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)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2025

FINANCIAL HIGHLIGHTS

For the six months ended June 30, 2025, revenue for the Reporting Period amounted to RMB18,137.5 million, representing a period to period increase of 3.1%, of which: revenue generated from the community space living consumption services was RMB11,325.0 million, representing a period to period increase of 11.8%; revenue generated from the commercial and urban space integrated services was RMB5,748.7 million, representing a period to period decrease of 5.2%; revenue generated from the AIoT and BPaaS solution services was RMB1,063.8 million, representing a period to period decrease of 23.6%.

For the six months ended June 30, 2025, revenue generated from the recurring businesses [Note 1] was RMB16,308.5 million, representing a period to period increase of 9.5%, accounting for 89.9% of revenue, representing a period to period increase of 5.2 percentage points. The gross profit of the recurring businesses amounted to RMB2,107.9 million, with a gross profit margin of 12.9%, maintaining at about the same level period to period.

For the six months ended June 30, 2025, the gross profit for the Reporting Period was RMB2,492.9 million, representing a period to period increase of 3.8%; The administrative expenses decreased by RMB77.4 million, representing a period to period decrease of 8.0%.

For the six months ended June 30, 2025, the profit for the Reporting Period was RMB837.8 million, representing a period to period increase of 5.4%, and the Group's net loss on extraordinary items was RMB247.5 million, representing a period to period increase of RMB93.1 million. Core net profit [Note 2] was RMB1,321.1 million, representing a period to period increase of 10.8%.

For the six months ended June 30, 2025, earnings per share attributable to the shareholders of the Company (the "**Shareholder(s)**") for the Reporting Period was RMB0.68. The Board recommended to pay the Shareholders an interim dividend of RMB1,100.0 million in total for the six months ended June 30, 2025. The dividend per share amounted to RMB0.951 (including tax), which was based on the number of shares in the share capital of the Company, with a nominal value of RMB1.00 each (the "**Share(s)**") as at the end of the period (excluding (i) overseas listed Shares (the "**H Share(s)**") which are designated as treasury H Shares, and (ii) H Shares which are subject to cancellation, each as at June 30, 2025).

Note 1: The recurring businesses refer to the Group's residential property services under the 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 represents the profit for the period generated by operating business activities, which is calculated after deducting the amortization of customer relationships for intangible assets arising from historical acquisitions, extraordinary items and related income tax effect. Extraordinary items include gains or losses on equity transactions, gains or losses on the disposal of fixed assets, government grants, credit impairment losses, and asset impairment losses.

The board of directors (the "**Directors**") (the "**Board**") of Onewo Inc. (the "**Company**") is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended June 30, 2025 (the "**Reporting Period**").

FINANCIAL INFORMATION

The following financial information is a summary of the Group's interim condensed consolidated financial statements for the six months ended June 30, 2025:

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

For the six months ended 30 June 2025

	Notes	**Six months ended 30 June**	
		2025	2024
		RMB'000	*RMB'000*
		(unaudited)	(unaudited and restated)
REVENUE	*4*	**18,137,457**	17,589,934
Cost of sales		**(15,644,584)**	(15,188,800)
Gross profit		**2,492,873**	2,401,134
Other income and gains, net	*5*	**63,204**	85,957
Selling and distribution expenses		**(298,494)**	(266,708)
Administrative expenses		**(885,774)**	(963,148)
Impairment losses on financial assets, net		**(268,022)**	(152,262)
Finance costs		**(15,546)**	(10,491)
Share of profits and losses of joint ventures and associates		**12,367**	(16,834)
PROFIT BEFORE TAX	*6*	**1,100,608**	1,077,648
Income tax expense	*7*	**(262,830)**	(282,506)
PROFIT FOR THE PERIOD		**837,778**	795,142
Attributable to:			
Shareholders of the Company		**791,992**	762,418
Non-controlling interests		**45,786**	32,724
		837,778	795,142
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY, IN RMB			
Basic and diluted	*9*	**0.68**	0.65

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited and restated)
PROFIT FOR THE PERIOD	**837,778**	795,142
OTHER COMPREHENSIVE (LOSS)/INCOME		
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	**(5,033)**	2,670
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods	**(5,033)**	2,670
Other comprehensive 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	**(175,083)**	(11,045)
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	**(175,083)**	(11,045)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	**(180,116)**	(8,375)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**657,662**	786,767
Attributable to:		
Shareholders of the Company	**611,876**	754,043
Non-controlling interests	**45,786**	32,724
	657,662	786,767

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

30 June 2025

	Notes	**As at 30 June 2025** *RMB'000* **(unaudited)**	As at 31 December 2024 *RMB'000* (restated)
NON-CURRENT ASSETS			
Property, plant and equipment		**589,613**	620,995
Investment properties		**2,126,661**	1,897,708
Right-of-use assets		**306,825**	324,229
Intangible assets	*10*	**7,752,759**	7,733,496
Investments in joint ventures and associates		**1,302,244**	1,288,607
Equity investments designated at fair value through other comprehensive income		**838,508**	1,013,591
Deferred tax assets		**348,584**	326,014
Prepayments, deposits and other receivables		**2,628,529**	2,735,635
Total non-current assets		**15,893,723**	15,940,275
CURRENT ASSETS			
Inventories		**83,815**	102,440
Trade and retention receivables	*11*	**8,009,312**	6,544,239
Prepayments, deposits and other receivables		**2,309,728**	3,067,582
Restricted bank deposits		**468,324**	455,345
Time deposits with original maturity of over three months		**56,515**	187,686
Cash and cash equivalents		**10,936,954**	13,452,946
Total current assets		**21,864,648**	23,810,238
CURRENT LIABILITIES			
Trade and notes payables	*12*	**6,648,199**	6,671,540
Contract liabilities		**4,752,682**	4,912,498
Other payables and accruals	*13*	**6,106,513**	6,479,220
Interest-bearing bank borrowings		**18,889**	13,141
Lease liabilities		**104,463**	102,048
Tax payable		**916,175**	998,218
Total current liabilities		**18,546,921**	19,176,665
NET CURRENT ASSETS		**3,317,727**	4,633,573
TOTAL ASSETS LESS CURRENT LIABILITIES		**19,211,450**	20,573,848

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued)
30 June 2025

	Notes	**As at 30 June 2025** *RMB'000* **(unaudited)**	As at 31 December 2024 *RMB'000* (restated)
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**555,000**	562,500
Other payables and accruals	*13*	**1,197,608**	1,160,038
Provision		**110,827**	104,731
Lease liabilities		**215,459**	233,910
Deferred tax liabilities		**821,275**	856,674
Total non-current liabilities		**2,900,169**	2,917,853
Net assets		**16,311,281**	17,655,995
EQUITY			
Equity attributable to shareholders of the Company			
Share capital		**1,171,565**	1,171,565
Reserves		**14,303,414**	15,709,046
		15,474,979	16,880,611
Non-controlling interests		**836,302**	775,384
Total equity		**16,311,281**	17,655,995

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 Interim Financial Reporting issued by IASB. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

2.1 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period's financial information.

