

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.

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)

(1) CONTINUING CONNECTED TRANSACTIONS
(2) CHANGE OF REGISTERED ADDRESS IN THE PRC

CONTINUING CONNECTED TRANSACTIONS

Each of the Existing Framework Agreements will expire on December 31, 2024. In light of the Company's intention to continue entering into transactions of a similar nature from time to time after the expiry date, the Board announces that, on December 12, 2024 (after trading hours), the Company (for itself and on behalf of its subsidiaries) and China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates) entered into the New Framework Agreements, being (i) the New Technology System Usage and Maintenance Services Framework Agreement, (ii) the New Property Lease Framework Agreement, (iii) the New AIoT and BPaaS Solution Services Framework Agreement, (iv) the New Property Services Framework Agreement, (v) the New Value-added Services Framework Agreement and (vi) the New Property Agency Services Framework Agreement, for a term commencing on January 1, 2025 and ending on December 31, 2027.

IMPLICATIONS UNDER THE LISTING RULES

As of the date of this announcement, China Vanke is interested in 660,602,000 Shares (representing 56.84% of the issued share capital of the Company excluding 5,810,200 Shares held by the Company as treasury Shares and 3,512,200 Shares repurchased but not yet cancelled) and is a controlling Shareholder. Therefore, China Vanke is a connected person of the Company and the transactions contemplated under the New Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the proposed annual caps of the New Technology System Usage and Maintenance Services Framework Agreement is expected to be less than 0.1%, the New Technology System Usage and Maintenance Services Framework Agreement is exempted from the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratios in respect of the proposed annual caps of the New Property Lease Framework Agreement and the New AIoT and BPaaS Solution Services Framework Agreement exceed 0.1% but are all less than 5%, the New Property Lease Framework Agreement and the New AIoT and BPaaS Solution Services Framework Agreement are subject to the reporting, annual review and announcement requirements but are exempted from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratios in respect of the proposed annual caps of the New Property Services Framework Agreement, the New Value-added Services Framework Agreement and the New Property Agency Services Framework Agreement, being the Non-exempt Continuing Connected Transactions, exceed 5%, the Non-exempt Continuing Connected Transactions are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee (comprising all the independent non-executive Directors) has been formed in accordance with Chapter 14A of the Listing Rules to advise the Independent Shareholders on the Non-exempt Continuing Connected Transactions and the proposed annual caps under the Non-exempt Continuing Connected Transactions. Somerley Capital Limited has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

EGM

The EGM will be convened on Tuesday, December 31, 2024 for the Shareholders to consider and, if thought fit, approve, among other things, the Non-exempt Continuing Connected Transactions and the proposed annual caps under the Non-exempt Continuing Connected Transactions.

A circular containing, among other things, (i) details of the Non-exempt Continuing Connected Transactions (including the proposed annual caps); (ii) a letter from the Independent Board Committee with its recommendation to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) a notice convening the EGM will be despatched to the Shareholders on December 13, 2024.

CHANGE OF REGISTERED ADDRESS IN THE PRC

The Company announces that its registered address in the PRC has been changed to 2201, Building B, Chuangzhiyun Center, No. 1 Guangxia Road, Meiting Community, Meilin Street, Futian District, Shenzhen, Guangdong.

I. INTRODUCTION

Reference is made to the section headed "Connected Transactions" in the Prospectus in respect of, among other things, the Existing Framework Agreements, being (i) the Existing Technology System Usage and Maintenance Services Framework Agreement, (ii) the Existing Property Lease Framework Agreement, (iii) the Existing AIoT and BPaaS Solution Services Framework Agreement, (iv) the Existing Property Services Framework Agreement, (v) the Existing Value-added Services Framework Agreement and (vi) the Existing Property Agency Services Framework Agreement.

Each of the Existing Framework Agreements will expire on December 31, 2024. In light of the Company's intention to continue entering into transactions of a similar nature from time to time after the expiry date, the Board announces that, on December 12, 2024 (after trading hours), the Company (for itself and on behalf of its subsidiaries) and China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates) entered into the New Framework Agreements, being (i) the New Technology System Usage and Maintenance Services Framework Agreement, (ii) the New Property Lease Framework Agreement, (iii) the New AIoT and BPaaS Solution Services Framework Agreement, (iv) the New Property Services Framework Agreement, (v) the New Value-added Services Framework Agreement and (vi) the New Property Agency Services Framework Agreement, for a term commencing on January 1, 2025 and ending on December 31, 2027.

