

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Qeeka Home (Cayman) Inc.

齊屹科技(開曼)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1739)

ANNOUNCEMENT OF THE ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Board of Directors of Qeeka Home (Cayman) Inc. is pleased to announce the audited consolidated results of the Company, its subsidiaries and PRC Operating Entities for the year ended 31 December 2024. These results have been audited by the Auditor in accordance with International Standards on Auditing, and have also been reviewed by the Audit and Risk Management Committee.

In this announcement, “we”, “us”, and “our” refer to the Company and where the context otherwise requires, the Group.

FINANCIAL SUMMARY

	Year ended 31 December		Year-on-year
	2024	2023	Change
	(RMB'000)	(RMB'000)	(%)
Revenue	1,055,639	1,186,994	(11.1%)
Gross Profit	413,034	495,458	(16.6%)
Gross Margin	39.1%	41.7%	—
Net loss attributable to equity holders of the Company	(126,957)	(96,869)	—
Adjusted net loss attributable to equity holders of the Company ⁽¹⁾	(93,865)	(36,033)	—

Note:

- (1) Adjusted net loss attributable to equity holders of the Company excludes impairment loss on investments accounted for using the equity method, net fair value change on investment on financial assets at fair value through profit or loss, which exclude wealth management products and others and share-based compensation expenses.

BUSINESS REVIEW AND OUTLOOK

Business Review

We are one of the leading marketing solution providers in interior design and construction industry in China, with the mission of “helping users achieve beautiful living scenarios easily, reassuringly and cost-effectively”, and are committed to providing a series of solutions for interior design and construction service providers to meet their diversified needs by promoting the digital upgrading of the interior design and construction industry. Our goal is to provide a SaaS-based mutually beneficial ecosystem for users and interior design and construction service providers, and attract more users by empowering our merchants, so as to achieve a win-win situation for both parties.

In 2024, the real estate industry experienced a profound transformation, largely driven by the rapid introduction and phased implementation of a series of pivotal policies. Supported by robust policy stimuli, the market began to stabilize and gradually recover in a more balanced and rational manner. Although both the sales area and transaction volume of real estate showed positive growth, the pace of growth decelerated. Real estate companies adopted a more cautious stance in their price forecasts, with some cities seeing slight adjustments in property prices. In first-tier cities such as Shanghai and Shenzhen, market demand remained robust, but a clear divergence emerged in second-tier and third-tier cities. Overall, the real estate market entered a phase of stabilization, though significant regional disparities persisted. As the economic landscape evolves, consumer price sensitivity has intensified, and a full recovery in consumer confidence is expected to take more time.

As a related company in the real estate industry, our performance has been under significant pressure. The number of our demand users has decreased, and the revenue from SaaS and Marketing Service Business fell by 20.2% year-on-year to RMB333.7 million. Our Interior Design and Construction Business also experienced a year-on-year decline of 8.8%, contributing revenue of RMB665.2 million. In summary, our total revenue for 2024 declined by 11.1% year-on-year, reaching RMB1,055.6 million. To better navigate this economic cycle, we continued to implement a strategy of cost reduction and efficiency improvement, maximizing cost savings and providing strong financial support for all of our business operations.

- ***SaaS and Marketing Service Business***

In 2024, the Chinese real estate market continued the trend of consumer demand for home renovation observed in 2023, with a divergent performance across different regional markets. In megacities such as Beijing and Shanghai, where housing prices are relatively high, consumers’ decision-making cycles have been significantly extended, and strict budget control has become the norm. In contrast, in other cities, the decline in housing prices has led to an increase in the transaction scale of the existing housing market, resulting in a marked rise in renovation demand. However, consumers in these areas are highly price-sensitive and prioritize cost-effectiveness, which has intensified competition among IDC service providers and further compressed their profit margins.

Overall, as of December 31, 2024, the number of sales leads was 633,769, representing a year-on-year decrease of 20.3% compared to 794,761 in the same period of 2023. As a result, our revenue from SaaS and Marketing Service Business in 2024 amounted to RMB333.7 million, representing a decrease of 20.2% compared to the previous year. This decrease was primarily due to a decline in the number of sales leads.

The table below sets forth our key operation metrics during the reporting periods indicated:

	Year ended 31 December	
	2024	2023
Number of sales leads ⁽¹⁾	633,769	794,761
Number of recommended users	528,727	613,999
Average revenue from SaaS and Marketing Service per sales lead (RMB) ⁽²⁾	527	526

Notes:

- (1) It represents the number of data that identifies someone as a potential demand user of Interior Design and Construction for the year ended 31 December 2024.
- (2) It refers to the average revenue per sales lead, which equals the revenue from SaaS and Marketing Service for the year ended 31 December 2024 divided by the sales leads as of 31 December 2024.

From the user side, we focus on user experience and have increased our marketing and promotion budget in the new media field. We continue to educate users about renovation knowledge and recommend IDC service providers through content marketing methods such as short videos and live streaming. Additionally, we launched the Qijia VIP service, offering 1-on-1 full-process online exclusive customer service for both users and merchants. The service covers the process from demand communication, room measurement matching, and budget review. We also provide three major guarantees to protect users' rights during the renovation process, aiming to offer users a reliable and cost-effective renovation service.

From the merchant side, we continuously empower merchants in their operations by optimizing products to improve the contract conversion rate and enhancing their operational efficiency, gradually restoring their confidence.

- ***Interior Design and Construction Business***

In 2024, our revenue from Interior Design and Construction Business achieved a revenue of RMB665.2 million, a year-on-year decline of 8.8%. We proactively scaled back the rapid growth of this business with the aim of enhancing efficiency through refined operations to enrich our business ecosystem.

In terms of home decoration business, we position ourselves as a provider of mid-to-high-end home renovation services, primarily targeting users with higher purchasing power in second-tier and third-tier cities. We are committed to offering users with one-stop home decoration solutions. To ensure the healthy development of this business, we have closed underperforming branches and focused more on construction quality and site delivery. This shift allows us to gradually strengthen our profitability, always prioritizing user experience and providing customers with a hassle-free, worry-free renovation experience.

In terms of public decoration business, we mainly provide interior decoration services for real estate fine decoration housing, hotels, commercial real estate, and office spaces. To mitigate the impact of the real estate market on our performance, we have chosen partners with good credit and abundant cash flow to expand our business. We have increased the proportion of interior decoration services for commercial real estate and accelerated the return of funds. In 2024, the proportion of interior decoration services for real estate fine decoration housing was 16.2%, a decrease of 23.3 percentage points compared to 39.5% in 2023.

Company Financial Highlights

For the year ended 31 December 2024:

- Total revenue decreased by 11.1% year over year to RMB1,055.6 million, primarily due to a decline in revenue from SaaS and Marketing Service by 20.2% to RMB333.7 million, and a decrease in revenue from Interior Design and Construction service by 8.8% to RMB665.2 million, despite a 44.6% increase in revenue from Innovation and others to RMB56.7 million.
- Adjusted net loss attributable to equity holders of the Company was RMB93.9 million, compared to an adjusted net loss attributable to equity holders of the Company of RMB36.0 million in the same period last year.
- As of 31 December 2024, we had cash and cash equivalents of RMB119.2 million, term deposit of RMB745.9 million and restricted cash of RMB82.7 million, compared to the balance of RMB259.6 million, RMB757.9 million and RMB21.8 million, respectively as of 31 December 2023.

Company Business Outlook

Looking ahead to the future of the home renovation market, although the new housing market remained relatively active in 2024, the incremental demand for renovations will gradually shrink as the growth rate of real estate development investment slows. On the other hand, the renovation and transformation of existing homes is accelerating and becoming the main engine of industry growth. Driven by both the demand for upgraded living quality and urban renewal, the needs for old residential renovations, space function optimization, and smart and environmentally friendly upgrades will continue to grow. If the “old-for-new” policy continues and supporting incentive measures are improved, combined with the fact that over 60% of homes are over ten years old, this will further activate the renovation potential of existing housing, opening up sustainable growth opportunities for the industry.