Amendments to IAS 21 *Lack of Exchangeability*

The nature and impact of the amended IFRS Accounting Standard are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

2.2 PRIOR PERIOD RESTATEMENT

In January 2025, the Group obtained the control of Shenzhen Fuke Industrial Operations Management Co., Ltd. ("Fuke Industrial") by acquiring 75% equity investment from Shenzhen Vanke Industrial Development Co., Ltd., a subsidiary of China Vanke Co., Ltd. ("China Vanke"). In May 2025, the Group obtained the control of Shanghai Xiangda Real Estate Development Co., Ltd. ("Shanghai Xiangda") (which was a joint venture of the Company) by purchasing its 55% equity interest from Shanghai Vanke Investment Management Co., Ltd., a subsidiary of China Vanke. Since Fuke Industrial, Shanghai Xiangda and the Group are all under control of China Vanke before and after the aforesaid acquisitions, the acquisitions are considered as a business combination under common control and has been accounted for by using merger accounting method. Accordingly, the comparative figures as set out in this interim condensed consolidated financial information have been restated.

Restated interim condensed consolidated statement of comprehensive income:

	Six months ended 30 June 2024 Consolidated statement of comprehensive income		
	As per originally reported *RMB'000*	**Retrospective adjustments** *RMB'000*	**As restated** *RMB'000*
Profit for the period	804,423	(9,281)	795,142
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	2,670	–	2,670
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	(11,045)	–	(11,045)
Comprehensive income for the period	796,048	(9,281)	786,767
Attributable to:			
Shareholders of the Company	763,288	(9,245)	754,043
Non-controlling interests	32,760	(36)	32,724

2.2 PRIOR PERIOD RESTATEMENT (continued)

Restated consolidated statement of financial position:

	31 December 2024		
	Consolidated statement of financial position		
	As per originally reported	Retrospective adjustments	As restated
	RMB'000	*RMB'000*	*RMB'000*
Total assets	38,608,225	1,142,288	39,750,513
Total liabilities	21,448,474	646,044	22,094,518
Equity attributable to shareholders of the Company	16,422,604	458,007	16,880,611
Non-controlling interests	737,147	38,237	775,384
Total equity	17,159,751	496,244	17,655,995

3. 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 six months ended 30 June 2025 and 2024, 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 for the six months ended 30 June 2025 and 2024.

As at 30 June 2025 and 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.

4. 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 six months ended 30 June 2025 and 2024 is as follows:

An analysis of revenue is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited and restated)
Types of goods or services		
Community space living consumption services	**11,324,996**	10,132,985
Commercial and urban space integrated services	**5,748,658**	6,065,306
AIoT and BPaaS solution services	**1,063,803**	1,391,643
Total revenue from contracts with customers	**18,137,457**	17,589,934
Timing of revenue recognition		
Goods or services transferred at a point in time	**597,029**	755,370
Services transferred over time	**17,540,428**	16,834,564
Total revenue from contracts with customers	**18,137,457**	17,589,934

5. OTHER INCOME AND GAINS, NET

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited and restated)
Interest income	**27,805**	56,896
Government grants	**20,155**	35,378
Fair value gains on financial assets at fair value through profit or loss	**34,508**	30,588
Gain on disposal of investment properties	**11,896**	11,522
Gain on disposal of joint ventures and associates	**190**	–
Gain on remeasurement of the previously held interest in an associate	**–**	47,645
Foreign exchange differences, net	**(3,762)**	5,436
Impairment of an investment in an associate	**–**	(83,592)
Other non-operating loss	**(27,588)**	(17,916)
	63,204	85,957

6. PROFIT BEFORE TAX

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

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited and restated)
Cost of services provided	**15,429,723**	14,710,979
Cost of inventories sold	**214,861**	477,821
Depreciation and amortisation	**531,358**	532,572
Research and development costs	**156,931**	182,132
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Wages and salaries	**4,996,248**	4,936,092
Pension costs, housing funds, medical insurances and other social insurances	**1,008,430**	957,396
	6,004,678	5,893,488
Impairment of an investment in an associate	**–**	83,592
Impairment losses on financial assets, net:		
Impairment losses on trade and retention receivables, net	**144,683**	122,921
Impairment losses on financial assets included in prepayments, deposits and other receivables, net	**123,339**	29,341
	268,022	152,262
(Gain)/loss on disposal of items of property, plant and equipment	**(139)**	1,583

7. 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 current income tax was based on a statutory rate of 25% of the taxable profits for the six months ended 30 June 2025 and 2024 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% for the six months ended 30 June 2025 and 2024, or (ii) 15% if qualified as high and new technology enterprises or registered in the western region, Shenzhen Qianhai region and Guangdong Hengqin region of the PRC and fulfil certain requirements.

The subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 16.5% on any estimated assessable profits arising in Hong Kong during the six months ended 30 June 2025 and 2024. 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 six months ended 30 June 2025 and 2024.

7. INCOME TAX EXPENSE (continued)

The major components of income tax expense for the six months ended 30 June 2025 and 2024 are as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited and restated)
Current – PRC	**345,142**	364,880
Deferred tax	**(82,312)**	(82,374)
Total tax charge for the period	**262,830**	282,506

8. DIVIDENDS

A final dividend of RMB0.481 per ordinary share (including tax) totalling RMB556 million and a special dividend of RMB0.394 per ordinary share (including tax) totalling RMB456 million for the year ended 31 December 2024 were approved in the Company's Annual General Meeting on 16 May 2025 and paid during the year.

At a meeting held by the board on 18 August 2025, the board of directors recommended an interim dividend of RMB0.951 per ordinary share (including tax) totalling RMB1,100 million ("2025 Interim Dividend") for the six months ended 30 June 2025.

2025 Interim Dividend is subject to the approval of the Company's shareholders at the forthcoming general meeting.

9. 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 six months ended 30 June 2025 and 2024 attributable to ordinary shareholders of the Company, and the weighted average number of ordinary shares in issue during the six months ended 30 June 2025 and 2024.

