Bairong Inc. 2025 Investor Day

Investor Relations

Time: December 18, 2025, 5:00-6:00 PM

Venue: On-site - Beijing Wangjing Hyatt Hotel; Online - Tencent Meeting

【Management】

Mr. Zhang Shaofeng — Founder, Chairman of the Board, and Chief Executive Officer

Mr. Duan Ying — Senior Vice President and Head of RaaS Financial Industry Cloud

Mr. Feng Yong — Vice President of Research and Development and Head of Bairong Baizhi

Mr. Wang Weimin — Chief Product and Marketing Officer and Vice President

Ms. Wang Qing — Executive Director and Head of Bairong AI Wealth

Ms. Qin Xuan (Sandy Qin) — Executive Director and Investor Relations Director

【Transcript】

Ms. Qin Xuan (Sandy Qin) — Executive Director and Investor Relations Director

Dear investors, analysts, and media friends, good day everyone. I am Sandy Qin, Executive Director and Investor Relations Director of Bairong. Thank you very much for taking time out of your busy schedules to attend today's AI Agent Productivity Conference, where you witnessed our diverse range of products. Whether it's Baicai（百才）, Baiying（百盈）, Baijian（百鉴）, or Baizhi（百智）, we have deployed agent products across various industries.

Additionally, we are now holding this closed-door session specifically for investors to help you understand the various business and financial metrics under our RaaS framework, as well as our future forecasts.

This meeting will consist of two parts: ① Mr. Shaofeng will deliver a keynote speech and ② in the Q&A session, all analysts and investors present will be welcome to raise their hands to ask questions. Several members of our management team are on-site and ready to engage in deeper, more candid exchanges with you.

Next, I would like to introduce the company's management team attending this investor closed-door session. They are:

Mr. Zhang Shaofeng — Founder, Chairman of the Board, and Chief Executive Officer

Mr. Duan Ying — Senior Vice President and Head of RaaS Financial Industry Cloud

Mr. Feng Yong — Vice President of Research and Development and Head of Bairong Baizhi

Mr. Wang Weimin — Chief Product and Marketing Officer and Vice President

Ms. Wang Qing — Executive Director and Head of Bairong AI Wealth

Now, let's welcome with warm applause, and invite Mr. Zhang Shaofeng, the Company's Founder, Chairman of the Board, and CEO, to present to you.

Mr. Zhang Shaofeng — Founder, Chairman of the Board, and Chief Executive Officer

Thank you for your long-term support. Bairong is quite a unique company with many labels attached to it, but none of them are what I personally endorse. First, I don't recognize Bairong as a software company – I've never seen it that way. Even before starting this venture, I said we must not become a software company, as software companies in China have been very unsuccessful. Second, I don't consider us a fintech company either, although we were once misunderstood by the market because financial institutions were our primary paying customers and revenue. We don't do payments or loan assistance. Bairong is very different from those companies – we don't handle money flows.

As I've made clear today, our company has been about delivering results since day one.

The company was founded in 2014. We started by creating AI agent approval specialists/risk control managers. In 2017, we initiated voice interaction projects – back then we didn't call them agents, we called them voice AI, and we worked on customer service and marketing. Two years ago, we decided to expand our business across hundreds of industries.

Our essence? Take me for example – I've been working on machine learning since university. Later at Oracle as a management trainee, I was one of only three people doing machine learning across the entire Asia-Pacific region. My superiors would sometimes tell me that my field was too niche with no real business opportunities, urging me to switch careers. But I never did, because I firmly believe in two things: first, data, and second, algorithms – this is my creed. Back then, I hadn't realized how important computing power would be. My best subjects since childhood were mathematics, followed by physics, and then computer science. Personally, I've held firm to the data-plus-algorithm concept for nearly thirty years.

Some shareholders previously suggested we change our business model to SaaS – the classic American-defined SaaS model. First, I completely disagreed. Second, the SaaS model fundamentally doesn't exist in China; this model doesn't work here. Third, I believe China will skip SaaS entirely and jump straight to PaaS. Because Chinese enterprises want results – the process doesn't matter, tools have no value. What they want is TaaS, where 'T' stands for Transaction: can you directly complete transactions? Can we share revenue? This is the ultimate form of Revenue as a Service or RaaS – helping them make money. Shareholders said not to call it TaaS, as it's too narrow; it's not just about completing transactions. They suggested BaaS, Business as a Service, which is why you see BaaS in Bairong's financial reports.

So for a long time, even in capital markets, our primary shareholders didn't realize our business core, because we started too early.

