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Plus Group Holdings Inc.

普樂師集團控股有限公司

(A company incorporated in the Cayman Islands with limited liability)

(Stock Code: 2486)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2023

The board (the “**Board**”) of directors (the “**Directors**”) of Plus Group Holdings Inc. (the “**Company**”) is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (together, the “**Group**”) for the six months ended 30 June 2023 (“**Reporting Period**”).

	Six months ended 30 June		Period-on- Period change %
	2023 <i>RMB'000</i> (Unaudited)	2022 <i>RMB'000</i> (Unaudited)	
Revenue	422,074	270,914	55.8%
Gross profit	77,985	90,026	(13.4%)
Other income	14,996	21,923	(31.6%)
Selling and marketing costs	9,632	9,491	1.5%
Administrative expenses	47,173	40,478	16.5%
Research and development expenses	12,366	10,336	19.6%
Finance costs-net	30	1,729	(98.3%)
Profit for the period	24,522	34,212	(28.3%)
Profit and total comprehensive income for the period	24,522	34,212	(28.3%)
Non-HKFRS measures:			
Profit for the period	24,522	34,212	
Add:			
Listing expenses	10,708	10,783	
Adjusted net profit (non-HKFRS measures)	<u>35,230</u>	<u>44,995</u>	

SELECTED FINANCIAL RATIO

	As at or for the six months ended 30 June 2023 (Approximate)	As at or for the six months ended 31 December 2022 (Approximate)
Revenue growth ¹	55.8%	31.2%
Current ratio (times) ²	3.3	2.2
Gearing ratio ³	N/A (net cash)	0.7%

Notes:

- Revenue growth ratio equals revenue growth divided by revenue for the prior period.
- Current ratio is calculated based on the total current assets divided by the total current liabilities as at the end of the period/year end.
- Calculated by using the net debt divided by total equity as at period/year end. Net debt is calculated as total bank borrowings, amount due to related party and lease liabilities less cash and cash equivalents.

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
Total equity	591,532	346,494
Cash and cash equivalents	266,651	62,704
Bank borrowings	29,750	61,273

OPERATING METRICS

	Six months ended 30 June		Period-on- Period change %
	2023	2022	
Number of paying brand customers	33	29	13.8%
Number of paying distributor customers	100	21	376.2%
Total number of points of sale on a cumulative basis (Note)	4,478,000	4,045,000	10.7%
Total number of touchpoints on a cumulative basis (Note)	486,000	425,000	14.4%
Average monthly active touchpoints (Note)	30,000	23,000	30.4%

Note: The number showing above is rounded to nearest thousand.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

In the first half of 2023, the Group achieved a solid performance in overall revenue with continuous stable growth in revenue from brand customers. Although in the second quarter of 2023, the overall economic environment has been on a gradually downward trend under the complicated international situation and the severe post-pandemic era which resulted in unfavourable industry conditions such as poor market and consumer demands, the Group adhered to the principle of expanding the market share of its business as the core of its operation and development, and rode through the industry difficulties arising from the macro-environment of the consumption downgrade to ensure a growth in the Group's operating income while maintaining its stability during the Reporting Period, thereby significantly reducing the adverse impact on the Group's operations brought by the gloomy conditions of the industry derived from economic downturn. Amidst of all the ups and downs, we remained steadfast in our business profitability model to continued to drive business deployment though the Group have taken an initiative to lower the profit level of certain businesses in order to secure customers.

During the Reporting Period, the Group achieved a total revenue of approximately RMB422.1 million, representing an increase of approximately 55.8% as compared to the corresponding period of 2022, and also achieved the profit attributable to equity owners of the Company of approximately RMB24.5 million. As of 30 June 2023, the Group's points of sale covered a total of 368 cities in 31 provinces and municipalities out of 34 across the country, with a total of approximately 4,478,000 stores, representing an increase of approximately 10.7% as compared to the corresponding period of 2022. In addition, our business touchpoints also covered a total of 235 cities in 31 provinces and municipalities out of 34 in China, with a total of approximately 486,000 business touchpoints, representing an increase of approximately 14.4% as compared to the corresponding period of 2022. The average monthly active number at business touchpoints also increased from approximately 23,000 for the corresponding period of 2022 to approximately 30,000, representing an increase of 30.4% as compared to the corresponding period of 2022.

During the Reporting Period, the Group provided on-site sales and marketing solutions to market-leading FMCG brand owners and distributors with activities mainly carried out at offline retail stores, such as supermarkets, department stores and outdoor promotional activities, among which;

Customised marketing solution

The service core of the customised marketing solution is to develop and implement customised sales and marketing plans for customers' merchandise with a view to raising the awareness for customers' brand, and thus further promote the merchandise of the customer and correspondingly driving its sales through a digitalized way.

In the second quarter of 2023, as the trend of economic downturn has gradually emerged, the industry leading customers and brand customers generally witnessed dilemma on sluggish sales expansion, weak business growth and poor brand promotion. The Group kept abreast of the industry and market trends in real time and provided digital customised marketing solutions to its customers to cater for the industry demand. With the empowerment of the digital platform, we have greatly improved the marketing efficiency for the customers as well as supported them to expand the market in a quicker and orderly manner.

By leveraging our digital empowerment and iterative services, the marketing management system of our clients could quickly find the most suitable points of sales and venues, and analyse and standardise the daily operation and marketing data in a timely manner while the brand promotion and corresponding marketing data could be collected in a real-time manner. In this regard, our digital customised marketing solutions was able to meet the market demand, thereby the market share of our services has increased steadily in tandem.

As the most mature core business segment of the Company, the customised marketing solution was also the largest contributor to our revenue. During the Reporting Period, revenue from this business segment amounted to approximately RMB326.3 million, representing a significant increase of approximately 70.6% as compared to the corresponding period of 2022. The customers we served are mainly leading brands, including a multinational food retail company and a global leading FMCG company which has business presence in 180 countries and regions.

Tasks and marketers matching service

The core of the tasks and marketers matching service is to formulate and implement standardised sales and marketing plans for customers' merchandise with a view to enhance their sales performance.