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2025 and 2024.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY (continued)

The calculation of basic earnings per share is based on:

	Six months ended 30 June	
	2025	2024
	(unaudited)	(unaudited and restated)
Earnings		
Earning attributable to the ordinary shareholders of the Company, used in the basic earnings per share calculation (RMB'000)	**791,992**	762,418
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic earnings per share calculation	**1,156,779,915**	1,175,976,024
Basic and diluted earnings per share (RMB)	**0.68**	0.65

10. INTANGIBLE ASSETS

As at 30 June 2025 (unaudited)

	Customer relationship *RMB'000*	**Goodwill** *RMB'000*	**Others** *RMB'000*	**Total** *RMB'000*
At 1 January 2025:				
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**
At 1 January 2025, net of accumulated amortisation	**3,857,003**	**3,825,162**	**51,331**	**7,733,496**
Additions*	**18,033**	**–**	**8,212**	**26,245**
Acquisition of subsidiaries	**116,736**	**174,728**	**–**	**291,464**
Amortisation provided during the period	**(295,143)**	**–**	**(3,303)**	**(298,446)**
At 30 June 2025, net of accumulated amortisation	**3,696,629**	**3,999,890**	**56,240**	**7,752,759**
At 30 June 2025:				
Cost	**6,357,172**	**3,999,890**	**79,692**	**10,436,754**
Accumulated amortisation	**(2,660,543)**	**–**	**(23,452)**	**(2,683,995)**
Net carrying amount	**3,696,629**	**3,999,890**	**56,240**	**7,752,759**

10. INTANGIBLE ASSETS (continued)

As at 30 June 2024 (unaudited)

	Customer relationship *RMB'000*	Goodwill *RMB'000*	Others *RMB'000*	Total *RMB'000*
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	–	7,930	45,906
Acquisition of subsidiaries	154,000	124,940	1,015	279,955
Amortisation provided during the period	(302,564)	–	(3,552)	(306,116)
At 30 June 2024, net of accumulated amortisation	4,150,749	3,825,162	25,010	8,000,921
At 30 June 2024:				
Cost	6,222,403	3,825,162	42,269	10,089,834
Accumulated amortisation	(2,071,654)	–	(17,259)	(2,088,913)
Net carrying amount	4,150,749	3,825,162	25,010	8,000,921

Impairment testing of goodwill

Impairment test on the cash-generating units ("CGUs") including goodwill should be performed annually or when the management is aware of events and circumstance changes that might be identified as goodwill impairment indicators. As at 30 June 2025, management is not aware of any circumstances indicating that the CGUs to which the goodwill has been allocated may be impaired.

11. TRADE AND RETENTION RECEIVABLES

	As at 30 June 2025 *RMB'000* **(unaudited)**	As at 31 December 2024 *RMB'000* (restated)
Trade and notes receivables		
– Related parties	**2,601,916**	2,446,057
– Third parties	**6,478,874**	5,019,001
Retention receivables	**21,553**	26,826
	9,102,343	7,491,884
Less: Allowance for impairment of trade and retention receivables	**(1,093,031)**	(947,645)
	8,009,312	6,544,239

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 30 June 2025 and 31 December 2024, based on the invoice date and net of loss allowance, is as follows:

	As at 30 June 2025 *RMB'000* **(unaudited)**	As at 31 December 2024 *RMB'000* (restated)
Within 1 year	**7,068,988**	5,501,286
1 to 2 years	**734,595**	831,761
2 to 3 years	**140,732**	144,670
Over 3 years	**64,997**	66,522
	8,009,312	6,544,239

12. TRADE AND NOTES PAYABLES

	As at 30 June 2025 *RMB'000* **(unaudited)**	As at 31 December 2024 *RMB'000* (restated)
Trade and notes payables		
– Related parties	**215,585**	14,741
– Third parties	**6,432,614**	6,656,799
	6,648,199	6,671,540

An ageing analysis of the trade and notes payables as at 30 June 2025 and 31 December 2024, based on the invoice date, is as follows:

	As at 30 June 2025 *RMB'000* **(unaudited)**	As at 31 December 2024 *RMB'000* (restated)
Within 1 year	**6,212,407**	6,225,486
1 to 2 years	**283,252**	311,740
2 to 3 years	**82,384**	89,046
Over 3 years	**70,156**	45,268
	6,648,199	6,671,540

13. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2025 *RMB'000* (unaudited)	As at 31 December 2024 *RMB'000* (restated)
Current:		
Other payables		
Amounts due to related parties	**442,305**	572,274
Cash collected on behalf of property owners	**1,855,589**	1,966,600
Deposits payable	**1,145,381**	1,054,167
Dividends	**59,867**	66,620
Accruals and other payables	**1,015,548**	975,343
	4,518,690	4,635,004
Payroll payables	**1,272,696**	1,587,620
Long-term payables within one year	**3,520**	3,520
Other taxes payables	**311,607**	253,076
	6,106,513	6,479,220
Non-current:		
Amounts held on behalf of property owners	**1,193,960**	1,156,385
Long term payables	**3,648**	3,653
	1,197,608	1,160,038

MANAGEMENT DISCUSSION AND ANALYSIS

The following discussion should be read in conjunction with the interim condensed consolidated financial information of the Group, including the related notes, set out on pages 3 to 16 of this interim results announcement.

INDUSTRY REVIEW

Opportunities and Contradictions of Property Services in Existing Market

The property service industry is rapidly entering an era dominated by existing projects. Leading companies are continuously increasing their market concentration by leveraging advantages in brand strength, operational efficiency, and scale. According to CRIC's data, residential property turnover rate rose from 1.7% to 3.3% from 2021 to 2024, with over 20,000 communities replacing property service providers each year on average. The market share of the top 10 companies has surpassed 28.3%, and their new contracted GFA is 2.4 times that of companies ranking 11th to 30th. The number of practitioners is reducing rapidly from over hundreds of thousands to over ten thousand, and those leading companies still have a large space for scale-up. This trend is driven by the awakening of the awareness of rights among property owners compelling quality upgrades, propelling the industry's transition from scale expansion to quality-centric competition.

In this process, the main conflict has emerged from the misalignment in value perception among property service companies spun off from developers, property owners under housing price pressures, and local governments responsive to public opinion. The contradiction between high-priced pre-sale property service contracts and the absence of decision-making by property owners as actual payers during the upward cycle of real estate companies is deeply rooted in the industry's historical structure, sowing seeds of a crisis of trust in "high charges with low service". Service cutbacks by some providers have triggered plunging collection rates, which – combined with local governments' price caps – are intensifying the standoff between supply and demand.

The key to breaking the deadlock lies in building a service system that matches quality with price. A flexible pricing model deconstructs 508 service items into a modular menu, allowing property owners to combine services according to their needs with clear pricing rules, thus eliminating resistance to mandatory high charges. This model requires a tripartite collaboration: the government to improve tiered service standards, companies to provide transparent solutions, and property owners to have quality choice rights. It promotes the transformation of property services from a "cost burden" to an "investment in quality of life". In the future, flexible pricing will evolve from isolated breakthroughs to industry-wide adoption, becoming the benchmark paradigm that balances corporate profit demands and property owners' quality expectations, ending the vicious cycle and initiating a new cycle of value reconstruction in the existing market.

