.

Each of the Pre-IPO Share Option Plans commenced on 16 March 2015 and shall continue in effect for a term of ten years.

Further details of the Pre-IPO Share Option Plans are set out in the Prospectus.



Corporate Governance and Other Information (Continued)

Details of the outstanding options granted under the Pre-IPO ESOP I during the Reporting Period are as follows:

Name	Role	Date of Grant	Vesting Period ⁽¹⁾	Exercise Price (US\$)	Outstanding as of 31 March 2021	Exercised during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as of 30 September 2021
Directors and members of the senior management of the Company									
Zhang Shi	Executive Director, Senior Vice President, Head of Government Affairs	17 July 2017	4 years	0.018	10,000,000	—	0	0	10,000,000
Xu Jiming	Senior Vice President	24 August 2016	4 years	0.018	15,000,000	—	0	0	15,000,000
		1 December 2020	0 year	0.018	50,000	—	0	0	50,000
Connected persons of the Company									
Sun Zhe	N/A	24 August 2016	4 years	0.0028	20,000,000	—	0	0	20,000,000
External consultant, grantee who has been granted options to subscribe for five million Share or more, and the remaining grantees									
He Ke	External consultant	27 August 2015	4 years	0.018	1,250,000	1,250,000	0	0	0
Lv Dongchen ⁽²⁾	Finance Vice President	24 August 2016	4 years	0.0028	15,000,000	1,323,795	0	0	13,676,205
		1 December 2020	4 years	0.018	1,489,735	—	0	0	1,489,735
Other 19 grantees	N/A	9 December 2014 to 1 December 2020	2-4 years	0.018-0.0028	5,543,600	28,000	0	0	5,515,600
Total	24 grantees				68,333,335	2,601,795	0	0	65,731,540

Notes:

- (1) The exercise period of the options granted under Pre-IPO ESOP I shall commence from the date on which the relevant options become vested and end on the tenth anniversary of the grant date, subject to the terms of the Pre-IPO ESOP I and the share option award agreement signed by the grantee.
- (2) Lv Dongchen has been granted options under both the Pre-IPO Share Option Plans to subscribe for a total of 16,547,290 Shares (that is, over five million Shares).

Corporate Governance and Other Information (Continued)

Details of the outstanding options granted under the Pre-IPO ESOP II during the Reporting Period are as follows:

Name	Role	Date of Grant	Vesting Period ⁽¹⁾	Exercise Price (US\$)	Outstanding as of 31 March 2021	Exercised during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as of 30 September 2021
Directors and members of the senior management of the Company									
Yan Jun	Executive Director, Chief Technology Officer	5 December 2017	4 years	0.018	750,000	—	0	0	750,000
		30 November 2018	4 years	0.018	750,000	—	0	0	750,000
	30 December 2019	4 years	0.018	416,745	—	0	0	416,745	
	1 December 2020	4 years	0.018	583,255	—	0	0	583,255	
	11 December 2020	1 year	0.018	640	—	0	0	640	
Yang Jing	Executive Director, President, Chief Financial Officer	16 October 2017	4 years	0.018	8,000,000	—	0	0	8,000,000
		11 December 2020	1 year	0.018	640	—	0	0	640
Zhang Shi	Executive Director, Senior Vice President, Head of Government Affairs	17 July 2017	4 years	0.018	1,140,000	—	0	0	1,140,000
		12 October 2017	4 years	0.018	2,500,000	—	0	0	2,500,000
	31 December 2018	2 years	0.018	267,285	—	0	0	267,285	
	23 May 2019	1 year	0.018	166,000	—	0	0	166,000	
	30 December 2019	4 years	0.018	550,280	—	0	0	550,280	
	11 December 2020	1 year	0.018	640	—	0	0	640	
He Zhi	Chief Innovation Officer	24 August 2016	4 years	0.018	15,000,000	—	0	0	15,000,000
		30 December 2019	4 years	0.018	192,855	—	0	0	192,855
		11 December 2020	1 year	0.018	640	—	0	0	640
Xu Jiming	Senior Vice President	30 December 2019	4 years	0.018	2,282,145	—	0	0	2,282,145
		11 December 2020	1 year	0.018	640	—	0	0	640



Corporate Governance and Other Information (Continued)

Name	Role	Date of Grant	Vesting Period ⁽¹⁾	Exercise Price (US\$)	Outstanding as of 31 March 2021	Exercised during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as of 30 September 2021
Connected persons of the Company									
Sun Zhe	N/A	11 December 2020	1 year	0.018	0	—	0	0	0
Liang Yupeng	N/A	10 July 2019	4 years	0.018	2,000,000	—	0	0	2,000,000
		30 December 2019	4 years	0.018	1,400,000	—	0	0	1,400,000
		11 December 2020	1 year	0.018	440	—	0	0	440
External consultant, external grantee who is not an external consultant, grantee who has been granted options to subscribe for five million Share or more, and the remaining grantees									
Pei Xi	External consultant	31 May 2017	4 years	0.018	1,250,000	1,250,000	0	0	0
Wang Yongxiong	External consultant	1 October 2017	5 years	0.018	1,152,875	—	0	0	1,152,875
Zhang Xiaoming	External expert	1 December 2017	2 years	0.018	25,000	—	0	0	25,000
Wang Yufeng	External consultant	15 June 2018	2 years	0.018	12,500	—	0	0	12,500
Wei Bo	External consultant	1 September 2018	2 years	0.018	25,000	—	0	0	25,000
Tan Xiaosheng	External consultant	22 May 2020	4 years	0.018	250,000	—	0	0	250,000
Perfect Sword Limited	External consultant	2 June 2020	4 year	0.018	1,000,000	—	0	0	1,000,000
		5 June 2020	0 year	1.71844	1,163,845	—	0	0	1,163,845
Liu Yuqi	External consultant	1 April 2020	4 year	0.018	44,640	—	0	0	44,640
		15 April 2020	0 year	2.56	279,020	—	0	0	279,020
Zhuo Yunlong	External consultant	1 July 2020	1 year	0.018	13,400	—	0	0	13,400
Radek	External consultant	1 January 2020	4 years	0.018	27,970	—	0	0	27,970
		1 January 2021	4 years	0.018	18,220	—	0	0	18,220
Zhang Ya-Qin	External consultant	10 July 2020	0 year	1.71844	581,925	581,925	0	0	0
Wang Xiuzhen	External consultant	10 October 2020	0 year	1.702	550,000	—	0	0	550,000
Wei Xiujian	External consultant	10 October 2020	0 year	1.702	950,000	—	0	0	950,000
Wang He	External consultant	1 December 2020	0 year	0.018	18,500	—	0	0	18,500
Hao Tianyong	External consultant	7 March 2018	4 years	0.018	5,000	—	0	0	5,000
		2 September 2020	Until 30 December 2021	0.018	5,000	—	0	0	5,000
Tang Buzhou	External consultant	2 April 2018	2 years	0.018	5,000	—	0	0	5,000
Ding Lihua	External consultant	1 January 2020	2 years	0.018	150,000	—	0	0	150,000

Corporate Governance and Other Information (Continued)

Name	Role	Date of Grant	Vesting Period ⁽¹⁾	Exercise Price (US\$)	Outstanding as of 31 March 2021	Exercised during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as of 30 September 2021
Jiang Huimin	External consultant	1 October 2020	4 years	0.018	15,000	—	0	0	15,000
		1 November 2020	4 years	0.018	5,000	—	0	0	5,000
		11 December 2020	1 year	0.018	440	—	0	0	440
Wang Jingyuan	External consultant	2 November 2020	2 years	0.018	10,000	—	0	0	10,000
Lv Dongchen ⁽²⁾	Finance Vice President	1 August 2017	4 years	0.018	2,500	—	0	0	2,500
		26 March 2018	4 years	0.018	2,500	—	0	0	2,500
		1 July 2020	1 year	0.018	10,000	—	0	0	10,000
		11 December 2020	1 year	0.018	640	—	0	0	640
		1 December 2020	4 years	0.018	41,915	—	0	0	41,915
Cyberland Investment Limited ⁽³⁾	External grantee	21 August 2019	0 year	0.018	614,765	—	0	0	614,765
Other 1,145 grantees	N/A	10 March 2017 to 11 December 2020	1–4 years	0.018–0.0028	37,340,060	3,029,192	1,556,798	31,740	32,722,330
Total	1,173 grantees				81,572,920	4,861,117	1,556,798	31,740	75,123,265

Notes:

- (1) The exercise period of the options granted under Pre-IPO ESOP II shall commence from the date on which the relevant options become vested and end on the tenth anniversary of the grant date, subject to the terms of the Pre-IPO ESOP II and the share option award agreement signed by the grantee.
- (2) Lv Dongchen has been granted options under both the Pre-IPO Share Option Plans to subscribe for a total of 16,547,290 Shares (that is, five million Shares or more).
- (3) On 21 August 2019, the Group acquired 85% equity interest in Xinhexin Technology (Beijing) Co., Ltd., and, as part of the consideration, granted options to purchase 122,953 Class B ordinary shares with a par value of US\$0.0001 each of the Company (or 614,765 Shares as adjusted following the Share Subdivision (as defined in the Prospectus)) to Cyberland Investment Limited, a nominee company of one of the vendors.