II. CONTINUING CONNECTED TRANSACTIONS

Fully-Exempt Continuing Connected Transactions

(i) New Technology System Usage and Maintenance Services Framework Agreement

Principal terms of the New Technology System Usage and Maintenance Services Framework Agreement are summarized below:

Date:	December 12, 2024
Parties:	<ul style="list-style-type: none">(1) the Company (for itself and on behalf of its subsidiaries); and(2) China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates)
Nature of transaction:	members of the China Vanke Group and their respective associates will provide the Group with technology system usage and maintenance services. The technology system usage and maintenance services include (i) the purchase of network infrastructure resources; and (ii) the grant of rights of using certain non-essential information system and software (such as electronic signature contract software) and the provision of maintenance services connected thereto (collectively, the “Technology System Usage and Maintenance Services”).
Term:	January 1, 2025 to December 31, 2027
Pricing and other terms:	the fees to be charged for the Technology System Usage and Maintenance Services shall be determined on arm's length basis with reference to the prevailing market prices and prices for similar services offered by the independent third parties.

Members of the Group and members of the China Vanke Group will enter into separate agreements which will set out the specific terms and conditions (including the service fees to be charged for the Technology System Usage and Maintenance Services) according to the principles provided in the New Technology System Usage and Maintenance Services Framework Agreement.

Historical figures

The table below sets out the historical figures and existing annual caps for the Existing Technology System Usage and Maintenance Services Framework Agreement:

For the year ended December 31,				For the year ending December 31,		
2022		2023		2024		
Annual cap	Historical amount	Annual cap	Historical amount	Annual cap	Historical amount	^{Note (1)}
9,800	7,300	10,300	10,000	10,800	7,700	

Note:

- (1) the actual transaction amount for the period from January 1, 2024 to September 30, 2024.

As far as the Directors are aware, the annual cap for the year ending December 31, 2024 under the Existing Technology System Usage and Maintenance Services Framework Agreement had not been exceeded as at the date of this announcement.

Proposed annual caps and basis for determination

The table below sets out the proposed annual caps for the New Technology System Usage and Maintenance Services Framework Agreement:

For the year ending December 31,		
2025		2026
(RMB '000)	Proposed annual cap	(RMB '000)
	12,000	13,000
		14,000

The above proposed annual caps for the New Technology System Usage and Maintenance Services Framework Agreement have been determined with reference to the following factors:

- (1) the historical transaction amounts and growth trend; and
- (2) the expected increase in fees to be incurred in respect of Technology System Usage and Maintenance Services for the three years ending December 31, 2027 due to the Group's increasing efforts in its digital transformation.

Reasons for and benefits of the transactions

The entering into of the New Technology System Usage and Maintenance Services Framework Agreement enables the Group to utilize the network infrastructure resources and information technology support from members of the China Vanke Group and their respective associates as supplement to the Group's existing information technology system and software in order to enhance the efficiency of the Group's business operation, as well as technology research and development.

Partially-Exempt Continuing Connected Transactions

(ii) New Property Lease Framework Agreement

Principal terms of the New Property Lease Framework Agreement are summarized below:

Date:	December 12, 2024
Parties:	<ul style="list-style-type: none">(1) the Company (for itself and on behalf of its subsidiaries); and(2) China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates)
Nature of transaction:	the Group will lease certain properties from members of the China Vanke Group (including their respective associates) for office use (the “ Property Lease ”).
Term:	January 1, 2025 to December 31, 2027
Pricing and other terms:	<p>the fees to be charged for the Property Lease shall be determined on arm's length basis with reference to the historical transaction amounts (during the two years ended December 31, 2023 and the nine months ended September 30, 2024) and the prevailing market rent of similar properties located in similar areas offered by the independent third parties.</p> <p>To identify the prevailing market price, the Group generally will take into account the market rent of similar properties located in similar areas offered by at least one independent third party.</p> <p>Members of the Group and members of China Vanke Group will enter into separate agreements which will set out the specific terms and conditions according to the principles provided in the New Property Lease Framework Agreement.</p>

Historical figures

The table below sets out the historical figures and existing annual caps for the Existing Property Lease Framework Agreement:

For the year ended December 31,				For the year ending December 31,	
2022		2023		2024	
<i>Annual cap</i>	<i>Historical amount</i>	<i>Annual cap</i>	<i>Historical amount</i>	<i>Annual cap</i>	<i>Historical amount</i> <small>Note (1)</small>
28,000	25,200	48,000	30,300	68,000	38,500

Note:

(1) the actual transaction amount for the period from January 1, 2024 to September 30, 2024.

As far as the Directors are aware, the annual cap for the year ending December 31, 2024 under the Existing Property Lease Framework Agreement had not been exceeded as at the date of this announcement.

Proposed annual caps and basis for determination

The table below sets out the proposed annual caps for the New Property Lease Framework Agreement:

For the year ending December 31,		
2025	2026	2027
<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>
<i>Proposed annual cap</i>	<i>Proposed annual cap</i>	<i>Proposed annual cap</i>
86,000	88,000	90,000

The above proposed annual caps for the New Property Lease Framework Agreement have been determined with reference to the following factors:

- (1) the historical transaction amounts;
- (2) the terms and conditions, such as the size of leasing area and the rentals, under the Existing Property Lease Framework Agreement; and
- (3) the expected annual increase in the size of the Group's office space to be leased for the three years ending December 31, 2027 due to the Group's business expansion and taking into account the lease entered in 2024 in respect of the Group's new Shenzhen headquarter.