We will continue to prioritize user experience, exploring more diversified marketing methods to meet consumers’ renovation needs. At the same time, by leveraging AI technology to develop relevant tools, we will empower IDC service providers in areas such as customer service systems, project management, data analysis, and training mechanisms, improving operational efficiency, reducing costs, and enhancing competitiveness.

MANAGEMENT DISCUSSION AND ANALYSIS

(The following information disclosures were based on financial information prepared in accordance with IFRSs unless otherwise specified)

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Revenue	1,055,639	1,186,994
Cost of sales	<u>(642,605)</u>	<u>(691,536)</u>
Gross profit	413,034	495,458
Selling and marketing expenses	(417,143)	(430,047)
Administrative expenses	(64,276)	(75,926)
Research and development expenses	(28,245)	(37,148)
Net impairment losses on financial assets	(24,694)	(9,791)
Other losses – net	<u>(30,463)</u>	<u>(52,582)</u>
Operating loss	(151,787)	(110,036)
Finance income	39,311	40,322
Finance costs	<u>(6,447)</u>	<u>(7,293)</u>
Finance income – net	32,864	33,029
Share of results of investments accounted for using the equity method	<u>(9,848)</u>	<u>(17,907)</u>
Loss before income tax	(128,771)	(94,914)
Income tax expenses	<u>(3,459)</u>	<u>(4,147)</u>
Loss for the year	<u>(132,230)</u>	<u>(99,061)</u>
Loss attributable to:		
Equity holders of the Company	(126,957)	(96,869)
Non-controlling interests	<u>(5,273)</u>	<u>(2,192)</u>
	<u>(132,230)</u>	<u>(99,061)</u>
Non-IFRS measure		
Adjusted net loss attributable to equity holders of the Company	<u>(93,865)</u>	<u>(36,033)</u>

Revenue

Total revenue decreased by 11.1% from RMB1,187.0 million for the year ended 31 December 2023 to RMB1,055.6 million for the year ended 31 December 2024, primarily due to the decrease in revenue from SaaS and Marketing Service and Interior Design and Construction Business.

The following table sets forth a breakdown of our revenue by segment during the periods indicated:

	Year ended 31 December			
	2024		2023	
	Amount RMB'000	% of total revenue	Amount RMB'000	% of total revenue
SaaS and Marketing Service Business	333,709	31.6%	418,072	35.2%
Interior Design and Construction Business	665,184	63.0%	729,671	61.5%
Innovation and others Business	56,746	5.4%	39,251	3.3%
Total	1,055,639	100.0%	1,186,994	100.0%

SaaS and Marketing Service Business

Revenue from our SaaS and Marketing Service Business decreased by 20.2% from RMB418.1 million for the year ended 31 December 2023 to RMB333.7 million for the year ended 31 December 2024, the decrease in revenue was due to a decline in the number of sales leads, which decreased from 794,761 to 633,769.

Interior Design and Construction

We operated three full-service Interior Design and Construction brands, namely “Brausen”, “Jumei” and “Youzi”, which were all operated under the self-operated model but targeting at different customer segments. Revenue from Interior Design and Construction decreased by 8.8% from RMB729.7 million for the year ended 31 December 2023 to RMB665.2 million for the year ended 31 December 2024.

The revenue from Interior Design and Construction of our overall decoration brand “Brausen” decreased by 14.4% from RMB88.1 million for the year ended 31 December 2023 to RMB75.4 million for the year ended 31 December 2024, primarily due to our strategic decision to moderate the rapid growth of the business and the closure of underperforming branches to ensure the healthy development of this business.

The revenue from Interior Design and Construction of the brand “Jumei”, which provided customization services for real estate developers and commercial public decorations, decreased by 7.3% from RMB628.3 million for the year ended 31 December 2023 to RMB582.3 million for the year ended 31 December 2024. It was mainly due to a strategic adjustment that resulted in a reduction of the premium real estate decoration business, which offset the growth in the commercial real estate business. To ensure more sustainable development, we have shifted our focus away from pursuing rapid expansion in the commercial real estate market, and are now committed to enhancing overall profitability through refined operation. In addition, during this year, the overall business achieved total contract value of RMB474.1 million.

The revenue from Interior Design and Construction of our partial decoration brand “Youzi” decreased by 43.7% from RMB13.3 million for the year ended 31 December 2023 to RMB7.5 million for the year ended 31 December 2024. We are still continuously exploring the sustainable development of this business.

Innovation and others

Innovation and others business, mainly includes Supply Chain Service, B2C export e-commerce business and other business, generated revenues of RMB18.7 million, RMB37.2 million and RMB0.9 million respectively for the year. These businesses represent an important part of our diversified revenue streams.

Cost of sales

Cost of sales decreased by 7.1% to RMB642.6 million for the year ended 31 December 2024, compared to RMB691.5 million for the year ended 31 December 2023, which was mainly due to decrease in costs of our Interior Design and Construction Business.

SaaS and Marketing Service Business

Cost from SaaS and Marketing Service Business decreased by 20.8% from RMB10.9 million for the year ended 31 December 2023 to RMB8.6 million for the year ended 31 December 2024, primarily due to the decrease in operating service cost for this segment.

Interior Design and Construction Business

Cost from Interior Design and Construction Business decreased by 7.9% from RMB645.2 million for the year ended 31 December 2023 to RMB594.5 million for the year ended 31 December 2024. The decrease in costs from the IDC business was primarily due to a reduction in revenue, which led to the reduction in labor costs compared to the corresponding period.

Innovation and others

Cost from Innovation and others increased by 11.4% from RMB35.4 million for the year ended 31 December 2023 to RMB39.5 million for the year ended 31 December 2024, primarily due to the increase in the cost of sales for the B2C export e-commerce business.

Gross profit and gross profit margin

As a result of the foregoing, our total gross profit decreased by 16.6% from RMB495.5 million for the year ended 31 December 2023 to RMB413.0 million for the year ended 31 December 2024. Our overall gross profit margin decreased to 39.1% for the year ended 31 December 2024, compared to 41.7% for the year ended 31 December 2023, due to the total gross profit of high gross margin of our SaaS and Marketing Service Business decreased by 20.2% from RMB407.2 million to RMB325.1 million, and the public decoration business, which accounts for a significant portion of our total revenue, experienced contractual losses in the premium real estate decoration business, resulting in a decline in its gross margin from 8.1% for the year ended 31 December 2023 to 7.7% for the year ended 31 December 2024.

Selling and marketing expenses

Our selling and marketing expenses primarily comprised advertising and promotion expenses, salaries and benefits (including share-based compensation expenses) for sales personnel, labor cost and other expenses associated with our selling and marketing activities. Our selling and marketing expenses decreased by 3.0% from RMB430.0 million for the year ended 31 December 2023 to RMB417.1 million for the year ended 31 December 2024, reflects our efforts in cost control and efficiency improvement.

Administrative expenses

Our administrative expenses primarily comprised salaries and benefits (including share-based compensation expenses) for our administrative personnel, labor cost, professional fee and other expenses. Our administrative expenses decreased by 15.3% from RMB75.9 million for the year ended 31 December 2023 to RMB64.3 million for the year ended 31 December 2024, mainly attributed to the decrease in the salaries and benefits.

Research and development expenses

Our research and development expenses primarily comprised salaries and benefits for research and development personnel, office rental and other expenses associated with our research and development activities. Our research and development expenses decreased by 24.0% from RMB37.1 million for the year ended 31 December 2023 to RMB28.2 million for the year ended 31 December 2024, mainly attributed to the decrease in the salaries and benefits.