During the second quarter of the Reporting Period, alongside with the overall sluggish consumer demand arising from the current macro-economic environment, brand customers and large and medium-sized distributors generally faced the dilemma of dull sales performance and shrinking income from operations. The Group has precisely identified the basic needs of its customers, provided them with the tasks and marketers matching service in a targeted manner. With digitalization empowerment and iteration, the customers were able to effectively open their sales channels and links to complete and

improve sales results in a timely manner. During the service process, the real-time scene at the customers' points of sale would be continuously transformed into effective data, and we would efficiently present the sales data to the customers after analyzing the data in real-time. As such, the customers can significantly save management time and cost, and the management efficiency was greatly improved.

In addition, we would optimize the efficiency of the customers' sales settlement to expand the turnover of their mature points of sale. With this, we would further help the customers to publish marketing tasks in real time via our digitalised tool, which focused on analysing historical task performance of marketers to identify their strengths and characteristics and provided matching recommendation and solution of the most suitable marketer for different marketing tasks of the client. Last but not least, we kept on regularly evaluating the impact of our digital matching service on the customers' sales performance and optimizing the efficiency of our service with a view to increase our market share in a steady manner.

As the core business segment vigorously developed by the Group, the tasks and marketers matching service is the second largest contributor to our revenue. During the Reporting Period, revenue from this business segment amounted to approximately RMB66.2 million, representing a significant increase of approximately 79.6% as compared to the corresponding period of 2022.

Marketers assignment service

Our marketers assignment service is aimed for top brand customers to enable them to experience the digital sales and marketing advantages with a view to help us further expand our market and lay a solid foundation for increasing our market share.

During the Reporting Period, we assigned our employee marketers to execute sales and marketing duties as instructed by our customers at designated offline retail stores, and we helped customers to manage human resources-related administration matters of these employee marketers, thus reducing the customers' operating costs associated with administration matters and enhancing management efficiency.

Recently, under the continuously increasing pressure from economic downturn, the customers accelerated optimizing the allocation of the limited marketing resources. In response to the new demand of the customers, the Group upgraded and iterated part of the digital marketing business, extending its service chain, expanding its service system and diversifying the allocation of its service resources with a view to improve the operating cost-effectiveness and marketing efficiency of its customers.

As the entry-level business segment we provided, in the first half of 2023, our marketers assignment service achieved a revenue of approximately RMB19.9 million. The corresponding customers mainly included multinational groups that manufacture and sell infant and toddler products, toys and dairy products, candies and food and daily necessities.

SaaS+ Subscription

SaaS+ subscription focused on offering customisation (on an as-needed basis) and subscription for our readily-available digitalised tools to support our customers to streamline their sales and marketing process based on precisely positioning their sales targets.

During the second quarter of 2023, under the impact of the economic downturn, small and medium-sized distributors had to face a depressing situation regarding the going concern of the enterprises. In addition to continuously helping small and medium distributor customers simplify marketing processes and save marketing and management costs, the Group also made use of the digital platform to help the distributor customers empower their offline retail network, including improving the incentive efficiency of the points of sale and sharing industry experience, etc., and simultaneously providing data-oriented decision-making suggestions.

In view of the ever-changing market demands and increasing business development needs, the Group also aimed to develop, upgrade and iterate the subscription service for top brands and medium and large-sized distributors, with a view to alleviate and fill the business gap created by the low customer acquisition capability of the small and medium-sized distributor business segment.

As our emerging business segment, our SaaS+ subscription service is also becoming an important component of the Company's revenue. During the Reporting Period, revenue from this business segment amounted to approximately RMB9.7 million.

Financial Review

Revenue

The total revenue of the Group increased by approximately 55.8% from approximately RMB270.9 million for the six months ended 30 June 2022 to approximately RMB422.1 million for the six months ended 30 June 2023. This was mainly due to the fact that top brand customers have strengthened their demand for further iteration of digital marketing as a result of their own business development and performance goals and have also increased their deployment demand for digital marketing business. In the first half of 2023, our overall revenue remained stable and increased steadily, despite some small and medium-sized distributors reduced their active investment in subscription business due to the impact of the general consumption environment.

The revenue breakdown of the four business segments is as follows:

	Six months ended 30 June				
	2023	Percentage	2022	Percentage	Period-on-
	<i>RMB'000</i>	of total	<i>RMB'000</i>	of total	Period
	(Unaudited)	revenue	(Unaudited)	revenue	change
		%		%	%
Customised marketing solution	326,288	77.3%	191,225	70.6%	70.6%
Tasks and marketers matching service	66,213	15.7%	36,862	13.6%	79.6%
Marketers assignment service	19,891	4.7%	27,502	10.1%	(27.7%)
SaaS+ Subscription	9,682	2.3%	15,325	5.7%	(36.8%)
	<u>422,074</u>	<u>100.0%</u>	<u>270,914</u>	<u>100.0%</u>	<u>55.8%</u>

1. *Customised marketing solution*

Revenue from the customised marketing solution business segment increased by approximately 70.6% from approximately RMB191.2 million for the six months ended 30 June 2022 to approximately RMB326.3 million for the six months ended 30 June 2023. This was mainly because some of the Group's top brand customers upgraded the digital marketing service model we provided, i.e. upgrading part of the assignment business model to the customised marketing solution business model. Due to the upgrading of customer business model and the further iterative demand for digital marketing, the revenue of this business segment increased significantly as compared with the same period last year.

2. *Tasks and marketers matching service*

Revenue from the tasks and marketers matching service business segment increased by approximately 79.6% from approximately RMB36.9 million for the six months ended 30 June 2022 to approximately RMB66.2 million for the six months ended 30 June 2023. This was mainly due to the increased demand from the top dairy brand customers for the tasks and marketers matching services provided by us because of business expansion and performance needs. The increase in the investment in digital marketing services provided by us in line with the business development needs of customers led to a significant increase in the revenue of this type of business as compared with the same period last year.

3. *Marketers assignment service*

Revenue from the marketers assignment service business segment decreased by approximately 27.7% from approximately RMB27.5 million for the six months ended 30 June 2022 to approximately RMB19.9 million for the six months ended 30 June 2023. This was mainly due to the fact that some of the Group's top brand customers upgraded the digital marketing service model we provided, thus reducing the placement demand for the original digital marketers assignment business model. As customers' demand for digital marketing further iterated, the revenue of this type of business saw a certain decrease as compared with the same period last year.

4. *SaaS+ Subscription*

Revenue from the SaaS+ Subscription service business segment decreased by approximately 36.8% from approximately RMB15.3 million for the six months ended 30 June 2022 to approximately RMB9.7 million for the six months ended 30 June 2023. This was mainly due to the fact that as our new business segment, the subscription service is still in the development stage and the recent changes in the external environment also affected the initiatives of some small and medium distributors to expand their digital marketing business. Due to the restraint of the customers to invest in digital marketing business under the external macro-environment, the revenue of this business segment had a certain decrease as compared with the same period last year.

