Bairong Inc.
百融雲創

(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)

(Stock Code: 6608)

UNAUDITED OPERATION SUMMARY FOR THE FIRST QUARTER OF 2022

This announcement sets out the unaudited operation summary of Bairong Inc. (the "**Company**") and its subsidiaries and consolidated affiliated entities (together, the "**Group**") for the first quarter of 2022.

This announcement is made in accordance with the requirements of Rule 13.09(2)(a) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

As of March 31, 2022, the Group had served more than 5,900 financial services provider ("**FSP**") clients of which 3,501 are paying FSP clients. Our clients include substantially all of China's national banks, more than 930 regional banks, substantially all of China's consumer finance companies and major insurance companies, and a variety of other FSPs.

	Three months ended March 31,		
	2022	2021	**Change (%)**
	(RMB in thousands, except %)		
	(unaudited)	*(unaudited)*	
Revenue	**450,890**	409,214	10
Smart analytics and operation services	**198,910**	141,170	41
Precision marketing services	**93,144**	121,934	–24
Insurance distribution services	**158,836**	146,110	9

The Group's smart analytics and operation services include subscription-based data analytics services and operational software as a service ("**SaaS**"). For the three months ended March 31, 2022, the revenue of smart analytics and operation services reached RMB199 million, representing a year-on-year increase of 41%. The increase was primarily driven by the market demand of Group's operational SaaS products and services. These products and services include smart voicebot, cloud-based operational SaaS platform, wealth management systems and smart decision support tools, and operational support solutions. In the first quarter of 2022, the revenue of operational SaaS accounted for 22% of smart analytics and operation services revenue, increased from 3% in the same period last year.

For the three months ended March 31, 2022, the revenue of precision marketing services was RMB93 million, representing a year-on-year decrease of 24%. The decrease was due to (i) a strong first quarter of last year as the release of accumulated marketing budget from FSP clients; and (ii) the prudent user acquisition strategy of FSP clients caused by the government's protocols of preventing epidemic spread during the first quarter of 2022. Although the protocols also made it difficult to fully release the consumer demand for insurance products, especially life insurance products, the Group still managed to grow the revenue of insurance distribution services by 9% year-on-year to RMB159 million.

CAUTIONARY STATEMENT

Shareholders of the Company and potential investors are reminded that this summary is based on the Group's internal figures and management accounts which have not been audited or reviewed by our external auditors. Shareholders of the Company and potential investors should therefore exercise caution when dealing in the shares of the Company.

Certain statements in this announcement are forward-looking statements that are, by their nature, subject to significant risks and uncertainties. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions, future events, or performance (often, but not always, through the use of words or phrases such as 'will', 'expect', 'anticipate', 'estimate', 'believe', 'going forward', 'ought to', 'may', 'seek', 'should', 'intend', 'plan', 'projection', 'could', 'vision', 'goals', 'aim', 'aspire', 'objective', 'target', 'schedules', and 'outlook') are not historical facts, are forward-looking and may involve estimates and assumptions and are subject to risks, uncertainties and other factors some of which are beyond our Company's control and which are difficult to predict. Accordingly, these factors could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

Since actual results or outcomes could differ materially from those expressed in any forward-looking statements, we strongly caution investors against placing undue reliance on any such forward-looking statements. No statement in this announcement is intended to be a profit forecast or to imply that the earnings of the Group as at the date of this announcement or in future will necessarily match or exceed the historical or published earnings of the Group. Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. Statements of, or references to, our intentions or those of any of our Directors are made as of the date of this document. Any such intentions may change in light of future developments.

By order of the Board
Bairong Inc.
Zhang Shaofeng
Chairman

Hong Kong, May 24, 2022

As at the date of this announcement, the board of directors of the Company comprises Mr. Zhang Shaofeng, Mr. Zhao Hongqiang and Ms. Zhao Jing as executive directors, Mr. Bai Linsen and Mr. Ren Xuefeng as non-executive directors, and Professor Chen Zhiwu, Mr. Zhou Hao, Professor Guo Yike and Dr. Li Yao as the independent non-executive directors.