Onewo Inc.
萬物雲空間科技服務股份有限公司

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

(Stock Code: 2602)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024

FINANCIAL HIGHLIGHTS

For the year ended December 31, 2024, the Group's total revenue was RMB36,223.8 million, representing a year-on-year increase of 9.2%. In particular, revenue generated from community space living consumption services segment was RMB20,907.5 million, representing a year-on-year increase of 11.6%; revenue generated from commercial and urban space integrated services segment was RMB12,295.5 million, representing a year-on-year increase of 5.4%; revenue generated from AIoT and BPaaS solution services segment was RMB3,020.8 million, representing a year-on-year increase of 8.6%; revenue generated from recurring business[note 1] was RMB30,793.2 million, representing a year-on-year increase of 15.5%, and accounting for 85.0% of the revenue. The gross profit attributable to recurring business was RMB3,736.0 million, representing a year-on-year increase of 10.0%, accounting for 79.5% of the gross profit.

For the year ended December 31, 2024, our core net profit[note 2] was RMB2,226.9 million, representing a year-on-year decrease of 4.8%, still achieving performance guideline. The administrative expenses ratio (as a percentage of revenue) decreased by 0.9 percentage point year on year. The Group's net cash flows from operating activities for the year amounted to RMB1,918.8 million; trade and retention receivables were RMB6,541.5 million, representing a year-on-year decrease of 3.5%, and a period-on-period decrease of 30.7% as compared to June 30, 2024.

For the year ended December 31, 2024, the Group's net loss on extraordinary items increased by RMB810.2 million year on year, among which, provision for credit impairment losses in relation to developers and others increased by RMB337.1 million as compared to last year, gains from equity transaction decreased by RMB257.6 million as compared to last year, and gains on government grants decreased by RMB93.8 million as compared to last year due to the expiration and non-renewal of preferential tax policies; and the profit for the year was RMB1,256.0 million, representing a year-on-year decrease of 38.3%.

For the year ended December 31, 2024, earnings per share attributable to shareholders for the year were RMB0.98 per share. The Board recommends an annual dividend totalling 100% of the core net profit, with RMB1.900 per share (tax inclusive) (including interim and special dividends paid in 2024), which will be declared to shareholders for the year ended December 31, 2024. Excluding interim and special dividends paid in 2024, the final dividend to be paid is RMB0.481 per share (tax inclusive) and special dividend is RMB0.394 per share (tax inclusive), for the year ended December 31, 2024, totalling RMB0.875 per share (tax inclusive).

Note 1: Recurring businesses refer to the residential property management services under the Group's community space living consumption services, the property and facility management services under the commercial and urban space integrated services, and the BPaaS solution business under the AIoT and BPaaS solution services.

Note 2: Core net profit is the profit for the year generated by operating business activities, after deducting the amortization of customer relationships for intangible assets arising from historical acquisitions, gains from extraordinary items and related income tax effect. Extraordinary items include gains/losses on equity transaction, gains/losses on the disposal of fixed assets, government grants, credit impairment losses, asset impairment losses.

The board (the "**Board**") of directors (the "**Directors**") of Onewo Inc. (the "**Company**") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended December 31, 2024 ("**Reporting Period**").

FINANCIAL INFORMATION

The following financial information is a summary of the Group's consolidated financial statements for the year ended December 31, 2024:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2024

	Notes	2024 RMB'000	2023 RMB'000
REVENUE	5	**36,223,828**	33,183,458
Cost of sales		**(31,526,949)**	(28,371,691)
Gross profit		**4,696,879**	4,811,767
Other income and gains, net	6	**184,004**	719,923
Selling and distribution expenses		**(584,962)**	(497,375)
Administrative expenses		**(1,940,333)**	(2,073,304)
Impairment losses on financial assets, net		**(608,148)**	(271,003)
Finance costs		**(12,412)**	(8,538)
Share of profits and losses of joint ventures and associates		**(38,992)**	(23,649)
PROFIT BEFORE TAX	7	**1,696,036**	2,657,821
Income tax expense	8	**(440,008)**	(621,992)
PROFIT FOR THE YEAR		**1,256,028**	2,035,829
Attributable to:			
Shareholders of the Company		**1,149,578**	1,954,696
Non-controlling interests		**106,450**	81,133
		1,256,028	2,035,829
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY, IN RMB			
Basic and diluted	10	**0.98**	1.66

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2024

	2024	2023
	RMB'000	*RMB'000*
PROFIT FOR THE YEAR	**1,256,028**	2,035,829
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	**209**	(162)
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	**209**	(162)
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	**200,872**	(98,111)
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods	**200,872**	(98,111)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	**201,081**	(98,273)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**1,457,109**	1,937,556
Attributable to:		
Shareholders of the Company	**1,350,659**	1,856,423
Non-controlling interests	**106,450**	81,133
	1,457,109	1,937,556

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	**31 December 2024** *RMB'000*	31 December 2023 *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**620,329**	678,625
Investment properties		**960,268**	548,290
Right-of-use assets		**324,229**	353,683
Intangible assets	*11*	**7,733,496**	7,981,176
Investments in joint ventures and associates		**1,947,172**	1,413,676
Equity investments designated at fair value through other comprehensive income		**1,013,591**	812,719
Financial assets at fair value through profit or loss		**–**	976
Deferred tax assets		**319,758**	207,037
Prepayments, deposits and other receivables	*13*	**2,832,461**	2,501,888
Total non-current assets		**15,751,304**	14,498,070
CURRENT ASSETS			
Inventories		**102,440**	56,054
Trade and retention receivables	*12*	**6,541,534**	6,781,100
Prepayments, deposits and other receivables	*13*	**2,135,138**	1,912,396
Restricted bank deposits		**455,345**	390,446
Time deposits with original maturity of over three months		**187,686**	172,568
Cash and cash equivalents		**13,434,778**	15,572,483
Total current assets		**22,856,921**	24,885,047
CURRENT LIABILITIES			
Trade and notes payables	*14*	**6,657,945**	5,764,491
Contract liabilities		**4,908,248**	4,681,194
Other payables and accruals	*15*	**6,426,662**	7,148,543
Lease liabilities		**102,048**	99,772
Tax payable		**998,218**	988,559
Total current liabilities		**19,093,121**	18,682,559
NET CURRENT ASSETS		**3,763,800**	6,202,488

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

31 December 2024

	Notes	31 December 2024 RMB'000	31 December 2023 RMB'000
TOTAL ASSETS LESS CURRENT LIABILITIES		**19,515,104**	20,700,558
NON-CURRENT LIABILITIES			
Other payables and accruals	*15*	**1,160,038**	1,130,927
Provision		**104,731**	146,910
Lease liabilities		**233,910**	251,589
Deferred tax liabilities		**856,674**	950,891
Total non-current liabilities		**2,355,353**	2,480,317
Net assets		**17,159,751**	18,220,241
EQUITY			
Equity attributable to shareholders of the Company			
Share capital		**1,171,565**	1,178,469
Reserves	*16*	**15,251,039**	16,426,957
		16,422,604	17,605,426
Non-controlling interests		**737,147**	614,815
Total equity		**17,159,751**	18,220,241

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2024

1. CORPORATE AND GROUP INFORMATION

Onewo Inc. (the "Company") was incorporated in the People's Republic of China ("PRC") on 20 February 2001 as a limited liability company. On 20 March 2018, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC.

During the year, the Group was involved in the following principal activities:

- Community space living consumption services
- Commercial and urban space integrated services
- AIoT and BPaaS solution services

In the opinion of the directors, the ultimate holding company of the Company is China Vanke Co., Ltd. (the "China Vanke"), a public company established in the PRC with its shares listed on the Shenzhen Stock Exchange and The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRSs, which comprise all standards and interpretations approved by the International Accounting Standards Board, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, financial liabilities at fair value through profit or loss, derivative financial instruments and equity investments designated at fair value through other comprehensive income which have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised IFRSs for the first time for the current year's financial statements.

Amendments to IFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to IAS 1	*Classification of Liabilities as Current or Non-current* (the "2020 Amendments")
Amendments to IAS 1	*Non-current Liabilities with Covenants* (the "2022 Amendments")
Amendments to IAS 7 and IFRS 7	*Supplier Finance Arrangements*

The nature and the impact of the revised IFRSs are described below:

(a) Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of IFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 1 January 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

4. OPERATING SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major product lines.

During the reporting period, the Group was principally engaged in the provision of community space living consumption services, commercial and urban space integrated services and AIoT and BPaaS solution services in the PRC. Management reviews the operating results of the business as a single operating segment to make decisions about resources to be allocated. Therefore, the executive directors regard that there is only one segment which is used to make strategic decisions.

The principal operating entities of the Group are domiciled in the PRC and majority of revenue is derived in the PRC during the reporting period.

As at 31 December 2024, except for the equity investments designated at fair value through other comprehensive income, majority of the non-current assets of the Group were located in the PRC.

5. REVENUE

Revenue mainly comprises proceeds from community space living consumption services, commercial and urban space integrated services and AIoT and BPaaS solution services. An analysis of the Group's revenue and cost of services by category for the reporting period is as follows:

An analysis of revenue is as follows:

	2024	2023
	RMB'000	*RMB'000*
Types of goods or services		
Community space living consumption services	**20,907,512**	18,738,439
Commercial and urban space integrated services	**12,295,550**	11,664,410
AIoT and BPaaS solutions	**3,020,766**	2,780,609
Total revenue from contracts with customers	**36,223,828**	33,183,458
Timing of revenue recognition		
Goods or services transferred at a point in time	**1,237,455**	1,247,870
Services transferred over time	**34,986,373**	31,935,588
Total revenue from contracts with customers	**36,223,828**	33,183,458

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2024	2023
	RMB'000	*RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of the reporting period	**4,681,194**	4,514,977

6. OTHER INCOME AND GAINS, NET

	2024	2023
	RMB'000	*RMB'000*
Interest income	**90,460**	124,479
Government grants	**65,113**	158,908
Fair value gains on financial assets at fair value through profit or loss	**74,358**	72,230
Fair value gains on financial liabilities at fair value through profit or loss	**–**	191,792
Gain on disposal of investment properties	**7,235**	40,948
(Loss)/gain on disposal of items of property, plant and equipment	**(2,027)**	36,070
(Loss)/gain on disposal of joint ventures and associates	**(318)**	99,159
Gain/(loss) on disposal of subsidiaries	**161**	(16,499)
Gain on remeasurement of the previously held interest in an associate	**47,645**	–
Foreign exchange differences, net	**(2,742)**	230
Impairment of an investment in an associate	**(83,592)**	–
Other non-operating (loss)/income	**(12,289)**	12,606
	184,004	719,923

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2024	2023
	RMB'000	*RMB'000*
Cost of services provided	**30,299,428**	27,457,653
Cost of inventories sold	**1,227,521**	914,038
Depreciation and amortisation	**1,004,655**	1,016,165
Research and development costs	**342,499**	376,739
Lease payments not included in the measurement of lease liabilities	**100,151**	94,485
Auditors' remuneration	**5,472**	5,472
Employee benefit expense (excluding directors' and chief executive's remuneration)	**11,883,880**	11,277,060
Impairment of an investment in an associate	**83,592**	–
Impairment losses on financial assets, net:		
Impairment losses on trade and retention receivables, net	**523,980**	193,937
Impairment losses on financial assets included in prepayments, deposits and other receivables, net	**84,168**	77,066
	608,148	271,003
Loss/(gain) on disposal of items of property, plant and equipment	**2,027**	(36,070)
(Gain)/loss on disposal of subsidiaries	**(161)**	16,499

8. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profit arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

The provision for Mainland China income tax was based on a statutory rate of 25% (2023: 25%) of the taxable profits during the year as determined in accordance with the PRC Income Tax Law and the respective regulations.