Cost of services, gross profit and gross profit margin

The total cost of the Group increased by approximately 90.2% from approximately RMB180.9 million for the six months ended 30 June 2022 to approximately RMB344.1 million for the six months ended 30 June 2023. The significant increase in the corresponding costs was mainly due to the significant increase in the scale of the customised marketing solution and the tasks and marketers matching service. The above increase mainly included the increase in staff salaries, labour service and some travel and office expenses. Among them, the considerable increase in staff remuneration expenses serves as the main contributor, which increased by approximately 192.0% from approximately RMB71.9 million for the six months ended 30 June 2022 to approximately RMB209.9 million for the six months ended 30 June 2023.

The total gross profit of the Group decreased by approximately 13.4% from approximately RMB90.0 million for the six months ended 30 June 2022 to approximately RMB78.0 million for the six months ended 30 June 2023. The total gross profit margin of the Group decreased from approximately 33.2% for the six months ended 30 June 2022 to approximately 18.5% for the six months ended 30 June 2023. This was mainly due to the fact that during the Reporting Period, the Group, as always, focused on expanding the market share of our business. Although affected by the overall economic downturn, we took the initiative to lower the profit level of some businesses in order to gain more contacts and customers. However, in order to support the Group's strategy to maintain sustainable and favourable development, we continued to facilitate the business deployment through maintaining the profitability of our business. As a result, although the Group's total gross profit and gross profit margin had a certain decrease during the Reporting Period compared with the same period of 2022, our overall operation was on a track of steady growth in revenue and maintained profit at a relatively stable level.

Administrative expenses

Administrative expenses primarily consist of labour service fees, employee salaries, Listing expenses, office expenses, etc. Administrative expenses increased by approximately 16.5% from approximately RMB40.5 million for the six months ended 30 June 2022 to approximately RMB47.2 million for the six months ended 30 June 2023, which was mainly due to the increase in employee salaries and office expenses as a result of the increase in Listing bonus and the operation expenses incurred from the newly set-up of branch offices during the period.

Selling and marketing expenses

Selling and marketing expenses primarily consist of employee salaries. Selling and marketing expenses increased by approximately 1.5% from approximately RMB9.5 million for the six months ended 30 June 2022 to approximately RMB9.6 million for the six months ended 30 June 2023, which was basically stable.

Research and development expenses

Research and development expenses primarily consist of labour costs and other research and development costs. Research and development expenses increased by approximately 19.6% from approximately RMB10.3 million for the six months ended 30 June 2022 to approximately RMB12.4 million for the six months ended 30 June 2023, mainly due to the increase in labour costs and system development expenses invested in research and development by the Group to strengthen digital construction and improve information service capabilities.

Other Income

Other income decreased by approximately 31.6% from approximately RMB21.9 million for the six months ended 30 June 2022 to approximately RMB15.0 million for the six months ended 30 June 2023, which was mainly due to the decrease in government financial support in the first half of 2023.

Other gains — net

Other gains — net increased by approximately 2,702.3% from approximately RMB0.3 million for the six months ended 30 June 2022 to approximately RMB9.7 million for the six months ended 30 June 2023, mainly due to the gain on foreign exchange of proceeds in Hong Kong dollars derived from the public offering in Hong Kong during the period because of the significant appreciation of Hong Kong dollar in the first half of 2023.

Finance costs — net

Net finance costs decreased from approximately RMB1.7 million for the six months ended 30 June 2022 to approximately RMB0.03 million for the six months ended 30 June 2023. The decrease in net finance costs was mainly due to the increase in interest income from the proceeds of the Listing, which offset the interest expenses arising from borrowings, resulting in a significant decrease in net finance costs.

Income tax expense

Income tax decreased by approximately 40.3% from approximately RMB15.4 million for the six months ended 30 June 2022 to approximately RMB9.2 million for the six months ended 30 June 2023, mainly due to the decrease in profit before tax in the first half of 2023.

Profit attributable to equity owners of the Company

Profit attributable to equity owners of the Company decreased by 28.3% from approximately RMB34.2 million for the six months ended 30 June 2022 to approximately RMB24.5 million for the six months ended 30 June 2023.

Adjusted net profit (Non-HKFRS measures)

To supplement our interim condensed consolidated financial information which are presented in accordance with HKFRS, we also use non-HKFRS measures, such as adjusted net profit (non-HKFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, HKFRS.

We believe that such measure provides useful information to management and others in understanding and evaluating our interim condensed consolidated results of operations in the same manner as they help our management. However, our presentation of the adjusted net profit (non-HKFRS measure) may not be comparable to similarly titled measures presented by other companies. We defined adjusted net profit (non-HKFRS measure) as profit for the period adjusted by adding back the Listing expenses. We exclude the Listing expenses because the Listing expenses are expenses related to the initial public offering. Therefore, the Listing expense is added back to the adjusted net profit (non-HKFRS measure) with a view to eliminating the potential impacts of such items. The Directors believe that the presentation of such non-HKFRS measure when shown in conjunction with the corresponding HKFRS measure provides useful information to management and others in better reflecting our underlying operating performance and facilitating a better comparison of our underlying operating performance from period to period.

For the six months ended 30 June 2023, our adjusted net profit was RMB35.0 million, representing a period to period decrease of RMB9.8 million, or 21.7% compared to RMB45.0 million for the same period in 2022.

Cash and cash equivalents

Cash and cash equivalents increased by approximately 325.3% from approximately RMB62.7 million as of 31 December 2022 to approximately RMB266.7 million as of 30 June 2023, mainly due to the net proceeds from the Company's initial public offering of approximately RMB223.6 million after deducting underwriting fees and other related expenses paid during the six months ended 30 June 2023.

Capital expenditure

Capital expenditure increased by approximately 92.9% from approximately RMB0.14 million for the six months ended 30 June 2022 to approximately RMB0.27 million for the six months ended 30 June 2023, mainly due to the acquisition of servers to enhance the Group's information service capabilities.

Significant investment held

The Group did not have any significant investment during the Reporting Period.

Material acquisitions and disposal of subsidiaries, associates and joint ventures

As of 30 June 2023, the Company did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures.