The Contradiction between Government's Expectations and Industry Realities

Since the beginning of this year, the central and local governments have issued a series of intensive policy documents, establishing a policy framework centered on "good housing and good services (好房子、好服務)". Currently, the "good housing" project has been advancing across the country. As societal needs ascend from "adequate housing" to "quality living", premium services have become both the core essence and natural extension of "good housing". The Minister of Housing and Urban-Rural Development, Ni Hong, explicitly stated: "Only by serving the people well can one secure a place in the market and a stake in the future (誰能為群眾提供好服務, 誰就能有市場、有未來)." The central government is promoting the establishment of a four-in-one mechanism involving "Community Party Organizations + Residents' Committees + Property Owners' Committees + Property Management Companies", aiming to build "Red Property (紅色物業)". This strengthens the Party's leadership in property management and integrates property services into the grassroots governance network to effectively resolve community conflicts. In the opinion of the central government, high-quality property services are both the key to improving people's quality of life and the hub of grassroots governance network.

However, as revealed in the article Targeted Efforts to Rectify Irregularities in Property Management published by the People's Daily, currently, within property service market, improper involvement of some public officials in contract brokerage has spawned improper interest chains spanning regulators, associations, and enterprises. Such behaviors are prone to giving rise to integrity risks, disrupting the market-based mechanism for the replacement of service providers, and hindering healthy competition within the industry. It is proposed to eliminate non-market factor interference and support the industry's return to a healthy ecosystem where "market share is determined by service quality" by enhancing transparency in the bidding process (such as blockchain record keeping), establishing a tiered certification for service providers, and promoting a contract review mechanism led by property owners' committees.

The price caps imposed by governments in certain regions on pre-sale property service contracts for new residential projects have been maliciously misrepresented by public opinion, triggering widespread calls for reductions in property management fees. A disconnect has emerged between government expectations for property management enterprises and the industry realities. Amid the current turbulence affecting the sector, industry-leading enterprises should stand together, uphold the bottom line of quality growth, and provide long-term, sustainable, and high-quality services to property owners.

The Contradiction between Technological Advancement and Property Owners' Perceptions

Over the past three years, technology has advanced rapidly. AI has penetrated various aspects of people's lives and work, and the property management sector, once regarded as a labor-intensive traditional industry, is now having its service workflows restructured by algorithms and its management paradigms reshaped by data. Property management enterprises have generally applied technology and algorithms to optimize energy management, enhance employees' working efficiency, manage intelligent work orders, and empower public opinion monitoring. During the Reporting Period, the industry actively invested and deployed in areas such as artificial intelligence, robotics, and embodied intelligence, sparking widespread discussion in the capital markets. New DaZheng Property partnered with Saite Intelligence to launch intelligent cleaning robots, and Nacity invested in Wimsha Robot to drive its intelligent transformation and upgrade.

Property companies have strong incentives to apply technology across front-line and mid- and back-end to achieve cost savings and efficiency gains. However, as service recipients and payers, some property owners retain a preference for the human touch in services and are concerned about whether technological dividends can translate into tangible benefits for residents, fueling divergent views on the trend of tech integration in property management. As leading enterprises in the industry, companies shall actively explore the application of AI and robotics in property service operations and middle – and back-end management, continuously increase the penetration of technology application, enhance operational efficiency, and reduce costs. Meanwhile, leading enterprises should also be imperative to share the benefits of technological advancements with property owners and jointly embrace the industry transformation driven by innovation.

STRATEGIES REVIEW

2025-2027 is three years for the Group to complete the capacity building, and the Group will advance the three strategies of "Onewo Town+, Commercial Enterprise Service+, Ecosystem+" by centering on the three key words of "Asset service, Intelligence, Low carbon", so as to become the global leading intelligent and low-carbon asset service provider.

Onewo Town+: Building Street-Level Service Networks

Onewo Town is the core strategic choice for the Group to build regional economies of scale in the labor-intensive industries. During the Reporting Period, the Group cumulatively completed the efficiency improvement and renovation across 300 Onewo Towns, covering 1,688 projects, accounting for 38.3% of the total projects under management, and achieving efficiency gains of RMB230.0 million in Onewo Towns upon renovation. During the year, building on our current efficiency gains, the Group will deeply integrate the cutting-edge AI technologies to pursue breakthroughs in three key areas: hybrid workforce optimization, cross-project resource sharing, and end-to-end AI application, and explore the next steps for efficiency improvement.

Under the pressure of the macro environment, the Group's "flexible pricing" strategy has emerged as an industry-leading solution. Driving value-aligned property services has become the industry imperative – it will unlock new growth frontiers in residential markets and position us to win in the existing market. During the Reporting Period, the Group gained 114 residential property projects in the existing market, and achieved the annualized saturated income of RMB668.1 million in total, representing a period to period increase of 31.5%.

Based on Onewo Towns, the Group actively promoted the expansion of asset business. During the Reporting Period, income from home-related asset service business reached RMB858.4 million, representing a period to period increase of 39.6%, with a gross profit margin of 22.3%, demonstrating a positive effect on the Group's profitability. The significant increase in the income from such business was due to the proprietary decoration and house repair businesses, which were proactively carried out in Onewo Towns during the Reporting Period. During the Reporting Period, the proprietary decoration business achieved new contracts with a total value of RMB270.0 million, representing a period to period increase of 50.0% and serving more than 10,000 clients. During the Reporting Period, the house repair business, leveraging the existing advantage of residential properties to promote scalable growth, achieved an income of RMB227.6 million, representing a period to period increase of 95.0%.

Commercial Enterprise Services+: A New Catalyst in Asset Services

The Group has built a competitive moat in the ToB business by integrating enterprise value-added capabilities, including energy management and remote shared services, achieving a win-win situation of customer value and profit growth.

- Energy management builds long-term competitiveness

  In the commercial building sector, the Shanghai Central Park Project has adopted an intelligent energy-saving system, achieving a 24% reduction in energy costs without compromising operational experience, thereby verifying the effectiveness of the technology in cost optimization; the Building T3 Project of Shenzhen Innovation Cloud Center, with the "Lingshi +" AI agent and microgrid technology as its core, implements hierarchical and zonal energy consumption management. It achieves over 10% energy savings through intelligent control of air conditioning and lighting, and integrates rooftop photovoltaics and mobile energy storage charging vehicles for dynamic optimization, thus creating a benchmark for low-carbon office.

  A headquarters project of a leading optical enterprise in Suzhou innovatively adopts the "energy profit-sharing" model. It binds a 6-year in-depth cooperation through an energy-saving benefit sharing mechanism, breaking the predicament of short cycles and low gross profits in traditional property management. The full-cycle revenue of a single project has increased by 7.8 times. This model has promoted the successful implementation of 13 energy projects during the period, opening up a high-value-added track for asset services.

