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DOWELL SERVICE GROUP CO. LIMITED*
東原仁知城市運營服務集團股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2352)

INSIDE INFORMATION
PROFIT WARNING

This announcement is made by 東原仁知城市運營服務集團股份有限公司 (Dowell Service Group Co. Limited*) (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the provision of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board (the "**Board**") of directors of the Company (the "**Directors**") wishes to inform the shareholders of the Company (the "**Shareholders**") and the potential investors that, subsequent to completion of the acquisition of approximately 90.73% of equity interests in Shanghai Evergreen Social Care Enterprise Development Co., Ltd.*(上海常青社康養企業發展有限公司)("**Shanghai Evergreen**") resulting in Shanghai Evergreen becoming a direct non-wholly owned subsidiary of the Company during the year ended 31 December 2024 (the "**Year**"), the financial results of Shanghai Evergreen has been consolidated in the consolidated financial statements of the Group. Accordingly, the Company has retrospectively restated the financial data of the Company for the year ended 31 December 2023 (the "**Prior Year**"). Based on the preliminary assessment of the Board, the restated net profit of the Group for the Prior Year shall range between RMB2.0 million and RMB5.0 million, as compared to the net profit of approximately RMB21.9 million (before the restatement). The above restated financial information are subject to review by the Board, and will be audited by the Company's external auditor and reviewed by the audit committee of the Board.

The Board wishes to inform the Shareholders and potential investors that based on the unaudited consolidated management accounts of the Group for the Year, the Group is expected to record net loss in the range between RMB50.0 million and RMB70.0 million, as compared to the restated net profit between RMB2.0 million and RMB5.0 million for the Prior Year. Such change from net profit to net loss was mainly attributable to the prudent considerations made by the Company for the provision of impairment of trade receivables from the Group's real estate developer customers and certain third party customers which encountered liquidity issues due to continuous sluggish performance of the real estate industry.

Although the Group is expected to incur a significant accounting loss due to the aforementioned reasons, most of it are of non-cash nature, and the Group recorded healthy operating cash inflow during the Year. The Group will continue to use its best efforts to continuously communicate with such customers regarding repayment measures in order to minimise actual loss.

The information contained in this announcement is based on the Board's preliminary assessment after reviewing the unaudited consolidated management accounts of the Group for the Year and the information currently available to them. The information contained in this announcement is neither based on any figure nor information that has been audited or reviewed by the external auditor of the Company and may be subject to change. The Group's actual results are subject to review by the Board, and will be audited by the Company's external auditor and reviewed by the audit committee of the Board prior to finalisation of such accounts. Therefore, the actual results of the Group for the Year may differ from the information contained in this announcement. Shareholders and potential investors of the Company are advised to refer to the annual results announcement of the Company for the Year, which is expected to be announced in late March 2025.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
東原仁知城市運營服務集團股份有限公司
DOWELL SERVICE GROUP CO. LIMITED*
Ms. Luo Shaoying
Chairman and non-executive Director

The PRC, 19 March 2025

As at the date of this announcement, the Board comprises Mr. Zhang Aiming and Mr. Fan Dong as executive Directors, whom also act as employee Directors, Ms. Luo Shaoying and Ms. Yi Lin as non-executive Directors, and Ms. Cai Ying, Mr. Wang Susheng and Mr. Song Deliang as independent non-executive Directors.

* *For identification purpose only*