Plans for material investments or acquisition of capital assets

As of 30 June 2023, save as disclosed in the Prospectus, the Company had no future plans for material investments or acquisition of capital assets.

Pledge of assets

As of 30 June 2023, the Company did not have any material pledge of assets.

Liquidity and capital resources

The Group's primary uses of cash are for funding of its working capital requirements, repayment of loans and related interest expenses. As of the date of this report, the Group has funded its operations principally with cash generated from operations, borrowings and net proceeds from the Listing.

In the future, the Group believes that its liquidity requirements will be satisfied with a combination of cash flows generated from operating activities, bank loans and other funds raised from the capital markets from time to time.

As of 30 June 2023, the Group had cash and cash equivalents of approximately RMB266.7 million. As of 30 June 2023, the balance of borrowings was approximately RMB29.8 million, all of which are due within one year.

The unutilised banking facilities as of 30 June 2023 amounted to approximately RMB75.3 million. The Group has sufficient liquidity to satisfy its day-to-day management and capital expenditure requirements and is able to control its internal operating cash flows.

Foreign exchange risk

The Group's major business operations are located in the PRC, and thus the principal revenue and costs are denominated in RMB, and some of the money funds are denominated in Hong Kong dollar. As a result, the Group is exposed to foreign exchange risk. The Group currently had no foreign currency hedging plan. However, the management of the Company monitors the foreign exchange fluctuation risk and considers hedging significant foreign exchange fluctuation risk when necessary.

Contingent liabilities

As of 30 June 2023, the Group had no material contingent liabilities, which was the same as that of 31 December 2022.

Employees and Remuneration Policies

In the first half of 2023, the Group stuck to the people-oriented concept, continuously optimising the business organisational structure, and improving the efficiency of teamwork. As of 30 June 2023, we had a total of 9,112 employees (as of 31 December 2022: 8,559), including 240 employees (as of 31 December 2022: 243 employees) at the Group's headquarters, 3,968 employees (as of 31 December 2022: 3,917 employees) for the marketers assignment service, and 4,904 employees (as of 31 December 2022: 4,399 employees) for the customised marketing solution service.

Business Outlook

In the second half of 2023, we will focus on the following key directions:

1. The Group is committed to continue to enhance its sales and marketing capabilities, increasing the market share of its operations, and exploring the service potential for the top brand customers and large distributor customers as well as extending its own service chain. The Group will continue to deepen the service market for the remaining brands and small and medium-sized distributor customers in order to consolidate our service volume, while persistently optimising the layout of our existing business services so as to increase the market share of our business services covering all brands and distributor customers, to enhance our business service performance in all aspects, and to lay a solid foundation for the Group's primary operational targets in the second half of 2023.
2. In the context of continuous economic downgrade, we will gradually strengthen our core technology capabilities and basic research and development, continuously upgrade the empowerment capabilities of the existing digital platform, maintain the development and research of the platform's new functions and technologies, and make every effort to improve the service efficiency of digital marketing, so as to further ensure that the Group will continue to deploy service business with profitable model and expand its business layout.
3. To actively respond to the adverse impact of economic downturn and consumption downgrade, the Group will continue to seek opportunities for strategic investment, acquisition and major cooperation, make the best effort to optimise and integrate the entire industry chain, and consolidate the carrier and cornerstone of business development. At the same time, with the gradual expansion of business layout and the real-time iteration of digital technology, we will lay a solid foundation to achieving the Group's future development vision.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Six months ended 30 June	
		2023 RMB'000 Unaudited	2022 RMB'000 Unaudited
Revenue	4	422,074	270,914
Cost of services	6	<u>(344,089)</u>	<u>(180,888)</u>
Gross profit		77,985	90,026
Administrative expenses	6	(47,173)	(40,478)
Selling and marketing expenses	6	(9,632)	(9,491)
Research and development expenses	6	(12,366)	(10,336)
Other income	5	14,996	21,923
Other gains — net	5	9,696	346
Reversal of impairment losses/(impairment losses) on financial assets		<u>218</u>	<u>(159)</u>
Operating profit		33,724	51,831
Finance income	7	1,259	32
Finance costs	7	(1,289)	(1,761)
Finance costs — net		(30)	(1,729)
Share of profit/(losses) of associates — net		<u>11</u>	<u>(444)</u>
Profit before income tax		33,705	49,658
Income tax expenses	8	<u>(9,183)</u>	<u>(15,446)</u>
Profit for the period		<u>24,522</u>	<u>34,212</u>
Profit and total comprehensive income for the period attributable to owners of the Company		<u>24,522</u>	<u>34,212</u>
Earnings per share attributable to the owners of the Company			
Basic and diluted (expressed in RMB per share)	9	<u>0.24</u>	<u>0.35</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 June 2023 <i>RMB'000</i> Unaudited	As at 31 December 2022 <i>RMB'000</i> Audited
ASSETS			
Non-current assets			
Plant and equipment		1,044	984
Right-of-use assets		1,372	2,509
Investments in associates		4,486	4,475
Deferred income tax assets		2,168	676
		<u>9,070</u>	<u>8,644</u>
Current assets			
Contract assets	<i>11</i>	235,851	190,624
Trade receivables	<i>12(a)</i>	306,260	344,902
Contract costs		28	480
Deposits, other receivables and prepayments	<i>12(b)</i>	27,747	19,772
Cash and cash equivalents		266,651	62,704
		<u>836,537</u>	<u>618,482</u>
Total assets		<u><u>845,607</u></u>	<u><u>627,126</u></u>
EQUITY			
Share capital		165	130
Other reserves		372,835	151,994
Retained earnings		218,532	194,370
Total equity		<u><u>591,532</u></u>	<u><u>346,494</u></u>

		As at 30 June 2023 <i>RMB'000</i> Unaudited	As at 31 December 2022 <i>RMB'000</i> Audited
LIABILITIES			
Non-current liability			
Lease liabilities		<u>107</u>	<u>55</u>
Current liabilities			
Lease liabilities		985	2,319
Borrowings	<i>14</i>	29,750	61,273
Trade and other payables	<i>13</i>	216,197	203,032
Contract liabilities		4,633	6,858
Income tax payables		2,403	5,648
Amount due to a related party		<u>—</u>	<u>1,447</u>
		<u>253,968</u>	<u>280,577</u>
Total liabilities		<u>254,075</u>	<u>280,632</u>
Total equity and liabilities		<u>845,607</u>	<u>627,126</u>

NOTES TO THE INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 30 September 2021 as an exempted company with limited liability under the Companies Act, Cap. 22 (Law 3 of 1961 as amended or supplemented or otherwise modified from time to time) of the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. The address of the Company's registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The Company's principal place of business in Hong Kong is located in Unit 3525, 35/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong.