  Energy management capabilities will form the competitive moat for the Group's asset services differentiation. During the Reporting Period, the gross profit margin of the property and facility management services business increased by 0.5 percentage point period to period, with newly added saturated revenue amounting to RMB1,249.9 million.

- AI data services empowered diversified growth of ToB business

  The Group has established a remote enterprise service product system through its full-lifecycle AI training data services, covering multi-modal annotation scenarios such as image (3D point cloud annotation), text (discipline-based Q&A integration), and audio (voiceprint classification), and meeting high-precision demands from industries such as autonomous driving and fintech with a "customized solution + full-process quality control" approach. During the period, the business achieved a breakthrough from nil to RMB37.9 million, with contracts signed with four external customers, demonstrating the efficient implementation capability of technology-driven services.

  During the Reporting Period, the revenue from enterprise remote operation services reached RMB618.9 million, representing a period to period increase of 14.1%, with a gross profit margin of 33.5%, making it one of the key drivers of the Company's profit growth. Going forward, the business will expand into emerging sectors such as intelligent finance and healthcare, and continue to enhance the service capabilities through large model-assisted annotation technology, and solidify the foundation for sustainable development of ToB business.

Technological Capabilities: Driving Continuous Optimization of the Cost Side

During the Reporting Period, the Group deeply restructured its mid- and back-end operation systems through AI and automation technologies, achieving a structural improvement in cost efficiency. In contract management, AI was embedded throughout the entire lifecycle from drafting and review to finalization, thereby reducing approval time and lowering compliance risks. In the routine HR process, 10 out of 26 functions were automated remotely, covering high-frequency scenarios such as resignation, job transfer, and social insurance, which significantly improved the efficiency of single business processing. Efficiency improvement of technology was translated directly into cost-side improvements – administrative expenses for the Reporting Period amounted to RMB885.8 million, representing a net period to period decrease of RMB77.4 million, or 8.0%. The resources thus freed up could be reallocated to frontline business investments, forming a strategic closed loop of "technology-driven cost reduction → resource reallocation → accelerated growth".

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 the details of revenue by types of business and service as at the dates indicated:

	For the six months ended June 30,				
	2025		2024		Growth rate
	RMB'000	*%*	*RMB'000*	*%*	*%*
	(unaudited)		(unaudited and restated)		
Community space living consumption services					
—Residential property services	**10,279,326**	**56.7**	9,309,541	52.9	10.4
—Home-related asset services	**858,423**	**4.7**	614,705	3.5	39.6
—Other community value-added services	**187,247**	**1.0**	208,739	1.2	(10.3)
Subtotal	**11,324,996**	**62.4**	10,132,985	57.6	11.8
Commercial and urban space integrated services					
—Property and facility management services	**5,169,132**	**28.5**	4,799,404	27.3	7.7
—Value-added services for developers	**219,285**	**1.2**	916,154	5.2	(76.1)
—Urban space integrated services	**360,241**	**2.0**	349,748	2.0	3.0
Subtotal	**5,748,658**	**31.7**	6,065,306	34.5	(5.2)
AIoT and BPaaS solution services					
– AIoT solutions	**203,719**	**1.1**	602,871	3.4	(66.2)
– BPaaS solutions	**860,084**	**4.8**	788,772	4.5	9.0
Subtotal	**1,063,803**	**5.9**	1,391,643	7.9	(23.6)
Total	**18,137,457**	**100.0**	17,589,934	100.0	3.1

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

	For the six months ended June 30,			
	2025		2024	
	Gross profit	**Gross profit margin**	Gross profit	Gross profit margin
	RMB'000	***%***	*RMB'000*	*%*
	(unaudited)		(unaudited and restated)	
Community space living consumption services				
－Residential property services	**1,330,417**	**12.9**	1,246,022	13.4
－Home-related asset services	**191,554**	**22.3**	178,803	29.1
－Other community value-added services	**112,670**	**60.2**	105,453	50.5
Subtotal	**1,634,641**	**14.4**	1,530,278	15.1
Commercial and urban space integrated services				
－Property and facility management services	**452,812**	**8.8**	398,382	8.3
－Value-added services for developers	**21,333**	**9.7**	2,120	0.2
－Urban space integrated services	**32,763**	**9.1**	31,106	8.9
Subtotal	**506,908**	**8.8**	431,608	7.1
AIoT and BPaaS solution services				
– AIoT solutions	**26,687**	**13.1**	146,874	24.4
– BPaaS solutions	**324,637**	**37.7**	292,374	37.1
Subtotal	**351,324**	**33.0**	439,248	31.6
Total	**2,492,873**	**13.7**	2,401,134	13.7

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 RMB16,308.5 million, representing a period to period increase of 9.5%, accounting for 89.9% of the Group's total revenue. The gross profit generated was RMB2,107.9 million, representing a period to period increase of 8.8%, accounting for 84.6% of the Group's total gross profit.

Residential property services

During the Reporting Period, the Group's revenue from residential property services was RMB10,279.3 million, representing a period to period increase of 10.4%, accounting for 56.7% of total revenue. The business generated a gross profit of RMB1,330.4 million during the Reporting Period, representing a period to period increase of 6.8%, accounting for 53.4% of total gross profit. Due to the impact of macro environment, residents' willingness to pay declined during the Reporting Period, and the gross profit margin of the business decreased to 12.9% during the Reporting Period, representing a period to period decrease of 0.5 percentage point. The steady growth in revenue from the business was mainly due to the outstanding market-oriented expansion capabilities of the Group's Vanke Service brand. As of June 30, 2025, the saturated income of residential projects under management was RMB28,133.5 million, representing a period to period increase of 7.4%; the saturated income of contract residential projects was RMB33,719.1 million, representing a period to period increase of 5.9%.

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

	As of June 30,	
	2025	2024
Saturated income from contracts (RMB million)	**33,719.1**	31,850.1
Number of contracted projects (units)	**5,178**	4,862
Saturated income from projects under management (RMB million)	**28,133.5**	26,206.8
Number of projects under management (units)	**4,408**	4,095

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

	As of June 30, 2025			As of June 30, 2024		
	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	**1,701**	**13,248.8**	**5,323.3**	1,628	12,729.8	4,968.9
Independent Third Party real estate developers	**2,707**	**14,884.7**	**4,956.0**	2,467	13,477.0	4,340.6
Total	**4,408**	**28,133.5**	**10,279.3**	4,095	26,206.8	9,309.5

Property and facility management services

During the Reporting Period, the Group's revenue from property and facility service management was RMB5,169.1 million, representing a period to period increase of 7.7%, accounting for 28.5% of the total revenue; the business generated a gross profit of RMB452.8 million during the Reporting Period, representing a period to period increase of 13.7%, accounting for 18.2% of total gross profit. As of June 30, 2025, the saturated income from property and facility management service projects under management was RMB15,700.0 million, representing a period to period increase of 9.7%, of which RMB7,886.8 million came from commercial property services projects and RMB7,813.2 million came from integrated facility management service projects. The Group acquired 10 super high-rise projects during the Reporting Period, relying on its outstanding brand advantages and expansion abilities among business customers, and continued to expand in high-quality segments, further improving its customer structure.