The annual increase in the proposed annual caps under the New Property Lease Framework Agreement for the three years ending December 31, 2027 is primarily due to the Group's expected increase of demand for office space resulting from business expansion and the lease entered in 2024 in respect of the Group's new Shenzhen headquarter.

Reasons for and benefits of the transactions

Given the considerable market share and reputation of members of the China Vanke Group and their respective associates in the real estate development industry in the PRC and our long-term relationship with the China Vanke Group, the Group's cooperation with members of the China Vanke Group and their respective associates by entering into the New Property Lease Framework Agreement could reduce the Group's costs in sourcing new locations and minimize unnecessary incidental expenses for renting new offices, as well as enhancing the stability of business operations of the Group.

(iii) New AIoT and BPaaS Solution Services Framework Agreement

Principal terms of the New AIoT and BPaaS Solution Services Framework Agreement are summarized below:

Date:	December 12, 2024
Parties:	<ul style="list-style-type: none">(1) the Company (for itself and on behalf of its subsidiaries); and(2) China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates)
Nature of transaction:	the Group will provide AIoT and BPaaS solution services of (i) design, construction, operation and maintenance of smart property equipment and system, and related services (such as smart property consultancy services and integrated smart space solutions); and (ii) remote space operation services (such as intelligent urban space workflow management services and operation data analysis services) to members of the China Vanke Group and their respective associates (the "AIoT and BPaaS Solution Services").
Term:	January 1, 2025 to December 31, 2027
Pricing and other terms:	the fees to be charged for the AIoT and BPaaS Solution Services will be determined after arm's length negotiations with reference to, where applicable, (i) the prevailing market price (taking into consideration the scope of the services to be provided); (ii) the prices charged by the Group for providing comparable services to the independent third parties; (iii) estimated operational costs (including but not limited to costs of materials); and (iv) the particular bidding terms and prices for the projects which are under bidding procedures. To identify the prevailing market price, the Group generally will take into account the fees charged by the Group to two to three independent third parties (as appropriate) for providing similar services.
	Members of the Group and members of China Vanke Group will enter into separate agreements which will set out the specific terms and conditions according to the principles provided in the New AIoT and BPaaS Solution Services Framework Agreement.

Historical figures

The table below sets out the historical figures and existing annual caps for the Existing AIoT and BPaaS Solution Services Framework Agreement:

For the year ended December 31,				For the year ending December 31,	
2022		2023		2024	
<i>Annual cap</i>	<i>Historical amount</i>	<i>Annual cap</i>	<i>Historical amount</i>	<i>Annual cap</i>	<i>Historical amount</i> <small>Note (1)</small>
1,029,000	960,300	1,237,000	676,900	1,373,000	378,500

Note:

- (1) the actual transaction amount for the period from January 1, 2024 to September 30, 2024.

As far as the Directors are aware, the annual cap for the year ending December 31, 2024 under the Existing AIoT and BPaaS Solution Services Framework Agreement had not been exceeded as at the date of this announcement.

Proposed annual caps and basis for determination

The table below sets out the proposed annual caps for the New AIoT and BPaaS Solution Services Framework Agreement:

For the year ending December 31,		
2025	2026	2027
<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>
<i>Proposed annual cap</i>	<i>Proposed annual cap</i>	<i>Proposed annual cap</i>
415,000	349,000	329,000

The above proposed annual caps for the New AIoT and BPaaS Solution Services Framework Agreement have been determined with reference to the following factors:

- (1) the historical transaction amounts;
- (2) the estimated revenue to be recognized in relation to the AIoT and BPaaS Solution Services to be provided by the Company based on the existing contracts and the predicted delivery schedule of the projects thereunder for the year ending December 31, 2024; and
- (3) the expected annual decrease of the revenue from existing contracts and the new contracts to be entered into with the members of the China Vanke Group in respect of the AIoT and BPaaS Solution Services for the three years ending December 31, 2027 with reference to (i) historical decreasing trend in the corresponding transaction amounts during the three years ending December 31, 2024, (ii) predicted delivery schedule of the projects under existing contracts and new contracts to be entered into with the members of the China Vanke Group; and (iii) expected decrease in the number of construction projects of the China Vanke Group, resulting in decrease of demand for AIoT and BPaaS Solution.

Reasons for and benefits of the transactions

Given the considerable market share and reputation of members of the China Vanke Group and their respective associates in the real estate development industry in the PRC and our long-term relationship with the China Vanke Group, the Group's cooperation with members of the China Vanke Group and their respective associates by entering into the New AIoT and BPaaS Solution Services Framework Agreement could result in satisfaction of synergy effect of the businesses of members of the China Vanke Group and their respective associates, as well as enabling the Company to ensure a stable source of income.