Post-IPO Share Award Scheme

The Post-IPO Share Award Scheme was conditionally adopted pursuant to the resolutions of the Shareholders on 28 December 2020. The Post-IPO Share Award Scheme is not a share option scheme and is not subject to the provisions of Chapter 17 of the Listing Rules.

The purpose of the Post-IPO Share Award Scheme is to align the interests of eligible persons with those of our Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares, and to encourage and retain eligible persons to make contributions to the long-term growth and profits of our Group.



Corporate Governance and Other Information (Continued)

Any individual, being an employee, director, officer, consultant, adviser, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of any member of our Group or any affiliate of the Group who the Board or its delegate(s) considers, in its sole discretion, to have contributed or will contribute to our Group is eligible to receive an award.

The maximum aggregate number of Shares underlying all grants made pursuant to the Post-IPO Share Award Scheme (excluding Shares which have been forfeited in accordance with the Post-IPO Share Award Scheme) will not exceed 45,088,100 Shares without further Shareholders' approval, subject to an annual limit of 3% of the total number of issued Shares of the relevant times.

The Post-IPO Share Award Scheme shall be valid and effective for ten years from the Listing Date (after which no awards will be granted), and thereafter for so long as there are any non-vested Shares granted prior to the expiration of the Post-IPO Share Award Scheme, for the purpose of giving effect to the vesting of such Shares or otherwise as may be required in accordance with the provisions of the Post-IPO Share Award Scheme.

7,013,355 Shares were granted during the six months ended 30 September 2021 in total. On 1 July 2021 and 29 July 2021, 6,918,355 and 95,000 Shares were granted to employees, respectively.

Further details of the Post-IPO Share Award Scheme are set out in the Prospectus.

Post-IPO Share Option Scheme

The Post-IPO Share Option Scheme was conditionally adopted pursuant to the resolutions of the Shareholders on 28 December 2020. The Post-IPO Share Option Scheme shall be valid and effective for the period of ten years commencing on the Listing Date (after which, no further options shall be offered or granted). The remaining life of the Post-IPO Share Option Scheme is approximately nine years.

The purpose of the Post-IPO Share Option Scheme is to provide selected participants with the opportunity to acquire proprietary interests in our Company and to encourage the selected participants to work towards enhancing the value of our Company and its Shares for the benefit of our Company and Shareholders as a whole. The Post-IPO Share Option Scheme will provide our Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to eligible persons.

Any individual, being an employee, director, officer, consultant, advisor, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of any member of our Group or any of our Group's affiliates who the Board or its delegate(s) considers, in its sole discretion, to have contributed or will contribute to our Group is entitled to be offered and granted options.

The total number of Shares which may be issued upon exercise of all options to be granted under the Post-IPO Share Option Scheme and any other schemes is 90,176,201, being no more than 10% of the Shares in issue on the Listing Date (the "**Option Scheme Mandate Limit**"). Options which have lapsed in accordance with the terms of the rules of the Post-IPO Share Option Scheme (or any other share option schemes of our Company) shall not be counted for the purpose of calculating the Option Scheme Mandate Limit.

Corporate Governance and Other Information (Continued)

Details of the outstanding options granted under the Post-IPO Share Option Scheme during the Reporting Period are as follows:

Name	Role	Date of Grant	Vesting Period ⁽¹⁾	Exercise Price (HK\$)	Granted during the Reporting Period	Exercised during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as of 30 September 2021
Directors and members of the senior management of the Company									
Zhang Shi	Executive Director, Senior Vice President, Head of Government Affairs	29 July 2021	4 years	34.52	627,750	—	0	0	627,750
Yan Jun	Executive Director, Chief Technology Officer	29 July 2021	4 years	34.52	333,000	—	0	0	333,000
Yang Jing	Executive Director, President, Chief Financial Officer	29 July 2021	4 years	34.52	3,750	—	0	0	3,750
He Zhi	Chief Innovation Officer	29 July 2021	4 years	34.52	227,250	—	0	0	227,250
Xu Jiming	Senior Vice President	29 July 2021	4 years	34.52	321,750	—	0	0	321,750
Connected persons of the Company									
Ming Jie Chua	N/A	29 July 2021	4 years	34.52	485,250	—	0	0	485,250
Hao Yiming	N/A	29 July 2021	4 years	34.52	199,500	—	0	0	199,500
Guo Xiaoyu	N/A	29 July 2021	4 years	34.52	54,700	—	0	0	54,700
External consultant									
Jiang Huimin	External consultant	29 July 2021	4 years	34.52	10,900	—	0	0	10,900
Other 174 grantees	N/A	29 July 2021	2-4 years	34.52	2,578,600	—	164,500	6,500	2,407,600
Total	183 grantees				4,842,450	—	164,500	6,500	4,671,450

Notes:

- (1) The exercise period of the options granted under the Post-IPO Share Option Scheme shall commence from the date on which the relevant options become vested and end on the tenth anniversary of the grant date, subject to the terms of the Post-IPO Share Option Scheme signed by the grantee.
- (2) The fair value of the options granted during the Reporting Period is HK\$69,956,776.



Corporate Governance and Other Information (Continued)

The overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Post-IPO Share Option Scheme and any other share option schemes of our Company at any time (and to which the provisions of Chapter 17 of the Listing Rules are applicable) must not exceed 30% of the Shares in issue from time to time (the “**Option Scheme Limit**”). No options may be granted under any schemes of our Company (or its subsidiaries) if this will result in the Option Scheme Limit being exceeded.

The Option Scheme Mandate Limit may be refreshed at any time by obtaining prior approval of our Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time. However, the refreshed Option Scheme Mandate Limit as refreshed cannot exceed 10% of the Shares in issue as at the date of such approval. Options previously granted under the Post-IPO Share Option Scheme and any other share option schemes of our Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) (including those outstanding, cancelled or lapsed in accordance with its terms or exercised), shall not be counted for the purpose of calculating the refreshed Option Scheme Mandate Limit.

Our Company may also grant options in excess of the Option Scheme Mandate Limit, provided such grant is to specifically identified selected participant and is first approved by Shareholders in general meeting.

Unless approved by our Shareholders, the total number of Shares issued and to be issued upon exercise of the options granted and to be granted under the Post-IPO Share Option Scheme and any other share option scheme(s) of our Company to each selected participant (including both exercised and outstanding options) in any 12 month period shall not exceed 1% of the total number of Shares in issue.

An option may, subject to the rules of the Post-IPO Share Option Scheme and the terms and conditions upon which such option is granted, be exercised in whole or in part by the grantee giving notice in writing to our Company in such form as our Board may from time to time determine stating that the option is thereby exercised and the number of Shares in respect of which it is exercised.

An offer shall be made to selected participants by a letter in duplicate which specifies the terms on which the option is to be granted. Such terms may include any minimum period(s) for which an option must be held and/or any minimum performance target(s) that must be achieved, before the option can be exercised in whole or in part, and may include at the discretion of the Board or its delegate(s) such other terms either on a case basis or generally.

Pursuant to the Post-IPO Share Option Scheme, the participants may subscribe for the shares on the exercise of an option at the price determined by the Board provided that it shall not be less than the greater of (a) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant; (b) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and (c) the nominal value of a Share on the date of grant.

As of 30 September 2021, the Company granted 4,842,450 options to its employees and 171,000 options had been cancelled or lapsed under the Post-IPO Share Option Scheme. The total number of Shares available for grant under the Post-IPO Share Option Scheme was 85,504,751 Shares, representing 8.76% of the issued share capital of the Company.

Further details of the Post-IPO Share Option Scheme are set out in the Prospectus.