Under the Law of the PRC on Enterprise Income Tax ("EIT") and Implementation Regulation of the Enterprise Income Tax Law, the tax rate of the PRC subsidiaries is (i) 25% (2023: 25%), or (ii) 15% (2023: 15%) if the subsidiaries are qualified as high and new technology enterprises or registered in the western region, Shenzhen Qianhai region and Guangdong Hengqin region of the PRC and fulfill certain requirements.

The subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 16.5% (2023: 16.5%) on any estimated assessable profits arising in Hong Kong during the year. No provision for Hong Kong profits tax has been made as the Group has no assessable profits derived from or earned in Hong Kong during the year.

The major components of income tax expenses are as follows:

	2024	2023
	RMB'000	*RMB'000*
Current – PRC	**684,808**	771,479
Deferred tax	**(244,800)**	(149,487)
Total tax charge for the year	**440,008**	621,992

9. DIVIDENDS

A final dividend of RMB0.777 per ordinary share (including tax) totalling RMB913 million for the year ended 31 December 2023 was approved in the Company's Annual General Meeting on 10 May 2024 and paid during the year.

The interim dividend of RMB0.562 per ordinary share (including tax) totalling RMB661 million and the special dividend of RMB0.460 per ordinary share (including tax) totalling RMB541 million for the six months ended 30 June 2024 were approved at the extraordinary general meeting on 27 September 2024 and paid during the year.

At a meeting held by the Board on 25 March 2025, the Board recommended a final dividend of RMB0.481 per ordinary share (including tax) totalling RMB564 million ("2024 Final Dividend") and a special dividend of RMB0.394 per ordinary share (including tax) totalling RMB461 million ("2024 Final Special Dividend") for the year ended 31 December 2024. 2024 Final Dividend and 2024 Final Special Dividend is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to ordinary shareholders of the Company, and the weighted average number of ordinary shares outstanding during the year, as adjusted to reflect the rights outstanding during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2024 and 2023.

The calculation of basic earnings per share is based on:

	2024	2023
Earnings		
Earnings attributable to the ordinary shareholders of the Company, used in the basic earnings per share calculation (RMB'000)	**1,149,578**	1,954,696
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	**1,173,847,730**	1,178,393,636
Basic and diluted earnings per share (RMB)	**0.98**	1.66

11. INTANGIBLE ASSETS

	Customer relationship *RMB'000*	Goodwill *RMB'000*	Others *RMB'000*	Total *RMB'000*
31 December 2024				
At 1 January 2024:				
Cost	**6,030,427**	**3,700,222**	**29,042**	**9,759,691**
Accumulated amortisation	**(1,769,090)**	**–**	**(9,425)**	**(1,778,515)**
Net carrying amount	**4,261,337**	**3,700,222**	**19,617**	**7,981,176**
At 1 January 2024, net of accumulated amortisation	**4,261,337**	**3,700,222**	**19,617**	**7,981,176**
Additions	**37,976**	**–**	**37,141**	**75,117**
Acquisition of subsidiaries	**154,000**	**124,940**	**1,015**	**279,955**
Amortisation provided during the year	**(596,310)**	**–**	**(6,442)**	**(602,752)**
At 31 December 2024, net of accumulated amortisation	**3,857,003**	**3,825,162**	**51,331**	**7,733,496**
At 31 December 2024:				
Cost	**6,222,403**	**3,825,162**	**71,480**	**10,119,045**
Accumulated amortisation	**(2,365,400)**	**–**	**(20,149)**	**(2,385,549)**
Net carrying amount	**3,857,003**	**3,825,162**	**51,331**	**7,733,496**
31 December 2023				
At 1 January 2023:				
Cost	5,971,911	3,700,222	12,107	9,684,240
Accumulated amortisation	(1,171,223)	–	(6,030)	(1,177,253)
Net carrying amount	4,800,688	3,700,222	6,077	8,506,987
At 1 January 2023, net of accumulated amortisation	4,800,688	3,700,222	6,077	8,506,987
Additions	77,913	–	16,935	94,848
Amortisation provided during the year	(615,507)	–	(3,395)	(618,902)
Disposal of subsidiaries	(1,757)	–	–	(1,757)
At 31 December 2023, net of accumulated amortisation	4,261,337	3,700,222	19,617	7,981,176
At 31 December 2023:				
Cost	6,030,427	3,700,222	29,042	9,759,691
Accumulated amortisation	(1,769,090)	–	(9,425)	(1,778,515)
Net carrying amount	4,261,337	3,700,222	19,617	7,981,176

11. INTANGIBLE ASSETS (continued)

Impairment testing of goodwill

Goodwill acquired through business combinations is allocated to the following cash-generating units ("CGUs") for impairment testing:

- Residential business group CGU
- Commercial and government-sponsored institution business group ("Commercial and GSI business group") CGU

The carrying amount of goodwill allocated to each of the CGUs is as follows:

	2024	2023
	RMB'000	*RMB'000*
Residential business group*	**3,418,955**	3,418,955
Commercial and GSI business group**	**406,207**	281,267
	3,825,162	3,700,222

* Residential business group, focusing on providing service to residential property owner with various price range, aim to improve operating efficiency by advancing the Onewo strategy, which would create interconnection between residential properties within a certain geographic space.

** Commercial and GSI business group, focusing on providing service to enterprise and government-sponsored institution, including property management service, facility management service, and customized services to government-sponsored institution.

The recoverable amounts of the CGUs are determined based on value-in-use of the CGUs to which the goodwill is allocated. These calculations use pre-tax cash flow projections based on financial budgets of the CGUs approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated long-term growth rates below. The growth rates do not exceed the long-term average growth rate for the related industry in which the CGUs operate. The pre-tax discount rates below reflect specific risks relating to the relevant industry and the CGUs themselves and macro-environment of the relevant region.

The key assumptions used in the estimation of value-in-use were as follows:

	2024	2023
Annual growth rates of revenue	**10%~11%**	10%~15%
Long-term growth rate	**2%**	2%
Pre-tax discount rates	**16%~17%**	16%~17%

The Group assessed the impairment of goodwill at the end of the reporting period and the recoverable amounts of each CGUs had exceeded each of their carrying amounts, and hence the goodwill was not regarded as impaired.

12. TRADE AND RETENTION RECEIVABLES

	2024 *RMB'000*	2023 *RMB'000*
Trade and notes receivables		
– Related parties	**2,449,436**	2,487,278
– Third parties	**5,010,407**	4,640,346
Retention receivables	**26,826**	73,277
	7,486,669	7,200,901
Less: Allowance for impairment of trade and retention receivables	**(945,135)**	(419,801)
Net carrying amount	**6,541,534**	6,781,100

Retention receivables are related to revenue earned from the provision of construction of intelligent property management services for which the right to the receipt of consideration for work performed remains conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the service contracts. The retention receivables are transferred to the trade receivables when the right becomes unconditional, which is typically at the expiry date of the defect liability period.

Trade receivables mainly arise from commercial and urban space integrated services and AIoT and BPaaS solution services.

The Group's trading terms with its customers are mainly on credit. The credit term is normally decided on a case-by-case basis upon the acceptance of the products or the completion of service. The credit period is generally one month, extending up to three months for major customers. In view of the aforementioned and the fact that the Group's trade and retention receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

An ageing analysis of the trade and retention receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2024 *RMB'000*	2023 *RMB'000*
Within 1 year	**5,498,581**	6,163,652
1 to 2 years	**831,761**	376,436
2 to 3 years	**144,670**	227,170
Over 3 years	**66,522**	13,842
Total	**6,541,534**	6,781,100

12. TRADE AND RETENTION RECEIVABLES (continued)

The movements in the loss allowance for impairment of trade and retention receivables are as follows:

	2024	2023
	RMB'000	*RMB'000*
At the beginning of the year	**419,801**	225,864
Impairment losses, net	**523,980**	193,937
Acquisition of subsidiaries	**1,354**	–
At the end of the year	**945,135**	419,801

An impairment analysis is performed at each reporting date using a provision matrix to measure ECLs. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e. customer type and service type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade and retention receivables using a provision matrix:

	Third parties				
	Less than 1 year	**1 to 3 years**	**Over 3 years**	**Related parties**	**Total**
At 31 December 2024					
Expected credit loss rate	2.52%	35.33%	80.67%	10.59%	
Gross carrying amount (RMB'000)	3,809,791	883,220	344,222	2,449,436	7,486,669
Expected credit losses (RMB'000)	95,926	312,082	277,700	259,427	945,135
At 31 December 2023					
Expected credit loss rate	4.50%	25.21%	77.01%	–	
Gross carrying amount (RMB'000)	3,862,244	791,163	60,216	2,487,278	7,200,901
Expected credit losses (RMB'000)	173,969	199,458	46,374	–	419,801

13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
Current:		
Other receivables		
– Payments on behalf of property owners	**1,655,862**	1,537,831
– Deposits	**502,707**	425,833
– Other receivables	**81,908**	108,273
	2,240,477	2,071,937
Less: Allowance for impairment of other receivables	**(1,076,257)**	(992,089)
	1,164,220	1,079,848
Prepayments to suppliers	**382,590**	331,132
Prepayments for tax	**588,328**	501,416
	2,135,138	1,912,396
Non-current:		
Deposits		
– Amounts due from related parties	**1,401,894**	1,562,026
– Others	**146,908**	148,107
	1,548,802	1,710,133
Prepayments for capital investments	**185,716**	–
Others	**1,097,943**	791,755
	2,832,461	2,501,888

14. TRADE AND NOTES PAYABLES

	2024	2023
	RMB'000	*RMB'000*
Trade and notes payables		
– Related parties	**14,741**	305,911
– Third parties	**6,643,204**	5,458,580
Total	**6,657,945**	5,764,491

An ageing analysis of the trade and notes payables as at the end of the reporting period, based on the invoice date, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 1 year	**6,212,614**	5,312,726
1 to 2 years	**311,740**	287,177
2 to 3 years	**88,989**	106,915
Over 3 years	**44,602**	57,673
Total	**6,657,945**	5,764,491

The trade and notes payables are non-interest-bearing and are normally settled on the terms of 30 to 180 days.

The fair values of trade and notes payables as at the end of the reporting period approximated to their corresponding carrying amounts due to their relatively short maturity terms.

15. OTHER PAYABLES AND ACCRUALS

	2024	2023
	RMB'000	*RMB'000*
Current:		
Other payables		
Amounts due to related parties	**567,130**	564,068
Cash collected on behalf of property owners	**1,966,600**	2,286,966
Deposits payable	**1,054,167**	1,084,206
Dividends	**66,620**	423,647
Accruals and other payables	**938,118**	773,328
	4,592,635	5,132,215
Payroll payables	**1,587,410**	1,749,995
Long-term payables within one year	**3,520**	3,520
Other taxes payables	**243,097**	262,813
	6,426,662	7,148,543
Non-current:		
Amounts held on behalf of property owners	**1,156,385**	1,121,356
Long-term payables	**3,653**	9,571
	1,160,038	1,130,927

Other payables and accruals with third parties and related parties are unsecured and non-interest-bearing. The fair values of other payables at the end of the reporting period approximated to their corresponding carrying amounts.