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

	As of June 30,	
	2025	2024
Saturated income from contracts (RMB million)	**19,837.9**	17,507.8
Number of contracted projects (units)	**3,284**	2,804
Saturated income from projects under management (RMB million)	**15,700.0**	14,311.1
Number of projects under management (units)	**2,585**	2,382

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

	As of June 30, 2025			As of June 30, 2024		
	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	**272**	**2,260.4**	**711.3**	325	2,189.5	708.1
Independent Third Party real estate developers	**2,313**	**13,439.6**	**4,457.8**	2,057	12,121.6	4,091.3
Total	**2,585**	**15,700.0**	**5,169.1**	2,382	14,311.1	4,799.4

BPaaS Solutions

During the Reporting Period, the Group's revenue from BPaaS solutions was RMB860.1 million, representing a period to period increase of 9.0%, accounting for 4.8% of the total revenue. The business generated a gross profit of RMB324.6 million during the Reporting Period, representing an increase of 11.0% as compared to the same period of last year, accounting for 13.0% of the total gross profit.

The growth of the business was attributable to the Group's marketization expansion capabilities of enterprise, and the external expansion of enterprise BPaaS business was effective as of June 30, 2025, with newly added customers including leading insurance companies, leading energy companies, well-known communication enterprises and leading automobile companies, etc.

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 RMB858.4 million, representing a period to period increase of 39.6%, accounting for 4.7% of the total revenue. The business generated a gross profit of RMB191.6 million during the Reporting Period, representing a period to period increase of 7.1%, accounting for 7.7% of the total gross profit. The increase in revenue from the business was mainly driven by proactive store expansion during the Reporting Period, as well as the implementation of building maintenance services for non-developer customers in residential spaces, enabling services to be provided to more regions and customers. The increase in gross profit was mainly attributed to the expansion of business scale.

AIoT solutions

During the Reporting Period, the Group's revenue from AIoT solutions was RMB203.7 million, representing a period to period decrease of 66.2%, accounting for 1.1% of the total revenue. The business generated a gross profit of RMB26.7 million during the Reporting Period, representing a decrease of 81.8% as compared to the same period of last year, accounting for 1.1% of the total gross profit.

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 business scenarios, mainly adopts the form of off-balance sheet joint ventures to carry out its business.

Urban space integrated services

During the Reporting Period, the Group's consolidated revenue from urban space integrated services was RMB360.2 million, representing a period to period increase of 3.0%, accounting for 2.0% of the total revenue. The business generated a gross profit of RMB32.8 million during the Reporting Period, representing an increase of 5.3% as compared to the same period of last year, accounting for 1.3% 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 RMB187.2 million, representing a period to period decrease of 10.3%, accounting for 1.0% of the total revenue. The business generated a gross profit of RMB112.7 million during the Reporting Period, representing a period to period increase of 6.8%.

Value-added services for developers

During the Reporting Period, the Group's revenue from value-added services for developers was RMB219.3 million, representing a period to period decrease of 76.1%, accounting for 1.2% of the total revenue. The business generated a gross profit of RMB21.3 million during the Reporting Period, representing a period to period increase of 906.3%. The decline in revenue is mainly due to the further contraction of developers' new property business affected by the industry cycle, and the Group proactively downsized its business, resulting in its developer business's shutdown, production suspension, mergers and product changes.

FINANCIAL REVIEW

For the six months ended June 30, 2025, the Group's income structure continued to be optimized. Revenue from the recurring businesses amounted to RMB16,308.5 million, representing a period to period increase of 9.5%, accounting for 89.9% of revenue. The relevant gross profit amounted to RMB2,107.9 million, with a gross profit margin of 12.9%, maintaining at about the same level period to period. The selling and distribution expenses ratio (as a percentage of revenue) remained flat from period to period, and the administrative expenses ratio (as a percentage of revenue) decreased by 0.6 percentage point from period to period.

Revenue

For the six months ended June 30, 2025, the Group's total revenue was RMB18,137.5 million, representing an increase of 3.1% as compared to RMB17,589.9 million in the same period in 2024. 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 six months ended June 30, 2025, the Group's revenue generated from community space living consumption services was RMB11,325.0 million, representing an increase of 11.8% as compared to RMB10,133.0 million in the same period in 2024, primarily due to the Company's outstanding market expansion capabilities, especially its deep cultivation ability in the existing market.

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

  For the six months ended June 30, 2025, the Group's revenue generated from commercial and urban space integrated services was RMB5,748.7 million, representing a decrease of 5.2% as compared to RMB6,065.3 million in the same period in 2024, which was primarily due to that the Company began to proactively reduce business of developers and implement the shutdown, consolidation or transformation of value-added services for developers in the second half of 2024.

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

  For the six months ended June 30, 2025, the Group's revenue generated from AIoT and BPaaS solution services was RMB1,063.8 million, representing a decrease of 23.6% as compared to RMB1,391.6 million in the same period in 2024, which was primarily due to the decline in business volume of AIoT solution as a result of pressure from the external environment and more severe market competition.

Cost of Sales

The Group's cost of sales mainly includes operating costs, depreciation and amortization: operating costs, which 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, which mainly consists of the amortization of customer relationships resulting from historical acquisitions.

For the six months ended June 30, 2025, the total cost of the Group was RMB15,644.6 million, representing an increase of 3.0% as compared to RMB15,188.8 million in the same period in 2024. The increase in costs was mainly due to the increase in revenue scale.

Gross Profit and Gross Profit Margin

For the six months ended June 30, 2025, the Group's gross profit was RMB2,492.9 million, representing an increase of 3.8% as compared to RMB2,401.1 million in the same period in 2024. For the six months ended June 30, 2025, the Group's gross profit margin was 13.7%, which remained stable over the same period in 2024. For the six months ended June 30, 2025, the Group's gross profit margin of the recurring businesses was 12.9%, which remained stable over the same period in 2024.

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

  For the six months ended June 30, 2025, the gross profit margin of the Group's community space living consumption services was 14.4%, representing a decrease of 0.7 percentage point as compared to the same period of last year, of which the gross profit margin of residential property services was 12.9%, representing a decrease of 0.5 percentage point as compared to the same period of last year, due to the decline in residents' willingness to pay during the Reporting Period, which was resulted from the impact of macroeconomic environment; the gross profit margin of home-related asset services was 22.3%, representing a decrease of 6.8 percentage points as compared to the same period of last year, due to the decline in developers' delivery volume caused by the impact of the industry cycle.