Directors' Rights to Acquire Shares or Debentures

Save as otherwise disclosed in this interim report, at no time during the six months ended 30 September 2021, was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

Purchase, Sale or Redemption of Listed Securities

During the six months ended 30 September 2021, neither the Company nor any of its subsidiaries or consolidated attributed entities has purchased, sold or redeemed any of the Company's listed securities.

Audit Committee

The Group has established an audit committee comprising three members, being Dr. Ma Wei-Ying, Ms. Pan Rongrong and Prof. Zhang Linqi, with Ms. Pan Rongrong (being the Company's independent non-executive Director with the appropriate professional qualifications) as chair of the audit committee.

The audit committee has reviewed the consolidated financial information of the Group for the six months ended 30 September 2021 and has met with the independent auditor, PricewaterhouseCoopers. The audit committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control and financial reporting matters with senior management members of the Company.

Auditors scope of work

The Company's external auditor, PricewaterhouseCoopers, has performed a review of the Group's unaudited interim condensed consolidated financial information for the six months ended 30 September 2021 in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". PricewaterhouseCoopers confirmed that nothing has come to their attention that causes them to believe that the interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

On behalf of the Board

Ms. Gong Yingying

Chairlady, Chief Executive Officer and Founder

Hong Kong, 26 November 2021

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



羅兵咸永道

To the Board of Directors of Yidu Tech Inc.

(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 35 to 72, which comprises the interim condensed consolidated balance sheet of Yidu Tech Inc. (the “Company”) and its subsidiaries (together, the “Group”) as at 30 September 2021 and the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting”. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

*PricewaterhouseCoopers, 22/F, Prince’s Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com*

Report on Review of Interim Financial Information (Continued)

Other Matter

The comparative information for the interim condensed consolidated balance sheet is based on the audited financial statements as at 31 March 2021. The comparative information for the interim condensed consolidated statement of comprehensive income, changes in equity and cash flows, and related explanatory notes, for the six months ended 30 September 2020 has not been audited or reviewed.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 26 November 2021

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Six months ended 30 September	
		2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
Revenue from contracts with customers	6	501,931	309,168
Cost of sales and services	6, 9	(357,861)	(221,536)
Gross profit		144,070	87,632
Selling and marketing expenses	9	(233,126)	(107,305)
Administrative expenses	9	(175,325)	(135,950)
Research and development expenses	9	(191,952)	(98,647)
Net impairment losses on financial assets and contract assets		(5,350)	(2,790)
Other income	7	20,987	9,966
Other losses	8	(1,518)	(9,008)
Operating loss		(442,214)	(256,102)
Finance income		1,534	452
Finance cost		(1,818)	(2,692)
Finance cost — net	10	(284)	(2,240)
Share of loss from investments in associates	11	(195)	(1,092)
Fair value changes of convertible redeemable preferred shares		—	(943,589)
Fair value changes of convertible notes		—	(24,192)
Fair value changes of warrants		—	34,398
Loss before income tax		(442,693)	(1,192,817)
Income tax credit	12	151	460
Loss for the period		(442,542)	(1,192,357)
Loss is attributable to:			
— Owners of the Company		(440,768)	(1,192,614)
— Non-controlling interests		(1,774)	257
		(442,542)	(1,192,357)

Interim Condensed Consolidated Statement of Comprehensive Income (Continued)

	Note	Six months ended 30 September	
		2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
Other comprehensive income/(loss)			
<i>Item that will not be reclassified to profit or loss:</i>			
Currency translation differences		(78,041)	122,857
Fair value changes of convertible redeemable preferred shares due to own credit risk		—	(6,139)
<i>Item that will be reclassified to profit or loss:</i>			
Currency translation differences		17,799	56,668
Other comprehensive (loss)/income for the period, net of tax		(60,242)	173,386
Total comprehensive loss for the period		(502,784)	(1,018,971)
Total comprehensive loss for the period is attributable to:			
— Owners of the Company		(500,574)	(1,018,725)
— Non-controlling interests		(2,210)	(246)
		(502,784)	(1,018,971)
Loss per share, basic and diluted (RMB)	13	(0.47)	(2.95)

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

	Note	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	14	54,315	28,215
Right-of-use assets	15	53,555	21,359
Intangible assets	16	37,807	39,198
Deferred income tax assets	28	903	752
Investments accounted for using the equity method	11	5,022	5,217
Restricted bank balance and deposits	21	5,016	5,008
Other non-current assets	22	6,116	—
Total non-current assets		162,734	99,749
Current assets			
Inventories	19	23,216	31,761
Contract assets	6	93,364	51,440
Trade receivables	18	426,830	365,641
Other financial assets at amortised cost	17	37,981	27,043
Financial assets at fair value through profit or loss	20	21,031	20,945
Pledged bank deposits	21	1,268	1,268
Term deposits	21	—	3,860,723
Cash and cash equivalents	21	4,214,443	739,846
Other current assets	22	48,810	51,478
Total current assets		4,866,943	5,150,145
Total assets		5,029,677	5,249,894
Equity			
Equity attributable to owners of the Company			
Share capital	23	123	116
Treasury shares		(1)	(1)
Other reserves	24	12,262,472	12,205,187
Accumulated deficits		(7,916,500)	(7,475,732)
		4,346,094	4,729,570
Non-controlling interests		20,408	22,618
Total equity		4,366,502	4,752,188

Interim Condensed Consolidated Balance Sheet (Continued)

	Note	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Liabilities			
Non-current liabilities			
Lease liabilities	15	34,076	6,909
Deferred income	27	75,833	76,213
Total non-current liabilities		109,909	83,122
Current liabilities			
Trade and other payables	26	301,266	176,616
Salary and welfare payable		189,711	184,451
Contract liabilities	6	25,867	21,179
Current income tax liabilities		245	2,189
Lease liabilities	15	25,677	19,521
Deferred income	27	10,500	10,628
Total current liabilities		553,266	414,584
Total liabilities		663,175	497,706
Total equity and liabilities		5,029,677	5,249,894

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

On behalf of the Board

Gong Yingying

Director

Yang Jing

Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Note	Share capital	Treasury shares	Other reserves	Accumulated deficits	Sub-total		
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000		
Balance at 1 April 2021 (Audited)		116	(1)	12,205,187	(7,475,732)	4,729,570	22,618	4,752,188
Comprehensive losses								
Loss for the period		—	—	—	(440,768)	(440,768)	(1,774)	(442,542)
Currency translation differences		—	—	(59,806)	—	(59,806)	(436)	(60,242)
Total comprehensive losses for the period		—	—	(59,806)	(440,768)	(500,574)	(2,210)	(502,784)
Transactions with owners in their capacity as owners:								
Share-based compensation	25(a)	—	—	116,430	—	116,430	—	116,430
Issuance of ordinary shares	23(a)	6	—	(6)	—	—	—	—
Exercise of option vesting	24	1	—	667	—	668	—	668
Total transactions with owners in their capacity as owners		7	—	117,091	—	117,098	—	117,098
Balance at 30 September 2021 (Unaudited)		123	(1)	12,262,472	(7,916,500)	4,346,094	20,408	4,366,502
Balance at 1 April 2020 (Audited)		49	(1)	25,860	(3,751,406)	(3,725,498)	(766)	(3,726,264)
Comprehensive losses								
Loss for the period		—	—	—	(1,192,614)	(1,192,614)	257	(1,192,357)
Fair value changes of convertible redeemable preferred shares due to own credit risk		—	—	(6,139)	—	(6,139)	—	(6,139)
Currency translation differences		—	—	180,028	—	180,028	(503)	179,525
Total comprehensive losses for the period		—	—	173,889	(1,192,614)	(1,018,725)	(246)	(1,018,971)
Transactions with owners in their capacity as owners:								
Share-based compensation		—	—	67,013	—	67,013	—	67,013
Purchasing of the Company's options from third parties		—	—	26,130	—	26,130	—	26,130
Modification of the consideration of business combination		—	—	(7,918)	—	(7,918)	—	(7,918)
Capital injection from non-controlling interests		—	—	155,958	—	155,958	18,997	174,955
Total transactions with owners in their capacity as owners		—	—	241,183	—	241,183	18,997	260,180
Balance at 30 September 2020 (Unaudited)		49	(1)	440,932	(4,944,020)	(4,503,040)	17,985	(4,485,055)