16. SHARE CAPITAL

	2024 *RMB'000*	2023 *RMB'000*
Issued and fully paid:		
Ordinary shares of RMB1 each	**1,171,565**	1,178,469

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	**Share capital** *RMB'000*
At 1 January 2023	1,178,468,700	1,178,469
Shares repurchased	(2,185,600)	–
At 31 December 2023 and 1 January 2024	1,176,283,100	1,178,469
Shares repurchased	(18,308,900)	–
Issue of shares	2,768,729	2,768
Cancellation of shares	–	(9,672)
At 31 December 2024	1,160,742,929	1,171,565

Letter to Shareholders: The Price of AI

Is Deepseek seamlessly connected? Is the large language model (LLM) hosted on-premises? China's AI boom has all of a sudden surpassed the initial wave sparked by ChatGPT two years ago. As I explore and experiment, I have been thinking about what AI means for our industry and Onewo.

AI has democratized access to general professional expertise. In general professions such as law, accounting, and branding, larger companies typically have greater ability to hire higher-paid, more experienced professionals. However, with AI, even small firms can access expert-level opinions or outputs at a lower cost, which is definitely beneficial in terms of costs for the property services industry, where profit margins are not high. Yet, expertise remains essential, as large models require professional prompts to deliver professional answers.

It is difficult to fine-tune an industry-specific large model. After more than six months of testing by locally deploying multiple large models, we have not been able to fine-tune a satisfactory professional large model. Instead, we have shifted to the Retrieval-Augmented Generation (RAG) approach – embedding professional knowledge into a vector database and retrieving different large models based on needs. The resulting "Intelligent Property Manager," "Intelligent IT Manager," and "Intelligent HR Manager" have already been deployed in practice.

AI as a tool for labor substitution – or being replaced by Party As instead. AI can bring obvious labor substitution, but one must be cautious. Over the past two decades, due to professional specialization, many companies have outsourced non-principal businesses, such as coding work by technology companies. However, when attempting to use AI for labor substitution as an outsourcing provider, never forget that Party As can also use AI to complete the task, eliminating the need to outsource to you. In such cases, collaboration with Party As could quickly shift into competition, where speed and cost-effectiveness become decisive factors.

Robotics can significantly improve efficiency without changing contractual subjects. Although hands-on tasks will still take time before robots can fully handle them, just like how drones are now used for exterior wall cleaning, an increasing number of machines are being applied to frontline property operations, significantly improving service efficiency. For routine management and emergency services in shared spaces owned by property owners, there is no going back to the 1980s' self-service model of "Three Guarantees for the Area in Front of One's Door". The demand for property companies as third-party service providers remains fundamental.

AI Agents may become the greatest threat to property services companies. The core of property services lies in reaching consensus with property owners and leveraging professional knowledge to direct the "Four Ensures" personnel for efficient operations, in order to create a safe and secure environment and help preserve and enhance asset value. Then, is it possible to create an AI Agent for a property project based on data? For example, if three first-floor property owners consecutively report backflow issues in their floor drains, the AI Agent could determine the issue and generate a work order to inspect all sewage pipes to check if there are systemic problems. The abilities to follow up on routine tasks, oversee temporary assignments, manage work order scheduling and quality control, and conduct preventive analysis – these responsibilities of a property manager are all capabilities that we can anticipate an AI Agent will possess.

We look forward to making Onewo's "Lingshi Edge Server" even smarter. Soon, the Company will have three categories of positions: H-type (human employees), R-type (robots), and A-type (AI Agents). As a corporation, we must strive to take action now. On the one hand, we must build a corporate knowledge base to support R-type and A-type employees in taking up their roles. On the other hand, we must quickly identify which positions must remain H-type roles and prepare job transfer training in advance, avoiding the unemployment of employees after R-type and A-type employees assume their roles.

This era leaves no time for rest. Just as the industry emerged from the crisis brought by the connected transactions with developers, we are now facing a race to adopt large models. Over the past three years, from the certainty of high growth of developers to the volatility of connected transactions of developers – if revenue is pursued, there is no cash; if revenue is forgone, profits decline – the uncertainty in various business aspects has left listed property companies with no choice but to set their shareholders' minds at rest with high dividends. However, as we pointed out in the past letter to shareholders, if listed property companies are well-prepared for independence, the growth rate of their core (non-developer) businesses in 2025 will be **greater** than the decline rate of their related-party businesses, presenting a scissors gap. 2025 will be a milestone year for lifting the clouds. At the same time, the market share of leading enterprises will be further concentrated: in the **large trend** of residential property replacement, leading enterprises have significant opportunities, while in non-residential bidding, more and more Party As propose business exchange conditions, but it's **most likely** that only leading enterprises have the opportunity to accept the bid. With the **large-scale replacement** of asset owners in recent years due to liquidity challenges, debt-to-asset swaps, and other asset transactions, new property owners' focus on "intelligence and green" for operational improvements has further opened opportunities for property enterprises with "technological capabilities" to replace services.

Growth alone is not the compass of tomorrow; nurturing capabilities through transition charts the course. "Asset management capabilities, AI application capabilities, and green and low-carbon capabilities" will be Onewo's key capacity-building directions. In the past challenging year, groundless speculation was not distressing. Truth grows as a seed in darkness: wordless, but bound to reach the light. As we witness the support from state-owned capital for our parent company, we finally see hope reflected in our eyes – moist with tears.

People are at the heart of every company – from beginning to end. No matter how the world changes, our purpose remains the same: to serve our customers well and to take good care of our employees.

Life is inevitably a bitter struggle, you have to learn to grow up on your own.
Remember the dreams of your youth, like a flower that never withers!

Presented by Zhu Baoquan, Chairman of the Board of Onewo
March 25, 2025

INDUSTRY REVIEW

First Industry Change: From Certainty to Uncertainty, Hunting Certainty

A loosening cornerstone is no longer giving us confidence in certainty

From 2018 to 2021, the property management service providers have experienced a surge in valuation for three years, driven by ultra-high growth rates from mergers and acquisitions and value-added services, coupled with the stable project inputs from affiliated real estate companies. The industry was on a rapid expansion trajectory in the capital market. At that time, the property management service industry took advantage of the high certainty provided by affiliated real estate companies. However, 2022 marked a turning point for the real estate development industry, leading to a year-on-year decline in the construction area and the completed area of the real estate development enterprises. Water can carry a boat or overturn it. When affiliated real estate developers struggled, the growth foundation for property management service providers began to waver. The overall revenue growth of the top property management service providers listed in Hong Kong has been declining in each performance period since mid-2021. In the first half of 2024, the overall revenue growth of the top listed property management companies was less than 8% year-on-year, significantly lower than the growth rate of over 50% in mid-2021. Even though leading enterprises can still maintain their fundamentals, the performance expectations of the industry leaders often prove to be inaccurate, and the growth momentum is showing signs of structural slowdown.

Certainty is delivered through high dividends

In this transitional and chaotic period, property management service providers are generally focusing on bringing back to their core business while enhancing shareholder returns to counter the uncertainty brought by the real estate downturn. In the first half of 2024, a total of 16 listed property management service providers declared dividend payouts, doubling the number of dividend-paying enterprises compared to the same period of last year. Among them, the dividend rate of two enterprises exceeded 100%. This high, stable, and predictable dividend policy has effectively enhanced the investment value of property management service providers. However, what the industry needs more are strong customer demands, a broad market space, and innovative products integrated with AI. The right path forward lies in continuously demonstrating the quality of performance and the sustainability of growth.

Technology leads the qualitative change of process

The AI wave represented by DeepSeek is roaring in. This traditional industry, which was once regarded as labor-intensive, is being reconstructed by algorithms to optimize the service dynamic and data to reshape the management paradigm. AI is not out of reach, but a daily part of our work and life. AI Agent will be a member of companies, meaning that people have equal access to expertise without high costs under the help of an Agent. Therefore, AI application capability will become a crucial breakthrough point for the property management industry.

Second Industry Change: Pronounced Advantages for Top Enterprises, Accelerating in Market Share Growth

In 2024, leading property management service providers further increased their market share by leveraging on the competitive advantages brought about by service quality, brand influence and regional density. According to CRIC (克而瑞), in 2024, the average newly contracted area of the TOP 10 property management service providers was 2.4 times that of the TOP 11-30 property management service providers, further widening the gap between the top property management service providers and other tiers.

On one hand, the expansion strategy of property management service providers has shifted from scale-first to efficiency-first, with regional focus and deep city-level cultivation becoming industry consensus. More enterprises are developing clear city-level deep cultivation plans, targeting specific numbers or scales of managed projects within individual cities or smaller areas, so as to concentrate resources on improving project quality and operational efficiency.

On the other hand, property management service providers are actively expanding their service boundaries to cover new space projects such as hospitals, schools and municipal facilities. Large-scale projects with ultra-large area under management and high contract value are highly sought after by property management service providers. However, the key to successful expansion lies in building differentiated service capabilities and competitive advantage to secure reasonable profits.

Thirdly, more and more customers from Party A will require B2B cooperation in property bidding, such as procuring the cloud services from technology companies and increasing deposits in financial enterprises, which only large-scale enterprises can cope with these demands.

Only industry leaders with a solid foundation and long-term investment in research and development possess the capability to resolve contradictions in the industry. The long-standing and irreconcilable conflict between security guards and delivery riders reached a tipping point in 2024. However, instead of further escalation of conflicts, property management service providers with digital capabilities quickly established data connections with delivery platform companies to jointly build the "Rider-Friendly Communities", facilitating riders access to the community while ensuring the safety management of the communities. By January 2025, the "Rider-Friendly Communities" access solution has expanded to more than 16,000 communities nationwide, serving more than 1.7 million riders in total. "Rider-friendly" is a label of intelligent projects, and more labels will be created in the future to support the transformation towards intelligent projects. It requires high standards on the comprehensive capabilities of digital back-end, intelligent front-end and technology software and hardware for property management service providers. Possessing real scientific and technological capabilities and intelligent transformation abilities will be the key indicators for property management service providers to become the top players in the future.

Third Industry Change: Asset Renewal Breathes New Life

Changes of holders brings new demand

In recent years, with the continuous development of block transactions in real estate, more and more property holders have shifted from real estate companies to insurance funds, enterprises and even individuals. The service demand for property management service providers has extended from basic property management services to green, intelligent and smart services and other fields. While putting forward higher requirements for the comprehensive service capabilities of property management service providers, it also represents a surge in the opportunities of property management service flowing into the market from the pockets of original real estate enterprise-affiliated service providers.

In the past, property management service providers extended from traditional property management (PM) to facility management (FM), offering basic property services covering all aspects to customers using the properties. Today, with the changes in the market environment and the increasingly diversified and refined requirements of owners and tenants, service boundaries are further extending into the full life cycle management of assets such as commercial office buildings and commercial complexes. Property management service providers are required to develop a variety of operating and service capabilities dedicated to the buildings under management, building users and building owners. In addition to the traditional property management services, ESG consulting and construction, energy management, commercial leasing, asset management and other services are also provided. Therefore, being able to meet the needs of different target groups by building diversified service capabilities forms a solid competitive advantage in the market.

Expansion from developers' pre-sale property service contract to property service contract, unlocking new opportunities from existing market

The proportion of owners' committees and property management committees continues to rise. Take Beijing as an example, since the Regulation for Property Management of Beijing (《北京市物業管理條例》) came into effect in May 2020, more than 5,100 property management committees have been successfully established in Beijing in the past four years. The establishment rate of owners' committees and property management committees soared from 64% to 97% compared to four years ago. Meanwhile, many provinces and cities are actively learning from Beijing's advanced experience and revising the Regulations on Property Management (《物業管理條例》) based on their actual situations. The extensive establishment of owners' committees is a clear reflection of social governance extending to the grassroots level, stimulating the vitality of grassroots social governance and improving the overall effectiveness of urban governance. The establishment of the owners' committees marked the change from pre-property service contracts to property service contracts. During the process, leading companies have gained a broader market space.