Non-Exempt Continuing Connected Transactions

(iv) New Property Services Framework Agreement

Principal terms of the New Property Services Framework Agreement are summarized below:

Date:	December 12, 2024
Parties:	<ul style="list-style-type: none">(1) the Company (for itself and on behalf of its subsidiaries); and(2) China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates)
Nature of transaction:	the Group will provide property services including (i) residential property services in respect of the unsold residential properties developed and to be developed by members of the China Vanke Group and their respective associates; and (ii) property and facility management services in respect of the commercial properties owned or used by members of the China Vanke Group and their respective associates (the " Property Services ").
Term:	January 1, 2025 to December 31, 2027
Pricing and other terms:	The fees to be charged for the Property Services will be determined after arm's length negotiations with reference to, where applicable, (i) the guidance rate published by the relevant government authorities (as further disclosed in the paragraph below); (ii) the prevailing market rate (taking into consideration the location and condition of the properties); and (iii) the prices charged by us for providing comparable services to the independent third parties.

In particular, the guidance price are normally published on the websites of multiple levels of National Development and Reform Commission (“**NDRC**”) and/or Commodity Price Bureau/Housing and Construction Bureau and/or local people’s governments from time to time. The fees charged by property management companies nationwide are regulated by the price administration department and construction administration department of the State Council. The price administration department of the local people’s governments above the county level and the competent property administration departments at the same level are responsible for regulating the fees charged by property management companies in their respective administrative regions. Therefore, different administrative regions may have different government guidance prices for different types of properties and service standards and local government policies and pricing guidance apply to most of the preliminary property management service agreements entered into by the Group at the preliminary stage.

In addition, to identify the prevailing market price, the Group generally will take into account the fees charged by the Group to two to three independent third parties (to the extent practicable) for providing similar services. The terms offered by the Group to the China Vanke Group shall not be less favorable to the Group than the terms offered by the Group to independent third parties for the same or similar type and scope of the Property Services.

There are no specific credit policies for the Property Services under the New Property Services Framework Agreement, which shall be determined on arm’s length basis with reference to the prevailing business practices in the industry for the relevant services. In determining the credit period with members of the China Vanke Group, the Group will take into account (a) the frequency of providing the relevant services, (b) the seasonality of the property sale in the real estate market, (c) the historical repayment records, and (d) the credit period granted by the Group to independent third parties for providing similar services, the credit period are generally on monthly or quarterly basis, from the invoice date of the relevant services.

Members of the Group and members of the China Vanke Group will enter into separate agreements which will set out the specific terms and conditions (including the fees to be charged for the Property Services) according to the principles provided in the New Property Services Framework Agreement.

Historical figures

The table below sets out the historical figures and existing annual caps for the Existing Property Services Framework Agreement:

For the year ended December 31,				For the year ending December 31,	
2022		2023		2024	
<i>Annual cap</i>	<i>Historical amount</i>	<i>Annual cap</i>	<i>Historical amount</i>	<i>Annual cap</i>	<i>Historical amount</i> <small>Note (1)</small>
936,000	934,700	1,078,000	1,074,400	1,244,000	868,200

Note:

(1) the actual transaction amount for the period from January 1, 2024 to September 30, 2024.

As far as the Directors are aware, the annual cap for the year ending December 31, 2024 under the Existing Property Services Framework Agreement had not been exceeded as at the date of this announcement.

Proposed annual caps and basis for determination

The table below sets out the proposed annual caps for the New Property Services Framework Agreement:

For the year ending December 31,		
2025	2026	2027
<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>
<i>Proposed annual cap</i>	<i>Proposed annual cap</i>	<i>Proposed annual cap</i>
1,216,000	1,227,000	1,249,000

The above proposed annual caps for the New Property Services Framework Agreement have been determined with reference to the following factors:

(1) the historical transaction amounts;

(2) the estimated annual increase for the three years ending December 31, 2027 of the size and number of (i) the undelivered residential properties developed by members of the China Vanke Group and their respective associates in respect of the residential property services and (ii) the commercial properties owned or used by members of the China Vanke Group and their respective associates in respect of the property and facility management services, with reference to (i) historical increasing trend in the corresponding transaction amounts during the two years ended December 31, 2023 and the historical transaction amount for the nine months ended September 30, 2024, (ii) the increase in the number of unsold properties of the China Vanke Group, and (iii) the policies adopted from time to time to support the improvement and development of the real estate industry in China. The real estate development industry in China faced significant downturn in past few years, however, the PRC central government and local governments have adopted policies to promote the stable and healthy development of the real estate market in 2024, which include cancellation of restrictions on purchase and sales, cancellation of restrictions on price, reduction on the interest rates on housing provident fund loans and the percentage of down payment, etc. Although the industry is not yet fully recovered, the market has shown positive signals since the end of September 2024 as driven by policies. Such signals are potential indications of the recovery of the business of the PRC real estate markets as well as the expected stable transaction volume with a slight increase of the Property Services of the Group; and