We need to understand what revenue AI makes? AI earns human wages. If you calculate the total number of employees in each U.S. service industry and multiply by their monthly/yearly salaries, you're looking at a trillion-dollar market. Human labor is the main cost. AI's value lies in assisting humans to reduce costs and increase efficiency, not traditional software services. For the first time, China and the U.S. could be technologically synchronized in this field. Our approach is to collaborate with clients by charging human salaries for AI agents. The company has successfully validated this philosophy over the past eleven years.

Now let me update you on Bairong. Bairong is one of the few consistently profitable AI companies. We're listed on Morgan Stanley's top-tier "China AI 60" list alongside Tencent, Alibaba, and Baidu. Our product Bairong Baigong achieves <50ms per search with >98% accuracy; AI penetration in internal work scenarios reaches 80%. Voice agent call latency is as low as 40ms. Avatar agent features 1.2 million facial features plus a super brain.

Why doesn't software work? Because most tasks still require humans acting as manual APIs in between, with labor costs accounting for 80-90%. That's why software in China isn't valued. What Bairong does is simple: we develop AI agents that act like human APIs, connecting different software tools. Comparing AI agents to humans, humans cost over 100 times more. This isn't a technical issue; it might be a social one. In the next three years, perhaps 80% of daily office work will be completed by AI agents. Humans will mainly focus on providing emotional value first, and second, making macro-level decisions. Everything else can be handled by AI agents. This isn't a prediction; it's the reality Bairong is already helping clients achieve. The AI field is quite broad. There are things we do and things we don't. General large models are being built by big tech companies – we don't do that. We build specialized large models that understand domain-specific and industry-specific issues, such as risk control models, contract review models, and interview models. These vertical models may have only one-tenth the parameters of general large models.

This is our company's positioning map. Bairong's strategic foothold is at L2-L5 – specialized large models (industry-specific & proactive) + Agent Factory Baigong CybotStar (enterprise-grade) + Agent Store; covering over 8,000 clients, from financial services to telecom operators and other industries. First, financial services are particularly suitable for intelligence. Second, financial services have extremely high requirements for us – they wish we had zero hallucinations, beating us to a pulp. But the result is, once we leave financial services, we're invincible, because few industries have higher requirements than financial services. In finance, you can't say a single wrong word, and most industries have lower standards than finance. Now we've also broken through with major telecom operators. What we're building isn't simple middleware; it's the bridge for enterprises to go from 'building AI' to 'using AI.' Our business model isn't selling software as tools; it's delivering results. Our pricing model benchmarks against human salaries, whether they are wages or subscriptions – the essence is Results as a Service. Clients only pay when they succeed; this is true value alignment. Segment one: CX (Customer Experience) solves institutional "customer-facing" efficiency issues through AI agent Q&A, telemarketing, and customer service specialists. Segment two: EX (Employee Experience) solves institutional "internal" cost issues through AI agent report generation, quality inspection, and contract review specialists. The company's moat is full-stack AI infrastructure and engineering capabilities + private domain data + industry know-how. Our customer map covers over 8,000 clients + 98% core client retention in vertical scenarios and 97% surveyed customer satisfaction. Regarding our AI agent CX and EX introduction, the earlier product launch covered it in detail.

Next are our financial highlights. In the first half of 2025, revenue reached 1.612 billion, a year-over-year increase of 22%, with gross margins maintained at 73% and adjusted net profit margins of 16%. Cash reserves stand at 3.729 billion, providing ample financial flexibility. Going forward, we'll break down revenue and profit performance by business lines: EX, CX, and AI-PaaS. In addition to EX and CX mentioned earlier, AI-PaaS is our Baigong Agent Platform + AI Agent empowerment for cross-industry partners and other new incubation businesses. AI-PaaS has several investment directions: first, purchasing various types of hardware and computing power; second, acquiring training data to train our models; third, our talent. AI-PaaS is the company's infrastructure, currently and for some time in the future still in a heavy investment phase, but with unlimited long-term market space.

The market space for AI agents isn't the transaction size of a single industry, but the entire service industry's labor market – which has unlimited space. The image shows AI agent logic: nurses, junior lawyers, junior accountants, and others will all be replaced by AI agents. In 2023, China's addressable market for replaceable service positions was 13.6 trillion yuan, but agentic AI penetration was less than 1%, corresponding to an addressable market of only 73.9 billion. By 2030, the replacement rate is expected to increase to 10%, with the addressable market approaching 2 trillion yuan, a compound annual growth rate of 58% – this is a golden domain with "low penetration, large market, high growth." We'll reference the Roll-up model logic, penetrating more traditional enterprises through strategic investments and other means, driving internal enterprise reform through AI agents, bringing dual returns in business and finance.

In 2024, our core client numbers and ARPU data show we far exceed our competitors. More data will be disclosed in our annual report.