In the past, the operation of some owners' committees was once criticized as "organizations ruled by the few", with governance irregularities drawing social attention. In 2024, benefiting from the improvement of the regulatory system and the strengthening of supervision, the quality and effectiveness of the governance of the owner committee have been significantly improved. Implementation rules have been promulgated in many provinces and cities, expressly requiring owners' committees to regularly disclose the details of the public revenues and expenses of the communities, rebuilding public trust through transparent information disclosure and unlocking new opportunities from the existing residential property market.

STRATEGIES REVIEW

The period from 2022 to 2024 marked the first three-year business plan implementation for the Group since its listing (IPO). Facing the impact of the downward trend of developers and the overall decline in revenue and profit of related parties, the Group resolutely implemented three major strategies to navigate against the adverse trend through structural adjustment and technological innovation. The customer diversification strategy has built a solid risk barrier and driven external revenue growth by 14.2%, ensuring overall stable development. The proportion of the continuing connected transactions dropped from 19.2% in 2021 to 9.5% in 2024. The Onewo Town strategy shattered the curse of "diseconomies of scale", and the street-level deep cultivation powered by technology has propelled a rise in operational capabilities.

Onewo Town strategy, building an ecological paradigm for spatial efficiency

Leveraging the advantages of long-established foundation of Onewo Town strategy, the Group transformed its passive position by taking initiative amidst the challenges of the in-depth adjustment of the real estate industry and high levels of receivables from related parties in 2024, achieving a dual breakthrough in strategic transformation and risk mitigation. In response to the pressure of historical high levels of receivables from related parties, the Company proactively promoted the debt resolving model of "offsetting receivables with assets". The Group had collected trade receivables from related parties of more than RMB3.0 billion in aggregate in the second half of 2024, of which more than RMB1.2 billion was repaid in cash through special acquisition of physical assets or recovered through directly offsetting physical assets against trade receivables from related parties, including mortgaged-to-developer assets with better liquidity, as well as equity interests in high quality community commercial assets within Onewo Town. These community commercial assets, deeply embedded in the core areas of Onewo Town (Tangjiadun in Wuhan, Huamu in Shanghai, Changbai in Shenyang), are by no means simple tools for restoring balance sheet. Their essence is the organic extension of Onewo Town's ecology: relying on a base of over 60,000 highly sticky users and building a three-dimensional commercial ecosystem of "Onewo Town + Community Commerce". This strategic move marks the business elevation of the Group from property services to asset management.

Continuous expansion of the foundation

Since the release of the strategic blueprint for 100 cities in December 2021, the Group has cooperated in depth with the School of Urban Planning of Peking University to precisely target 3,402 high-value streets to build a strategic foundation. Against the backdrop of the continuous contraction of the developer incremental market, over 60% of the newly signed projects were precisely implemented in 20 core cities during the Reporting Period, with market share reaching "the best or second" in 50 cities, fully validating the Group's core competitiveness in precise expansion existing market. In the first strategic implementation period, the number of the Group's Onewo Town bases increased steadily from 459 in the first quarter of 2022 to 666 by the end of 2024, with a CAGR of 13.2%, laying a solid foundation for the subsequent efficiency improvement and ecological superposition.

Significant transformation effects

The "scissors difference" formed by the irreversible upward trend in labor costs and the inability to continuously increase property management fee has long been a challenge for the industry. It is the Group's approach to dismantling this issue to achieve intra-regional scale effect after increasing regional density. Starting from the transformation of 38 Onewo Towns in 2022, "human + machine" and "reuse of personnel" have become the two major "weapons" of the Group to improve space efficiency.

As of December 31, 2024, the Group has transformed a total of 250 Onewo Towns, involving 1,555 projects, accounting for 36.5% of the total residential projects under management of the Group. Compared with 2021, when the efficiency improvement and transformation of Onewo Town has not yet started, the gross profit margin of the Group's residential property services increased by 1.3 percentage points.

Ecological strategy upgrade

How to conduct reasonable business within Onewo Towns is a question that the Group has been thinking about and putting into practice for the past three years. Ultimately, the Group focused on the construction of housing assets service ecosystem, and took the lead in anchoring the housing leasing, trading, decoration, repair and maintenance businesses.

- *Real estate brokerage: Precise optimization to stimulate resilient growth*

As a professional brand that has been deeply rooted in the communities for 15 years, Pulin has demonstrated strategic resilience against the trend amidst an industry-wide GTV contraction of 17.1% in 2024. Through a dual driver of "improving quality and increasing efficiency", the Group strategically optimized 130 low-efficiency stores and implemented a mechanism to eliminate underperforming brokers, achieving a 16.2% year-on-year increase in single-store efficiency. On the other hand, the Group focused on high-value businesses, with second-hand housing GTV exceeding RMB21.0 billion in 2024, a contrary growth of 18.9% from 2022, with the commission rate increasing by 6 basis points to 1.7%.

- *Renovation and furnishing services: Setting a benchmark for partial decoration with acquaintance-based economy*

Supported by "Onewo Yanxuan Home" (萬物研選家), a brand built on the Onewo Town ecosystem, the Group achieved a three-level leap from "0" to "1" and subsequently to "10" within three years. Through the contacts of front-line personnel in Onewo Town and the business model of acquaintances, the lead conversion rate was 25.2%. In 2024, 5,358 partial transformation contracts were signed, representing an increase of 106.6% from 2022. Customer satisfaction has exceeded 95% for three consecutive years. With the standardized product system of "one price for one household" (一戶一價) and the promise of zero additional items, the Group successfully resolved the trust pain points in the home decoration industry, and became the preferred partner for partial quality upgrades of existing housing units.

Diversifying Customers: A Resilient Growth Paradigm that Transcends Cycles

In the past three years, the Group has successfully built a more stable and dynamic business presence in the complex and volatile market environment through the implementation of the customer diversification strategy. Against the backdrop of the real estate market being under pressure and the developer-related businesses facing downward pressure, the Group effectively mitigated its risks by leveraging its diversified customer structure. During the Reporting Period, the proportion of the Group's revenue from non-developer customers continued to increase, from 83.2% in 2023 to 88.2%, fully demonstrating the excellent effectiveness of the customer diversification strategy in stabilizing performance.

From developer customer to industrial customer

Leveraging on the "PM+FM" integrated service capability built by Cushman & Wakefield Vanke Service, the Group has formed a strong customer matrix covering 74 Fortune Global 500 and 111 Fortune China 500 companies with benchmark projects. Through the positive cycle of "industrial momentum → service demand → business growth" model, the Group precisely targeted the leading enterprises in policy-supported or capital-inflow segments, achieving a saturated revenue from commercial office space of RMB18,588 million. This strategy deeply embedded the Group's service network into the economic development of the real economy, forming anti-cyclical capabilities.

From traditional commercial projects to more spaces

The Group strategically acquired Dantian Property to build up its service capabilities in special settings such as universities and hospitals. In such spaces, based on the experience of Dantian Property over the past 27 years, the Group has developed a service model of "human + machine + remote AI management" to address the pain points such as crowd management and operation and maintenance of multi-functional building clusters. This model significantly enhanced the accuracy, efficiency and quality of on-site services for special projects, as well as more young energy injected to the work team, ensuring fiscal expenditure on large public spaces deliver cost effective results. In view of the strong flows of people in colleges and universities, the high standard of requirements for prevention and control of infection in hospitals, as well as for equipment operation and maintenance, by intelligent inspection, energy consumption monitoring and other systems, the Group has achieved a 40% faster response to facility failures, and a 30% reduction in manpower with cleaning lines optimization.

In response to the national dual carbon strategy, the Group has developed a full-cycle energy management solution for office building projects. During the Reporting Period, 19 pilot commercial office renovation projects achieved an average energy saving of 15% in the first month. Such capability will be transformed into a cost optimization tool for B-end customers to develop another core capability of the Group in market expansion.

From incremental mode to unlocking existing space

Against structural adjustment of the existing residential service market, the Group adopted a forward-looking strategy to address challenges in the industry. In view of the current industry domination by the property projects below RMB2/㎡ per month in the core market, the Group achieved a strategic breakthrough with the flexible pricing service system of its brand, precisely targeting the previously underserved market segment, which is the blue ocean market with of the price range below RMB2.5/㎡ per month. Leveraging the grid service network built on the foundation of 666 Onewo Towns nationwide, the Group innovatively launched the dual-track service module of "basic guarantee + personalized value-added" (基礎保障+個性增值). The Group systematically deconstructed the residential service value chain, building a full-cycle management map covering 95 physical spaces and 1,530 service objects, creating a standardized operation list of 508 items, identifying 158 basic services as quality bottom lines, and simultaneously developing 350 optional services module, pioneering the flexible pricing model of "mandatory minimum guarantee + on-demand customization" (必選保底+按需定制). This system breaks through the extensive model of "headcount pricing" (人頭定價) of traditional properties, achieving "optimal price/performance ratio" in residential space through flexible adjustment of service items and frequencies.

Technology: building the digital nervous system for space services

With "Lingshi" as the AI decision-making hub and "Feige" as the process reengineering engine, a closed-loop system of "perception-decision-execution" was built to reconstruct the labor organization logic through data flow.

Lingshi Edge Server: reconstructing the digital neurons of spatial intelligence

In the wave of the global AI technology revolution in 2024, the Group took the lead in reconstructing the property service value chain with Lingshi Edge Server as the core carrier. Supporting by the technical framework of "cloud-edge collaboration + near-field closed-loop" (雲邊協同+近場閉環), Lingshi reshaped the safety management paradigm with an alarm accuracy rate of 94.4%, with over 1.66 million early warning of potential safety hazards throughout the year, representing a year-on-year increase of 3.4 percentage points. Its breakthrough innovation lies in building a "digital project manager" through the edge-end GPU computing power pool to replace the traditional manual roster model. As of December 31, 2024, 657 residential projects have been equipped with Lingshi Edge Server, achieving a 99.7% equipment online rate and a 15-minute fault response.

As the cornerstone of the space efficiency revolution, Lingshi has expanded from residential areas to more diversified business categories. In 2025, the Group will accelerate the "Lingshi+" ecological strategy, deploying Lingshi Edge Server in commercial offices, hospitals and other scenarios, accessing millions of IoT devices through standardized protocols and building a ubiquitous perception network for space intelligentization, so as to usher in a new era of space services.

Feige work order system: the driving force of process revolution

With the multi-module data analysis of Lingshi Edge Server and the regional density layout of the Onewo Town strategy, Feige work order platform has built an intelligent dispatching hub, which can analyze the demand for space services in real time, automatically generate all-scenario work orders for tasks such as cleaning, repair and maintenance and security, and develop optimal path planning with deep learning algorithms, achieving a whole process closed-loop of "demand-response-feedback".

As of December 31, 2024, the system has been deployed in 1,360 residential projects, precisely reaching 33,000 front-line service personnel, building the industry's largest real-time work order response network. Through the "piecework system" remuneration model and dynamic incentive dashboard, the per capita efficiency of employees in security, cleaning and other work lines has significantly improved and the income of front-line cleaning and security staff increased by 3.4% and 3.9% year-on-year respectively in 2024, achieving a positive cycle of labor value and service quality.

