Bairong Inc.
6608.HK

A Leading AI Turnkey Service Provider

2023H1 Results

Vision： To Be the Enabler of Digital Intelligence Economy

Bairong Inc.
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20231H Business Update

Chairman & CEO: Zhang Shaofeng

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A Leading Turnkey AI Service Provider

Net Profit
YoY increase by 121%+

Total Revenue for Latest 5 Years
CAGR 42%

Gross Trascation Value Delivered by Generative AI
YoY increase by 70%+

Covering Institutional Clients
7,000+

Key Clients Retention Rate
98%

Overall Client Satisfaction Rate
97%

Note：All 2023 interim data； Key clients are defined as licensed financial institutional customers with revenue of more than RMB 300,000 in 20231H

➢ Business Overview: Leverage AI to Improve Operation Efficiency

Digital Intelligent Transformation

MaaS

Subscription-based
Assist decision making

BaaS
Financial Scenario

BaaS
Insurance Scenario

BaaS
E-commerce, Leasing, Recruiting...

Performance-based
Deliver end-to end business results

Discriminant AI + Generative AI

AI Technology

LLM/Transformer

AutoML/Deep Learning

Privacy-Preserving Computing

ASR/NLP/AIGC/TTS

Cloud Computing

Vertical Industry Know How + User Tags + Product Tags

Client-Driven & Closed Loop Service

Note：MaaS（Model as a Service）；BaaS（Business as a Service）

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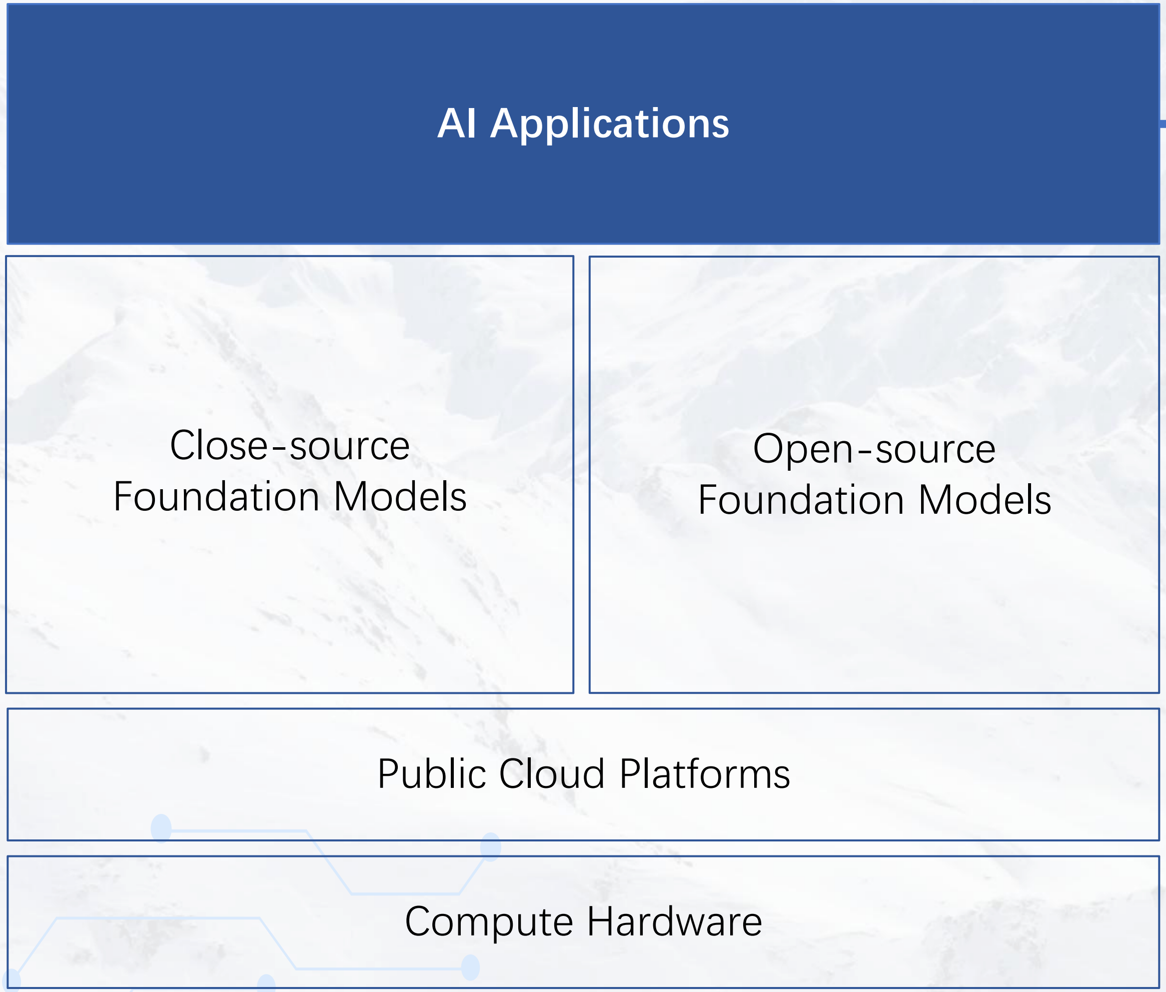
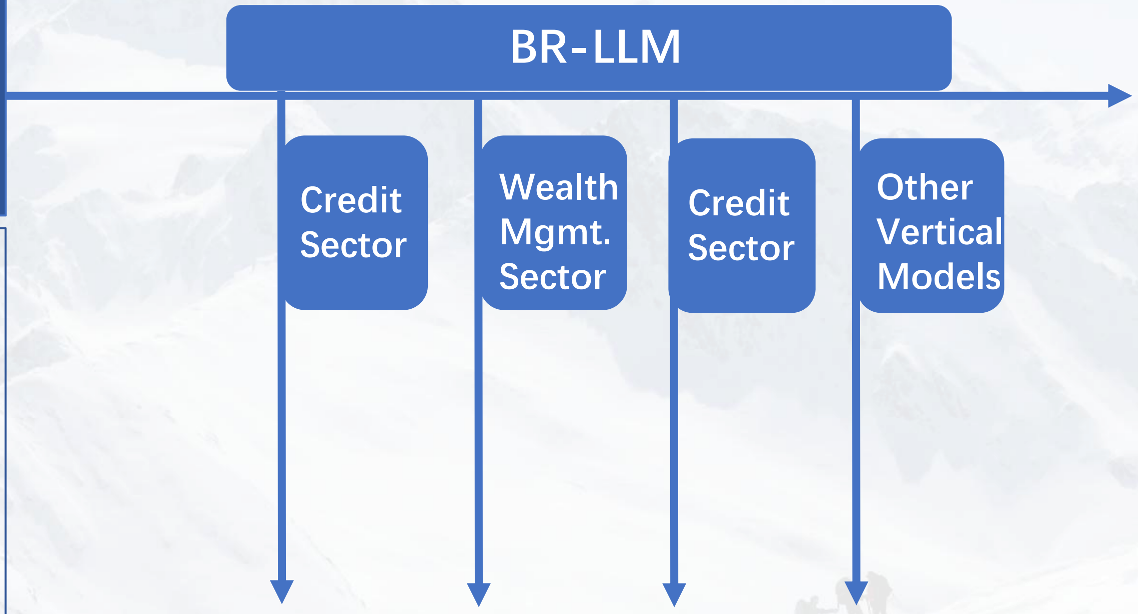
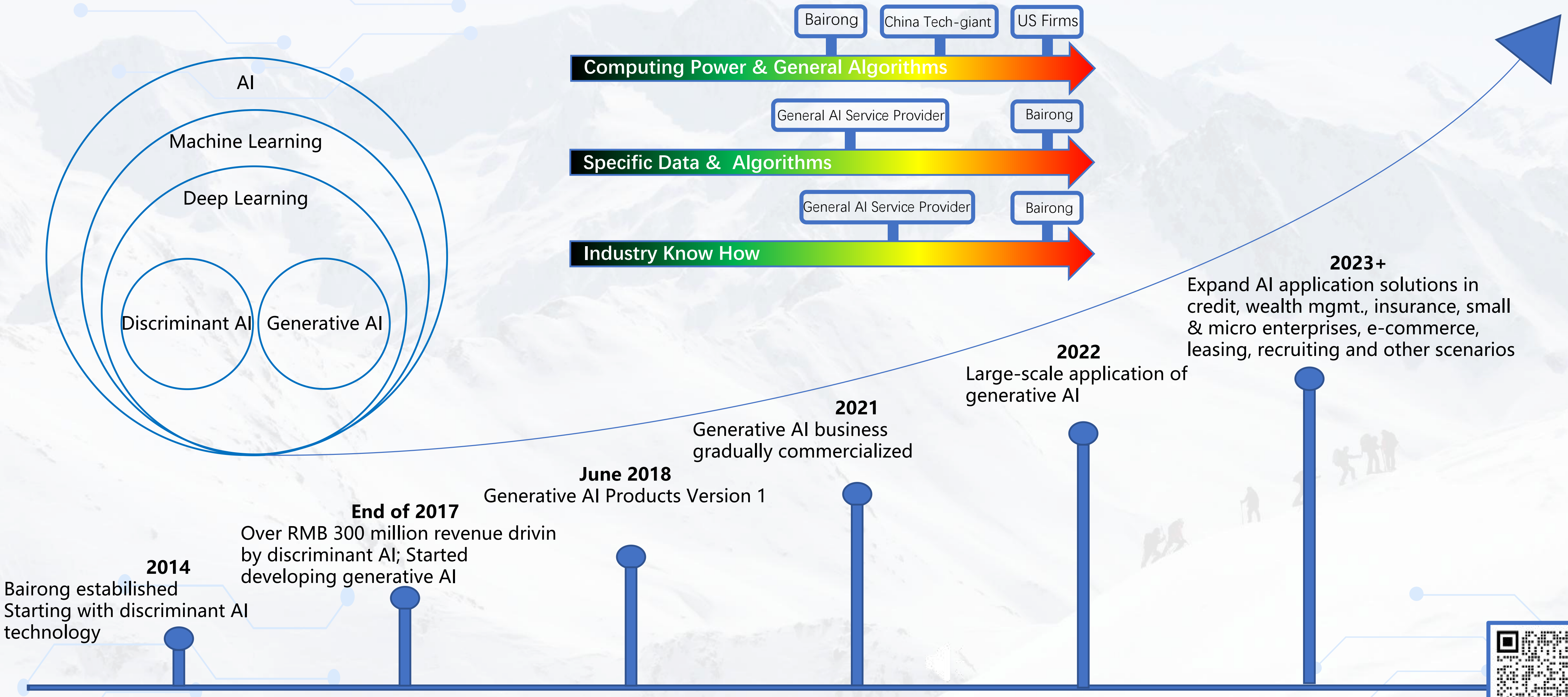
LLM: Advantages of Labels and Industry Know How