The Company is an investment holding company and its subsidiaries are principally engaged in the customised marketing solution, task and marketers matching service, marketers assignment service and SaaS+ subscription in the People's Republic of China (the "PRC"). The ultimate holding company of the Company is Junshu Holdings Limited. The ultimate controlling party of the Company is Mr. Sun Guangjun ("Mr. Sun").

This interim condensed consolidated financial information (the "Interim Financial Information") is presented in Renminbi, unless otherwise stated, and has been approved for issue by the board of directors (the "Board") of the Company on 31 August 2023.

The interim condensed consolidated financial information has not been audited.

2 BASIS OF PREPARATION

Pursuant to the reorganisation of the Company as more fully explained in the section headed "History, Reorganisation and Corporate Structure" in the prospectus of the Company dated 28 April 2023 (the "Prospectus"), the Company became the holding company of the companies now comprising the Group on 1 March 2022 (the "Reorganisation"). Immediately prior to and after the Reorganisation, the principal business was mainly conducted through the Plus (Shanghai) Digital Technologies Co., Ltd. ("Plus (Shanghai)"), a limited liability company established in the PRC, and its subsidiaries (the "PRC Operating Companies"). Pursuant to the Reorganisation, the PRC Operating Companies were transferred to and held by the Company. The Company had not been involved in any other business prior to the Reorganisation and do not meet the definition of a business. The Reorganisation is merely a recapitalisation of the principal business with no change in management of such business and the ultimate owners of the Listing Business remain the same. Accordingly, the financial information of the companies now comprising the Group is presented using the carrying values of principal business for all periods presented for the purpose of this interim condensed consolidated financial statements.

The interim condensed consolidated financial information for the six months ended 30 June 2023 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting".

The interim condensed consolidated financial information does not include all the notes of the type normally included in an annual financial statements. Accordingly, this information is to be read in conjunction with the financial statements for the years ended 31 December 2020, 2021 and 2022 as set out in the Appendix I to the Prospectus, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied are consistent with those applied in preparation of the Group's financial statements for the year ended 31 December 2020, 2021 and 2022 as described in the Prospectus, except share-based payment under restricted share unit scheme and share award scheme.

Share-based payments

Share-based compensation benefits are provided to employees via restricted share unit scheme (“**the RSU Scheme**”) and share award scheme adopted on 13 January 2022 and 26 June 2023 respectively.

The fair value of deferred shares granted to employees for nil consideration under the short-term incentive scheme is recognised as an expense over the relevant service period. The fair value is measured at the grant date of the shares and is recognised in equity in the share-based payment reserve. The number of shares expected to vest is estimated based on the non-market vesting conditions. The estimates are revised at the end of each reporting period and adjustments are recognised in profit or loss and the share-based payment reserve.

Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed effective the date of the forfeiture.

The following new standards and amendments have been published that are not mandatory for the six months ended 30 June 2023 and have not been early adopted by the Group.

		Effective for accounting periods beginning on or after
Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2024
HKFRS 16 (Amendments)	Lease Liability in a Sale and Leaseback	1 January 2024
HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current	1 January 2024
HKAS 1 (Amendments)	Non-current Liabilities with Covenants	1 January 2024
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Management is in the process of assessing the financial impact of the adoption of the above new standards, amendments to standards and interpretation. The Group will adopt the new standards, amendments to standards and interpretation when they become effective.

4 REVENUE AND SEGMENT INFORMATION

Operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (“CODM”). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chairman of the Group that makes strategic decisions.

The chairman of the Company regards the Group’s business as a single operating segment and review interim condensed consolidated financial information accordingly.

(a) Disaggregation of revenue

	Six months ended 30 June	
	2023	2022
	<i>RMB’000</i>	<i>RMB’000</i>
	Unaudited	Unaudited
Revenue from:		
Customised marketing solution	326,288	191,225
Tasks and marketers matching service	66,213	36,862
Marketers assignment service	19,891	27,502
SaaS+ Subscription	9,682	15,325
	<u>422,074</u>	<u>270,914</u>

All revenue of the Group is recognised over time for the periods.

(b) Geographical information

All the revenue and non-current assets are based in the PRC for the six months ended 30 June 2023 and 2022.

5 OTHER INCOME AND GAINS — NET

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Other income		
Government grants (<i>Note</i>)	14,336	20,980
Gain on additional deduction of value-added tax	660	943
	<u>14,996</u>	<u>21,923</u>
Other gains — net		
Net foreign exchange gain	9,705	—
Fair value gains from financial assets at fair value through profit or loss	—	382
Loss on disposal of plant and equipment	(6)	(33)
Others	(3)	(3)
	<u>9,696</u>	<u>346</u>

Note: The government grants were mainly consisted of job-subsidy programme and companies registration subsidies for the six months ended 30 June 2023 and 2022. There are no unfulfilled conditions or other contingencies attaching to these grants. The Group did not benefit directly from any other forms of material government assistance.

6 EXPENSES BY NATURE

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Employee benefit expenses (including directors' emoluments)	237,846	96,467
Labour service fees	118,766	90,332
Research, development and technical service expenses	11,803	11,501
Listing expenses	10,708	10,783
Event consumables	10,960	13,709
Travel and transportation expenses	10,582	7,213
Office expenses	6,559	3,063
Other taxes and levies	2,792	3,647
Amortisation and depreciation	1,762	3,748
Auditor's remuneration	600	—
Other expenses	882	730
	<u>413,260</u>	<u>241,193</u>

7 FINANCE COSTS — NET

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Finance income		
— Bank interest income	<u>1,259</u>	<u>32</u>
	<u>1,259</u>	<u>32</u>
Finance costs		
— Interest for trade receivables factoring	(133)	(715)
— Interest expenses for bank borrowings	(1,106)	(872)
— Interest expenses on lease liabilities	<u>(50)</u>	<u>(174)</u>
	<u>(1,289)</u>	<u>(1,761)</u>
	<u>(30)</u>	<u>(1,729)</u>

8 INCOME TAX EXPENSE

(a) Cayman Islands and BVI Income Tax

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and British Virgin Islands, members of the Group incorporated in the Cayman Islands and British Virgin Islands are not subject to any income tax.