Technological innovation has also spurred a service quality control revolution. The current system has achieved a service quality inspection accuracy rate of 94.3%, an increase of 17.5 percentage points compared to 2023. This enhancement has further driven the reform of pricing paradigm in the industry – the value assessment system with the core of "frequency of services" and "completion criteria", and has been gradually replacing the traditional extensive pricing model based on personnel allocation, providing technical support for a more reasonable property pricing model.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is divided into three major business segments: (i) community space living consumption services; (ii) commercial and urban space integrated services; (iii) AIoT and BPaaS solution services.

The following table sets out details of revenue by business and service type as at the dates indicated:

	For the year ended December 31,				
	2024		2023		Growth rate
	RMB'000	*%*	*RMB'000*	*%*	*%*
Community space living consumption services					
– Residential property services	**19,228,979**	**53.1**	17,002,054	51.2	13.1
– Home-related assets services	**1,346,669**	**3.7**	1,360,922	4.1	-1.0
– Other community value-added services	**331,864**	**0.9**	375,463	1.1	-11.6
Subtotal	**20,907,512**	**57.7**	18,738,439	56.4	11.6
Commercial and urban space integrated services					
– Property and facility management services	**9,970,753**	**27.5**	8,299,598	25.0	20.1
– Value-added services for developers	**1,569,151**	**4.3**	2,683,486	8.1	-41.5
– Urban space integration services	**755,646**	**2.1**	681,326	2.1	10.9
Subtotal	**12,295,550**	**33.9**	11,664,410	35.2	5.4
AIoT and BPaaS solution services					
– AIoT Solutions	**1,427,347**	**3.9**	1,417,506	4.3	0.7
– BPaaS Solutions	**1,593,419**	**4.5**	1,363,103	4.1	16.9
Subtotal	**3,020,766**	**8.4**	2,780,609	8.4	8.6
Total	**36,223,828**	**100.0**	33,183,458	100.0	9.2

The following table sets out the details of gross profit by business and service type as at the dates indicated:

	For the year ended December 31,			
	2024		2023	
	Gross profit	**Gross profit margin**	Gross profit	Gross profit margin
	RMB'000	***%***	*RMB'000*	*%*
Community space living consumption services				
– Residential property services	**2,386,314**	**12.4**	2,269,257	13.3
– Home-related assets services	**388,157**	**28.8**	389,928	28.7
– Other community value-added services	**219,152**	**66.0**	248,496	66.2
Subtotal	**2,993,623**	**14.3**	2,907,681	15.5
Commercial and urban space integrated services				
– Property and facility management services	**839,503**	**8.4**	713,911	8.6
– Value-added services for developers	**72**	**0.1**	312,276	11.6
– Urban space integration services	**53,515**	**7.1**	64,904	9.5
Subtotal	**893,090**	**7.3**	1,091,091	9.4
AIoT and BPaaS solution services				
– AIoT Solutions	**300,032**	**21.0**	400,979	28.3
– BPaaS Solutions	**510,134**	**32.0**	412,016	30.2
Subtotal	**810,166**	**26.8**	812,995	29.2
Total	**4,696,879**	**13.0**	4,811,767	14.5

The following table sets out the details of revenue and gross profit by business and service type after excluding the impact of the business of developers[note 3] for the dates indicated:

	Revenue				Gross profit			
	RMB'000				*RMB'000*			
Business type	**2021**	**2024**	**Cumulative growth rate**	**Compound growth rate**	**2021**	**2024**	**Cumulative growth rate**	**Compound growth rate**
Recurring businesses								
Residential property services	11,076,480	18,770,261	69.5%	19.2%	979,229	1,927,596	96.8%	25.3%
Property and facility management services	4,581,245	9,086,190	98.3%	25.6%	617,887	744,917	20.6%	6.4%
BPaaS Solutions	361,144	1,103,044	205.4%	45.1%	128,563	369,905	187.7%	42.2%
Subtotal of recurring businesses	**16,018,869**	**28,959,495**	**80.8%**	**21.8%**	**1,725,679**	**3,042,418**	**76.3%**	**20.8%**
Add: Other core businesses								
Home-related assets services	1,124,093	1,082,325	-3.7%	-1.3%	340,275	317,712	-6.6%	-2.3%
AIoT Solutions	151,197	864,651	471.9%	78.8%	12,252	110,229	799.7%	108.0%
Subtotal of core businesses	**17,294,159**	**30,906,471**	**78.7%**	**21.4%**	**2,078,206**	**3,470,359**	**67.0%**	**18.6%**
Add: Other businesses								
Other community value-added services	458,737	321,825	-29.8%	-11.1%	377,442	217,463	-42.4%	-16.8%
Urban space integration services	326,198	728,262	123.3%	30.7%	56,829	51,477	-9.4%	-3.2%
Subtotal of other businesses	**784,935**	**1,050,087**	**33.8%**	**10.2%**	**434,271**	**268,940**	**-38.1%**	**-14.8%**
Total after excluding all developer businesses	**18,079,094**	**31,956,558**	**76.8%**	**20.9%**	**2,512,477**	**3,739,299**	**48.8%**	**14.2%**

During the Reporting Period, the revenue not related to the business impact of developers accounted for 88.2% of the Group's total revenue, representing an increase of 11.9 percentage points as compared to the same period in 2021. During the Reporting Period, after excluding the impact of the business of developers, the revenue of the Group was RMB31,956.6 million, representing a year-on-year increase of 76.8% over 2021; gross profit was RMB3,739.3 million, representing a year-on-year increase of 48.8% in 2021.

Recurring businesses

As the "ballast stone" for steadily growing revenue, the recurring businesses of the Group include three major business segments, namely, residential property services, property and facility management services and BPaaS solutions. During the Reporting Period, the revenue of recurring businesses was RMB30,793.2 million, representing a year-on-year increase of 15.5%, accounting for 85.0% of the Group's total revenue. The gross profit generated therefrom was RMB3,736.0 million, representing a year-on-year increase of 10.0%, accounting for 79.5% of the Group's total gross profit.

Note 3: Excluding the impact of the business of developers means excluding the impact of the continuing connected transactions of China Vanke Co., Ltd. (the "**China Vanke**") and its subsidiaries (together the "**China Vanke Group**"), and the value-added services for developers of other developers other than the China Vanke Group.

Residential property services

During the Reporting Period, the Group's revenue from residential property services was RMB19,229.0 million, representing a year-on-year increase of 13.1%, accounting for 53.1% of total revenue. The business generated a gross profit of RMB2,386.3 million during the Reporting Period, representing a year-on-year increase of 5.2%, accounting for 50.8% of total gross profit. The decline in gross profit margin of this business was mainly attributable to the Group's proactive investments in projects to enhance customer satisfaction. During the Reporting Period, revenue from residential property services increased steadily, which was mainly due to the outstanding market-oriented expansion capabilities of the Group's Vanke Service brand. As of December 31, 2024, the saturated income of residential projects under management was RMB27,297.2 million, representing a year-on-year increase of 11.9%; the saturated income of contracted residential projects was RMB32,690.9 million, representing a year-on-year increase of 6.6%.

The following table sets forth the details of the number and saturated income from residential projects under management and contracted residential projects as at the dates indicated:

	As of December 31,	
	2024	2023
Saturated income from contracted projects (RMB million)	**32,691**	30,663
Number of contracted projects (units)	**5,010**	4,658
Saturated income from projects under management (RMB million)	**27,297**	24,405
Number of projects under management (units)	**4,261**	3,810

During the Reporting Period, the Group has withdrawn from a total of 53 residential property projects with a saturated income of RMB285.9 million.

The following table sets forth the number of residential property projects under management and contracted residential property projects, the saturated income from projects under management as at the dates indicated, as well as a breakdown of income from residential property management services during the periods indicated by types of property developer.

	As of December 31, 2024			As of December 31, 2023		
	Number of projects under management *(units)*	**Annualized saturated income** *(RMB million)*	**Financial income** *(RMB million)*	Number of Projects under management *(units)*	Annualized saturated income *(RMB million)*	Financial income *(RMB million)*
China Vanke Group and its joint ventures and associates	**1,679**	**13,091**	**10,058**	1,546	12,130	9,028
Independent Third Party real estate developers	**2,582**	**14,206**	**9,171**	2,264	12,275	7,974
Total	**4,261**	**27,297**	**19,229**	3,810	24,405	17,002

Property and facility management services

During the Reporting Period, the Group's revenue from property and facility management services was RMB9,970.8 million, representing a year-on-year increase of 20.1%, accounting for 27.5% of the total revenue; the business generated a gross profit of RMB839.5 million during the Reporting Period, representing a year-on-year increase of 17.6%, accounting for 17.9% of total gross profit. As of December 31, 2024, the saturated income from contracted property and facility management services projects was RMB18,588.0 million, of which RMB9,666.1 million came from commercial property services projects, representing a year-on-year increase of 19.8%; RMB8,921.9 million came from integrated facility management service projects, representing a year-on-year increase of 14.7%. During the Reporting Period, the Group merged with Dantian Property, a leading service provider in the public construction sector, to build up its property service capacity in the hospital and university sectors, and to speed up market development by relying on Onewo's comprehensive market expansion capabilities. Despite subject to impacts of developers' declining ability to pay, pressure from the external environment and more severe market competition, the Group acquired additional nine customers who are among the world's top 500 large companies in the year, relying on its outstanding brand advantages and expansion abilities among business customers as well as its integrated services abilities for both PM and FM.

The following table sets forth the details of the number and saturated income from property and facility management services projects under management and contracted property and facility management services projects as at the dates indicated:

	As of December 31,	
	2024	2023
Saturated income from contracted projects (RMB million)	**18,588**	15,849
Number of contracted projects (units)	**2,993**	2,531
Saturated income from projects under management (RMB million)	**15,368**	13,430
Number of projects under management (units)	**2,482**	2,241

The following table sets forth the number of property and facility management services projects under management and contracted property and facility management services projects, the saturated income from projects under management as at the dates indicated, as well as a breakdown of income from property and facility management services during the periods indicated by types of property developer:

	As of December 31, 2024			As of December 31, 2023		
	Number of projects under management *(units)*	**Annualized saturated income** *(RMB million)*	**Financial income** *(RMB million)*	Number of projects under management *(units)*	Annualized saturated income *(RMB million)*	Financial income *(RMB million)*
China Vanke Group and its joint ventures and associates	**294**	**2,292**	**1,422**	325	2,202	1,273
Independent Third Party real estate developers	**2,188**	**13,076**	**8,549**	1,916	11,228	7,027
Total	**2,482**	**15,368**	**9,971**	2,241	13,430	8,300

BPaaS solutions

During the Reporting Period, the Group's revenue from BPaaS solutions was RMB1,593.4 million, representing a year-on-year increase of 16.9%, accounting for 4.5% of the total revenue. The business generated a gross profit of RMB510.1 million during the Reporting Period, representing an increase of 23.8% as compared to the same period of last year, accounting for 10.9% of the total gross profit.

The rapid growth of the business was attributable to the Group's marketization expansion capabilities of enterprise clients, and the external expansion of enterprise BPaaS business was effective as of December 31, 2024, with newly added customers including top Internet operators, AI companies, large pharmaceutical enterprises and well-known communication enterprises.

Other core businesses

In addition to the recurring businesses, home-related asset services and AIoT solutions businesses are also the Group's core businesses.