- ✓ 209 software copyrights and patents as of June 30 2023
- ✓ Established X Dynamics department to promote AI2.0 exploration
- ✓ In the latest C-Eval list, Bairong's Chinese LLM ranks No. 25

AIGC: Lead the Development of AI Applications



Note: 2022 Annual data

➢ ESG: Leverage AI to Shoulder Corporate Social Responsibility

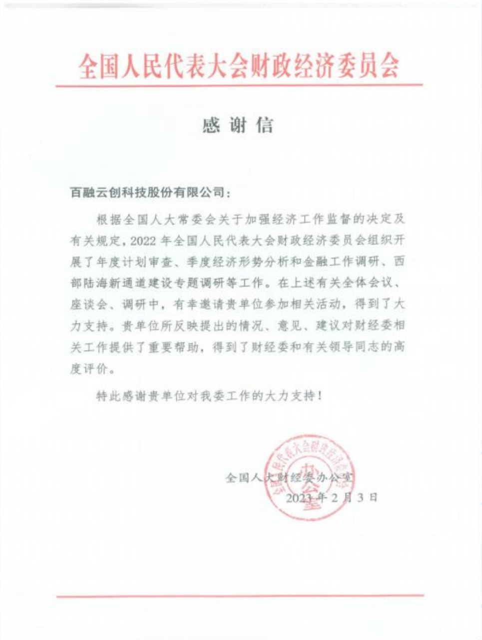
- Dedicated to **"Beijing-Mongolian Strategic Cooperation"** and **"Thousands of Enterprises Prospering Thousands of Villages"** , carried out financial assistance, consumption assistance, industrial assistance and education assistance
- Carry out cooperation with universities, and jointly carry out **School-enterprise cooperation activities** with Tsinghua University, Renmin University of China, Central University of Finance and Economics and other universities