(b) Hong Kong Profits Tax

Hong Kong profits tax rate is 16.5%. No provision for Hong Kong profits tax was provided as the Group did not have assessable profits in Hong Kong during the six months ended 30 June 2023 and 2022.

(c) The PRC withholding tax

According to the applicable PRC tax regulations, dividends distributed by a company established in the PRC to a foreign investor with respect to profits derived after 1 January 2008 are generally subject to a 10% withholding tax. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the PRC and Hong Kong, the relevant withholding tax rate will be reduced from 10% to 5%. The applicable withholding tax rates of the group company in Hong Kong is 10% after the completion of the Reorganisation.

(d) **PRC Enterprise Income Tax**

PRC corporate income tax has been provided at the rate of 25% on the taxable profits of the Group's PRC significant subsidiaries for the six months ended 30 June 2023 and 2022. Certain subsidiaries of the Group in the PRC were qualified as "Small Low-Profit Enterprise" since 2019. "Small Low-Profit Enterprise" was entitled to a preferential income tax rate that was calculated in accordance with the two-tiered profits tax rates regime. For the six-month period ended 30 June 2023, under the two-tiered profits tax rates regime, the first RMB1,000,000 of the taxable income of qualified entities are taxed at 20%, and the taxable income above RMB1,000,000 are taxed at 25% (six-month period ended 30 June 2022: the first RMB1,000,000 of the taxable income of qualified entities are taxed at 2.5%, and the taxable income above RMB1,000,000 and less than RMB3,000,000 are taxed at 10%). Thus, the subsidiaries were subject to a preferential income tax rate of 20% or 2.5% for the six months ended 30 June 2023 and 2022.

The amounts of income tax expense (credited)/charged to the interim condensed consolidated income statements represent:

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Current income tax		
— The PRC current tax	10,675	14,526
Deferred income tax	(1,492)	920
	<u>9,183</u>	<u>15,446</u>

9 **EARNINGS PER SHARE**

(a) **Basic**

Basic earnings per shares is calculated by dividing the profit attributable to owners of the Company less treasury stock by the weighted average number of ordinary shares in issue during the six months ended 30 June 2023 and 2022.

The weighted average number of ordinary shares of the Company for the purpose of calculating basic earnings per share has been determined on the assumption that the share subdivisions on 25 February 2022 and 4 April 2023 as set out in note 1.2(h) and note 29(b) respectively to the Appendix I of the Prospectus have been retrospectively adjusted for the purpose of earnings per share computation. In addition to the aforementioned, in determining the weighted average number of ordinary shares in issue during the six months ended 30 June 2023 and 2022, the effect of 200 treasury shares of RSU Scheme received on 18 January 2022, 4,008 shares issued on 1 March 2022 as set out in note 1.2 (h) to the Appendix I of the Prospectus and 25,000,000 shares issued through initial public offering on 11 May 2023 have also been adjusted by a time-weighting factor.

	Six months ended 30 June	
	2023	2022
	Unaudited	Unaudited
Profit attributable to owners of the Company (<i>RMB'000</i>)	24,522	34,212
Weighted average number of ordinary shares in issue	102,625,058	99,117,000
Basic earnings per share (<i>in RMB</i>)	0.24	0.35

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding with the effect of the exercise of the Company's RSU Scheme (note 18(a)).

Diluted earnings per share is the same as basic earnings per share for the six months ended 30 June 2023 because the Company's RSU Scheme were anti-dilutive for the current reporting period as the assumed proceeds per RSU was higher than the average market price of the Company's shares.

Diluted earnings per share is the same as basic earnings per share for the six months ended 30 June 2022 as the Company's RSU Scheme was not granted and no diluted effect occurred during the period.

10 DIVIDEND

No dividend was paid or proposed during the six months ended 30 June 2023, nor has any dividend been proposed since the end of the interim reporting period (six months ended 30 June 2022: Nil).

11 CONTRACT ASSETS

	As at 30 June 2023 RMB'000 Unaudited	As at 31 December 2022 RMB'000 Audited
Customised marketing solution	158,519	123,054
Tasks and marketers matching service	17,160	14,451
Marketers assignment service	54,612	52,439
SaaS+ subscription	7,064	2,247
Contract assets — gross carrying amount	237,355	192,191
Less: allowance for impairment of contract assets	(1,504)	(1,567)
Contract assets — net	235,851	190,624

The Group's contract assets are denominated in RMB and initially recognised at transaction price on gross amount.

12 TRADE RECEIVABLES, DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS

(a) Trade receivables

	As at 30 June 2023 <i>RMB'000</i> Unaudited	As at 31 December 2022 <i>RMB'000</i> Audited
Trade receivables	307,296	346,088
Less: allowance for impairment of trade receivables	<u>(1,036)</u>	<u>(1,186)</u>
Trade receivables — net	<u><u>306,260</u></u>	<u><u>344,902</u></u>

The aging analysis of the trade receivables based on invoice date is as follows:

	As at 30 June 2023 <i>RMB'000</i> Unaudited	As at 31 December 2022 <i>RMB'000</i> Audited
1–60 days	200,739	172,636
61–120 days	98,711	135,145
121–180 days	3,833	31,732
Over 180 days	<u>4,013</u>	<u>6,575</u>
	<u><u>307,296</u></u>	<u><u>346,088</u></u>

The aging of trade receivables is mainly within 180 days after invoicing depending on the nature of services. The Group's trade receivables are denominated in RMB and initially recognized at transaction price on gross amount.

(b) Deposits, other receivables and prepayments

	As at 30 June 2023 <i>RMB'000</i> Unaudited	As at 31 December 2022 <i>RMB'000</i> Audited
Value-added tax receivables from customers	13,688	11,026
Deposits — third parties	3,837	1,943
Other receivables — staff	269	121
Amount due from a related party	<u>2,674</u>	<u>—</u>
	20,468	13,090
Less: allowance for impairment of other receivables	<u>(135)</u>	<u>(141)</u>
Other receivables — net	<u>20,333</u>	<u>12,949</u>
Prepayments for listing expenses	—	5,847
Prepayments to suppliers	4,244	976
Prepaid income taxes	<u>3,170</u>	<u>—</u>
Current portion	<u>7,414</u>	<u>6,823</u>

The Group's deposits, other receivables and prepayments are mainly denominated in RMB.