Net impairment losses on financial assets

Our net impairment losses on financial assets increased by 152.2% from RMB9.8 million for the year ended 31 December 2023 to RMB24.7 million for the year ended 31 December 2024, primarily due to the long aging and high risk associated with receivables and contract assets from some projects, leading to an increase in the expected credit loss on receivables and contract assets, which the management considered to be at high risk. After assessment by the management of the Company, net impairment losses on financial assets mainly of Interior Design and Construction business had been provided for RMB23.8 million for the year ended 31 December 2024.

Other losses – net

Other net losses were RMB30.5 million for the year ended 31 December 2024. It was mainly due to impairment loss on investments accounted for using the equity method of RMB30.7 million.

Finance income – net

Our finance income for the year ended 31 December 2024 was mainly comprised of bank interest income and interest expense on loans.

Share of net loss of associates accounted for using the equity method

Our share of net loss of associates accounted for using the equity method for the year ended 31 December 2024 was mainly due to the operating losses picked up from investees.

Income tax expenses

Our income tax expenses for the year ended 31 December 2024 was RMB3.5 million mainly due to the reversal of deferred tax assets.

Loss and Non-IFRS measures: adjusted net loss attributable to equity holders of the Company

As a result of the foregoing, our net loss was RMB132.2 million for the year ended 31 December 2024, as compared to net loss of RMB99.1 million for the year ended 31 December 2023.

To supplement our consolidated financial statements which are presented in accordance with the IFRSs, we also use adjusted net loss attributable to equity holders of the Company as an additional financial measure, which was not required by, or presented in accordance with, IFRSs. We believe that this Non-IFRS measure facilitates comparisons of operating performance by eliminating potential impacts of items, which are unusual, non-recurring, non-cash and/or non-operating that our management do not consider to be indicative of our operating performance. We believe that this measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of the adjusted net loss may not be comparable to a similarly titled measure presented by other companies. The use of this Non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRSs.

The following table reconciles our adjusted net loss attributable to equity holders of the Company for the years ended 31 December 2024 and 2023 to the most directly comparable financial measure calculated and presented in accordance with IFRSs:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Net loss attributable to equity holders of the Company for the year	(126,957)	(96,869)
Impairment loss on investments accounted for using the equity method	30,710	53,216
Impairment loss on goodwill	–	7,796
Share-based compensation expenses	94	207
Net fair value change on investment on financial assets at fair value through profit or loss, which exclude wealth management products and others	2,288	(383)
Adjusted net loss attributable to equity holders of the Company	(93,865)	(36,033)

Liquidity and financial resources

We had historically funded our cash requirements principally from capital contribution from shareholders and financing through issuance and bank borrowings. We had cash and cash equivalents of RMB119.2 million, term deposits of RMB745.9 million and restricted cash of RMB82.7 million as of 31 December 2024, compared to the balance of cash and cash equivalents, term deposits and restricted cash of RMB259.6 million, RMB757.9 million and RMB21.8 million as of 31 December 2023, respectively. We have maintained a strong cash and other liquid financial resources with a balance of approximately RMB947.7 million as of 31 December 2024.

The following table sets forth a summary of our balance of cash and other liquid financial resources for the years indicated:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Cash and cash equivalents	119,151	259,612
Term deposits	745,935	757,906
Restricted cash	82,659	21,779
Cash and other liquid financial resources	947,745	1,039,297

Cash and cash equivalents includes cash in hand and deposits held at call with banks. Restricted cash mainly represented funds held in a bank escrow account designated for payment settlement purposes. Term deposits are bank deposits with original maturities over three months and redeemable on maturity. Our cash and cash equivalents, restricted cash and term deposits are denominated in the USD, RMB and HKD.

The following table sets forth our cash flows for the years indicated:

	Year ended 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Net cash used in operating activities	(66,301)	(247,379)
Net cash generated from/(used in) investing activities	73,592	(56,526)
Net cash (used in)/generated from financing activities	(148,942)	117,625
Net decrease in cash and cash equivalents	(141,651)	(186,280)
Effect on exchange rate difference	1,190	463
Cash and cash equivalents at the beginning of the period	259,612	445,429
Cash and cash equivalents at the end of the period	119,151	259,612

Net cash used in operating activities

For the year ended 31 December 2024, our net cash used in operating activities was RMB66.3 million, which was primarily attributable to our loss before income tax of RMB128.8 million, as adjusted by (i) non-cash items, which primarily comprised depreciation and amortization of RMB17.9 million, provision for bad debt of RMB24.7 million, impairment loss on investment in associate of RMB30.7 million, share of loss of investments accounted for using equity method of RMB9.8 million and net finance income of RMB32.9 million; and (ii) changes in working capital, which primarily comprised an increase in trade and other receivables of RMB57.8 million, an increase in restricted cash of RMB60.9 million, an increase in inventories of RMB20.4 million, an increase in trade and other payables of RMB154.5 million, a decrease in debt investments at fair value through other comprehensive income of RMB70.6 million and a decrease in contract liabilities of RMB78.4 million.

Net cash generated from investing activities

For the year ended 31 December 2024, our net cash generated from investing activities was RMB73.6 million, which was mainly attributable to proceeds from disposals of financial assets at fair value through profit or loss of RMB182.6 million, net decrease in term deposits of RMB22.3 million, interest received on term deposits of RMB32.9 million; partially offset by purchase of financial assets at fair value through profit or loss of RMB164.1 million.

Net cash used in financing activities

For the year ended 31 December 2024, net cash used in financing activities was RMB148.9 million, which was mainly attributable to repayment of borrowings of RMB217.6 million, dividends paid to the company's shareholders of RMB25.1 million, payment for lease liabilities of RMB12.8 million, and interest paid for short-term borrowings of RMB5.6 million, partially offset by proceeds from borrowings of RMB112.1 million.

Trade and other receivables and advances to suppliers

Trade and other receivables and advances to suppliers increased by 27.4% from RMB172.2 million as of 31 December 2023 to RMB219.3 million as of 31 December 2024, primarily due to an increase in net trade receivables from third parties of RMB45.8 million.

Trade and other payables

Trade and other payables increased by 37.2% from RMB418.3 million as of 31 December 2023 to RMB574.0 million as of 31 December 2024, primarily due to (i) increase of trade payables from building materials suppliers of RMB102.5 million caused by the extended settlement period, and (ii) increase of deposits payables of RMB42.6 million, which was mainly represent security deposits from users of our escrow payment services.

Borrowings

During the Reporting Period, short-term borrowings are comprised of bank borrowings and other loans, with balance of RMB25.7 million and RMB81.4 million respectively. Borrowings decreased by 49.6% from RMB212.8 million as of 31 December 2023 to RMB107.1 million as of 31 December 2024, primarily due to (i) a reduction of RMB78.2 million in other loans, which were the secured borrowings associated with factoring arrangements of the trade receivables and FVOCI with Qijia Jumei (Suzhou) Refined Construction Technology Co., Ltd, and (ii) the repayment of RMB12.3 million in bank loan borrowed by Shanghai Qiyi Information Technology Co., Ltd. and RMB15.0 million bank loan borrowed by Qijia Jumei (Suzhou) Refined Construction Technology Co., Ltd..

As at 31 December 2024, we had total bank borrowings principal of RMB25.7 million and the interest rate of the borrowings was from 2.45% to 3.45% per annum. Among them, (i) RMB17.7 million of which was guaranteed by Shanghai Qiyi Information Technology Co., Ltd., and (ii) RMB8.0 million is a loan collateralized by the property of Zhang Fan, the wife of Yang Weihang, a non-controlling shareholder of Qijia Jumei (Suzhou) Refined Construction Technology Co., Ltd..

Pledge of assets

As at 31 December 2024, RMB15,580,000 of term deposits were pledged as security to issue notes payables (2023: nil).

Gearing ratio

Our gearing ratio is calculated as total borrowing divided by total equity attributable to equity holders of the Company. As of 31 December 2024, due to the balance of the Group's other loans of approximately RMB81.4 million, which were the secured borrowings associated with factoring arrangements of the trade receivables and FVOCI, resulting in a gearing ratio of 12.1% (as of 31 December 2023: 20.6%).