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Six months ended 30 September	
		2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
Cash flows from operating activities			
Cash used in operations		(279,101)	(19,828)
Interest received		1,534	452
Interest paid		(1,818)	(2,692)
Income taxes paid		(1,944)	—
Net cash used in operating activities		(281,329)	(22,068)
Cash flows from investing activities			
Payments for investments in wealth management products		(4,205,024)	—
Proceeds from wealth management products		4,205,300	—
Payments for property, plant and equipment		(29,971)	(7,478)
Payments for acquisition of intangible assets		(5,776)	(2,993)
Payments for long-term investments	22	(6,116)	—
Withdrawals of term deposits and restricted bank balance and deposits		3,860,723	1,000
Interest on term deposits and restricted bank balance and deposits received		1,786	71
Net cash generated from/(used in) investing activities		3,820,922	(9,400)

Interim Condensed Consolidated Statement of Cash Flows (Continued)

	Note	Six months ended 30 September	
		2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
Cash flows from financing activities			
Proceeds from exercise of option		500	—
Proceeds from issuance of share options	25(c)	—	26,130
Proceeds from issuance of convertible redeemable preferred shares		—	282,397
Repurchase of own equity interest		—	(5,245)
Principal elements of lease payments	15	(7,269)	(3,387)
Capital injection from non-controlling interests		—	174,955
Net cash generated from/(used in) financing activities		(6,769)	474,850
Net increase in cash and cash equivalents			
Cash and cash equivalents at beginning of the period		739,846	719,721
Exchange effect on cash and cash equivalents		(58,227)	(30,104)
Cash and cash equivalents at the end of the period		4,214,443	1,132,999

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 General information

Yidu Tech Inc. (formerly known as “Happy Life Tech Inc.” or “Yidu Inc.”)(the “Company”) was incorporated in the Cayman Islands on 9 December 2014 as an exempted company with limited liability under the Companies Act of the Cayman Islands (Cap. 22, Law 3 of 1961 as consolidated and revised). The address of the Company is Suite#4-210, Governors Square, 23 Lime Tree Bay Avenue, PO Box 32311, Grand Cayman KY1-1209, Cayman Islands.

The Company is an investment holding company and its subsidiaries (together, the “Group”) are primarily engaged in the provision of the following services: i) big data platform and solutions, ii) life sciences solutions, iii) health management platform and solutions, and iv) others in the People’s Republic of China (“PRC”).

The interim condensed consolidated financial information comprises the interim condensed consolidated balance sheet as at 30 September 2021, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory notes (the “Interim Financial Information”). The Interim Financial Information is presented in Renminbi (“RMB”), unless otherwise stated.

2 Basis of preparation

The Interim Financial Information for the six months ended 30 September 2021 has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”).

The Interim Financial Information does not include all the notes of the type normally included in an annual financial statements. Accordingly, it should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 March 2021, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by International Accounting Standards Board (“IASB”) and any public announcements made by the Company during the interim reporting period.

3 Accounting policies

The accounting policies applied to the preparation of the Interim Financial Information are consistent with those of applied in the preparation of the Group’s consolidated financial statements for the year ended 31 March 2021.

The adoption of the new and amended standards which are effective for annual reporting period commencing 1 January 2021 does not have any significant impact on the Group’s significant accounting policies and the presentation of this interim condensed consolidated financial information.

In addition, certain new and amended standards and annual improvements have been published that are not mandatory for the current reporting period and have not been early adopted by the Group. These new and amended standards and annual improvements are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

4 Critical accounting estimates and judgements

The preparation of the Interim Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the Interim Financial Information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied in the preparation of the Group's consolidated financial statements for the year ended 31 March 2021.

5 Financial risk management

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

The Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 March 2021. There have been no changes in the risk management policies since 31 March 2021.

(b) Fair value estimation

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value in the consolidated financial information. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Recurring fair value measurements As at 30 September 2021 (Unaudited)	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets				
Loan to a third party with warrants to purchase their preferred shares	—	—	21,031	21,031
Total financial assets	—	—	21,031	21,031

5 Financial risk management (Continued)

(b) Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

Recurring fair value measurements As at 31 March 2021 (Audited)	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets				
Loan to a third party with warrants to purchase their preferred shares	—	—	20,945	20,945
Total financial assets	—	—	20,945	20,945

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- for other financial instruments — discounted cash flow analysis.

For unlisted equity securities, a contingent consideration receivable and certain derivative contracts, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

(iii) Valuation processes

The Group engages an independent valuer that performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values. The independent valuer communicates with finance team and the chief financial officer (CFO). Discussions of valuation processes and results are held between finance team, the CFO and the independent valuer on a periodical basis, in line with the Group's reporting periods.

5 Financial risk management (Continued)

(b) Fair value estimation (Continued)

(iii) Valuation processes (Continued)

The main level 3 inputs used by the Group are derived and evaluated as follows:

Discount rates for financial assets and financial liabilities are determined using a capital asset pricing model to calculate discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. Credit risk factors specific to the Group (including assumptions about credit default rates) are derived from credit risk gradings determined by the Group's internal credit risk management group. Expected revenue growth and profit margins factors for unlisted equity securities are estimated based on market information of comparable companies with similar business.

(iv) Fair value measurements using significant unobservable inputs (level 3)

	Financial assets at fair value through profit or loss RMB'000	Convertible redeemable preferred shares RMB'000	Convertible notes RMB'000
Opening balance at 1 April 2021 (Audited)	20,945	—	—
Changes in fair value recognized in profit or loss	86	—	—
Closing balance at 30 September 2021 (Unaudited)	21,031	—	—
Opening balance at 1 April 2020 (Audited)	20,840	4,005,248	486,392
Addition	—	282,397	—
Conversion from convertible notes into convertible redeemable preferred shares	—	509,742	(509,742)
Changes in fair value recognized in profit or loss	42	943,589	24,192
Changes in fair value recognized in other comprehensive loss	—	6,139	—
Currency translation differences	—	(207,901)	(842)
Closing balance at 30 September 2020 (Unaudited)	20,882	5,539,214	—

5 Financial risk management (Continued)

(b) Fair value estimation (Continued)

(iv) Fair value measurements using significant unobservable inputs (level 3) (continued)

Description	Fair value		Significant unobservable inputs	Range of inputs		Relationship of unobservable inputs to fair value
	As at 30 September 2021	As at 31 March 2021		As at 30 September 2021	As at 31 March 2021	
	RMB'000 (Unaudited)	RMB'000 (Audited)				
Financial assets at fair value through profit or loss — Loan to a third party with warrants to purchase their preferred shares	21,031	20,945	Discount rate	25.0%	25.0%	The higher the discount rate, the lower the fair value
			Risk-free interest rate	3.4%	3.7%	The higher the risk-free rate, the lower the fair value
			Discount for lack of marketability ("DLOM")	25.0%	25.0%	The higher the DLOM, the lower the fair value

If the fair values of financial assets at fair value through profit or loss — Loan to a third party with warrants to purchase their preferred shares held by the Group had been 10% higher/lower, the loss before income tax for the six months ended 30 September 2021 and 2020 would have been approximately RMB2.1 million lower/higher and RMB2.1 million lower/higher, respectively.

There were no transfers between level 1, 2 and 3 of fair value hierarchy classifications during the six months ended 30 September 2021 and 2020.

6 Segment information

(a) Disaggregation of revenue from contracts with customers

The Group's business activities, for which discrete financial information are available, are regularly reviewed and evaluated by the Chief Operating Decision Maker ("CODM"). As a result of this evaluation, the Group determined that it has operating segments as follows:

- Big data platform and solutions
- Life sciences solutions

6 Segment information (Continued)

(a) Disaggregation of revenue from contracts with customers (Continued)

- Health management platform and solutions
- Others

CODM assesses the performance of the operating segments mainly based on segment revenue and gross profit of each operating segment which is used by management as a basis for the purpose of resource allocation and assessment of segment performance. The selling and marketing expenses, administrative expenses and research and development expenses are not included in the measurement of the segments' performance. Net impairment losses on financial assets and contract assets, other income, other gains/(losses) — net, finance costs/income — net, shares of loss from investments in associates, fair value changes of convertible redeemable preferred shares, fair value changes of convertible notes, fair value changes of warrants and income tax expenses are also not allocated to individual operating segments. Revenues from external customers reported to CODM are measured as segment revenue, which is derived from the customers in each segment. Cost of sales and services primarily comprises cost for purchasing of hardware and software, cost of development services, salary and compensation expenses, and others. The segment information provided to CODM is measured in a manner consistent with that applied in these financial information. There was no information on separate segment assets and segment liabilities provided to CODM, as CODM does not use such information to allocate resources to or evaluate the performance of the operating segments. The revenue segment information reported to CODM for the six months ended 30 September 2021 and 2020 is as follows:

	Six months ended 30 September 2021 (Unaudited)				
	Big data platform and solutions RMB'000	Life sciences solutions RMB'000	Health management platform and solutions RMB'000	Others RMB'000	Total RMB'000
Revenue from contracts with customers	157,948	145,627	190,438	7,918	501,931
Cost of sales and services	(92,027)	(116,532)	(142,235)	(7,067)	(357,861)
Gross profit	65,921	29,095	48,203	851	144,070

Notes to the Interim Condensed Consolidated Financial Information (Continued)

6 Segment information (Continued)

(a) Disaggregation of revenue from contracts with customers (Continued)

Six months ended 30 September 2020(Unaudited)					
	Big data platform and solutions RMB'000	Life sciences solutions RMB'000	Health management platform and solutions RMB'000	Others RMB'000	Total RMB'000
Revenue from contracts with customers	207,227	70,580	25,646	5,715	309,168
Cost of sales and services	(131,050)	(58,869)	(26,189)	(5,428)	(221,536)
Gross profit/(loss)	76,177	11,711	(543)	287	87,632

The Company is domiciled in the Cayman Islands while the Group mainly operates its businesses in the PRC. For the six months ended 30 September 2021 and 2020, the Group earns approximately 85% and 15%, 64% and 36% of total revenue from external customers located in the PRC and other countries, respectively.

As at 30 September 2021 and 31 March 2021, substantially all of the non-current assets of the Group were located in the PRC.

(b) Contract assets and contract liabilities

The Group has recognized the following revenue-related contract assets and liabilities:

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Contract assets (i)		
Big data platform and solutions	22,495	14,207
Life sciences solutions	69,739	41,418
Health management platform and solutions	8,299	—
Less: allowance for impairment of contract assets	(7,169)	(4,185)
	93,364	51,440

Notes to the Interim Condensed Consolidated Financial Information (Continued)

6 Segment information (Continued)

(b) Contract assets and contract liabilities (Continued)

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Contract liabilities (ii)		
Big data platform and solutions	10,677	4,531
Life sciences solutions	10,711	11,450
Health management platform and solutions	4,479	5,198
	25,867	21,179

(i) Contract assets are the Group's right to consideration in exchange for goods or services that the Group has transferred to the customer. The increase in the contract assets is mainly attributable to the increase of sales of life sciences solutions, and health management platform and solutions segments.

(ii) Contract liabilities mainly arise from the advanced payments from customers of the i) big data platform and solutions, ii) life sciences solutions, and iii) health management platform and solutions segments upon which the performance obligations have been established while the underlying services are yet to be provided.

(c) Revenue recognized in relation to contract liabilities

The following table shows how much of the revenue recognized in the current reporting period relates to carried-forward contract liabilities.

	Six months ended 30 September 2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
Big data platform and solutions	3,137	4,447
Life sciences solutions	5,582	1,315
Health management platform and solutions	2,373	1,726
	11,092	7,488

Notes to the Interim Condensed Consolidated Financial Information (Continued)

7 Other income

	Six months ended 30 September	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Government grants (i)	19,371	7,212
Value added tax ("VAT") refund and VAT reduction	1,105	1,881
Rent concessions (ii)	—	802
Interest income (iii)	511	71
	20,987	9,966

- (i) Government grants
Government grants are mainly funds for scientific and innovation research projects and awards for scientific and technological innovation enterprises.
- (ii) The Company recognized the reduction in lease payments that arose from covid-19 pandemic as rent concessions.
- (iii) Interest income is from pledged bank deposits and term deposits.

8 Other losses

	Six months ended 30 September	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Net loss on impairment of goodwill	(4,362)	—
Net fair value gains on financial assets at fair value through profit or loss (i)	3,340	42
Net fair value gains on financial liabilities at fair value through profit or loss	—	(1,145)
Net foreign exchange gains/(losses)	1,008	(5,747)
Donation	(2,015)	(2,567)
Other items	511	409
	(1,518)	(9,008)

- (i) Net fair value gains on financial assets at fair value through profit or loss consists of fair value changes of (a) wealth management products; and (b) a loan to a third party with warrants to purchase their preferred shares (note 20).

Notes to the Interim Condensed Consolidated Financial Information (Continued)

9 Expenses by nature

Expenses included in cost of sales and services, selling and marketing expenses, administrative expenses and research and development expenses are further analysed as follows:

	Six months ended 30 September	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Employee benefits expenses	526,193	314,359
Cost of sales of hardware, software and other goods	162,168	93,265
Outsourcing services fee	89,260	48,319
Promotion and advertising expenses	67,542	10,478
Travelling, entertainment and general office expenses	39,585	21,528
Consulting and other professional fee	35,678	27,512
Labour dispatching	10,898	6,185
Depreciation of property, plant and equipment (note 14)	8,561	8,762
Depreciation of right-of-use assets (note 15)	8,396	7,074
Auditors' remuneration — Audit services	2,836	261
Taxes and surcharges	2,228	1,138
Amortization of intangible assets (note 16)	2,187	1,642
Listing expenses	—	20,895
Other expenses	2,732	2,020
Total cost of sales and services, selling and marketing expenses, administrative expenses and research and development expenses	958,264	563,438

Notes to the Interim Condensed Consolidated Financial Information (Continued)

10 Finance income and costs

	Six months ended 30 September	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Finance income		
Interest income on current deposits	1,534	452
Finance costs		
Interest expenses for lease liabilities	(1,818)	(2,692)
Finance costs — net	(284)	(2,240)

11 Investments accounted for using the equity method

	Six months ended 30 September	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
At beginning of the period	5,217	10,206
Additions	—	900
Share of loss from investment in associates	(195)	(1,092)
At end of the period	5,022	10,014

Notes to the Interim Condensed Consolidated Financial Information (Continued)

12 Income tax credit

	Six months ended 30 September	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax	—	—
Deferred income tax (note 28)	151	460
Total income tax credit-net	151	460

Income tax credit are recognized based on the management's best knowledge of the income tax rates that would be applicable to the full financial year.

13 Loss per share

- (a) Basic loss per share is calculated by dividing the loss attributable to the Company's owners by the weighted average number of ordinary shares in issue during the six months ended 30 September 2021 and 2020.

The calculation of loss per share is based on the following:

	Six months ended 30 September	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss attributable to owners of the Company	(440,768)	(1,192,614)
Weighted average number of ordinary shares in issue ('000)	935,086	403,889
Basic loss per share (RMB yuan)	(0.47)	(2.95)

- (b) Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

As the Group incurred losses for the six months ended 30 September 2021 and 2020, the potential ordinary shares were not included in the calculation of dilutive loss per share, as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the six months ended 30 September 2021 and 2020 are the same as basic loss per share for the respective periods.

14 Property, plant and equipment

	Electronic equipment RMB'000	Office furniture RMB'000	Leasehold improvement RMB'000	Total RMB'000
Cost:				
As at 1 April 2021	80,043	7,364	14,021	101,428
Additions	7,420	1,358	25,909	34,687
Disposal	(52)	—	—	(52)
As at 30 September 2021	87,411	8,722	39,930	136,063
Accumulated depreciation:				
As at 1 April 2021	(57,717)	(7,042)	(8,454)	(73,213)
Depreciation	(6,254)	(437)	(1,870)	(8,561)
Disposal	26	—	—	26
As at 30 September 2021	(63,945)	(7,479)	(10,324)	(81,748)
Net carrying amount:				
As at 1 April 2021 (Audited)	22,326	322	5,567	28,215
As at 30 September 2021 (Unaudited)	23,466	1,243	29,606	54,315
	Electronic equipment RMB'000	Office furniture RMB'000	Leasehold improvement RMB'000	Total RMB'000
Cost:				
As at 1 April 2020	77,095	2,504	9,611	89,210
Additions	4,549	67	2,160	6,776
Disposal	(471)	—	—	(471)
As at 30 September 2020	81,173	2,571	11,771	95,515
Accumulated depreciation:				
As at 1 April 2020	(48,949)	(1,284)	(6,032)	(56,265)
Depreciation	(7,220)	(289)	(1,253)	(8,762)
Disposal	89	—	—	89
As at 30 September 2020	(56,080)	(1,573)	(7,285)	(64,938)
Net carrying amount:				
As at 1 April 2020 (Audited)	28,146	1,220	3,579	32,945
As at 30 September 2020 (Unaudited)	25,093	998	4,486	30,577