The carrying amounts of trade receivables, deposits, other receivables and prepayments approximate to their fair values. The maximum exposure to credit risk at the end of 30 June 2023 and 31 December 2022 is carrying amount of each class of trade receivables, deposits, other receivables and prepayments mentioned above.

13 TRADE AND OTHER PAYABLES

	As at 30 June 2023 <i>RMB'000</i> Unaudited	As at 31 December 2022 <i>RMB'000</i> Audited
Trade payables	<u>76,045</u>	<u>52,066</u>
Other payables:		
— Accrued staff costs	61,009	79,977
— Refund of pension to customers	48,015	48,015
— Other tax payables	18,173	16,449
— Payable for listing expenses	11,201	4,098
— Reimbursement and refund payables	699	712
— Accrual expenses	317	922
— Others	<u>738</u>	<u>793</u>
	<u>140,152</u>	<u>150,966</u>
	<u>216,197</u>	<u>203,032</u>

The trade and other payables are denominated in RMB and the carrying amounts approximate their fair values.

The aging analysis of the trade payables by invoice date is as follows:

	As at 30 June 2023 <i>RMB'000</i> Unaudited	As at 31 December 2022 <i>RMB'000</i> Audited
Up to 90 days	<u>76,045</u>	<u>52,066</u>

14 BORROWINGS

	As at 30 June 2023 RMB'000 Unaudited	As at 31 December 2022 RMB'000 Audited
Current, secured		
— Bank borrowings	<u>29,750</u>	<u>61,273</u>

- (a) The carrying amounts of the bank borrowings, which are all due within one year, approximate their fair values. The bank borrowings are denominated in RMB and the weighted average interest rates were 4.20% per annum as at 30 June 2023 (31 December 2022: 4.18%).
- (b) As at 30 June 2023 and 31 December 2022, borrowings were guaranteed by:
- (i) Corporate guarantees provided by certain subsidiaries of the Company;
 - (ii) Guarantee provided by a governmental guarantor specially set for small and medium-sized enterprises.
- (c) The Group has complied with the financial covenants of its borrowing for the six months ended 30 June 2023 and 2022.

OTHER INFORMATION

1. Purchase, Sale or Redemption of the Securities of the Company

From the Listing Date up to the date of this announcement, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

2. Dividend

The Board does not recommend the payment of any dividend for the six months ended 30 June 2023 (30 June 2022: Nil).

3. Corporate Governance Code

The Company is committed to maintaining sound corporate governance and had complied with all the code provisions as set out in the Corporate Governance Code in Appendix 14 to the Listing Rules (the “**Corporate Governance Code**”) since the Listing Date and up to the date of this announcement, save for the deviation from the code provision C.2.1 of Part 2 of the Corporate Governance Code disclosed below.

Pursuant to code provision C.2.1 of Part 2 of the Corporate Governance Code, the roles of the chairman of the Board and Chief Executive Officer should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and Chief Executive Officer should be clearly established and set out in writing. Mr. Sun Guangjun is the Chairman and chief executive officer of the Company. He has been primarily involved in developing overall corporate and business strategies of the Group and making significant business and operational decisions of the Group.

The Directors consider that vesting the roles of both the Chairman and the Chief Executive Officer of the Company in Mr. Sun Guangjun is beneficial to the business prospects of the Group by ensuring consistent leadership to the Group as well as prompt and effective decision making and implementation. In addition, the Directors believe that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) the decision to be made by the Board requires approval by at least a majority of the Directors; (ii) Mr. Sun Guangjun and other Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of the Company and will make decisions for the

Company accordingly; (iii) the balance of power and authority is ensured by the operations of the Board, which consists of two executive Directors (including Mr. Sun Guangjun), two non-executive Directors and three independent non-executive Directors, and has a fairly strong independence element; and (iv) the overall strategic and other key business, financial, and operational policies of the Company are made collectively after thorough discussion at both the Board, and senior management levels.

The Board shall review the structure from time to time to ensure that the structure facilitates the execution of the business strategies of the Group and maximizes effectiveness of its operation.

4. Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) under Appendix 10 to the Listing Rules. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the requirements for securities transactions of directors set out in the Model Code during the Reporting Period.

5. Audit Committee

The Company established the audit committee with written terms of reference in compliance with the Rule 3.21 of the Listing Rules and The Corporate Governance Code as set out in Appendix 14 of the Listing Rules. As of the date of this announcement, the audit committee comprises three independent non-executive Directors (Mr. Lau Man Tak, Ms. Li Yingkai and Mr. Ngan Wing Ho) of the Company. Mr. Lau Man Tak is the chairman of the audit committee. The audit committee has reviewed the Company’s unaudited interim condensed consolidated results for the six months ended 30 June 2023, and confirms that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. The interim results for the six months ended 30 June 2023 are unaudited, but have been reviewed by PricewaterhouseCoopers, the independent auditors of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

6. RSU Scheme

On 13 January 2022, the adoption of the RSU Scheme was approved by the Board. The purpose of the RSU Scheme is to incentivise employees, directors, officers, and consultants for their contribution to the Group, to attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company. Robert Sun Holdings was incorporated in the BVI for the purpose of holding Shares for grant under the RSU Scheme. For details, see “Appendix IV — Statutory and General Information — D. Other Information — 1. RSU Scheme” in the Prospectus.

As of the date of this announcement, all RSUs had been granted under the RSU Scheme with the details as follows:

Name of the grantee	Position held	Grant date	Number of Shares underlying RSUs granted as of the date of this announcement	Vesting Period ⁽¹⁾	Approximate percentage of shareholding in the Company
Mr. Yang Hong	Executive Director and vice president of the Company	31 March 2023	1,000,000	10 years from the grant date	0.80%

The grantee of the RSUs granted under the RSU Scheme as referred to in the table above is not required to pay for the grant or exercise of any RSUs. None of the RSUs were vested and all of the RSUs were outstanding as of the date of this announcement. The Company will not issue or grant further RSUs under the RSU Scheme.

7. Share Award Scheme

On 26 June 2023, the Board resolved to adopt the Share Award Scheme to (i) recognise and reward certain eligible participants for their performance and contribution to the growth and development of the Group; (ii) to provide such eligible participants with incentives in order to encourage and retain them for the continual operation and development of the Group; and (iii) to attract suitable personnel for further development of the Group. On the same day, the Company entered into a trust deed (the “**Trust Deed**”) with CMB Wing Lung (Trustee) Limited in respect of the appointment of the trustee (the “**Trustee**”) for the administration of the Share Award Scheme.