Home-related asset services

During the Reporting Period, the Group's revenue from home-related asset services was RMB1,346.7 million, representing a year-on-year decrease of 1.0%, accounting for 3.7% of the total revenue. The business generated a gross profit of RMB388.2 million during the Reporting Period, representing a year-on-year decrease of 0.5%, accounting for 8.3% of the total gross profit. The decrease in revenue from the business was mainly due to the decline in the total volume of the housing transaction market and the impact of the external environment on the decoration business.

AIoT solutions

During the Reporting Period, the Group's revenue from AIoT solutions was RMB1,427.3 million, representing a year-on-year increase of 0.7%, accounting for 3.9% of the total revenue; of which the revenue from developers was RMB560.0 million, representing a year-on-year decrease of 27.9%; the revenue from industrial customers was RMB870.0 million, representing a year-on-year increase of 35.8%. The business generated a gross profit of RMB300.0 million during the Reporting Period, representing a decrease of 25.2% as compared to the same period of last year, accounting for 6.4% of the total gross profit. The Group continued to optimize its customer structure and build up its market expansion capability targeting industrial parks and National Emerging Industries with the aim of extending its capability cultivated in serving developers in the past to other industrial customers with unmet demands, and as a result gross profit margin declined while cash flow situation remained healthy.

Non-core businesses

During the Reporting Period, the Group actively adjusted its strategies and the proportion of non – core businesses in the main businesses continued to decline.

Urban space, one of the Group's major scenario businesses, was carried out mainly in the form of off-balance sheet joint ventures.

Urban space integrated services

During the Reporting Period, the Group's consolidated income from urban space integrated services amounted to RMB755.6 million, representing a year-on-year increase of 10.9%, accounting for 2.1% of the total revenue. The business generated a gross profit of RMB53.5 million during the Reporting Period, representing a decrease of 17.5% as compared to the same period of last year, accounting for 1.1% of the total gross profit.

Other community value-added services

During the Reporting Period, the Group's revenue from other community value-added services was RMB331.9 million, representing a year-on-year decrease of 11.6%, accounting for 0.9% of the total revenue. The business generated a gross profit of RMB219.2 million during the Reporting Period, representing a year-on-year decrease of 11.8%. The decline in revenue and profits is mainly due to a profit squeeze arising from a sharp decline in business volume, and the time required for cost adjustment.

Value-added services for developers

During the Reporting Period, the Group's revenue from value-added services for developers was RMB1,569.2 million, representing a year-on-year decrease of 41.5%, accounting for 4.3% of the total revenue. The business generated a gross profit of RMB0.1 million during the Reporting Period, representing a year-on-year decrease of 100.0%. The decline in revenue and profits is mainly due to the more-than-expected contraction of developers' new property affected by the industry cycle, and the Group's proactively downsizing its business in the second half of the year resulting in its developer business's shut down, production suspension, merge and product changes.

OUTLOOK

2025 to 2027 will be the three years of capacity building for the Group. With AI riding the wind, historical issues such as those with developers will gradually be resolved. Based on our long – established practice of labor outsourcing, we will focus on "assets, intelligence, and low carbon." Through process transformation and technological application to enhance efficiency, we will gradually provide service products with higher added technical and knowledge content.

Continuing to build an upgraded version of the Onewo Town model that is scalable, efficient, and extendable

We will adhere to the concept of "value for money," leveraging flexible pricing capabilities to facilitate market expansion. The performance of the supply chain will continue to improve, with "Lingshi+Feige" exploring new efficiency growth points. We will actively carry out asset services such as house repairs and renovations, adjusting store investment and layout based on market demand and baseline growth. Focusing on the asset-heavy community commercial projects we hold, we will build and continuously iterate the "Onewo Town+Community Commerce" operation model to create an "ideal place" together with local street authorities.

Building a competitive moat around diverse customer needs

We will continue to serve more customers and in more aspects. Developing segmented capabilities for vertical customers, we will serve more leading customers from promising industries. Focusing on essential needs of buildings, we will build intelligent and low-carbon service capabilities, providing full lifecycle services for buildings. Enhancing the synergy of various ToB businesses, we will form cross-selling among various business lines within the Group to jointly serve customers in more aspects.

Fully applying AI to bring about qualitative changes in processes

The speed of AI development has repeatedly exceeded people's expectations. The Group will continue to actively embrace AI, enhancing the application of large models and other AI technologies to bring about qualitative changes in processes, improving professional capabilities and operational efficiency. Focusing on the "Lingshi" product, we will build full-space digital service capabilities, promoting industry innovation through technological innovation.

Adhering to the concept of sustainable development and implementing the "Onewo Plan"

Our group will continue to implement the four initiatives of "Love Life, Love Growth, Love Environment, and Love Community," reducing unnatural deaths in service spaces, assisting frontline service personnel in achieving diverse self-growth, promoting building energy conservation and emission reduction as well as community waste separation, achieving property renewal and symbiosis with surrounding communities.

FINANCIAL REVIEW

For the year ended December 31, 2024, the Group's income structure continued to be optimized. Revenue from the recurring businesses amounted to RMB30,793.2 million, representing a year-on-year increase of 15.5%, accounting for 85.0% of revenue, bringing a gross profit of RMB3,736.0 million. The administrative expenses ratio (as a percentage of revenue) decreased by 0.9 percentage point year-on-year and net cash flows from operating activities for the year amounted to RMB1,918.8 million.

Revenue

For the year ended December 31, 2024, the Group's total revenue was RMB36,223.8 million, representing an increase of 9.2% as compared to RMB33,183.5 million for the same period in 2023. The increase in revenue was mainly due to the increase in scale under the Group's management and the increase in business contracts. Including:

- ***Community space living consumption services***

  For the year ended December 31, 2024, the Group's revenue generated from community space living consumption services was RMB20,907.5 million, representing an increase of 11.6% as compared to RMB18,738.4 million for the same period in 2023, primarily due to the Company's outstanding market expansion capabilities, particularly the ability to strengthen presence in the existing market.

- ***Commercial and urban space integrated services***

  For the year ended December 31, 2024, the Group's revenue generated from commercial and urban space integrated services was RMB12,295.5 million, representing an increase of 5.4% as compared to RMB11,664.4 million for the same period in 2023, mainly due to the Company's deep market penetration in customer diversification.

- ***AIoT and BPaaS solution services***

  For the year ended December 31, 2024, the Group's revenue generated from AIoT and BPaaS solution services was RMB3,020.8 million, representing an increase of 8.6% as compared to RMB2,780.6 million for the same period in 2023, mainly attributable to the increase in revenue from remote enterprise operation services.

Cost of Sales

The Group's cost of sales mainly includes operating costs, depreciation and amortization. Operating costs include (i) subcontracting costs; (ii) staff costs; (iii) common area facility costs; (iv) engineering costs; (v) office and other related costs; and depreciation and amortization are mainly comprised of the amortization of customer relationship resulted from our historical acquisitions.

For the year ended December 31, 2024, the total cost of the Group was RMB31,526.9 million, representing an increase of 11.1% as compared to RMB28,371.7 million for the same period in 2023. The increase in costs was mainly due to the increase in business scale.

Gross Profit and Gross Profit Margin

For the year ended December 31, 2024, the Group's gross profit was RMB4,696.9 million, representing a decrease of 2.4% as compared to RMB4,811.8 million for the same period in 2023. For the year ended December 31, 2024, the Group's gross profit margin was 13.0%, representing a decrease of 1.5 percentage points as compared to 14.5% for the same period in 2023; the decrease in gross profit margin was mainly due to the decrease in the gross profit margin of the developer's business.

- ***Community space living consumption services***

  For the year ended December 31, 2024, the gross profit margin of the Group's community space living consumption services was 14.3%, representing a decrease of 1.2 percentage points as compared to the same period of last year, of which the gross profit margin of residential property services was 12.4%, representing a decrease of 0.9 percentage point as compared to the same period of last year, the decrease in the gross profit margin of this business was mainly due to the Group's proactive investments in projects to enhance customer satisfaction; the gross profit margin of home-related asset services was 28.8%, representing an increase of 0.1 percentage point as compared to the same period of last year.

- ***Commercial and urban space integrated services***

  For the year ended December 31, 2024, the gross profit margin of the Group's commercial and urban space integrated services was 7.3%, of which the gross profit margin of property and facility management services was 8.4%, representing a decrease of 0.2 percentage point as compared to the same period of last year, mainly due to the fact that the integrated facility management services are still in the stage of accumulating customer base and building the brand across fields; the gross profit margin of value-added services for developers was 0.1%, representing a decrease of 11.5 percentage points as compared to the same period of last year; the gross profit margin of urban space integrated services was 7.1%, representing a decrease of 2.4 percentage points as compared to the same period of last year.

- ***AIoT and BPaaS solution services***

  For the year ended December 31, 2024, the gross profit margin of the Group's AIoT and BPaaS solution services was 26.8%, representing a decrease of 2.4 percentage points as compared to the same period of last year, mainly due to the continuous optimization of product structure under business transformation, of which the gross profit margin of AIoT solutions was 21.0%, representing a year-on-year decrease of 7.3 percentage points, while the gross profit margin of BPaaS solutions was 32.0%, representing a year-on-year increase of 1.8 percentage points.

Other Income and Gains

The Group's other income and gains decreased by 74.4% from RMB719.9 million for the year ended December 31, 2023 to RMB184.0 million for the same period in 2024, mainly due to the decrease in fair value gains on financial liabilities at fair value through profit or loss, the changes in the value of equity investments held during the Reporting Period, and the expiration of the value-added tax additional deduction policy and other multiple factors in mainland China.

Selling and Distribution Expenses

The Group's selling and distribution expenses increased by 17.6% from RMB497.4 million for the year ended December 31, 2023 to RMB585.0 million for the same period in 2024, mainly due to the increase in business scale and the investment in home-related asset services; the selling and distribution expenses accounted for 1.6% of revenue, same as that for the same period of 2023.

Administrative Expenses

The Group's administrative expenses decreased by 6.4% from RMB2,073.3 million for the year ended December 31, 2023 to RMB1,940.3 million for the same period in 2024. The administrative expenses ratio (as a percentage of revenue) was 5.4%, representing a decrease of 0.9 percentage point as compared to the same period in 2023, which, on the one hand, benefited from efficient management in a centralized, remote and intelligent manner driven by improved performance by technologies, on the other hand, was due to the strategies of focusing on the construction of back-office functional teams, standardization and aggregation, and commitment to the growth of labor productivity.

Income Tax Expenses

The Group's income tax expenses decreased by 29.3% from RMB622.0 million for the year ended December 31, 2023 to RMB440.0 million for the same period in 2024, mainly due to the decrease in profit before tax.

Profit for the Year

The Group's profit for the year decreased by 38.3% year-on-year from RMB2,035.8 million for the year ended December 31, 2023 to RMB1,256.0 million for the same period in 2024, mainly due to an increase in net loss on extraordinary items of RMB810.2 million year-on-year, among which, provision for credit impairment losses in relation to developers and others increased by RMB337.1 million as compared to last year, gains from equity transaction decreased by RMB257.6 million as compared to last year, and gains on government grants decreased by RMB93.8 million as compared to last year due to the expiration and non-renewal of preferential tax policies. For the year ended December 31, 2024, the Group's core net profit was RMB2,226.9 million, representing a decrease of 4.8% as compared to RMB2,339.6 million for the same period in 2023.

Intangible Assets

The Group's intangible assets mainly include customer relationships and goodwill acquired in historical acquisitions. The Group's intangible assets decreased from RMB7,981.2 million as of December 31, 2023 to RMB7,733.5 million as of December 31, 2024, mainly due to the amortization of customer relationships and intangible assets and goodwill arising from new merger and acquisition.