Treasury policy

We have adopted a prudent financial management approach towards our treasury policies and thus maintained a healthy liquidity position throughout the year ended 31 December 2024. To manage the liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Capital expenditure

	Year ended 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Purchase of property and equipment	3,089	9,530
Purchase of intangible assets	510	885
Total	3,599	10,415

Our capital expenditures were mainly used for the acquisition of property and equipment such as leasehold improvement, servers and computers and intangible assets.

Significant Investment Held

As at 31 December 2024, the Group had the following significant investment held with a value of 5 per cent. or more of the Group's total assets which was classified as investment accounted for using the equity method:

Name of the investment	Investment costs	Net book value as at 31 December 2024	Number of shares of investment held as at 31 December 2024	Percentage of investment held as at 31 December 2024	Performance/	Performance/	Performance/	Size as compared to the Group's total assets as at 31 December 2024
					Change in share of results of investment accounted for using the equity method for the year ended 31 December 2024	Change in share of other comprehensive loss for the year ended 31 December 2024	Change in provision of impairment for the year ended 31 December 2024	
	<i>RMB'000</i>	<i>RMB'000</i>		(%)	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	(%)
Guangzhou Seagull Kitchen and Bath Products Co. Ltd. (廣州海鷗住宅工業股份有限公司, "Seagull")	242,834	114,394	39,720,000	6.20%	(10,091)	(1,696)	(30,710)	6.8%

Description of the investment

In 2014, we made a minority investment in Guangzhou Seagull Kitchen and Bath Products Co. Ltd. (“**Seagull**”), a PRC company listed on the Shenzhen Stock Exchange (Stock code: 002084) that engages in the production and sale of high-end plumbing equipment and hardware. The investment in Seagull is not held for trading. We believe that we enjoyed strategic and synergic benefits from our investment and consider it as strategic investment. We will review our investment strategy regularly in response to the changes in market situation. The financial performance of this company has stabilized but still fell short of original projection and lowered the expectation to its future profitability and consequently affected the valuation conducted by independent valuer. As of 31 December 2024, except for the aforementioned investment, there were no other investments held with a value of 5% or more of the Group’s total assets.

Financial assets at fair value through profit or loss

As at 31 December 2024, the Group had financial assets at fair value through profit or loss of approximately RMB25.1 million (31 December 2023: approximately RMB44.0 million), mainly comprised (i) investments in wealth management products of approximately RMB10.0 million (31 December 2023: approximately RMB27.3 million), and (ii) investments in listed companies of approximately RMB15.1 million (31 December 2023: approximately RMB16.8 million).

	As at 31 December 2024 RMB’000	As at 31 December 2023 RMB’000
Financial assets at fair value through profit or loss		
Current		
Wealth management products	10,017	27,282
Investments in listed companies	15,077	16,752
Total	25,094	44,034

Long-term investment activities

	Year ended 31 December 2024 RMB’000	2023 RMB’000
Investments accounted for using the equity method	116,574	162,024
Total	116,574	162,024

We have made non-controlling interests in investments that we believe have technologies or businesses that supplement and benefit our business. Some of the investments we made were companies that do not generate meaningful revenue and profits yet. It is therefore difficult to determine the success of these investments in such early stage, and while successful investments could generate substantial returns, unsuccessful ones may need to be impaired.

For the year ended 31 December 2024, the decrease of long-term investment activities came from the decrease in the fair value of our investment company.

Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the Group entities' functional currencies. Our Company's functional currency is USD. Our Company's primary subsidiaries were incorporated in the PRC and these subsidiaries use RMB as their functional currency. Our Group operates mainly in the PRC with most of the transactions settled in RMB. As a result, management considers that the business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities of our Group are denominated in the currencies other than the respective functional currencies of our Group's entities. Hence, we currently do not hedge or consider necessary to hedge any of these risks.

Contingent liabilities

As at 31 December 2024 and as at 31 December 2023, we did not have any material contingent liabilities.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2024

		Year ended 31 December	
		2024	2023
	Notes	RMB'000	RMB'000
Revenue	3	1,055,639	1,186,994
Cost of sales	4	<u>(642,605)</u>	<u>(691,536)</u>
Gross profit		413,034	495,458
Selling and marketing expenses	4	(417,143)	(430,047)
Administrative expenses	4	(64,276)	(75,926)
Research and development expenses	4	(28,245)	(37,148)
Net impairment losses on financial assets	10(c)	(24,694)	(9,791)
Other losses – net	5	<u>(30,463)</u>	<u>(52,582)</u>
Operating loss		(151,787)	(110,036)
Finance income	6	39,311	40,322
Finance costs	6	<u>(6,447)</u>	<u>(7,293)</u>
Finance income – net	6	32,864	33,029
Share of results of investments accounted for using the equity method		<u>(9,848)</u>	<u>(17,907)</u>
Loss before income tax		(128,771)	(94,914)
Income tax expenses	7	<u>(3,459)</u>	<u>(4,147)</u>
Loss for the year		<u>(132,230)</u>	<u>(99,061)</u>
Loss attributable to:			
Equity holders of the Company		(126,957)	(96,869)
Non-controlling interests		<u>(5,273)</u>	<u>(2,192)</u>
		<u>(132,230)</u>	<u>(99,061)</u>
Losses per share for loss attributable to equity holders of the Company			
Basic losses per share (RMB)	8	<u>(0.1130)</u>	<u>(0.0863)</u>
Diluted losses per share (RMB)	8	<u>(0.1130)</u>	<u>(0.0863)</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

		Year ended 31 December	
		2024	2023
	Notes	RMB'000	RMB'000
Loss for the year		(132,230)	(99,061)
Other comprehensive income/(loss) for the year			
<i>Items that may be reclassified to profit or loss:</i>			
Share of other comprehensive (loss)/income of investments accounted for using the equity method		(1,696)	45
Loss allowance on debt investments at FVOCI	10(c)	(41)	85
Exchange differences on translation of foreign operations		168	146
		(1,569)	276
<i>Items that will not be reclassified to profit or loss:</i>			
Changes in the fair value of equity investments at fair value through other comprehensive income		–	(35,133)
Exchange differences on translation of foreign operations		7,886	8,841
		7,886	(26,292)
Total other comprehensive income/(loss) for the year, net of tax		6,317	(26,016)
Total comprehensive loss for the year		(125,913)	(125,077)
Total comprehensive loss for the year is attributable to:			
Equity holders of the Company		(120,627)	(122,912)
Non-controlling interests		(5,286)	(2,165)
		(125,913)	(125,077)

CONSOLIDATED BALANCE SHEET

As at 31 December 2024

		As at 31 December	
		2024	2023
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		21,025	25,900
Right-of-use assets		33,395	29,340
Intangible assets		1,814	2,353
Goodwill		2,361	2,361
Deferred tax assets		–	3,173
Investments accounted for using the equity method		116,574	162,024
Contract assets	<i>10</i>	8,525	5,948
Term deposits		164,002	232,596
Total non-current assets		347,696	463,695
Current assets			
Inventories		24,909	4,506
Trade and other receivables and prepayments to suppliers	<i>10</i>	219,300	172,162
Contract assets	<i>10</i>	217,975	236,066
Financial assets at fair value through other comprehensive income (“FVOCI”)	<i>9</i>	72,481	143,121
Financial assets at fair value through profit or loss (“FVPL”)	<i>11</i>	25,094	44,034
Term deposits		581,933	525,310
Restricted cash		82,659	21,779
Cash and cash equivalents		119,151	259,612
Total current assets		1,343,502	1,406,590
Total assets		1,691,198	1,870,285