Notes to the Interim Condensed Consolidated Financial Information (Continued)

15 Leases

(a) Amounts recognized in the interim condensed consolidated balance sheets

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Right-of-use assets		
Buildings	53,555	21,359
Lease liabilities		
Current	25,677	19,521
Non-current	34,076	6,909
	59,753	26,430

(b) Amounts recognized in the interim condensed consolidated statements of comprehensive income

	Six months ended 30 September 2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
Depreciation charge of right-of-use assets	8,396	7,074
Interest expense	1,818	2,692

Notes to the Interim Condensed Consolidated Financial Information (Continued)

16 Intangible assets

	Goodwill RMB'000	License RMB'000	Software RMB'000	Technology RMB'000	Total RMB'000
Cost:					
As at 1 April 2021	4,362	33,451	3,964	3,900	45,677
Additions	—	—	5,158	—	5,158
Impairment (a)	(4,362)	—	—	—	(4,362)
As at 30 September 2021	—	33,451	9,122	3,900	46,473
Accumulated amortization					
As at 1 April 2021	—	(3,683)	(1,496)	(1,300)	(6,479)
Amortization	—	(907)	(890)	(390)	(2,187)
As at 30 September 2021	—	(4,590)	(2,386)	(1,690)	(8,666)
Net carrying amount:					
As at 1 April 2021 (Audited)	4,362	29,768	2,468	2,600	39,198
As at 30 September 2021 (Unaudited)	—	28,861	6,736	2,210	37,807
	Goodwill RMB'000	License RMB'000	Software RMB'000	Technology RMB'000	Total RMB'000
Cost:					
As at 1 April 2020	4,362	32,240	1,699	3,900	42,201
Additions	—	2,795	1,385	—	4,180
Disposal	—	(1,584)	—	—	(1,584)
As at 30 September 2020	4,362	33,451	3,084	3,900	44,797
Accumulated amortization					
As at 1 April 2020	—	(2,061)	(553)	(520)	(3,134)
Amortization	—	(900)	(352)	(390)	(1,642)
Disposal	—	185	—	—	185
As at 30 September 2020	—	(2,776)	(905)	(910)	(4,591)
Net carrying amount:					
As at 1 April 2020 (Audited)	4,362	30,179	1,146	3,380	39,067
As at 30 September 2020 (Unaudited)	4,362	30,675	2,179	2,990	40,206

- (a) The impairment charge of RMB4.4 million was mainly resulted from the impairment of goodwill arose from the acquisition of Xinhexin Technology (Beijing) Co., Ltd. ("Xinhexin").

Notes to the Interim Condensed Consolidated Financial Information (Continued)

17 Other financial assets at amortised cost

Other financial assets at amortised cost include the following:

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Deposits (a)	14,983	11,882
Receivables related to share options and shares granted to employees	8,334	—
Payments on behalf of the third parties (b)	3,976	6,197
Advances to staff	3,123	3,617
Interests receivable	2,978	1,275
Loans to third parties (c)	752	752
Others	4,587	4,072
	38,733	27,795
Less: provision for impairment of other receivables	(752)	(752)
	37,981	27,043

(a) Deposits consists primarily of security deposits for rental and projects.

(b) In life sciences solutions segment, the Group's travelling and related expenses incurred by its employees that will be reimbursed by the customers as agreed in the contracts.

(c) Loan to a third party

Geping Loan

On 7 December 2015, the Group granted a RMB10.0 million loan to Geping mHealth Hong Kong Limited ("Geping") ("Geping Loan") for its general business operations. This loan was originally for a term of one year, unsecured and non-interest bearing. On 7 December 2016, the Group entered into an agreement to extend the expiry date to 6 December 2017. Pursuant to these agreements and series of amendment letters of repayments, the Geping Loan shall be fully repaid before 20 July 2017. Geping had repaid around RMB9.2 million to the Group in April 2017. The Group made full impairment losses for the rest of the Geping Loan after assessment of its collectability as at 31 March 2021 and 30 September 2021.

Notes to the Interim Condensed Consolidated Financial Information (Continued)

18 Trade receivables

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Trade receivables from contracts with customers		
— Third parties	468,346	402,183
— Related parties	4,698	7,306
Less: allowance for impairment of trade receivables	(46,214)	(43,848)
	426,830	365,641

- (a) The credit terms given to trade customers are determined on an individual basis with normal credit period mainly around 180 days. The aging analysis of the trade receivables based on invoice date is as follows:

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
— Up to 3 months	185,756	262,524
— 3 to 6 months	73,318	23,163
— 6 months to 1 year	139,385	46,712
— 1–2 years	58,909	60,183
— Over 2 years	15,676	16,907
	473,044	409,489
Less: allowance for impairment of trade receivables	(46,214)	(43,848)
Total	426,830	365,641

(b) Fair values of trade receivables

The Group considered that the carrying amounts of the trade receivables balances approximated their fair value as at 30 September 2021 and 31 March 2021.

Notes to the Interim Condensed Consolidated Financial Information (Continued)

18 Trade receivables (Continued)

(c) The movements on the provision for impairment of trade receivables are as follows:

	Six months ended 30 September	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
At beginning of the period	(43,848)	(32,118)
Provision for impairment of trade receivables	(2,366)	4,704
At end of the period	(46,214)	(27,414)

19 Inventories

	As at 30 September 2021	As at 31 March 2021
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Purchased goods — at cost	23,216	31,761
Less: allowance for impairment of inventories	—	—
	23,216	31,761

Notes to the Interim Condensed Consolidated Financial Information (Continued)

20 Financial assets at fair value through profit or loss

(a) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Current assets		
Loan to a third party with warrants to purchase their preferred shares (i)	21,031	20,945

- (i) On 3 January 2020, a subsidiary of the Group, Guizhou Yidu Cloud Technology Co., Ltd. ("Yidu Cloud Guizhou"), entered into an agreement to grant a loan of RMB20 million to Nanjing Trifo Technology Co., Ltd. ("Nanjing Trifo"). The loan was secured by guarantee of Nanjing Trifo's affiliates (including its ultimate parent company incorporated in Cayman, Trifo) and pledge of shares in Trifo indirectly held by Mr. Zhang (the founder of Trifo). The interest rate is 10% per annum and the loan matures in 18 months from the actual payment by Yidu Cloud Guizhou ("Term of Loan").

On the same date, Yidu Cloud Guizhou, Nanjing Trifo and Nanjing Trifo's affiliates entered into a Warrants Purchase Agreement, pursuant to which Trifo issued warrants to Yidu Cloud Guizhou or its designated party a right to purchase up to 762,776 newly issued Series C-4 preferred shares of Trifo (the "Warrants Shares"). Before the expiration of the loan, if Yidu Cloud Guizhou completed the governmental registration or filings with respect to its Outbound Direct Investment ("ODI Filings") into Trifo, Nanjing Trifo should repay the loan to Yidu Cloud Guizhou with the interest waived by Yidu Cloud Guizhou and Yidu Cloud Guizhou will exercise the right to subscribe the Warrants Shares.

As at 31 March 2021, loan to a third party with warrants to purchase their preferred shares was reclassified from non-current assets to current assets. As at 30 September 2021, Yidu Cloud Guizhou was in the process of negotiation with Nanjing Trifo to extend the loan term.

Notes to the Interim Condensed Consolidated Financial Information (Continued)

21 Cash and bank balances

(a) Cash and cash equivalents

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Bank balances, term deposits and restricted bank balance and deposits	4,219,459	4,605,577
Less:	(5,016)	(3,865,731)
Term deposits	—	(3,860,723)
Restricted bank balance and deposits with original maturities over one year*	(5,016)	(5,008)
Cash and cash equivalents	4,214,443	739,846

* Restricted bank balance and deposits are deposited in an escrow account with China Construction Bank Company Limited Xiamen Branch for the register capital of Ningbo Century Kangtai Insurance Brokerage Co., Ltd. to operate insurance brokerage business.

Bank balances, term deposits and restricted bank balance and deposits of the Group are denominated in the following currencies:

	As at 30 September, 2021 RMB'000	As at 31 March, 2021 RMB'000
US\$	3,385,817	652,685
HK\$	521,721	3,868,429
BND (Brunei Dollar)	3,266	695
SGD	38,616	—
RMB	270,039	83,768
Total	4,219,459	4,605,577

Notes to the Interim Condensed Consolidated Financial Information (Continued)

21 Cash and bank balances (Continued)

(b) Pledged bank deposits

	As at 30 September, 2021 RMB'000 (Unaudited)	As at 31 March, 2021 RMB'000 (Audited)
Pledged bank deposits	1,268	1,268

Pledged bank deposits represent deposits pledged to banks to obtain letters of guarantees for the fulfilment of certain contracts.