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

  For the six months ended June 30, 2025, the gross profit margin of the Group's commercial and urban space integrated services was 8.8%, of which the gross profit margin of property and facility management services was 8.8%, representing an increase of 0.5 percentage point as compared to the same period of last year, mainly due to the Company's deep market penetration in customer diversification. The gross profit margin of value-added services for developers was 9.7%, representing an increase of 9.5 percentage points as compared to the same period of last year, mainly due to the shutdown in value-added services for developers by the Company in the second half of last year, thus achieving the optimization of its business structure. The gross profit margin of urban space integrated services was 9.1%, representing an increase of 0.2 percentage point as compared to the same period of last year.

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

  For the six months ended June 30, 2025, the gross profit margin of the Group's AIoT and BPaaS solution services was 33.0%, representing an increase of 1.4 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 13.1%, while the gross profit margin of BPaaS solutions was 37.7%.

Other Income and Gains, Net

The Group's other income and gains, net decreased by 26.5% from RMB86.0 million for the six months ended June 30, 2024 to RMB63.2 million for the same period in 2025, which was mainly due to a period-to-period decrease in the Company's deposit gains as a result of the overall downtrend in the monetary market rate, as well as the maturity of value-added tax credit policy in the PRC and multiple factors.

Selling and Distribution Expenses

The Group's selling and distribution expenses increased by 11.9% from RMB266.7 million for the six months ended June 30, 2024 to RMB298.5 million for the same period in 2025. The selling and distribution expenses ratio (as a percentage of revenue) was 1.6%, remaining relatively steady as compared to the same period in 2024.

Administrative Expenses

The Group's administrative expenses decreased by 8.0% from RMB963.1 million for the six months ended June 30, 2024 to RMB885.8 million for the same period in 2025. The administrative expenses ratio (as a percentage of revenue) was 4.9%, representing a decrease of 0.6 percentage point as compared to the same period in 2024, which, on the one hand, benefited from the efficiency improvement of technology and the achievements of the centralization, remoteness and intelligence of management efficiency, and on the other hand, was due to the strategies of focusing on construction of back-office functional teams, standardization and aggregation, and commitment to the growth of labor productivity.

Income Tax Expense

The Group's income tax expense decreased by 7.0% from RMB282.5 million for the six months ended June 30, 2024 to RMB262.8 million for the same period in 2025, mainly affected by adjustments related to the final settlement differences.

Profit for the Period

The Group's profit for the period increased by 5.4% from RMB795.1 million for the six months ended June 30, 2024 to RMB837.8 million for the same period in 2025. For the six months ended June 30, 2025, the Group's core net profit was RMB1,321.1 million, representing an increase of 10.8% as compared to RMB1,192.3 million for the same period in 2024.

Intangible Assets

The Group's intangible assets mainly include customer relationships and goodwill acquired in historical acquisitions. The Group's intangible assets increased from RMB7,733.5 million as of December 31, 2024 to RMB7,752.8 million as of June 30, 2025, mainly due to the intangible assets and goodwill arising from new mergers and acquisitions.

LIQUIDITY AND FINANCIAL RESOURCES

Cash position

As of June 30, 2025, the Group had cash and cash equivalents of RMB10,937.0 million, representing a decrease of RMB2,515.9 million in balance from RMB13,452.9 million on December 31, 2024, this decrease was mainly attributable to dividend payments of RMB1,011.9 million and investment outlays of RMB1,116.8 million during the period. The Group's cash and cash equivalents were mainly denominated in Renminbi.

Operating net cash flow has increased compared to the same period in 2024, with a period to period increase of RMB2,050.4 million.

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

Loans and net gearing ratio

As of June 30, 2025, the Group undertook bank borrowings of RMB573.9 million as a result of business combinations. Net gearing ratio is calculated as total interest-bearing borrowings minus cash and cash equivalents divided by total equity as of the end of the relevant period. Accordingly, the net gearing ratio is not applicable to the Group as of June 30, 2025.

Contingent Liabilities

As of June 30, 2025, the Group had no material contingent liabilities.

Pledge of Asset

As of June 30, 2025, the Group undertook the bank borrowing of a merged party due to enterprise amalgamation. Such borrowing was secured by (i) the investment properties of the Group with a total carrying amount of RMB827.0 million; and (ii) certain trade receivables and margin receivables of the Group, with a total amount of RMB9.7 million, in each case, as at the end of the Reporting Period.

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 June 30, 2025, non-RMB assets are cash and cash equivalents, including HKD-denominated assets (worth RMB273.1 million) and USD-denominated assets (worth RMB6.2 million). As of June 30, 2025, the Group's exposure to foreign exchange risk was limited and the fluctuation of the exchange rate between RMB and foreign currencies had no significant impact on the operating results of the Group.

CORPORATE GOVERNANCE AND OTHER INFORMATION

1. Significant Investments, Acquisitions and Disposals

As of June 30, 2025, the Group had not made any significant investments, material acquisitions, or disposals of subsidiaries, associates and joint ventures.

On March 31, 2025, a subsidiary of the Company entered into an equity transfer agreement with Shanghai Vanke Investment Company Limited in relation to the acquisition of the remaining 55% equity interest in Shanghai Xiangda Real Estate Development Co., Ltd (上海祥大房地產發展有限公司) ("**Shanghai Xiangda**") together with all rights and interests attached thereto, free from all encumbrances. Upon closing in May 2025, the Company has come to indirectly hold the entire equity interest in Shanghai Xiangda, the results of which has been consolidated to that of the Group. For further details regarding the aforesaid acquisition, please refer to the announcement of the Company dated March 31, 2025, the circular of the Company dated April 24, 2025, and the poll results announcement of the Company dated May 16, 2025.

In addition, save as the plans disclosed in (i) the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated September 19, 2022 (the "**Prospectus**") and the planned changes in the use of proceeds disclosed in (ii) the announcement of the Company dated September 30, 2024 regarding the change in use of proceeds from the Global Offering, 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 line with the Company's strategy. For further details regarding the change in use of proceeds, please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus and aforesaid announcements.

2. 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 service team with ongoing innovation. The Group has further developed an inheritable corporate culture and operating system centered on the values of "Service (做服務者)", "Champion (永爭第一)" and "Positivity (陽光健康)", which are crucial for us to keep attracting and retaining talents that meet our business development needs. In addition, the structure of the human resources of the Group includes customer service, sales and marketing, research and operations, property and project delivery, as well as functional support personnel, forming a diversified and all-rounded talent team that lays the foundation for our business development.