	<i>Notes</i>	As at 31 December	
		2024	2023
		RMB'000	RMB'000
EQUITY			
Share capital		761	761
Share premium		2,199,577	2,224,710
Other reserves		(261,034)	(267,342)
Treasury shares		(35,367)	(35,575)
Accumulated losses		(1,017,838)	(890,881)
Equity attributable to equity holders of the Company		886,099	1,031,673
Non-controlling interests		(18,522)	(13,236)
Total equity		867,577	1,018,437
LIABILITIES			
Non-current liabilities			
Lease liabilities		22,718	21,314
Total non-current liabilities		22,718	21,314
Current liabilities			
Short-term borrowings		107,145	212,776
Trade and other payables	14	574,041	418,336
Contract liabilities	14	62,288	140,676
Lease liabilities		10,296	11,613
Income tax liabilities		47,133	47,133
Total current liabilities		800,903	830,534
Total liabilities		823,621	851,848
Total equity and liabilities		1,691,198	1,870,285

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

For the year ended 31 December 2024

1 GENERAL INFORMATION

Qeeka Home (Cayman) Inc. (the “**Company**”) was incorporated in the Cayman Islands on 20 November 2014 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is 3-212 Governors Square, 23 Lime Tree Bay Avenue, P.O. Box 30746, Seven Mile Beach, Grand Cayman KY1-1203, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries, including structured entities (collectively, the “**Group**”) are principally engaged in (i) the provision of SaaS based total marketing solution, targeted marketing services, inspection service and others (“**SaaS and marketing service**”); (ii) the provision of interior design and construction service (“**Interior design and construction**”); and (iii) the provision of other initiative services (“**Innovation and others**”). Mr. Deng Huajin (鄧華金, “**Mr. Deng**”) is the ultimate controlling shareholder of the Company.

The Company completed its initial public offering (“**IPO**”) and listed its shares on the Main Board of the Stock Exchange of Hong Kong on 12 July 2018.

These consolidated financial statements are presented in Renminbi (“**RMB**”), unless otherwise stated.

These consolidated financial statements have been approved for issue by the Board of Directors on 26 March 2025.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

2.1 Basis of preparation

- (i) Compliance with IFRS Accounting Standards and HKCO (as defined below)

The consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards and disclosure requirements of the Hong Kong Companies Ordinance (“**HKCO**”) Cap. 622.

IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards,
- IAS Standards, and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

- (ii) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2024:

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS 1;
- Lease Liability in Sale and Leaseback – Amendments to IFRS 16; and
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7.

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iii) New and amended standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and amendments is set out below.

		Effective for annual periods beginning on or after
Amendments to IAS 21	Lack of Exchangeability	1 January 2025
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027

The Group has already commenced an assessment of the related impact of the above standards and amendments to standards which are relevant to the Group's operation. There are no other standards that are not yet effective. These amendments and IFRS 19 are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions. The Group will apply the new standard IFRS 18 from its mandatory effective date of 1 January 2027 and does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. Retrospective application is required, and so the comparative information for the year ended 31 December 2026 will be restated in accordance with IFRS 18.

3 SEGMENT INFORMATION

The Group's business activities, for which discrete financial information is available, are regularly reviewed and evaluated by the chief operating decision-maker ("**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company that makes strategic decisions.

The Group's operations are mainly organised under the following business segments:

- SaaS and marketing service;
- Interior design and construction; and
- Innovation and others.

The CODM assesses the performance of the operating segments mainly based on segment revenues and segment gross profit. The revenues from external customers reported to CODM are measured as segment revenues, which is the revenues derived from the customers in each segment. The segment gross profit is consistent with the Group's gross profit.

There were no separate segment assets and segment liabilities information provided to the CODM, as CODM does not use this information to allocate resources to or evaluate the performance of the operating segments.

Segment	Year ended 31 December 2024			
	SaaS and marketing service <i>RMB'000</i>	Interior design and construction <i>RMB'000</i>	Innovation and others <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue				
Segment revenue	339,206	665,184	68,535	1,072,925
Inter-segment sales	(5,497)	–	(11,789)	(17,286)
Revenue from external customers	333,709	665,184	56,746	1,055,639
Timing of revenue recognition				
At a point in time	317,208	2,165	56,055	375,428
Over time	16,501	663,019	691	680,211
	333,709	665,184	56,746	1,055,639
Results				
Segment gross profit	325,102	70,683	17,249	413,034
Selling and marketing expenses				(417,143)
Administrative expenses				(64,276)
Research and development expenses				(28,245)
Net impairment losses on financial assets				(24,694)
Other losses – net				(30,463)
Finance income – net				32,864
Share of results of investments accounted for using the equity method				(9,848)
Loss before income tax				(128,771)

Segment	Year ended 31 December 2023			
	SaaS and marketing service <i>RMB'000</i>	Interior design and construction <i>RMB'000</i>	Innovation and others <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue				
Segment revenue	452,468	729,671	57,857	1,239,996
Inter-segment sales	(34,396)	–	(18,606)	(53,002)
Revenue from external customers	418,072	729,671	39,251	1,186,994
Timing of revenue recognition				
At a point in time	394,127	2,706	37,554	434,387
Over time	23,945	726,965	1,697	752,607
	418,072	729,671	39,251	1,186,994
Results				
Segment gross profit	407,210	84,438	3,810	495,458
Selling and marketing expenses				(430,047)
Administrative expenses				(75,926)
Research and development expenses				(37,148)
Net impairment losses on financial assets				(9,791)
Other losses – net				(52,582)
Finance income – net				33,029
Share of results of investments accounted for using the equity method				(17,907)
Loss before income tax				(94,914)

(a) Revenue

The revenue for the years ended 31 December 2024 and 2023 are set out as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
SaaS and marketing service	333,709	418,072
Interior design and construction	665,184	729,671
Innovation and others	56,746	39,251
	<u>1,055,639</u>	<u>1,186,994</u>

(b) Revenue by geographical markets

Most revenue of the Group was generated in the PRC during the years ended 31 December 2024 and 2023.

(c) Information about major customers

The Group provided the interior design and construction services to Customer A for its 4S stores with more than 10% of the Group's total revenue recognised for the year ended 31 December 2024 and 2023.

4 EXPENSES BY NATURE

Expenses included in cost of sales, selling and marketing expenses, administrative expenses and research and development expenses are analysed as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Materials and other consumables used	334,199	313,371
Outsourced labour costs	321,741	396,307
Advertising and promotion expenses	281,882	265,691
Employee benefit expenses	154,581	189,783
Travelling, entertainment and communication expenses	13,424	14,366
Depreciation of right-of-use assets	9,238	14,692
Depreciation of property, plant and equipment	7,642	7,019
Short-term leases and leases of low-valued assets	6,613	6,913
Professional fee	5,151	2,908
Auditors' remuneration		
– Audit service	2,800	3,500
– Non-audit service	130	162
Utilities and electricity expenses	1,763	1,756
Taxes and levies	1,269	2,438
Bank charges and payment platform processing fees	1,162	2,726
Amortisation of intangible assets	1,049	1,394
Impairment loss on slow moving inventories	–	292
Miscellaneous	9,625	11,339
	<u>1,152,269</u>	<u>1,234,657</u>

5 OTHER LOSSES – NET

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Impairment loss on investments accounted for using the equity method	(30,710)	(53,216)
Fair value changes of financial assets at FVPL (Note 11(a))	(425)	2,287
Net foreign exchange losses	(233)	(6)
Loss on disposal of an associate	(132)	–
Net loss on disposal of property, plant and equipment	(101)	(36)
Impairment loss on goodwill	–	(7,796)
Dividends received from financial assets at FVPL	281	958
Net gain/(loss) on termination of lease contracts	389	(88)
Government grants (a)	763	5,228
Others	(295)	87
	<u>(30,463)</u>	<u>(52,582)</u>

- (a) Governments grants received during the year primarily comprised the financial subsidies received from local government authorities. There are no unfulfilled conditions or contingencies relating to these incomes.