Pledged bank deposits of the Group carried interests at market rates at 0.3% and 0.3% as at 30 September 2021 and 31 March 2021, respectively.

22 Other current assets

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Other assets		
Prepayment:		
— Prepaid cloud storage and other service fee	18,507	15,638
— Advance payments to suppliers for inventories	6,750	8,342
— Prepayment for long-term investments	6,116	—
— Business insurance for employees	2,230	2,076
— Others	4,246	2,835
Deductible input VAT	17,077	22,587
	54,926	51,478
Less: other non-current assets		
— Prepayment for long-term investments	(6,116)	—
Other current assets	48,810	51,478

Notes to the Interim Condensed Consolidated Financial Information (Continued)

23 Share capital

Issued ordinary shares with par value of US\$0.00002 each	Number of shares	Share capital US\$'000	Share capital RMB'000
Issued:			
As at 1 April 2021 (Audited)	925,229,510	19	116
Newly issued ordinary shares (a)	43,930,205	1	6
Exercise of option vesting (Note 25(a))	7,462,912	—	1
As at 30 September 2021 (Unaudited)	976,622,627	20	123
As at 1 April 2020 (Audited)	403,888,890	8	49
Addition	—	—	—
As at 30 September 2020 (Unaudited)	403,888,890	8	49

- (a) Pursuant to the resolution of the Board of Directors on 16 August 2021, the Company issued 33,930,205 shares under the Share Option Scheme and 10,000,000 shares under the Post-IPO Share Award Scheme and appointed trustees to administer the Share Option Scheme and the Post-IPO Share Award Scheme.

24 Other reserves

	Share-based compensation reserve RMB'000	Currency translation differences RMB'000	Exercise of option vesting RMB'000	Other Comprehensive Income reserve RMB'000	Other reserves RMB'000	Total RMB'000
As at 1 April 2021 (Audited)	358,744	392,315	—	—	11,454,128	12,205,187
Share-based compensation (note 25)	116,430	—	667	—	—	117,097
Issuance of ordinary shares	(6)	—	—	—	—	(6)
Currency translation differences	—	(59,806)	—	—	—	(59,806)
As at 30 September 2021 (Unaudited)	475,168	332,509	667	—	11,454,128	12,262,472
As at 1 April 2020 (Audited)	229,467	(181,786)	—	(17,277)	(4,544)	25,860
Fair value change of convertible redeemable preferred shares due to own credit risk	—	—	—	(6,139)	—	(6,139)
Share-based compensation (note 25)	67,013	—	—	—	—	67,013
Purchasing of the Company's options from third parties	—	—	—	—	26,130	26,130
Modification of the consideration of business combination	—	—	—	—	(7,918)	(7,918)
Capital injection from non-controlling interests	—	—	—	—	155,958	155,958
Currency translation differences	—	180,028	—	—	—	180,028
As at 30 September 2020 (Unaudited)	296,480	(1,758)	—	(23,416)	169,626	440,932

25 Share-based compensation

(a) Share Option Scheme

Share Option Scheme includes Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme. Please refer to the Group's consolidated financial statements for the year ended 31 March 2021 for details about the two schemes.

Pursuant to the resolution of the Shareholders on 28 December 2020, the shareholders of the Company approved the adoption of the Post-IPO Share Option Scheme to grant options to the Group's employees. The number of new shares issued under the Post-IPO Share Option Scheme will be no more than 90,176,201 shares, being no more than 10% of the shares in issue on the date the shares commence trading on the Stock Exchange. The vesting period of the Post-IPO Share Option Scheme is 2 or 4 years subject to employees' continuous service to the Company. As of 30 September 2021, the Company granted 4,842,450 options to its employees under Post-IPO Share Option Scheme.

Movements in the number of share options granted to employees are as follows:

	Six months ended 30 September			
	2021 (Unaudited)		2020 (Unaudited)	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
At beginning of the period	US\$0.056	149,656,075	US\$0.014	137,513,755
Granted during the period	US\$4.443	4,842,450	US\$0.018	6,584,005
Exercised during the period	US\$0.014	(7,462,912)	—	—
Forfeited during the period	US\$0.018	(1,509,358)	US\$0.018	(3,681,935)
At end of the period	US\$1.158	145,526,255	US\$0.014	140,415,825

No options expired during the period covered by the above table.

25 Share-based compensation (continued)

(a) Share Option Scheme (continued)

The Company have used Binomial option-pricing model to determine the fair value of the share options as at the grant date. Key assumptions are set as below:

	Six months ended 30 September 2021 (Unaudited)
Grant date	29 July 2021
Fair value per ordinary share	HK\$33.90
Exercise price	HK\$34.52
Risk-free interest rate	0.9%
Dividend Yield	—
Volatility	44%
Expected terms	10 years

The weighted average remaining contractual life of share options outstanding as at 31 March 2021 and 30 September 2021 is 5.51 year and 5.4 year, respectively.

(b) Post-IPO Share Award Scheme

Pursuant to the resolution of the Shareholders on 28 December 2020, the Post-IPO Share Award Scheme was conditionally adopted to align the interests of eligible persons with those of the Group and to encourage and retain eligible persons to make contributions to the long-term growth and profits of the Group. An award granted under the Post-IPO Share Award Scheme may be vested in the form of award shares or the actual selling price of the award shares in cash, as the board of directors of the Company may determine in accordance with the related rules. The aggregate number of Shares underlying all grants made pursuant to the Post-IPO Share Award Scheme (excluding Award Shares which have been forfeited in accordance with the Post-IPO Share Award Scheme) will not exceed 45,088,100 Shares without Shareholders' approval subject to an annual limit of 3% of the total number of issued Shares at the relevant time.

25 Share-based compensation (continued)

(b) Post-IPO Share Award Scheme (continued)

(i) Grant of the shares under the Post-IPO Share Award Scheme during the six months ended 30 September 2021

On 1 July 2021 and 29 July 2021, 6,918,355 and 95,000 shares were granted to employees, respectively. Totally 7,013,355 shares were granted during the six months ended 30 September 2021.

(ii) Fair value of shares under the Post-IPO Share Award Scheme

The fair value of shares granted on 1 July 2021 was assessed to approximate to the market price of the grant date at the amount of HK\$40.85 each (equivalent to RMB235,477,756 in total).

The fair value of shares granted on 29 July 2021 was assessed to approximate to the market price of the grant date at the amount of HK\$33.90 each (equivalent to RMB2,689,614 in total)

Movements in the number of shares granted and the respective weighted average grant date fair value are as follows:

	Number of shares under Post-IPO Share Award Scheme	Weighted average fair value per shares (HKD)
As at 1 April 2021 (Audited)	—	—
Granted during the period	7,013,355	40.85
Forfeited during the period	(1,036,700)	40.85
As at 30 September 2021 (Unaudited)	5,976,655	40.85

Notes to the Interim Condensed Consolidated Financial Information (Continued)

25 Share-based compensation (continued)

(c) On April 15, 2020, the Company entered into an Option Subscription Agreement with a third party individual whereby the third party individual acquired 55,804 options (before Share Subdivision) at US\$12.80 per share for a total cash consideration of US\$714,291.20 (equivalent to approximately RMB5.0 million). These options were issued under Plan B and immediately vested on the grant date. The exercise price for these options was nil, and the expiration date of the options is April 15, 2030.

On June 5, 2020, the Company entered into an Option Subscription Agreement with a third party individual whereby the third party individual acquired 232,769 options (before Share Subdivision) at US\$8.5922 per share for a total cash consideration of US\$2,000,000 (equivalent to approximately RMB14.1 million). These options were issued under Plan B and immediately vested on the grant date. The exercise price for these options was nil, and the expiration date of the options is June 4, 2030.

On July 10, 2020, the Company entered into an Option Subscription Agreement with a third party individual pursuant to which the third party individual acquired 116,385 options (before Share Subdivision) at US\$8.5922 per share for a total cash consideration of US\$1,000,000 (equivalent to approximately RMB7.0 million). These options were issued under Plan B and immediately vested on the grant date. The exercise price for these options was nil, and the expiration date of the options is July 10, 2030.