- Organized a number of themed party building activities to realize the organic integration of party building work and scientific and technological services
- Won the honor of **"Outstanding Contribution Enterprise for Rural Revitalization"** in Shijingshan District, and the honorary certificate of **"Beijing Credit AAA Enterprise"** for six consecutive years


百融云创科技股份有限公司

北京市信用AAA级企业

证书编号：CX2151309
有效期至：2024 年 06 月
查询网址：www.beea.org.cn

北京软件和信息服务业协会 北京企业评价协会
二〇二三年六月


全国人民代表大会财政经济委员会

感 谢 信

百融云创科技股份有限公司：

根据全国人大常委会关于加强经济工作监督的决定及有关规定，2022 年全国人民代表大会财政经济委员会组织开展了年度计划审查、季度经济形势分析和金融工作调研、西部陆海新通道建设专题调研等工作。在上述有关全体会议、座谈会、调研中，有幸邀请贵单位参加相关活动，得到了大力支持。贵单位所反映提出的情况、意见、建议对财经委相关工作提供了重要帮助，得到了财经委和有关领导同志的高度评价。

特此感谢贵单位对我委工作的大力支持！

全国人大财经委办公室
2023 年 2 月 3 日

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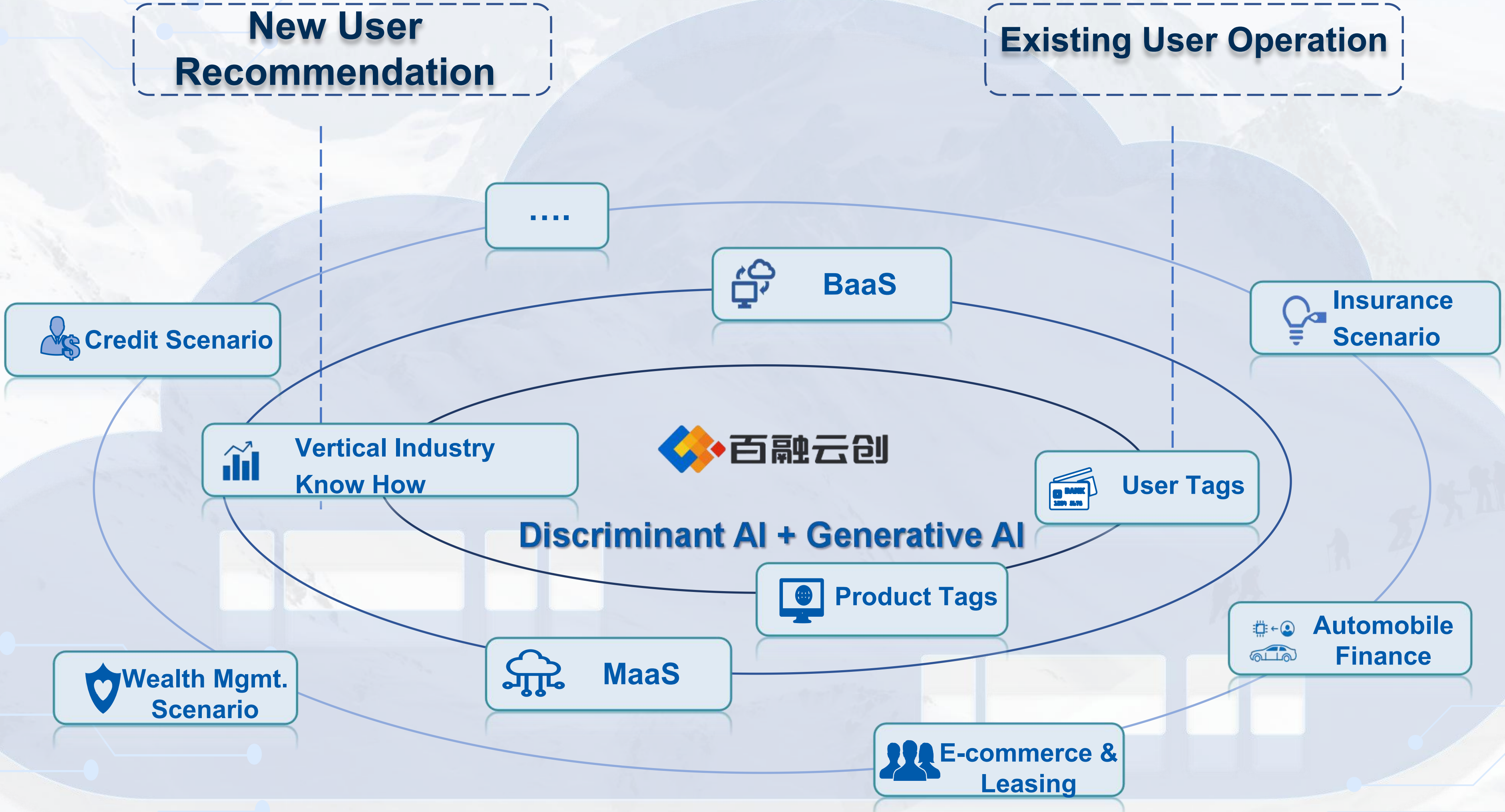
➢ Outlook: Leverage AI to Facilitate the Digital and Intelligent Transition