Trade and Retention Receivables

The Group's carrying balance of trade and bill receivables decreased by 3.5% from RMB6,781.1 million as of December 31, 2023 to RMB6,541.5 million for the same period in 2024.

Liquidity and Financial Resource

Cash position

As of December 31, 2024, the Group had cash and cash equivalents of RMB13,434.8 million, representing a decrease of RMB2,137.7 million in balance from RMB15,572.5 million on December 31, 2023, mainly due to the dividends paid during the year amounting to RMB2,424.0 million and payment of share repurchase amounting to RMB330.8 million. The Group's cash and cash equivalents were mainly denominated in Renminbi.

The Group has adopted prudent capital management policies and conducted effective capital management under centralized management to sustain appropriate and sufficient levels of cash and bank balances.

Loans and net gearing ratio

As of December 31, 2024, the Group had no bank loans or borrowings and therefore had a net cash position. Net gearing ratio is calculated as our total interest-bearing borrowings minus cash and cash equivalents divided by total equity as of the end of the relevant period. Accordingly, net gearing ratio is not applicable to the Group as of December 31, 2024.

Contingent Liabilities

As of December 31, 2024, the Group had no material contingent liabilities.

Pledge of Asset

As of December 31, 2024, the Group had no pledge of assets.

Impact of Exchange Rate Fluctuation

As the Group's business is mainly conducted in the PRC, we mainly adopt RMB as the settlement currency.

As of December 31, 2024, non-RMB assets are cash and cash equivalents, including HKD-denominated assets (worth RMB61.3 million) and USD-denominated assets (worth RMB6.1 million). As of December 31, 2024, the Group's exposure to foreign exchange risk was limited and fluctuation of the exchange rate between RMB and foreign currency had no significant impact on the results of operations of Group.

CORPORATE GOVERNANCE AND OTHER INFORMATION

1. Use of Net Proceeds from the Global Offering

The H Shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on September 29, 2022 by way of Global Offering. The net proceeds from the Global Offering received by the Company (after the full exercise of the Over-allotment Option in part) (the "**Net Proceeds**") amounted to approximately RMB5,617.2 million after deducting the underwriting fees and other related expenses payable by the Company in connection with the exercise of the Over-allotment Option. The proceeds from the Global Offering will continue to be utilized in accordance with the plan disclosed in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated September 19, 2022 (the "**Prospectus**"). As of December 31, 2024, the Group had utilized approximately RMB3,416.0 million of the proceeds, which were allocated and used in accordance with the use of proceeds set out in the Company's Prospectus dated September 22, 2022 and the announcement of the Company regarding the change in the use of proceeds from the Global Offering dated September 30, 2024 (the "**Announcement**"). As disclosed in the Announcement, after careful consideration and detailed evaluation of the Company's operations and strategy, the Board has resolved to propose to change the intended use originally allocated to change the unutilized Net Proceeds. The unutilized Net Proceeds of approximately RMB2,201.2 million will be allocated and utilized in accordance with the purposes and proportions set out in the Announcement. The specific utilization is as follows:

Use of revised Net Proceeds as stated in the Announcement	The revised Net Proceeds as stated in the Announcement *(RMB million)*	Unutilized amount of the proceeds from initial public offerings as of January 1, 2024[Note] *(RMB million)*	Utilized amount of the proceeds in 2024 *(RMB million)*	Unutilized amount of the Net Proceeds as at December 31, 2024 *(RMB million)*	Expected timetable for the full use of the balance
Replicating the success of our 'Onewo Town' model – for supporting residential property services projects, horizontal acquisitions and other business expansion initiatives	1,123.4	985.5	295.3	690.2	By the end of 2027
Investing in the development of our AIoT and BPaaS solutions	1,404.3	990.1	623.1	367.0	By the end of 2027
For technical investment and transformation of infrastructures	561.7	510.8	285.0	225.8	
(i) For developing, upgrading and enhancing the integration capability of AIoT system on the Alot platform	280.9	277.3	222.5	54.8	
(ii) For optimizing the algorithms	280.8	233.5	62.5	171.0	
For the development of our BPaaS solutions	842.6	479.4	338.2	141.2	By the end of 2027
(i) For enhancing BPaaS solutions	280.9	198.5	57.3	141.2	
(ii) For developing new service processes	561.7	280.9	280.9	–	
Use for deepening the Onewo Town strategy and incubating the Onewo ecosystem through the exploration of property targets with development potentials (including investment in operating assets) by means of fund investment, etc.	1,966.1	1,849.8	872.1	977.7	By the end of 2027
Attracting and nurturing talents	561.7	555.6	389.3	166.3	By the end of 2027
For working capital and general corporate purposes	561.7	28.8	28.8	–	
Total	5,617.2	4,409.8	2,208.6	2,201.2	

Note: The unutilized amount of the Net Proceeds from initial public offerings as of January 1, 2024 has been restated as if the change in use of Net Proceeds as described in the Announcement has been effected on January 1, 2024.

2. Significant Investments, Material Acquisitions and Capital Asset Plans

As of December 31, 2024, the Group had not made any significant investments, material acquisitions, or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

In addition, save as the plans disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus and the Announcement, the Group has no specific plans to make significant investments or acquire material capital assets. However, the Group will continue to seek new opportunities for business development in accordance with the Company's strategy. For further details of the change in use of proceeds, please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus and the Announcement.

3. Employees and Remuneration Policy

Our journey as a company providing property services started in 1990. Over the last three decades, the Group has established a strong service culture as well as a customer-centric and creative service team. The Group has further developed an inheritable corporate culture and operating system centered on the values of "Service", "Champion" and "Positivity", which are crucial for us to keep attracting and retaining talents that meet our business development needs. In addition, the structure of human resources of the Group includes customer service, sales and marketing, research and operations, property and project delivery, as well as functional support personnel, etc., forming a diversified and all-rounded team that lays the foundation for our business development.

As of December 31, 2024, the Group had 102,441 employees (December 31, 2023: 101,284 employees), and the total staff costs during the Reporting Period was approximately RMB11,892.7 million. Remuneration and benefits of the employees of the Group include basic salaries, discretionary bonus, and social security fund and housing provident fund, which were determined based on the nature of work, work performance and market conditions. The Group also offers competitive remuneration and employee stock ownership plan for its employees, especially key employees.

Employee training plan

The Group built a broad development platform for employees. According to the business needs and employees' personal career planning and development, a training system that is beneficial to employees' development was established to provide diversified career development paths and learning opportunities.

1. *"Onewo Dream" Development ("萬紫千紅"好發展)*

The Group launched the employee development project from 2019 and built a multipath development mechanism with professionalization, diversification and full business scenarios for front line employees, to encourage them to explore new career paths and help them move to a larger development stage and gain more labor income. The Group provides front line employees with rich skill trainings and diversified business direction choices, and helps front line service staff transition to other positions that are more skilled and more irreplaceable. During the Reporting Period, the Group assisted 1,263 front line employees to successfully transfer to grid coordinators, asset coordinators, mechanical and electrical experts, and digital operation, etc. Since the inception of the "Onewo Dream" Development project in 2020, the Group has successfully helped a total of 9,034 front line employees transfer to other positions.

2. *Talent training and development*

We are well aware that talent is the core driving force to promote sustainable development of enterprises. Therefore, we attach great importance to seeking and empowering talents, and establish talent reserves for key positions such as supervisor and manager. In 2024, the Group continued to implement the prevailing talent system, innovated constantly, optimized talent selection mechanism, and improved the quality of talent selection, to meet the requirement of business development better. We established professional certification system standards and provided on-the-job professional skill training and first aid skill certification course to standardize the improvement of employees' capabilities and to ensure that employees are equipped with necessary skills and knowledge to play a key role when necessary. To promote talent development, the Group planned and implemented a series of talent training and development projects in 2024, including:

- Leadership training camp: helping new supervisors, managers and directors improve their leadership level, covering administrators at each level to reserve talent echelons for the future;

- Professional certification system: the standards of the ability certification system was issued in accordance with ISO international standards to optimize employees' competence and ensure the quality delivery of services:

- Key position ability certification: arranging key positions in business operation to ensure that key position personnel are equipped with professional abilities required for;

- Market development training camp: assessment and training for core market development positions were carried out to promote the transformation of trainees into more professional and specialized market development teams, and strengthen market competitiveness;

- Digital compass project for talent: achieving more precise talent management through data management system and AI algorithm to assist talent selection and training;

- Executive coach program: professional training by retired senior management through external executive coaches, and guidance for active senior managers, to drive the improvement of organizational performance;

- First aid skill training for positions facing customer: providing necessary first aid skill training and certification for front line service staff; currently, it has covered more than 44,000 on-the-job employees;

- Other skill and knowledge training for front line service employee.

4. Major Events after the Reporting Period

There were no major events affecting the Group after the Reporting Period and up to the date of this announcement.

5. Purchase, Sale and Redemption of the Listed Securities of the Company

On May 10, 2024, the annual general meeting of the Company considered and approved the grant of general mandate to the Board to repurchase H shares (the "**H Shares**") of the Company (the "**May 2024 Repurchase Mandate**"). The amount of H Shares repurchased shall not exceed 10% of the total number of H Shares in issue as at the date of the annual general meeting.

With effect from June 11, 2024, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") have been amended, among other things, to remove the requirement to cancel repurchase shares and to adopt a framework to govern the resale of treasury shares. In view of the amendments of the Listing Rules and in order to grasp market opportunities, the Board recommends approval of the granting of a general mandate to the Board to repurchase the H Shares. On September 27, 2024, the grant of general mandate to the Board to repurchase H Shares ("**September 2024 Repurchase Mandate**") was considered and approved at the extraordinary general meeting of the Company. Therefore, if the Company repurchases any H Shares pursuant to the September 2024 Repurchase Mandate, the Company will either (i) cancel the H Shares repurchased and reduce the Company's registered capital by an amount equivalent to the aggregate nominal value of the H Shares so cancelled, and/or (ii) hold such H Shares as treasury shares, subject to market conditions and the Company's capital management needs at the relevant time any repurchases of H Shares are made. The H Shares repurchased shall not exceed 10% of the total number of H Shares in issue (excluding any treasury shares and H Shares repurchased but not yet cancelled) as at the date of the extraordinary general meeting. The May 2024 Repurchase Mandate lapsed on the same date.

During the Reporting Period, the Company started the H Shares repurchase on January 9, 2024. As of December 31, 2024, the Company has repurchased 18,308,900 H Shares in total during the Reporting Period, representing 1.57% of the total share capital (excluding treasury shares) of the Company as of December 31, 2024, and the total amount paid was approximately HK$385,715,815.44 (excluding transaction fees). For the year ended December 31, 2024, the monthly report on H Shares repurchase is as follows:

Month of Repurchase	Number of Shares Repurchased	Price per Share		Total Amount
		Highest	Lowest	
		(HK$/per Share)	*(HK$/per Share)*	*(HK$)*
January 2024	959,300	21.60	20.30	20,192,150.57
February 2024	600,000	19.00	17.22	10,743,060.00
March 2024	79,000	19.66	19.60	1,552,752.90
April 2024	2,203,600	19.04	17.28	39,648,478.12
May 2024	300,000	24.25	23.45	7,183,080.00
June 2024	1,344,600	24.00	23.15	31,815,107.29
July 2024	2,000,000	23.65	20.15	44,403,270.00
August 2024	2,054,100	17.82	16.04	34,341,697.61
September 2024	1,458,100	20.20	16.98	26,798,124.80
October 2024	3,101,700	27.20	23.25	78,826,020.57
November 2024	2,708,500	23.05	21.20	59,813,073.58
December 2024	1,500,000	20.45	20.00	30,399,000.00

The Board believes that repurchase of shares under the current market conditions will demonstrate the Company's confidence in the development and prospects of its business and will ultimately benefit the Company and create a return of value for the shareholders, which is in the interests of the Company and the shareholders as a whole.