(3) meanwhile, according to the 2024 third quarterly report of the China Vanke Group, it took various measures to ensure the smooth repayment of public debt, including but not limited to maintaining active sales and sales payment collection, and realisation of office and other commercial properties. The Company expects that the adoption of such proactive measures and strategies by the China Vanke Group in respect of its properties could contribute to the stable business volume in respect of the property services to be provided by the Group.

Having considered the factors above, the Group expects that the business volume in respect of the property services under will remain relatively stable with a slight annual increase for the three years ending December 31, 2027.

Reasons for and benefits of the transactions

Given the leading position and considerable market share of members of the China Vanke Group and their respective associates in the real estate development industry in the PRC and our long-term cooperation relationship with the China Vanke Group, by entering into the New Property Services Framework Agreement, the Group can maintain a strategic cooperation relationship with members of the China Vanke Group and their respective associates, providing high-quality Property Services to them. It enables us to ensure a stable source of income and improve the Group's competitiveness in providing consistent and high-quality property services to other customers of the Group.

(v) New Value-added Services Framework Agreement

Principal terms of the New Value-added Services Framework Agreement are summarized below:

Date:	December 12, 2024
Parties:	<ul style="list-style-type: none">(1) the Company (for itself and on behalf of its subsidiaries); and(2) China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates)
Nature of transaction:	the Group will provide value-added services to the properties owned or used by members of the China Vanke Group and their respective associates, including but not limited to (i) sale center and model room management services; (ii) pre-delivery support services; and (iii) building maintenance services in respect of the properties developed by members of the China Vanke Group and their respective associates (the “ Value-added Services ”).
Term:	January 1, 2025 to December 31, 2027
Pricing and other terms:	the fees to be charged for the Value-added Services will be determined after arm’s length negotiations with reference to, where applicable, (i) the prevailing market prices of similar value-added services (taking into account similar services in the nearby market); (ii) the anticipated operation costs (including but not limited to the scope and standards of particular services to be offered, labor costs, administration costs and costs of materials); and (iii) the prices charged by us for providing comparable services to the independent third parties. To identify the prices charged by us for providing comparable services to the independent third parties, the Group will also take into account the price charged by the Group to at least one independent third party (as appropriate) for providing similar services, the size and location of the relevant properties, and the extent and scope of Value-added services provided. The terms offered by the Group to the China Vanke Group shall not be less favourable to the Group than the terms offered by the Group to its independent third parties for same or similar type and scope of Value-added services.

There are no specific credit policies for the Value-added Services under the New Value-added Services Framework Agreement, which shall be determined on arm's length basis with reference to the prevailing business practices in the industry for the relevant services. In determining the credit period with members of the China Vanke Group, the Group will take into account (a) the frequency of providing the relevant services, (b) the seasonality of the property sale in the real estate market, (c) the historical repayment records, and (d) the credit period granted by the Group to independent third parties for providing similar services, the credit period are generally on monthly or quarterly basis, from the invoice date of the relevant services.

Members of the Group and members of China Vanke Group will enter into separate agreements which will set out the specific terms and conditions (including the fees to be charged for the Value-added Services) according to the principles provided in the New Value-added Services Framework Agreement.

Historical figures

The table below sets out the historical figures and existing annual caps for the Existing Value-added Services Framework Agreement:

For the year ended December 31,				For the year ending December 31,	
2022		2023		2024	
<i>Annual cap</i>	<i>Historical amount</i>	<i>Annual cap</i>	<i>Historical amount</i>	<i>Annual cap</i>	<i>Historical amount</i> <small>Note (1)</small>
2,729,000	2,616,800	2,706,000	2,382,800	2,703,000	1,208,000

Note:

(1) the actual transaction amount for the period from January 1, 2024 to September 30, 2024.

As far as the Directors are aware, the annual cap for the year ending December 31, 2024 under the Existing Value-added Services Framework Agreement had not been exceeded as at the date of this announcement.