As of June 30, 2025, the Group had 102,093 employees (December 31, 2024: 102,441 employees), and the total staff costs during the Reporting Period were approximately RMB6,010.3 million. Remuneration and benefits of the Group's employees include basic salaries, bonuses, social security contributions and housing provident fund contributions, which are 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

We recognise that talent is an indispensable driving force for the sustainable operation of the Company. Therefore, we focus on talent exploration and empowerment and have built a complete talent development and training system. Besides, we launched training products and programs in various forms for different types of employees to open up clear career development for employees, such as tiered leadership training camps for employees at different levels (MPP, TPP, DPP), capability training for market development personnel with an aim to meet market needs of business unit, key service role (regional director, on-site manager) training camps for Vanke Service, Cushman & Wakefield Vanke Service Energy Union, and AI learning courses exploring large AI model applications in the property service industry.

3. 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.

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

During the Reporting Period, the Company has repurchased an aggregate of 4,250,000 H Shares, representing 0.37% of the total share capital (excluding treasury H Shares) of the Company as at the date of this announcement, and the total amount paid was approximately HK$84,866,975 (excluding transaction fees).

The report on H Shares repurchased during the Reporting Period is as follows:

Date of Repurchase	**Number of Shares Repurchased**	**Price per Share**		**Total Amount**
		Highest	**Lowest**	
		(HK$/per Share)	*(HK$/per Share)*	*(HK$)*
January 2, 2025	500,000	20.50	20.20	10,195,950
January 6, 2025	500,000	20.35	20.20	10,120,000
January 8, 2025	500,000	20.15	19.98	10,054,350
January 10, 2025	500,000	20.00	19.76	9,957,200
January 13, 2025	500,000	20.00	19.84	9,972,300
January 14, 2025	750,000	19.92	19.52	14,777,775
January 15, 2025	500,000	19.58	19.34	9,731,750
January 17, 2025	500,000	20.25	19.90	10,057,650
Total	**4,250,000**	**–**	**–**	**84,866,975**

All of the H Shares repurchased during the Reporting Period have been designated as treasury H Shares. The Board believes that repurchase of H Shares under the current market conditions will continue to 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.

As of the date of this announcement, the Company has cancelled 3,512,200 repurchased H Shares and held an aggregate of 11,560,200 repurchased H Shares as treasury H Shares. During the Reporting Period, the Company did not sell or transfer any treasury H Shares. As at the end of the Reporting Period, the Company has no intention to use any of the treasury H Shares.

During the Reporting Period, save for the aforesaid, the Company did not repurchase any other H Shares on the Stock Exchange; and the Group and any of its subsidiaries did not purchase, sell or redeem any listed securities of the Company (including sale of treasury H Shares).

5. Corporate Governance Code

The Group is committed to implementing high standards of corporate governance to safeguard the interests of the Shareholders 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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as its 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 the chairman 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 of the Company 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.

6. Model Code for Securities Transactions by Directors and Relevant Employees

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 of the Company by the Directors and the relevant employees who are likely to be in possession of unpublished inside information of the Company.

After specific enquiries made to all Directors, Directors have confirmed their compliance with the required standards set out in the Model Code during the Reporting Period. No incident of non-compliance with the Model Code by the relevant employees has been noted by the Company during the Reporting Period.

7. Audit Committee

The Board has established the audit committee of the Company (the "**Audit Committee**") with written terms of reference in compliance with the Listing Rules and the CG Code. The primary duties of the Audit Committee are to review, supervise and coordinate the external and internal audit process, propose the engagement or replacement of the external auditors, review the financial information and its disclosure as well as the internal control system of the Company, and other matters authorized by the Board.

As of June 30, 2025, the Audit Committee consists of three members, namely Ms. Law Elizabeth (羅君美), Mr. Chen Yuyu (陳玉宇) and Mr. Sun Jia (孫嘉). During the Reporting Period, Ms. Zhu Xu (朱旭) was also appointed a member of the Audit Committee but subsequently retired. The Audit Committee has reviewed the Company's unaudited condensed consolidated interim results for the six months ended June 30, 2025 and confirmed that it has complied with all applicable accounting principles, standards and requirements, and made sufficient disclosures. The Audit Committee has also discussed the matters of audit and financial reporting.

The financial information included in this announcement for the six months ended June 30, 2025 has been agreed by the Group's auditor, Ernst & Young.

8. Interim Dividend

The Board recommended to pay the Shareholders an interim dividend of RMB1,100.0 million in total for the six months ended June 30, 2025. The dividend per share amounted to RMB0.951 (including tax), which was based on the number of shares as at the end of the period (excluding (i) treasury H Shares and (ii) the H Shares subject to cancellation, each as at June 30, 2025).

In terms of dividend payment, dividends for holders of H shares will be declared in RMB, but paid in Hong Kong dollars. The 2025 interim dividend is subject to approval by the Shareholders at the Shareholders' meeting to be held on September 3, 2025. The Company will disclose in due course, among other things, further details of the payment of the 2025 interim dividend by the Company.

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 interim dividend as enterprise income tax, distribute the interim 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, they 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 a refund of the amount in excess of the individual income tax payable under the tax treaties, the Company may apply, on behalf of such Shareholders and according to the relevant tax treaties, for the treatment under relevant 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 review and 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 (Cai Shui [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 (Cai Shui [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 tax impacts in the PRC, Hong Kong and others for holding and disposal of H Shares.

9. Closure of Register of Members

For determining the entitlement of the Shareholders to attend and vote at the EGM

The record date for determining the entitlement of the Shareholders to attend and vote at the EGM is Wednesday, September 3, 2025. The register of members of the Company will be closed from Friday, August 29, 2025 to Wednesday, September 3, 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 EGM, 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 Thursday, August 28, 2025.

For determining the entitlement of the Shareholders to the proposed 2025 interim dividend

The record date for determining the entitlement of Shareholders (except for the holders of treasury H Shares) to the proposed 2025 interim dividend is Thursday, September 11, 2025. The register of members of the Company will be closed from September 9, 2025 to September 11, 2025 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for the entitlement to the proposed 2025 interim 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 Monday, September 8, 2025.

10. Publication of Interim Results Announcement and Interim Report on the Websites of the Stock Exchange and the Company

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.onewo.com). The interim report of the Company will be published on the above websites in due course.

This interim results announcement is prepared in both English and Chinese versions. In the event of any discrepancies in interpretation between the English version and the 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, August 18, 2025

As at 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; Ms. Hua Cui, Mr. Sun Jia, Mr. Yao Jinbo and Mr. Zhou Qi as non-executive Directors; Mr. Chen Yuyu, Ms. Law Elizabeth, Mr. Shen Haipeng and Mr. Song Yunfeng as independent non-executive Directors.