On April 29, 2024 and August 16, 2024, the Company cancelled 5,582,100 H Shares repurchased during the period from December 11, 2023 to April 22, 2024 and 4,090,000 H Shares repurchased during the period from April 23, 2024 to July 22, 2024, respectively. As of the date of this announcement, 3,512,200 H Shares repurchased during the period from August 23, 2024 to January 17, 2025 have not been cancelled.

As of the date of this announcement, 11,560,200 repurchased shares have not been cancelled and are held by the Company as treasury shares (as defined in the Listing Rules). The Company did not sell or transfer any treasury shares during the Reporting Period.

Save as set forth above, during the Reporting Period, the Group and its subsidiaries did not purchase, sell or redeem any listed securities of the Company (including sale of treasury shares (as defined in the Listing Rules)).

6. Corporate Governance Code

The Group is committed to implementing high standards of corporate governance to safeguard the interests of the shareholders of the Company and enhance the corporate value as well as the responsibility commitments. The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules as its own code of corporate governance and to the best knowledge of the Directors, the Company has complied with all applicable code provisions set out in the CG Code during the Reporting Period, save as disclosed below.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separated and should not be performed by the same individual. Mr. Zhu Baoquan is our chairman of the Board and the general manager of the Company and the roles of Mr. Zhu Baoquan have not been separated as required under code provision C.2.1 of the CG Code.

In view of the fact that Mr. Zhu Baoquan has been managing and operating the Company as the chairman, an executive Director and the general manager since February 2011, the Board believes that Mr. Zhu Baoquan should continue to assume the responsibilities of the general manager of the Company as this arrangement will improve the efficiency of the Company's decision-making and execution process and provide strong and consistent leadership to the Company. Further, the Company has put in place an appropriate check-and-balance mechanism through the Board and the independent non-executive Directors. In light of the above, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in the circumstances of the Company. The Board will review the current structure from time to time and will make any necessary arrangement as appropriate.

7. Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its code for dealing in securities in the Company by the Directors and supervisors of the Company (the "**Supervisors**").

After specific enquiries made to all Directors and Supervisors, Directors and Supervisors have confirmed compliance with the required standards set out in the Model Code during the Reporting Period.

8. Audit Committee

The Board of the Company has established the Audit Committee with written terms of reference in compliance with the Listing Rules and the CG Code. The Audit Committee is mainly responsible for reviewing, supervising and coordinating internal and external audit procedures, proposing the appointment or replacement of external auditors, and reviewing the Company's financial information and disclosures as well as the Company's internal control system and other matters authorized by the Board.

The Audit Committee consists of three members, namely Ms. Law Elizabeth (羅君美), Mr. Wang Wenjin (王文金) and Mr. Chen Yuyu (陳玉宇). The Audit Committee has reviewed the Company's consolidated financial information for the year ended December 31, 2024 and has discussed it with the Company's external auditor, Ernst & Young, confirming that the Group's consolidated financial information has complied with all applicable accounting principles, standards and requirements, and has been adequately disclosed. The Audit Committee has also discussed the matters of audit and financial reporting.

Ernst & Young, the Group's auditor, agreed that the figures in the Group's consolidated statements of profit or loss, consolidated statements of comprehensive income and consolidated statements of financial position for the year ended December 31, 2024 as set out in this announcement and related notes hereto are consistent with the amounts set out in the Group's consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement conducted in accordance with Hong Kong Standards on Auditing, Hong Kong Standard on Review Engagements or Hong Kong Standard on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants, and therefore no assurance has been expressed by Ernst & Young on this announcement.

9. Annual General Meeting

The Annual General Meeting (the "**2024 AGM**") of the Company will be held on May 16, 2025. A notice of the 2024 AGM will be published and despatched to the shareholders in due course.

10. Final Dividend and Special Dividend

The final dividend of RMB0.777 (equivalent to HK$0.8553) per share (including tax) totaling RMB915.2 million (equivalent to HK$1,001.7 million) declared for the year ended December 31, 2023, was approved by shareholders at the 2023 annual general meeting held on May 10, 2024, and was paid during the year.

On August 22, 2024, the Board declared an interim dividend of RMB0.562 (equivalent to HK$0.622) per share (including tax) and a special dividend of RMB0.460 (equivalent to HK$0.509) per share (including tax) for the six months ended June 30, 2024, totaling RMB1,201.8 million (equivalent to HK$1,315.5 million), which has been approved by shareholders at the extraordinary general meeting of the Company held on September 27, 2024, all of which have been paid during the year.

The Board resolves to propose declaration of an ordinary dividend of RMB1.045 per share (including tax) for the full year of 2024 at 55% of the core net profit for the year ended December 31, 2024 based on total shares as at the end of the period. Furthermore, to ensure a consistent dividend distribution throughout 2024, the Board is pleased to announce that it has resolved to propose a special dividend of RMB0.855 per share (including tax) for the full year of 2024 at 45% of the core net profit for the year ended December 31, 2024 to the shareholders based on total shares as at the end of the period. The aggregate dividend to be distributed for the full year will be RMB1.900 per share (including tax), amounting to a total of RMB2,226.9 million based on total shares as at the end of the period. Deducting the declared interim dividend totalling RMB661.0 million (including tax) and the special dividend totalling RMB540.8 million (including tax) paid in 2024, the aggregate dividend to be distributed will be RMB0.875 per share (including tax) (including a final dividend of RMB0.481 per share (including tax) for the year ended December 31, 2024 (the "**2024 Final Dividend**") and a special dividend of RMB0.394 per share (including tax) (the "**2024 Special Dividend**")), amounting to a total of RMB1,025.1 million.

For the payment of dividends, dividends for holders of H Shares will be declared in RMB but paid in Hong Kong dollars. The 2024 Final Dividend and 2024 Special Dividend are subject to the approval of shareholders at the forthcoming 2024 AGM. The 2024 Final Dividend and 2024 Special Dividend are expected to be paid in cash on or about June 13, 2025 to the shareholders whose names appear on the register of members of the Company on May 26, 2025.

The Company will publish, among others, further details of the Company's payment of 2024 Final Dividend and 2024 Special Dividend in due course.

Dividend Taxes

In accordance with the Enterprise Income Tax Law of the People's Republic of China and its implementation rules and the Notice of the State Taxation Administration on Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Shareholders Who Are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) (國家稅務總局《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), as a PRC domestic enterprise, the Company will, after withholding 10% of the final dividend and special dividend as enterprise income tax, distribute the final dividend and special dividend to non-resident enterprise shareholders whose names appear on the H Shares register of members (i.e. any shareholders who hold H Shares in the name of non-individual shareholders, including but not limited to HKSCC Nominees Limited, other nominees, trustees, or H shareholders registered in the name of other organizations and groups). After receiving dividends, the non-resident enterprise shareholders may apply to the competent tax authorities for enjoying treatment of taxation treaties (arrangement) in person or by proxy or by the Company, and provide information to prove that it is an actual beneficiary under the requirements of such taxation treaties (arrangement). After the competent tax authorities have verified that there is no error, it shall refund the tax difference between the amount of tax levied and the amount of tax payable calculated at the tax rate under the requirements of the relevant taxation treaties (arrangement).

Pursuant to the Notice on the Issues Regarding Levy of Individual Income Tax after the Abolishment of Guo Shui Fa [1993] No. 045 Document (Guo Shui Han [2011] No. 348) (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)), the Company shall withhold and pay individual income tax for individual holders of H Shares. If the individual holders of H Shares are Hong Kong or Macau residents or residents of other countries or regions that have a tax rate of 10% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such shareholders.

If the individual holders of H Shares are residents of countries or regions that have a tax rate lower than 10% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such shareholders. If such shareholders claim refund of the amount in excess of the individual income tax payable under the relevant tax treaties, the Company may apply, on behalf of such shareholders and according to the relevant tax treaties, for the treatment under tax treaties, provided that the relevant shareholders submit the relevant documents and information required by the Administrative Measures on Enjoying Treatment under Tax Treaties by Non-resident Taxpayers (State Taxation Administration Announcement, 2015, No.60) (《非居民納稅人享受稅收協議待遇管理辦法》(國家稅務總局公告2015年第60號)) and the provisions of the relevant tax treaties in a timely manner. The Company will assist with the tax refund for the overpaid tax subject to the approval of the competent tax authorities.

If the individual holders of H Shares are residents of countries or regions that have a tax rate higher than 10% but lower than 20% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the applicable tax rates stated in such tax treaties on behalf of such shareholders.

If the individual holders of H Shares are residents of countries or regions that have a tax rate of 20% under the tax treaties with the PRC, or have not entered into any tax treaties with the PRC, or otherwise, the Company will withhold and pay individual income tax at the rate of 20% on behalf of such shareholders.

Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Caishui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Caishui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), for dividends received by mainland domestic individual investors and securities investment funds from investment in the H shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the companies of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of such investors. The companies of such H shares will not withhold the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax by themselves.

Where the Company withholds and pays individual income tax for individual holders of H Shares, and If the competent tax authority has other opinion, advice or guidance on the above withholding and payment, the Company shall implement the same with reference to the opinion, advice or guidance of the relevant competent tax authority.

Shareholders are recommended to consult their tax advisors regarding the ownership and disposal of H Shares in the PRC and in Hong Kong and other tax effects.

11. Closure of Register of Members

For determining the entitlement of the shareholders to attend and vote at the 2024 AGM

The register of members of the Company will be closed from May 13, 2025 to May 16, 2025 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to determine the identity of members who are entitled to attend and vote at the 2024 AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the H Share Registrar of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on May 12, 2025.

For determining the entitlement of the shareholders to the proposed 2024 Final Dividend and 2024 Special Dividend

Subject to the approval by shareholders of the Company at the 2024 AGM, the 2024 Final Dividend and 2024 Special Dividend will be paid on or about June 13, 2025. For determining the entitlement to the proposed 2024 Final Dividend and 2024 Special Dividend, the register of members of the Company will be closed from May 22, 2025 to May 26, 2025 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for the entitlement to the proposed 2024 Final Dividend and 2024 Special Dividend, all share transfer documents of the Company accompanied by the relevant share certificates must be lodged with the H Share Registrar of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on May 21, 2025.

12. Publication of Annual Results Announcement and Annual Report on the Websites of the Stock Exchange and the Company

This announcement is published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (https://www.onewo.com). The annual report of the Company will be dispatched to the Company's shareholders and published on the above websites in due course.

This annual results announcement is prepared in both English and Chinese versions. In the event of any discrepancies in interpretation between the English version and Chinese version, the Chinese version shall prevail.

By order of the Board
Onewo Inc.
Zhu Baoquan
Chairman, executive Director and general manager

Shenzhen, the PRC, March 25, 2025

As of the date of this announcement, the board of directors of the Company comprises Mr. Zhu Baoquan as Chairman and executive Director; Mr. He Shuhua as executive Director; Mr. Wang Wenjin, Mr. Zhang Xu, Mr. Sun Jia, Mr. Zhou Qi and Mr. Yao Jinbo as non-executive Directors; Ms. Law Elizabeth, Mr. Chen Yuyu, Mr. Shen Haipeng and Mr. Song Yunfeng as independent non-executive Directors.