The Board may, either before or after identification of the grantee(s), cause to be paid to the Trustee or the trust holdco (a company as a company wholly-owned by the Trustee to act as the Trustee) such amount as may be required for the purchase of existing Shares from the market as the awarded shares (the “**Awarded Shares**”) for the Share Award Scheme and other purposes set out in the scheme rules and the Trust Deed. For details, please refer to the announcements of the Company dated 26 June 2023 and 28 June 2023.

During the period between 25 July 2023 and 31 July 2023 (both dates inclusive), the Trustee purchased an aggregate of 2,810,200 Shares on the open market for the purpose of the Share Award Scheme. For details, please refer to the voluntary announcement of the Company dated 1 August 2023. No Awarded Shares had been granted to any grantees under the Share Award Scheme as of the date of this announcement.

8. Initial Public Offering of Shares on the Stock Exchange and Use of Proceeds

On 11 May 2023, the Shares of the Company were listed on the Main Board of the Stock Exchange. A total of 25,000,000 Shares with a nominal value of US\$0.0002 per share were issued under the initial public offering. The offer price is HK\$10.6 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.005%). The gross proceeds from the Listing were HK\$265.0 million. From the Listing Date up to as of 30 June 2023, the Group has progressively utilised the proceeds from the initial public offering in accordance with the intended use as set out in the Prospectus.

The aggregate net proceeds from the initial public offering of the Company's Shares on the Main Board of the Stock Exchange, after deduction of underwriting fees and other related expenses, amounted to approximately HK\$206.7 million (approximately equivalent to RMB190.6 million). As of 30 June 2023, the Company has utilised approximately HK\$22.8 million of the proceeds in total, representing approximately 11.0% of all raised net proceeds, in accordance with the intended use set out in the Prospectus, with the unused portion of the proceeds amounting to approximately HK\$183.9 million. The Company will continue to utilise the balance of the net proceeds from the initial public offering in accordance with the usages and proportions as disclosed in the Prospectus. The details are set out as follows:

Use of proceeds	Percentage (%)	Net proceeds (HK\$ million)	Actual net amount utilised as of 30 June 2023 (HK\$ million)	Unutilised net amount as of 30 June 2023 (HK\$ million)	Expected timeline for utilising the unutilised net amount
Enhancing the core technology capabilities and fundamental R&D of the Group	32.0%	66.1	0.4	65.7	will be gradually used up to 31 December 2026
Pursuing strategic investment, acquisition and cooperation	30.0%	62.0	—	62.0	will be gradually used up to 31 December 2024
Enhancing the Group's capabilities in sales and marketing	20.5%	42.4	0.7	41.7	will be gradually used up to 31 December 2026
Repaying the bank borrowings of the Group	7.5%	15.5	15.5	—	fully used as of 30 June 2023
Working capital	10.0%	20.7	6.2	14.5	will be gradually used up to 31 December 2023
Total	100.0%	206.7	22.8	183.9	

Note:

The difference between the actual net proceeds from the initial public offering and the previous estimation mainly represents underwriting incentive fees, overtime payment to intermediaries and other disbursements which were determined after the Listing.

9. Significant Events Subsequent to the Reporting Period

No other significant events affecting the Group have occurred since 30 June 2023 and up to the date of this announcement save as disclosed in this announcement.

10. Publication of Interim Results and the 2023 Interim Report

These results have been prepared in accordance with the applicable disclosure requirements of the Listing Rules. The interim results announcement will be published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.plscn.com). The interim report of the Company for the six months ended 30 June 2023 containing all information required by the Listing Rules will be despatched to the Shareholders in due course and published on the above websites.

DEFINITIONS

“AFRC”	the Accounting and Financial Reporting Council of Hong Kong
“Articles of Association”	the articles of association of the Company adopted by special resolutions passed on 4 April 2023 with effect from the Listing Date
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors of the Company
“Chairman”	the chairman of the Board
“Company”	Plus Group Holdings Inc. (普樂師集團控股有限公司), an exempted company incorporated under the laws of the Cayman Islands with limited liability on 30 September 2021, the Shares of which were listed on the Main Board of the Stock Exchange on the Listing Date (stock code: 2486)
“Corporate Governance Code”	Corporate Governance Code set out in Appendix 14 to the Listing Rules
“Director(s)”	the director(s) of the Company
“FMCG”	fast-moving consumer goods, including non-durable household goods such as foods, beverages, cosmetics, tobacco, and other consumables
“Group”	the Company and its subsidiaries

“HKFRS”	Hong Kong Financial Reporting Standards which include standards and interpretations as issued by the Hong Kong Institute of Certified Public Accountants
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	11 May 2023, being the date on which the Shares are first listed and from which dealings thereof are permitted to commence on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Main Board”	the stock exchange (excluding the options market) operated by the Stock Exchange which is independent from and operating in parallel with GEM of the Stock Exchange
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules
“PRC” or “China”	the People’s Republic of China, but for the purpose of this announcement and unless otherwise indicated, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus of the Company dated 28 April 2023
“Reporting Period”	six months ended 30 June 2023
“RMB”	Renminbi, the lawful currency of the PRC
“RSU(s)”	restricted share unit(s) awarded to a participant under the RSU Scheme
“RSU Scheme”	the restricted share unit scheme of the Company approved and adopted by the Board on 13 January 2022
“SaaS”	software as a service, a cloud-based software licensing and delivery model in which software and associated data are centrally hosted

“Share Award Scheme”	the “Plus Group Holdings Inc. 2023 Share Award Scheme” adopted by the Company on 26 June 2023
“Share(s)”	ordinary share(s) of par value of US\$0.0002 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board
Plus Group Holdings Inc.
Mr. Sun Guangjun
Chairman, executive Director and chief executive officer

Hong Kong, 31 August 2023

As at the date of this announcement, the Board comprises Mr. Sun Guangjun as the chairman, an executive Director and chief executive officer, and Mr. Yang Hong as an executive Director, Mr. Li Jianbo and Mr. Zhong Jiesheng as non-executive Directors, and Mr. Lau Man Tak, Ms. Li Yingkai and Mr. Ngan Wing Ho as independent non-executive Directors.