6 FINANCE INCOME – NET

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Finance income:		
Interest income	<u>39,311</u>	<u>40,322</u>
Finance costs:		
Interest expense on bank borrowings	(1,103)	(1,570)
Interest expense on other loans	(4,282)	(4,244)
Interest expense on lease liabilities	<u>(1,062)</u>	<u>(1,479)</u>
	<u>(6,447)</u>	<u>(7,293)</u>
Finance income – net	<u>32,864</u>	<u>33,029</u>

7 INCOME TAX EXPENSES

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Current tax:		
Current tax for the year	286	552
Deferred income tax:		
Decrease in deferred tax assets	3,173	3,595
Income tax expenses	3,459	4,147

The Group's principal applicable taxes and tax rates are as follows:

(i) Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gain. In addition, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax will be imposed.

(ii) British Virgin Islands

The Group's entities incorporated in the British Virgin Islands are not subject to tax on income or capital gains.

(iii) Hong Kong

Hong Kong profits tax rate is 8.25% for assessable profits on the first HKD2 million and 16.5% for any assessable profits in excess. No Hong Kong profit tax was provided for as there was no estimated assessable profit that was subject to Hong Kong profits tax during the years ended 31 December 2024 and 2023.

(iv) PRC corporate income tax ("CIT")

CIT provision was made on the estimated assessable profits of entities within the Group incorporated in the PRC and was calculated in accordance with the relevant regulations of the PRC after considering the available tax benefits from refunds and allowances. The general PRC CIT rate is 25% for the year ended 31 December 2024 (2023: 25%).

A subsidiary of the Group in the PRC was qualified as "High and New Technology Enterprise", and accordingly, they were subject to a reduced preferential CIT rate of 15% for the year ended 31 December 2024 (2023: 15%) according to the applicable CIT Law.

Certain subsidiaries of the Group in the PRC were qualified as Small Low Profit Enterprise and accordingly, the CIT of these entities are calculated on a deemed profit margin.

(v) Withholding tax on undistributed profits

According to CIT law, distribution of profits earned by PRC companies since 1 January 2008 is subject to withholding tax of 5% or 10%, depending on the country of incorporation of the foreign investor, upon the distribution of profits to overseas – incorporated immediate holding companies. During the year ended 31 December 2024, the subsidiaries of the Group in the PRC do not have any profit distribution plan (2023: nil).

8 LOSSES PER SHARE

(a) Basic losses per share

Basic losses per share is calculated by dividing the loss of the Group attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year excluding treasury shares.

	Year ended 31 December	
	2024	2023
Losses attributable to equity holders of the Company (RMB'000)	(126,957)	(96,869)
Weighted average number of ordinary shares in issue (thousand)	<u>1,123,232</u>	<u>1,123,156</u>
Losses per share	<u>(0.1130)</u>	<u>(0.0863)</u>

(b) Diluted losses per share

Diluted losses per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

For the years ended 31 December 2024 and 2023, the Company had one category of dilutive potential ordinary shares: Restricted Stock Units. For the Restricted Stock Units, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the rights attached to outstanding shares under RSU Scheme. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the vesting of outstanding shares under RSU Scheme.

As the Group incurred losses for the year ended 31 December 2024 and 2023, the potential ordinary shares were not included in the calculation of diluted losses per share as their inclusion would be anti-dilutive. Accordingly, diluted losses per share for the year ended 31 December 2024 and 2023 were the same as basic losses per share.

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Current:		
Debt investment measured at FVOCI		
– Trade receivables under factoring arrangements	67,222	123,385
– Trade receivables in hand	5,259	19,736
	72,481	143,121

(a) The movements of financial assets at FVOCI are listed below:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
At the beginning of the year	143,121	34,926
Additions	217,728	143,121
Disposals	(288,368)	–
Currency translation differences	–	207
Changes in the fair value	–	(35,133)
At the end of the year	72,481	143,121

10 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS TO SUPPLIERS AND CONTRACT ASSETS

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Notes receivables		
Bank acceptance bills	1,415	9,959
Commercial acceptance bills	195	–
	<u>1,610</u>	<u>9,959</u>
Trade receivables		
Due from third parties	172,147	115,650
Due from related parties	349	328
	<u>172,496</u>	<u>115,978</u>
Gross trade receivables	172,496	115,978
Less: provision for impairment of trade receivables	(34,430)	(23,679)
	<u>138,066</u>	<u>92,299</u>
Net trade receivables		
Other receivables		
Project deposits	11,336	10,500
Staff advances	5,731	5,693
Loans due from third parties	5,405	5,465
Electronic payment platform balance	2,136	5,045
Rental deposits	1,734	2,563
Loans due from related parties	1,435	1,230
Others	12,096	10,456
	<u>39,873</u>	<u>40,952</u>
Gross other receivables	39,873	40,952
Less: provision for impairment of other receivables	(8,859)	(8,546)
	<u>31,014</u>	<u>32,406</u>
Net other receivables		
Others		
Prepayments to third party suppliers and others	48,582	37,498
Prepayments to related parties	28	–
	<u>48,610</u>	<u>37,498</u>
Total trade and other receivables and prepayments to suppliers	<u>219,300</u>	<u>172,162</u>
Contract assets		
Due from third parties – current	247,960	252,380
Due from third parties – non-current	8,525	5,948
	<u>256,485</u>	<u>258,328</u>
Gross contract assets	256,485	258,328
Less: provision for impairment of contract assets	(29,985)	(16,314)
	<u>226,500</u>	<u>242,014</u>
Net contract assets		

- (a) As at 31 December 2024, the carrying amounts of trade and other receivables and contract assets are primarily denominated in RMB and approximate their fair values at each of the reporting dates.
- (b) The Group grants credit periods to customers ranging from 30 days to 180 days. As at 31 December 2024 and 2023, the aging analysis of the trade receivables based on invoice date were as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade receivables – gross		
Within 1 month	62,954	61,099
Over 1 month and within 1 year	84,351	34,361
Over 1 year and within 2 years	15,393	10,948
Over 2 years	9,798	9,570
	172,496	115,978

Movements on the Group's provision for impairment of trade receivables are as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
At the beginning of the year	(23,679)	(16,725)
Increase in impairment	(10,751)	(7,226)
Write-off	–	272
At the end of the year	(34,430)	(23,679)

Movements on the Group's provision for impairment of contract assets are as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
At the beginning of the year	(16,314)	(13,991)
Increase in impairment	(13,671)	(2,323)
At the end of the year	(29,985)	(16,314)

Movements on the Group's provision for impairment of other receivables are as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
At the beginning of the year	(8,546)	(8,539)
Increase in impairment	(313)	(157)
Write-off	–	150
At the end of the year	(8,859)	(8,546)

As at 31 December 2024, the Group did not hold any collateral of receivables.

- (c) Net impairment losses on financial assets are analysed as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Net impairment losses on financial assets		
– Trade receivables	(10,751)	(7,226)
– Contract assets	(13,671)	(2,323)
– Other receivables	(313)	(157)
– Financial assets at FVOCI	41	(85)
	<u>(24,694)</u>	<u>(9,791)</u>

11 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Current:		
Investment in listed companies	15,077	16,752
Wealth management products	10,017	27,282
	<u>25,094</u>	<u>44,034</u>

- (a) The movements of financial assets at FVPL are listed below:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
At the beginning of the year	44,034	71,212
Additions	164,052	378,512
Currency translation difference	12	10
Disposals	(182,579)	(407,987)
	<u>25,519</u>	<u>41,747</u>
Add: fair value change (Note 5)	(425)	2,287
At the end of the year	<u>25,094</u>	<u>44,034</u>

12 RESTRICTED STOCK UNITS

- (a) In 2021, the Group adopted the 2021 RSU Scheme. The purposes of the 2021 RSU Scheme are to attract, and retain and incentivize the best personnel and senior management of the Group, and to promote the value of the Company by offering these individuals an opportunity to acquire shares and a proprietary interest in the success of the Company, thereby linking their interests with the Company's performance.