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2023H1 Earnings Review

CFO and Senior Vice President: Zheng Wei

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Financial Model

						Total Revenue	Costs
MaaS (Discriminant AI)	Number of Key Client	×	Average Revenue Per Client	=		MaaS Revenue	Data Costs
						+	
BaaS (Generative AI)	Transaction Value	×	Take Rate	=		BaaS Revenue	Platform Expenses

Financial Scenario	Gross Value of Asset Transactions	×		Take Rate			=	Revenue from Financial Scenario
Insurance Scenario	First Year Premiums	×	First Year Commission Rate	+	Renewal Premiums	× Renewal Commission Rate	=	Revenue from Insurance Scenario

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Earnings Review

42%
CAGR for latest 5 years

7000+
Institutional Clients

Financial Indicators	2023H1 (RMB)	2022H1 (RMB)	YoY	Margin
Revenue	1,243M	945M	+32%	-
Gross Profit	896M	678M	+32%	72%
Net Profit	207M	93M	+121%	17%
Adjusted Net Profit	227M	126M	+80%	18%

Revenue Breakdown	2023H1 (RMB)	2022H1 (RMB)	YoY	Revenue Share
MaaS	431M	347M	+24%	35%
BaaS	812M	598M	+36%	65%
BaaS: Financial Scenario	492M	317M	+55%	61%
BaaS: Insurance Scenario	320M	281M	+14%	39%