Proposed annual caps and basis for determination

The table below sets out the proposed annual caps for the New Value-added Services Framework Agreement:

For the year ending December 31,		
2025	2026	2027
<i>(RMB '000)</i>	<i>(RMB '000)</i>	<i>(RMB '000)</i>
<i>Proposed annual cap</i>	<i>Proposed annual cap</i>	<i>Proposed annual cap</i>
1,291,000	1,189,000	1,127,000

The above proposed annual caps for the New Value-added Services Framework Agreement have been determined with reference to the following factors:

- (1) the historical transaction amounts, including the pro rata reduction of transaction amount for the nine months ended September 30, 2024 (as further disclosed in the subsection headed “New Value-added Services Framework Agreement – Historical figures” above); and
- (2) the Company’s anticipation that the transaction amounts of the Value-added Services in respect of the properties developed or used by members of the China Vanke Group and their respective associates will decrease for the three years ending December 31, 2027, after taking into account (i) the expected decrease in the Group’s business volume of sale center and model room management services and building maintenance services due to the reduction in new property project launches by the China Vanke Entities in the coming three years and such services represents over 80% of the annual caps in respect of the Value-added Services in each of the next three years ending December 31, 2027, (ii) the expected decrease in the Group’s business volume of the pre-delivery support services for the three years ending December 31, 2027 mainly due to the increasing intense competition with other similar service providers.

Reasons for and benefits of the transactions

Given the China Vanke Group’s leading position and considerable market share in the real estate development industry in the PRC and our long-term cooperation relationship with the China Vanke Group, by entering into the New Value-added Services Framework Agreement, the Group could:

- (i) benefit from the good cooperative relationship between the relevant departments of the Group and the China Vanke Group over the years. Members of the Group and the China Vanke Group could share resources and benefit from each other’s strength. Leveraging on the China Vanke Group’s resources of high-quality property projects, the Group could remain as a market leader in property service industry in the PRC. The Group will rely on its professional property service capabilities to provide high-quality value-added services to the projects of the China Vanke Group. Therefore, both parties could achieve synergy effect and realize win-win situation; and

(ii) reduce the communication and transaction costs for the Group as compared to cooperation with third parties, as the Company is subsidiary of China Vanke and the Group and the China Vanke Group maintain long term cooperation in respect of the property projects of the China Vanke Group for the past years, the Group is familiar with the relevant properties and operational process of the China Vanke Group. Entering into the New Value-added Services Framework Agreement could enable us to ensure a stable source of income and also improve the Group's competitiveness in providing consistent and high-quality value-added services to other customers of the Group.

(vi) New Property Agency Services Framework Agreement

Principal terms of the New Property Agency Services Framework Agreement are summarized below:

Date:	December 12, 2024
Parties:	(1) the Company (for itself and on behalf of its subsidiaries); and (2) China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates)
Nature of transaction:	the Group will provide property agency services to members of the China Vanke Group and their respective associates, and receive service fees as consideration. The property agency services mainly include conducting marketing and sale activities, sourcing potential clients to enter into property sale and purchase agreements in respect of (i) the residential and commercial property units; and (ii) the carpark space and other properties developed and to be developed by members of the China Vanke Group and their respective associates (the " Property Agency Services "). In addition, for the Property Agency Services with respect to the carpark space, the Group may be required to pay to members of the China Vanke Group and their respective associates refundable deposits (the " Deposits ").
Term:	January 1, 2025 to December 31, 2027
Pricing and other terms:	Service fees The service fees to be charged for the Property Agency Services with respect to the property units and other properties shall be determined on arm's length basis with reference to (i) the prevailing market price (taking into account the size, location and positioning of the property units and other properties to be sold); and (ii) the rates of service fees charged by the Group for providing comparable property agency services to the independent third parties.

To identify the rates of service fees charged by us for providing comparable services to the independent third parties, the Group will also take into account the price charged by the Group to at least one independent third party (as appropriate) for providing similar services.

The service fees to be charged for the Property Agency Services with respect to the carpark space shall generally be determined on the basis of the difference between the actual sale price paid by the ultimate purchasers and the pre-determined minimum sale prices (the “**Pre-determined Minimum Sale Price(s)**”) set by members of the China Vanke Group and their respective associates with reference to the prevailing market price, taking into account the size, location, market conditions and positioning of the carpark space available for sale. To assess whether the Pre-determined Minimum Sale Prices are fair and reasonable, members of the Group will conduct their independent assessment of the prevailing market price, taking into account the size, location, market conditions and positioning of the carpark space available for sale with reference to approximately one to two comparable projects (as appropriate) in nearby area, as well as the human resources costs and operation costs required for providing Property Agency Services in respect of a carpark space. In relation to human resources costs and operation costs, the Group will gather historical data on such costs on a quarterly basis and conduct regular review and assessment.

The Group charges the difference between the actual sale price and the Pre-determined Minimum Sale Price of the sold carpark space as service fees in respect of the Property Agency Services of carpark space, which is not based on a fixed or pre-determined commission rate and varies due to factors such as location, sale cycle and market seasonality of relevant carpark space, and ancillary services provided to the ultimate purchasers of relevant carpark space as well as the human resources costs and operation costs required for providing Property Agency Services in respect of a carpark space as disclosed in the paragraph above.