26 Trade and other payables

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Trade payables	109,006	85,875
Tax payables	15,741	8,012
Other payables:		
— Insurance premium payables (i)	91,517	—
— Payables for consulting and other service fee	34,829	32,000
— Payables for marketing and sales promotion expenses	16,782	1,131
— Payables for repurchase of options	12,104	35,253
— Reimbursement payable to employees	7,682	7,439
— Payables for leasehold improvement	6,665	120
— Amounts due to related parties	66	66
— Others	6,874	6,720
	301,266	176,616

(i) Insurance premium payables are insurance premiums collected on behalf of insurance companies but not yet remitted as at 30 September 2021.

Notes to the Interim Condensed Consolidated Financial Information (Continued)

26 Trade and other payables (continued)

- (a) The carrying amounts of trade and other payables are considered to be approximated to their fair values, due to their short-term nature.
- (b) Aging analysis of the trade payables based on invoice date at the end of each reporting period are as follows:

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
— Up to 3 months	69,406	56,222
— 3 to 6 months	16,649	16,120
— 6 months to 1 year	19,069	3,395
— 1 to 2 years	3,882	10,138
	109,006	85,875

27 Deferred income

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Deferred government grants	86,333	86,841
Less: amounts to be realised within the next 12 months	(10,500)	(10,628)
Non-current	75,833	76,213

Deferred government grants received but yet to recognize in other income amounted to approximately of RMB86.3 million and RMB86.8 million, respectively, as at 30 September 2021 and 31 March 2021. These government grants are mainly for funding research and development expenditures undertaken by the Group.

Notes to the Interim Condensed Consolidated Financial Information (Continued)

28 Deferred income tax assets and liabilities

- (a) The analysis of deferred income tax assets/(liabilities) (prior to any offset pursuant to net-off provisions) is as follows:

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Deferred income tax assets:		
— Deferred income tax assets to be recovered after more than 12 months	5,386	1,559
— Deferred income tax assets to be recovered within 12 months	4,054	3,247
	9,440	4,806
Deferred income tax liabilities:		
— Deferred income tax liabilities to be settled after more than 12 months	(7,229)	(1,989)
— Deferred income tax liabilities to be settled within 12 months	(1,308)	(2,065)
	(8,537)	(4,054)
	903	752

- (b) The net movement on the deferred income tax account is as follows:

	Six months ended 30 September 2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
At beginning of the period	752	225
Credited to profit or loss (note 12)	151	460
At end of the period	903	685

Notes to the Interim Condensed Consolidated Financial Information (Continued)

29 Related party transactions

Save as those disclosed in the other notes, the following significant transactions were carried out between the Group and its related parties during the six months ended 30 September 2021 and 2020. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties. The Group's pricing policies of the transactions with related parties are determined on the basis of mutual negotiations between the relevant parties.

(a) Names and relationships with related parties

Name of related parties	Relationship with the Company
Anhui Jiufang Pharmacy Co., Ltd.	A company significantly influenced by the controlling shareholder of the Company
Sunshine Insurance Group Inc., Ltd. (together with its subsidiaries, the "Sunshine Insurance Group")	Having significant influence over the Company
Beijing Huixu Jinxin Investment Management Co., Ltd.	A company controlled by key management personnel
Nanjing Yikang Technology Co., Ltd.	A company controlled by key management personnel

(b) Significant transactions with related parties

	Six months ended 30 September	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<i>Provision of services</i>		
Sunshine Insurance Group Inc., Ltd.	812	495
<i>Purchase of consulting services</i>		
Beijing Huixu Jinxin Investment Management Co., Ltd.	—	1,290
Nanjing Yikang Technology Co., Ltd.	—	190
	—	1,480

29 Related party transactions (continued)

(c) Period ended balances with related parties

	As at 30 September 2021 RMB'000 (Unaudited)	As at 31 March 2021 RMB'000 (Audited)
Amount due from related parties — trade		
Anhui Jiufang Pharmacy Co., Ltd.	4,533	5,428
Sunshine Insurance Group	165	91
	4,698	5,519
Amount due to related parties — non-trade		
Nanjing Yikang Technology Co., Ltd.	66	66

(d) Key management personnel compensation

Key management includes directors and senior officers. The compensations paid or payable to key management for employee services are shown below:

	Six months ended 30 September	
	2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
Wages, salaries and bonuses	6,835	5,723
Pension costs — defined contribution plans	139	77
Other social security costs	89	78
Housing benefits	101	102
Share-based compensation	13,049	26,866
	20,213	32,846

30 Contingencies

The Group did not have any material contingent liabilities as at 30 September 2021.

31 Dividend

No dividend has been paid or declared by the Company or the companies now comprising the Group during the six months ended 30 September 2021 and 2020.

32 Subsequent events

(a) COVID-19

While the COVID-19 pandemic continues to unfold in various parts of the world, the extent to which the COVID-19 impacts on the Company's operations beyond the third quarter of 2021 depends on the future development of the pandemic in China and across the globe, which is subject to change and substantial uncertainty, and therefore cannot be predicted.



DEFINITIONS

“associate”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“CDC”	Chinese Center for Disease Control and Prevention
“China” or “PRC”	the People’s Republic of China and for the purposes of this interim report only, except where the context requires otherwise, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “our Company”, or “the Company”	Yidu Tech Inc. (醫渡科技有限公司) (formerly known as “Yidu Inc.” and “Happy Life Tech Inc.”), a company with limited liability incorporated in the Cayman Islands on 9 December 2014
“Consolidated Affiliated Entity(ies)”	entities we control through the Contractual Arrangements, namely Guizhou Yidu Cloud Technology Co., Ltd.* (貴州醫渡雲技術有限公司), Tianjin Happy Life Technology Co., Ltd.* (天津開心生活科技有限公司), Beijing Causa Health Technology Co., Ltd.* (北京因數健康科技有限公司) and Beijing Zhongshi Hanming Enterprise Co., Ltd.* (北京中世漢明實業有限公司) and their respective subsidiaries
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules and unless the context otherwise requires, refers to Ms. Gong and Sweet Panda Limited
“Corporate Governance Code”	the Corporate Governance Code and Corporate Governance Report set out in Appendix 14 of the Listing Rules, as amended, supplemented or otherwise modified from time to time
“Director(s)”	the director(s) of our Company
“Global Offering”	the Hong Kong Public Offering and the International Offering as defined and described in the Prospectus
“Group”, “we” or “us”	the Company, its subsidiaries, and the Consolidated Affiliated Entities from time to time, and where the context requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time

Definitions (Continued)

“HK” or “Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“IFRS”	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
“Listing”	the listing of the Shares on the Main Board of 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
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
“MNC”	multi-national pharmaceutical companies
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules
“Ms. Gong”	Ms. Gong Yingying, our founder, executive Director, chief executive officer, Chairlady and our Controlling Shareholder
“Nomination Committee”	the Nomination Committee of the Board
“NLP”	natural language processing, which is a subfield of linguistics, computer science, information engineering, and artificial intelligence concerned with the interactions between computers and human (natural) languages, in particular how to program computers to process, understand and analyze large amounts of natural language data
“Post-IPO Share Award Scheme”	the post-IPO share award scheme approved and adopted by our Company on 28 December 2020 with effect from Listing
“Post-IPO Share Option Scheme”	the post-IPO share option scheme approved and adopted by our Company on 28 December 2020 with effect from Listing
“Pre-IPO Share Option Plans”	the two pre-IPO share option plans adopted by the Company on 16 March 2015 as amended from time to time
“Prospectus”	the prospectus of the Company dated 31 December 2020
“Remuneration Committee”	the remuneration committee of the Board
“Reporting Period”	six months ended 30 September 2021



Definitions (Continued)

“RMB”	Renminbi, the lawful currency of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	Ordinary share(s) in the share capital of our Company, currently with a par value of US\$0.00002 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the meaning ascribed thereto in section 15 of the Companies Ordinance
“United States” or “U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US\$”	United States dollars, the lawful currency of the United States
“Yidu Cloud Guizhou”	Guizhou Yidu Cloud Technology Co., Ltd.* (貴州醫渡雲技術有限公司), a limited liability company established under the laws of the PRC on 10 July 2018 and a Consolidated Affiliated Entity of our Company
“%”	per cent

* The English names of the PRC entities, PRC laws or regulations, and the PRC governmental authorities referred to in this interim report are translations from their Chinese names and are for identification purposes only.



医渡云
YIDUCLOUD