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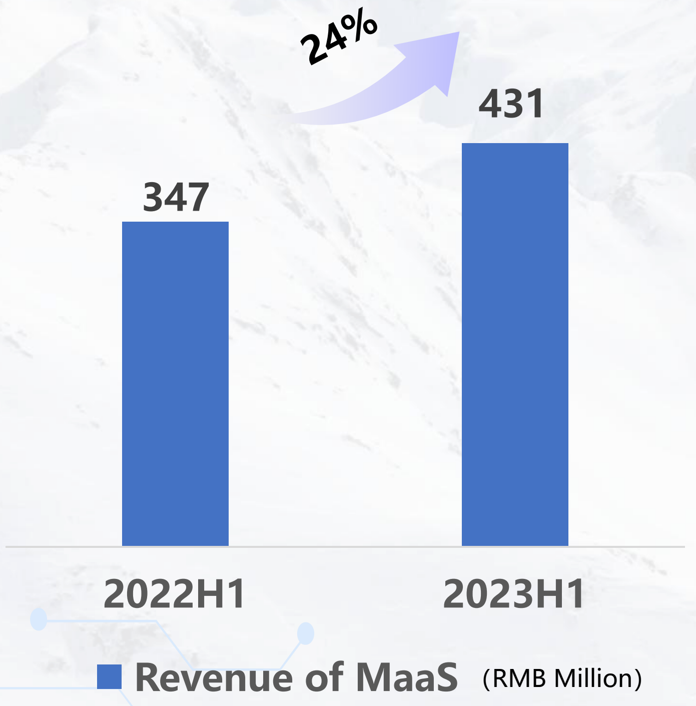
➢ Earnings Review: MaaS

- In 2023H1, the revenue of MaaS reached **RMB 431million**, with **24%** YoY increase.
- In 2023H1, the retention rate of key clients maintained at a high level of **98%**, number of key clients reached 146 with 11% YoY increase
- In 2023H1, MaaS **continued to profit and grew steadily**

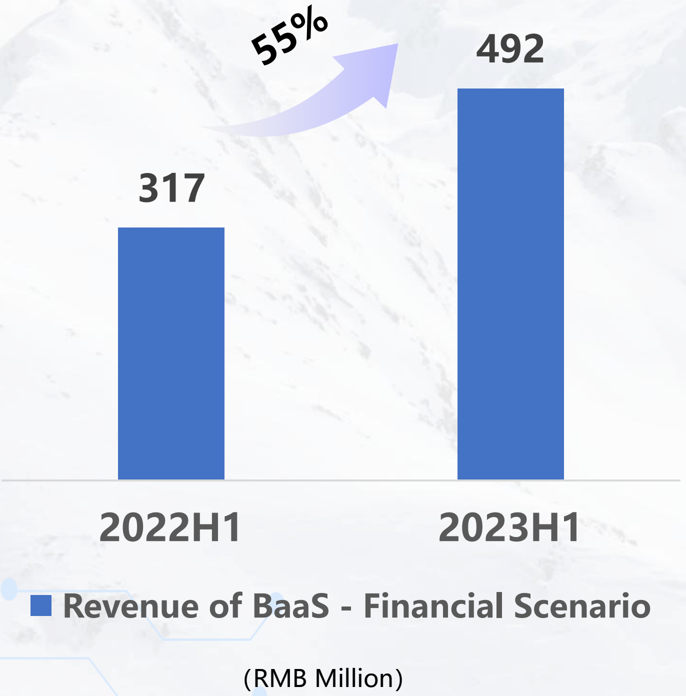


	2023H1	2022H1	(%)
Revenue from MaaS (RMB Million)	431	347	24
Revenue from Key clients (RMB Million)	355	288	23
Number of Key Clients	146	132	11
Average revenue per Key client (RMB Million)	2.43	2.19	11
Percentage of revenue from Key client	82%	83%	-1pct
Retention rate of Key clients	98%	96%	+2pct

Note：Key clients are defined as licensed financial institutional customers with semiannualrevenue of more than RMB 300,000