There are no specific credit policies set for the Property Agency Services under the New Property Agency Services Framework Agreement, which shall be determined on arm's length basis with reference to the prevailing business practices in the industry for the relevant services. In determining the credit period, the Group will take into account (i) the frequency of providing the relevant services; (ii) the seasonality of the property sale in the real estate market; (iii) the historical repayment records; and (iv) the credit period granted by the Group to independent third parties for providing similar services, the credit period are generally on monthly or quarterly basis, from the invoice date of the relevant services.

Deposits

In order to obtain the exclusive sales rights for the parking spaces, the Group shall pay fully refundable Deposits to the China Vanke Group in an amount ranging from 40% to 100% of the Pre-determined Minimum Sale Prices for sale of the relevant carpark spaces, which is mainly determined with reference to the location and marketability of the relevant carpark spaces and is in line with the historical practice of the same transactions between the Group and the China Vanke Group. In particular, during the period from January 1, 2023 to September 30, 2024, the Deposits with respect to the carpark space paid by the Group to the China Vanke Entities generally represented approximately 40% to 60% of the Pre-determined Minimum Sale Price of the carpark space available for sale under the relevant projects. For certain carpark space located in prime area (being the areas that have high level of economic development, relatively large and mature real estate markets and consumers with greater demand and higher consumption ability, such as first-tier cities including Guangzhou, Chengdu and Hangzhou) with high marketability, the Group paid the Deposits amounting to approximately 90% to 100% of the Pre-determined Minimum Sale Price to the members of the China Vanke Group. Such Deposits are interest-free and not secured with any collaterals.

The Deposits are interest-free and unsecured. Having considered that (i) the main purpose for the payment of the Deposits is to obtain the exclusive sales rights for carpark spaces and thereby receive the service fees with respect to the carpark spaces; and (ii) such practice is not uncommon in the property service industry (after the review of the announcements and/or circulars on the comparable transactions of other Hong Kong listed property services companies), the Board is of the view that such Deposit arrangement is fair and reasonable.

Within one month after completion of the sale of carpark space, the amount of the charged Deposits in respect of such carpark space would be fully refunded to the Group and the Group would charge the service fees in the amount representing the difference between the actual sale price paid by the ultimate purchasers and the Pre-determined Minimum Sale Price of such carpark space. In the event that the Group fails to sell the carpark space upon the expiry of the service period provided under relevant definitive property agency services agreements, unless otherwise mutually agreed by the parties thereto, the outstanding Deposits in respect of such unsold carpark space would be fully refunded to the Group within one month after the expiry of such service period. Pursuant to the terms of the New Property Agency Services Agreement, in the event that the China Vanke Group fails to refund the outstanding Deposits in respect of the carpark space under a definitive agreement within the aforementioned period and the Group and China Vanke Group fail to agree on the extension of such period (pursuant to which the Company will comply with all the applicable requirements under Chapter 14 and 14A of the Listing Rules as required thereunder in respect of such extension), the Group reserves the rights to, including but not limited to, enter into a separate written agreement with members of China Vanke Group to transfer the use right/income right of the corresponding carpark spaces under the relevant definitive agreement to the Group in lieu of cash payment or charge default interest (資金使用費). Pursuant to the terms of the New Property Agency Services Framework Agreement, if the Group and the China Vanke Group agree on the aforementioned transfer of the use right/income right in lieu of cash payment, the Group and the China Vanke Group will enter into separate transfer agreement(s) and the Company will comply with all the applicable requirements under Chapter 14 and 14A of the Listing Rules (including circular and independent shareholders' approval).

The service period for the Property Agency Services with respect to the carpark space will be agreed by the parties to the definitive property agency services agreements on arm's length basis with reference to the size, location, market conditions and positioning of the carpark space to be sold.

The Deposits payable by the Group have been, and are expected to be funded, by internal resources of the Group. Members of the Group and members of China Vanke Group will enter into separate agreements which will set out the specific terms and conditions (including the service fees to be charged for the Property Agency Services) according to the principles provided in the New Property Agency Services Framework Agreement.

Historical figures

The table below sets out the historical figures and existing annual caps for the Existing Property Agency Services Framework Agreement:

	For the year ended December 31,		For the year ending December 31,		For the year ending December 31,	
	2022		2023		2024	
	Annual cap	Historical amount	Annual cap	Historical amount	Annual cap	Historical amount
Annual Caps of Service Fees	410,000	310,600	447,000	339,500	496,000	206,800
Maximum Daily Balance of the Deposits	1,643,056	1,602,700	1,643,056	1,562,000	1,643,056	1,530,000

Note:

(1) the actual transaction amount for the period from January 1, 2024 to September 30, 2024.

As far as the Directors are aware, the respective annual cap of service fees and maximum daily balance of the deposits for the year ending December 31, 2024 under the Existing Property Agency Services Framework Agreement had not been exceeded as at the date of this announcement.