Ms. Qin Xuan (Sandy Qin) — Executive Director and Investor Relations Director

Regarding market benchmarking, we have selected some popular AI vendors. Some have revenue that's one-third of ours and are not yet profitable, compared to Bairong which is already profitable. Our gross margin is 30 percentage points higher than theirs, and our payment terms are 3 months compared to 9 months for peers. Yet from a valuation comparison, they trade at tens of times PS compared to our 2x PS, showing Bairong is severely undervalued.

Additionally, there are more AI company comparisons: like ServiceNow's process OS → we are a role OS (AgentOS) that can "get the job done". Like Snowflake's consumption → we consume result units (RUs), not computing power/storage. Like Salesforce AppExchange / Shopify App Store's ecosystem distribution → we have private/invitation-only public (Agent Store) listing, template reuse, and partner revenue sharing.

Mr. Zhang Shaofeng — Founder, Chairman of the Board, and Chief Executive Officer

Agentic AI is a productivity revolution, the industrial revolution of the new era, with the opportunity to develop a new cohort of large-cap companies building upon existing giants. We hope to become, within a few years, the next John Rockefeller, the next Andrew Carnegie in the agentic AI revolution.

The 3 major domains for AI agents (intelligent agents, agent): ① human-like communication and interaction, ② unstructured data processing, ③ flexible and complex process handling. Agent collaboration, persistent memory, and voice interaction—enabling AI to step out of the laboratory and assume job responsibilities. Bairong already possesses these three capabilities, with high commercialization across multiple scenarios. We enable 8,000+ institutional clients to create proprietary agents using a zero-code platform.

Risk control, marketing, finance/tax/law, post-loan management, emotional voice... are all domain-specific large models. AI technological application based on scenario-grounded needs — this is Bairong's core R&D philosophy. Dual filing with the Cyberspace Administration (deep synthesis algorithms + generative AI services) is extremely rare among private enterprises, placing our technological security and data compliance at the nation's highest standards.

Experimental results show: Bairong BR-LLM-ProActive: lowest latency, lowest cost. Bairong BR-LLM-Fin in most exams: lowest latency, performance comparable to top tier. Bairong Baigong RAG outperforms competitors in multi-business scenario effectiveness and evaluation, and excels in complex Excel parsing. Technological leadership is not the goal; commercialization is. We've spent 11 years turning agents from a concept into scalable productivity. Bairong had the Baigong platform from Day 1, evolving from internal enablement to external commercialization. We're not blindly following trends. From decision AI (models) to generative AI (interaction) to agentic AI (end-to-end task completion). Bairong is not a traditional software company. Deeply rooted in industries, Bairong has already deployed 'AI agents' across multiple scenarios.

The Company's executive team has an extensive background in technology + vertical industries; the external board holds top-tier academic + industry + capital perspectives; the shareholder lineup includes the national team, top-tier PE, and industrial capital — triple backing.

Ms. Wang Qing — Executive Director and Head of Bairong AI Wealth

AI telemarketing agents can work in banks and other financial institutions, marketing financial products to end customers and receiving revenue sharing based on results; AI financial agents integrate expertise from multiple financial experts with over ten years of experience, providing standardized investment advisory services and assisting account managers in serving clients in a 7x24 copilot mode; AI quality assurance agents can continuously learn financial regulations, autonomously write quality inspection rules, end-to-end complete quality inspection report generation and work order dispatch, achieving closed-loop quality inspection tasks; AI trainer agents support account managers in conducting one-on-one role-play product certification by scanning QR codes via WeChat mini-programs, replacing traditional offline in-person training models.

Mr. Feng Yong — Vice President of Research and Development and Head of Bairong Baizhi

Initially, when developing multi-agent systems to generate reports for professionals such as lawyers and financial analysts, we discovered that their offline interviews relied on traditional voice recorders, with a cumbersome process (recording, exporting, transcoding, then feeding to large models). Therefore, we launched this AI recording card, aiming to help users such as investors and analysts seamlessly connect offline meetings to AI to build context. Its core value is not the recording itself (recording cards can be purchased anywhere), but rather the ability to integrate multi-source data including recordings, computer files, and company information to directly generate deep reports that require only minor modifications from users. For example, a legal case that originally took 5 months and cost RMB 5 million can now be completed in just 50 minutes with AI at high quality. This is the core value that differentiates it from recording products from companies like iFlytek.

Ms. Qin Xuan (Sandy Qin) — Executive Director and Investor Relations Director

Thank you for Mr. Zhang Shaofeng's wonderful presentation. Next, we will move into the free Q&A session. The Q&A session will last approximately 20-30 minutes. To accommodate both on-site and online participants, our arrangement is as follows:

First, we will prioritize on-site questions. Would investors and analysts in the venue please raise your hands, and our staff will bring a microphone to you. Meanwhile, online participants can submit questions via Tencent Meeting's Q&A feature. Our staff will collect and filter them in real time and relay them at appropriate intervals. So, let's start with the on-site participants. Who would like to ask the first question?