On 19 March 2021, 114 employees of the Group were granted RSUs in respect of an aggregate of 28,522,540 ordinary shares of par value of USD0.0001 each of the shares, representing approximately 2.46% of the total issued share capital of the Company as at the date of this announcement. The closing price of the shares on the date of grant was HKD2.06 per share. The RSUs granted have the following vesting dates and shares:

Vesting date	Shares
12 August 2021	4,292,040
31 March 2022	3,435,125
1 June 2022	1,350,000
31 March 2023	3,473,625
1 June 2023	1,575,000
31 March 2024	3,417,625
1 June 2024	1,800,000
31 March 2025	3,354,125
1 June 2025	1,800,000
1 June 2026	4,025,000
	<hr/>
	28,522,540

On 14 December 2021, the RSUs of the Company representing 7,237,221 ordinary shares with par value of USD0.0001 each of the shares were granted to 8 selected persons under the RSU Scheme. The underlying shares concerned represented 0.63% of the Company as at the date of this announcement. The closing price of the shares on the date of grant was HKD1.20 per share. These RSUs shall vest on 14 January 2022.

The RSUs included certain performance conditions, which required the employees to complete a service period and meet specified performance targets.

The Company has appointed Tricor Trust (Hong Kong) Limited as an independent trustee to assist with the administration and vesting of RSUs. The vesting of the RSUs will be satisfied partially by transfer of shares by certain senior management members of the Company (who are not connected persons of the Company) at nil consideration to the trustee and partially by on-market purchases of shares by the trustee. The Company will provide sufficient funds to the trustee as the Board may in its absolute discretion determine to enable the trustee to satisfy its obligations in connection with the administration and vesting of RSUs granted.

- (b) Movements in the number of RSUs outstanding are as follows:

	Number of RSUs	
	Year ended 31 December	
	2024	2023
At the beginning of the year	3,791,000	6,806,375
Issue of shares under RSU scheme	(118,783)	(234,826)
Forfeited	(2,152,842)	(2,780,549)
	<u>1,519,375</u>	<u>3,791,000</u>
At the end of the year	1,519,375	3,791,000

- (c) The total expenses recognised in the consolidated income statement for RSUs are RMB94,000 for the year ended 31 December 2024 (2023: RMB207,000).

13 DIVIDENDS

Movements of dividend payables are as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
At the beginning of the year	123	–
Dividends declared (a)	25,041	29,397
Dividends paid (a)	(25,147)	(29,274)
	<u>17</u>	<u>123</u>
At the end of the year	17	123

- (a) An annual dividend of HKD0.0131 per share amounting to RMB13,690,000 was announced on 26 March 2024 to the shareholders of the Company, among which RMB17,000 remained as dividend payables as at 31 December 2024. Additionally, an interim dividend of HKD0.011 per share amounting to RMB11,351,000 was announced on 27 August 2024 to the shareholders of the Company and fully paid for the year ended 31 December 2024.

14 TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade payables (c)	314,965	212,425
Other payables		
Quality and performance guarantee deposits	78,667	63,440
Deposits payables (a)	59,875	17,232
Amount due to related parties	1,592	11
Decoration payments collected on behalf of merchants	1,161	786
Dividend payables (Note 13)	17	123
Other accrued expenses and payables	29,527	29,207
Total other payables	170,839	110,799
Others		
Staff salaries and welfare payables	51,085	64,256
Accrued taxes other than income tax	37,152	30,856
Total trade and other payables	574,041	418,336
Contract liabilities (b)	62,288	140,676

- (a) Deposits payables mainly represent security deposits from users of the Group's escrow payment services.
- (b) Contract liabilities represent prepayments made by customers in exchange for goods or services to be provided by the Group in subsequent period, primarily in relation to order recommendation services, interior design and construction services and sales of building materials.

During the year ended 31 December 2024, RMB131,137,000 of the revenue recognised relates to carried-forward contract liabilities.

- (c) The aging analysis of the trade payables based on invoice date was as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Within 1 month	88,534	92,694
Over 1 month and within 3 months	22,085	42,994
Over 3 months and within 1 year	139,440	32,750
Over 1 year	64,906	43,987
	314,965	212,425

15 COMMITMENTS

(a) Operating lease commitments

The Group leases various offices and stores under non-cancellable operating leases expiring within 1 year to 5 years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

The Group has recognised right-of-use assets for these leases, except for short-term leases and leases of low-value assets.

	As at 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Minimum lease payments under non-cancellable operating leases not recognised in the consolidated financial statements are as follows:		
Within 1 year	952	901

OTHER INFORMATION

Purchase, sale or redemption of the company's listed securities

During the Reporting Period, the Company had not repurchased Shares on the Stock Exchange.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the Reporting Period and up to the date of this announcement.

As of 31 December 2024, there were no treasury shares held by the Company.

Employee and remuneration policy

As of 31 December 2024, the Group had 822 full-time employees, most of whom were based in China, primarily at our headquarters in Shanghai, with the rest based in Beijing, Fuzhou and various other cities in China. The number of employees employed by the Group varies depending on needs and employees are remunerated based on industry practice.

Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our retention strategy, we offer employees competitive salaries, performance-based cash bonuses and other incentives. As required under the PRC regulations, we participate in housing fund and various employee social security plan that are organized by applicable local municipal and provincial governments. Bonuses are generally discretionary and based in part on the overall performance of our business. We have granted and plan to continue to grant share-based incentive awards to our employees in the future to incentivize their contributions to our growth and development.

Pursuant to the 2021 RSU Scheme which was adopted on 15 January 2021 and the grant of RSUs as disclosed in the announcement dated 22 March 2021, Tricor Trust (Hong Kong) Limited was appointed as the RSU Trustee. Until the year ended 31 December 2024, the RSU Trustee purchased an aggregate of 31,642,000 shares at a total cash consideration of approximately HK\$63.2 million on-market to hold on trust for the benefit of the participants of the 2021 RSU Scheme.

No shares have been purchased by the RSU Trustee during the Reporting Period. As of 31 December 2024, RSUs in respect of an aggregate of 1,519,375 Shares (representing approximately 0.1% of the total issued share capital of the Company as at the date of this announcement) granted by the Company under the 2021 RSU Scheme remained outstanding. Further details of the 2021 RSU Scheme, together with, among others, the RSUs granted under the 2021 RSU Scheme, will be set out in the section headed "Report of the Directors" in the Company's 2024 annual report to be issued in due course.

Material acquisitions and disposals of subsidiaries, associated companies and joint ventures

During the Reporting Period, we did not have any material acquisitions and disposals of subsidiaries, associated companies and joint ventures.

Compliance with CG Code

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all shareholders.

During the Reporting Period, the Company has adopted the CG Code as set out in Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices.

Compliance with code provision C.2.1 of part 2 of the CG Code

Pursuant to code provision C.2.1 of part 2 of the CG Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. The Company does not have separate chairman and chief executive officer and Mr. Deng currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer by the same person has the benefit of ensuring consistent leadership within the Company and enables more effective and efficient overall strategic planning for the Company. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider segregating the roles of chairman of the Board and the chief executive officer of the Company at an appropriate time by taking into account the circumstances of the Company as a whole.

Save as the above, the Company has applied the principles and code provisions as set out in the CG Code for the Reporting Period.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company since the Listing Date. Having made specific enquiry of all the Directors of the Company, all the Directors confirmed that they have strictly complied with the required standards set out in the Model Code during the Reporting Period.

The Board has also adopted the Model Code to regulate all dealings by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of securities in the Company as referred to in code provision C.1.3 of Part 2 of the CG Code. No incident of non-compliance with the Model Code by the Company's relevant employees has been noted during the Reporting Period after making reasonable enquiry.

Audit and Risk Management Committee and review of financial statements

We have established an Audit and Risk Management Committee (the “**Audit and Risk Management Committee**”) with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The Audit and Risk Management Committee consists of three independent non-executive Directors, namely Mr. WONG Man Chung Francis, Mr. CAO Zhiguang and Mr. ZHANG Lihong with Mr. WONG Man Chung Francis appointed as the chairman of the Audit and Risk Management Committee.