Earnings Review: BaaS - Financial Scenario

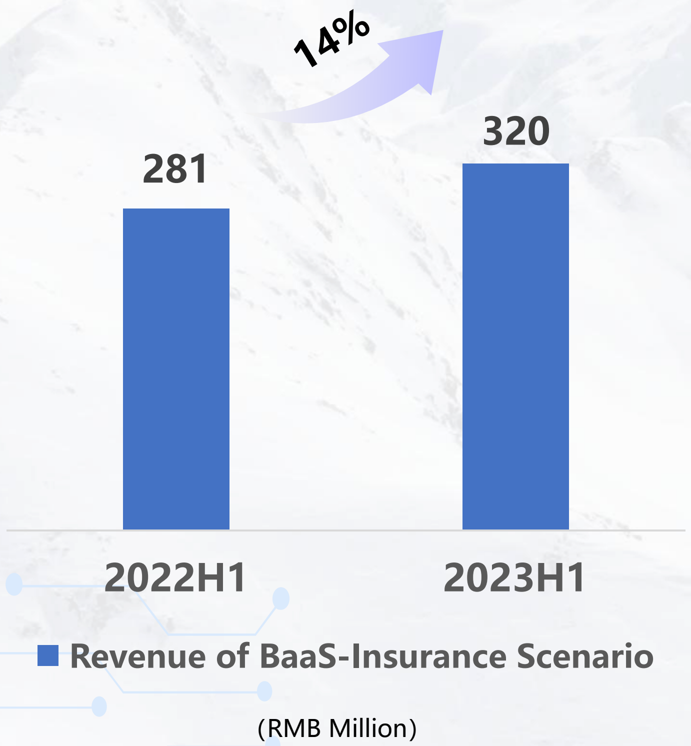
- In 2023H1, the revenue of BaaS - Financial Scenario growed rapidly to **RMB 492 million**, a YoY increase of **55%**
- In 2023H1, the annual gross trasaction value of BaaS - Financial Scenario reached **RMB 21.26 billion**, increased by **72% YoY**
- In 2023H1, our turnkey service based on AIGC has been widely appreciated



	2023H1	2022H1	(%)
Revenue from BaaS-Financial Scenario (RMB Million)	492	317	55
Gross Value of Asset Transactions (RMB Million)	21,262	12,367	72
Take Rate	2.31%	2.56%	-0.3pct

Earnings Review: BaaS - Insurance Scenario

- In 2023H1, the revenue of BaaS - Insurance Scenario growed steadily to **RMB 320 million**, increased by **14%** YoY
- In 2023H1, the total premium exceed **RMB 1.5 billion**, with **55%** YoY increase
- In 2023H1, the persistency rate of our insurance premiums continued to exceed **90%**



(RMB Million)	2023H1	2022H1	(%)
Revenue from BaaS-Insurance Scenario	320	281	14
Revenue from the first year premiums	270	231	17
Revenue from the renewal premiums	50	51	-2
Total Premiums	1,597	1,005	59
First year premiums	940	534	76
Renewal premiums	658	471	40

Financial Summary

(RMB in Thousands)	6 months as of 30 June 2023				
	2023 (Unaudited)	2022 (Unaudited)	2023 YoY	2023 As % of Revenue	2022 As % of Revenue
Revenues					
MaaS	431,134	346,991	24%	35%	37%
BaaS-Financial Scenario	492,095	316,862	55%	40%	34%
BaaS-Insurance Scenario	319,803	281,328	14%	26%	30%
Total Revenues	**1,243,032**	**945,181**	**32%**	**100%**	**100%**
Cost of sales	(346,998)	(267,600)	30%	28%	28%
Gross Profit	**896,034**	**677,581**	**32%**	**72%**	**72%**
Research and development expenses	(202,066)	(159,946)	26%	16%	17%
General and administrative expenses	(123,984)	(132,532)	-6%	10%	14%
Sales and marketing expenses	(460,684)	(388,436)	19%	37%	41%
Profit from operations	**211,730**	**92,013**	**130%**	**17%**	**10%**
Profit before tax	206,993	89,516	131%	17%	9%
Profit/(loss)	**206,808**	**93,370**	**121%**	**17%**	**10%**
Non-IFRS profit	**226.847**	**125,912**	**80%**	**18%**	**13%**
Non-IFRS EBITDA	267,644	168,417	59%	22%	18%

(RMB in Thousands)	**As of 30 June 2023**	**As of 31 December 2023**		
Cash, cash equivalents and financial assets	**3,749,961**	**3,978,112**	-	-

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Q&A Session

*Onsite: Please raise your hand to let us know

*Telephone: Please press *1 on your phone to queue for asking questions

*Online text: Please type your questions in the "Q&A" area on APP

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Email: ir@brgroup.com

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