Question 1: There are many research tools on the market, and competitors are doing quite well, but they don't have hardware. What is Bairong's reason for making hardware? What is Bairong's competitive advantage?

Feng Yong： The Company initially entered multi-industry report generation with Baizhi multi-agent analyst software. Extending forward in the value chain, it discovered that traditional recording hardware was inefficient, and thus developed new hardware to provide full-chain service from software to hardware to software. Target users are not individuals, but industry professionals such as securities analysts, lawyers, wealth advisors, and insurance brokers. Simultaneously, leveraging its parallel to C and to B advantages, the Company creates high-quality reports in various fields with industry data and building information, and pursues an ideal "AI agent-to-human ratio" of 9:1—where 90% of work is completed by AI agent systems and 10% by humans — ultimately forming a complete solution that combines software and hardware with extremely optimized efficiency.

Zhang Shaofeng：Initially, when we only had Baizhi software, because professionals found it difficult to import interview information (even using products like iFlytek required cumbersome export/import processes), and mobile phone recording had issues like overheating, time limits, and call interruptions, we developed a dedicated recording card as an information source collection tool for report output. This card can collect meeting and interview information and combine it with computer files, company data, and web-scraped content to comprehensively generate deep reports. The ultimate goal is not recording but producing high-quality intelligent reports. The Company's innovative businesses have always been like this—all products are first used internally at Bairong to build AI agents that improve the AI agent-to-human ratio, and are only launched externally when there's external demand.

Question 2. The technology for developing agents is already quite accessible, and proper configuration of the knowledge base is what matters more. So why would institutions choose to pay Bairong rather than develop it themselves? What difference does it make in terms of results?

Zhang Shaofeng: We disagree with categorizing Baigong alongside Coze and Dify. Baigong is an enterprise-grade economic development platform for high-end industries like finance and telecommunications, whereas Coze only serves the Prosumer tier — their target audiences are fundamentally different. Even with identical large models (like DeepSeek), Baigong's AI-native team can squeeze maximum capability from the foundation, achieving 90% accuracy far exceeding Dify's 20%+, and Bairong's large models deliver even better results after professional product optimization. For enterprises with development capabilities, they choose Bairong because 99.9% of them lack the infrastructure giants like ByteDance have, while those giants are unwilling to do the grunt work. Bairong ensures models like Doubao perform far better in production environments than self-deployment by providing the pass layer and surrounding supporting capabilities—this is the essential difference between enterprise-grade solutions and Prosumer toys, and it validates the MIT report's reality that self-developed AI in enterprises generally fails.

Michael Wang: The core of enterprise-level platforms lies in full-chain observability and security compliance: First, AI agents must accept KPIs, OKRs, and performance assessments just like humans, with the entire process being fully observable; they must also be interconnected with existing production environment digital systems to access data and instructions. Second, before AI agents start work, they must pass security sandbox evaluation and certificate verification to ensure production readiness, avoiding any damage during delivery. In addition, they must possess metering and billing capabilities to support the business model, and handle industry dark knowledge—this dark knowledge is not in public large models and needs to be inserted into the model through testing, annotation training, and other methods. These are the key capabilities that distinguish enterprise-level platforms from consumer-grade products.

Duan Ying: While developing a customer service agent is fast (it can be done in 10 minutes to a day), production readiness varies dramatically: taking Baiying's 8,000-9,000 daily customer service calls as an example, the core metrics are transfer-to-human rate and accuracy. Casually developed products have a transfer-to-human rate of 45-50% and accuracy of only 80%, making them completely unfit for production. In contrast, industrial-grade platforms must compress the transfer-to-human rate to within 20-30% and boost accuracy to 95-96%+ through massive corpus training. Every single percentage point improvement requires extreme optimization of efficiency, performance, and scenarios. This is the fundamental difference between an industrial-grade production-ready platform and "Hello world" style toys.

Ms. Qin Xuan (Sandy Qin) — Executive Director and Investor Relations Director

Due to time constraints, the Q&A session is now concluded. Thank you for all your questions, and thank you to the management team for their answers. Once again, thank you all for attending the Bairong AI agent Productivity Conference and Investor Day meeting. If you have more questions or suggestions, please feel free to visit the company's Investor Relations website ir.brgroup.com or send an email to ir@brgroup.com. Additionally, you're welcome to scan the QR code to follow Bairong's digital IR assistant "Bairongrong." Bairongrong can interact with you directly and regularly publish company business updates and progress. We look forward to meeting and talking with you again next time. Thank you!