The Audit and Risk Management Committee has reviewed the Group's annual results for the year ended 31 December 2024, and confirms that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. The Audit and Risk Management Committee has also discussed the auditing, internal control and financial reporting matters.

Scope of Work of the Company's Auditor

The figures in respect of the Group's consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, and the related notes thereto for the Reporting Period as set out in this announcement have been agreed by the Group's external auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the Reporting Period. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this announcement.

Final Dividend

The Board does not recommend the distribution of a final dividend for the year ended 31 December 2024.

Use of Proceeds from the IPO

The total net proceeds from the issue of new Shares by the Company in its Listing (after deducting the underwriting fees and related expenses) amounted approximately RMB949.8 million, and the net proceeds had been used up during the previous reporting period. As a result, the balance of unutilized net proceeds was Nil as at 31 December 2024.

Important events after Reporting Period

The Group has no important events after the Reporting Period.

Public float

Based on the information that is publicly available to the Company and to the knowledge of the Directors, the Company has maintained a public float of no less than 25% of the issued shares as at the date of this announcement, which was in line with the requirement under the Listing Rules.

Annual General Meeting

The forthcoming annual general meeting will be held on 20 May 2025, and its notice and all other relevant documents will be published and despatched to shareholders in April 2025.

Closure of Register of Members

For determining the entitlement of Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from 14 May 2025 to 20 May 2025, both days inclusive and during which period no transfer of Share will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, 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 13 May 2025.

Publication of 2024 annual results and annual report

This annual results announcement of the Group for the year ended 31 December 2024 is published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.geeka.com. The annual report for the year ended 31 December 2024 containing all applicable information required by the Listing Rules will be despatched to the Shareholders who have already provided instructions indicating their preference to receive hard copies and published on the above websites in April 2025.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my gratitude to the management and staff of the Group for their commitment and contribution during the year. I would also like to express my appreciation to the guidance from the regulators and continued support from our shareholders and customers.

By Order of the Board
Qeeka Home (Cayman) Inc.
DENG Huajin
Chairman

Shanghai, the PRC, 26 March 2025

As at the date of this announcement, the Board comprises Mr. Deng Huajin, Mr. Tian Yuan and Ms. Sun Jie as executive Directors; Mr. Zhou Wei, Mr. Xie Tian and Mr. Zhao Guibin as non-executive Directors; and Mr. Zhang Lihong, Mr. Cao Zhiguang and Mr. Wong Man Chung Francis as independent non-executive Directors.

This announcement contains forward-looking statements relating to the business outlook, estimates of financial performance, forecast business plans and growth strategies of the Group. These forward-looking statements are based on information currently available to the Group and are stated herein on the basis of the outlook at the time of this announcement. They are based on certain expectations, assumptions and premises, some of which are subjective or beyond our control. These forward-looking statements may prove to be incorrect and may not be realized in future. Underlying these forward-looking statements are a large number of risks and uncertainties. In light of the risks and uncertainties, the inclusion of forward-looking statements in this announcement should not be regarded as representations by the Board or the Company that the plans and objectives will be achieved, and investors should not place undue reliance on such statements.

DEFINITIONS

“2021 RSU Scheme”	means the award scheme of the Company adopted by the Board on 15 January 2021, in its present or any amended form
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit and Risk Management Committee”	the audit and risk management committee under the Board
“Auditor”	PricewaterhouseCoopers, the independent auditor of the Company
“Board”	the board of Directors of our Company
“Brausen”	the overall decoration brand of the Company
“BVI”	the British Virgin Islands
“CEO”	the chief executive officer of our Company
“CG Code”	the Corporate Governance Code as set out in Appendix C1 of the Listing Rules
“Chairman”	the chairman of the Board
“CIT”	corporate income tax
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “our Company”, “we” or “us”	Qeeka Home (Cayman) Inc. 齊屹科技(開曼)有限公司 (formerly known as China Home (Cayman) Inc.), an exempted company with limited liability incorporated in the Cayman Islands on 20 November 2014, whose Shares are listed on the Main Board of the Stock Exchange (stock code: 1739)
“Contractual Arrangement(s)”	the series of contractual arrangements entered into among Shanghai Qijia, Qijia Network Technology and the shareholders of Shanghai Qijia, details of which are described in the section headed “Contractual Arrangements” of the Prospectus
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of our Company

“EPS”	earnings/(loss) per share
“FVOCI”	financial assets at fair value through other comprehensive income
“FVPL”	financial assets at fair value through profit or loss
“Group” or “our Group”	the Company, its subsidiaries, and the PRC Operating Entities (the financial results of which have been consolidated and accounted for as subsidiaries of our Company by virtue of the Contractual Arrangements) from time to time
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of PRC
“IAS”	the International Accounting Standards
“IASB”	the International Accounting Standards Board
“IDC” or “Interior Design and Construction Business”	the provision of interior design and construction service
“IFRS”	the International Financial Reporting Standards, which include standards and interpretations promulgated by the International Accounting Standards Board (IASB), and the International Accounting Standards (IAS) and interpretation issued by the International Accounting Standards Committee (IASC)
“Innovation and others Business”	the provision of other initiative services
“IPO”	the Company’s initial public offering and listing of its shares on Main Board of the Stock Exchange on 12 July 2018
“Jumei”	Qijia Jumei (Suzhou) Refined Construction Technology Co., Ltd.* (齊家居美(蘇州)精裝科技有限公司), a company with limited liability incorporated in PRC on 30 August 2016
“Listing Date”	12 July 2018, the date on which the Shares were listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

“Main Board”	the stock exchange (excluding the option market) operated by the stock exchange which is independent from and operates in parallel with the Growth Enterprise Market of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules
“Mr. Deng”	Mr. Deng Huajin, our founder, chairman, executive Director, CEO and our single largest Shareholder
“PRC” or “China”	the People’s Republic of China, except where the context requires otherwise and only for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Operating Entities”	Shanghai Qijia and its subsidiaries and branches, the financial accounts of which have been consolidated and accounted for as if they were subsidiaries of our Company by virtue of the Contractual Arrangements
“Prospectus”	the prospectus being issued in connection with the IPO
“Reporting Period”	the year ended 31 December 2024
“RMB”	Renminbi, the lawful currency of PRC
“RSU(s)”	restricted share unit(s)
“RSU Trustee”	Tricor Trust (Hong Kong) Limited was appointed as the independent trustee for the administration of the 2021 RSU Scheme
“SaaS and Marketing Service Business”	the provision of SaaS based total marketing solution, targeted marketing services, inspection service and others
“Sales lead”	the data that identifies someone as a potential demand user of Interior Design and Construction
“Seagull”	a PRC company listed on the Shenzhen Stock Exchange (Stock code: 002084) that engages in the production and sale of high-end plumbing equipment and hardware
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

“Shanghai Brausen”	Shanghai Brausen Decoration Engineering Co., Ltd.* (上海博若森裝飾工程有限公司), a company incorporated in the PRC with limited liability and a wholly owned subsidiary of the Company
“Shanghai Qiyu”	Shanghai Qiyu Information Technology Co., Ltd.* (上海齊煜信息科技有限公司), a company incorporated in the PRC and a wholly owned subsidiary of the Company
“Share(s)”	ordinary share(s) in the share capital of our Company with a par value of US\$0.0001 each
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the meaning ascribed thereto in section 15 of the Companies Ordinance
“Supply Chain Service Business”	the provision of building and home decoration materials
“USD”	United States dollar, the lawful currency of the United States
“Youzi”	the partial renovation brand of the Company
“%”	per cent

* The English names of the PRC nationals, enterprises, entities, departments, facilities, certificates, titles and the like are translation and/or transliteration of their Chinese names and are included for identification purposes only. In the event of inconsistency between the Chinese names and their English translations and/or transliterations, the Chinese names shall prevail.