Proposed annual caps and basis for determination

The table below sets out the proposed annual caps for the New Property Agency Services Framework Agreement:

	For the year ending December 31,		
	2025	2026	2027
	<i>(RMB '000)</i>	<i>(RMB '000)</i>	<i>(RMB '000)</i>
	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>
	<i>annual cap</i>	<i>annual cap</i>	<i>annual cap</i>
Annual Caps of Service Fees	257,000	233,000	211,000
Maximum Daily Balance of the Deposits	1,503,000	1,473,000	1,443,000

The above proposed annual caps for the service fees under the New Property Agency Services Framework Agreement have been determined with reference to the following factors:

- (1) the historical transaction amounts and the utilization rate in 2024, the details of which are disclosed in the sub-section headed “New Property Agency Services Framework Agreement – Historical figures” above;
- (2) the expected rate of service fees to be charged by the Group for the Property Agency Services in respect of the residential and commercial property units with reference to prevailing market rates for the three years ending December 31, 2027;
- (3) the estimated Pre-determined Minimum Sale Price and the estimated prevailing market prices of the aggregate carpark spaces expected to be sold under the Property Agency Services during each of the three years ending December 31, 2027 with reference to the size, location, market conditions and positioning of such carpark space; and
- (4) the estimated annual business volume of Property Agency Services with respect to unsold new residential properties under the Property Agency Services for the three years ending December 31, 2027 with reference to (i) the Group’s business plan of agency services with respect to unsold new residential properties for the three years ending December 31, 2027. As part of the businesses of the Group, the Company intends to maintain a stable transaction amount of the agency services with respect to unsold new residential properties, with a slight decrease as compared to the transaction amount under the Existing Property Agency Services Framework Agreement in light of the overall downside of the real estate market in the PRC; and (ii) the policies adopted from time to time to support the improvement and development of the real estate industry in China and are expected to support the business volume of the Property Agency Services the Group. The real estate development industry in China suffered significant downturn in past few years, however, the PRC central government and local governments have issued policies to promote the stable and healthy development of the real estate market in 2024, which include cancellation of restrictions on purchase and sales, cancellation of restrictions on price, reduction on the interest rates on housing provident fund loans and the percentage of down payment, etc. Although the industry is not yet fully recovered, the market has shown positive signals since the end of September 2024 as driven by such policies. Such signals are potential indications of the recovery of the business of the PRC real estate markets as well as the expected generally stable transaction volume of the Property Agency Services of the Group.

Taking into account (i) the Group's development plan of its agency services with respect to unsold new residential properties (as disclosed above) under the Property Agency Services, and (ii) the estimated business volume of its agency services in relation to unsold new residential properties under the Property Agency Services in the future, the proposed annual caps of the service fees under the Property Agency Services are expected to be lower than the historical amounts for the two years ended December 31, 2023 and the expected amount to be incurred for the year ending December 31, 2024 with reference to the historical amount for the nine months ended September 30, 2024.

The above proposed annual caps for the maximum daily balance of the Deposits under the New Property Agency Services Framework Agreement have been determined with reference to the following factors:

- (1) the historical transaction amounts, in particular, the decreasing trend in transaction amounts for the two years ended December 31, 2023 and the nine months ended September 30, 2024 and the Maximum Daily balance of the Deposits as at September 30, 2024, being approximately RMB1,530.0 million as disclosed in the sub-section headed "New Property Agency Services Framework Agreement – Historical figures" above. For the avoidance of doubt, the difference between such historical amount as at September 30, 2024 and the lowest annual cap of RMB1,443 million for the year ending December 31, 2027, being RMB87 million, represents the minimum amount of Deposits to be refunded to the Group only and the actual amount of Deposits to be refunded shall be no less than RMB87 million; and
- (2) the estimated business volume of agency services of the Group for the next three years. The Group has no intention to enter into new contracts with respect to carpark spaces of the China Vanke Group, and the Group intends to maintain the current scale of its existing carpark space portfolio and the maximum daily balance of the Deposits in the near future. Therefore, along with the sale of carpark spaces under the existing carpark space portfolio, the annual caps for the maximum daily balance of the Deposits reflect a slight decrease in the next three years ending 2027.

Reasons for and benefits of the transactions

Given the considerable market share and reputation of members of the China Vanke Group and their respective associates in the real estate development industry in the PRC and our long-term relationship with the China Vanke Group, the Group's cooperation with members of the China Vanke Group and their respective associates by entering into the New Property Agency Services Framework Agreement could reduce the Group's sale costs of the Property Agency Services and also enable the Group to ensure a stable source of income in the future.

The payment of the Deposits enables the Group to obtain the exclusive right to provide the Property Agency Services in respect of the carpark space developed or to be developed by members of the China Vanke Group and their respective associates, and such Deposits are of a refundable nature. As disclosed in the subsection headed “New Property Agency Services Framework Agreement – Deposits” above, the Group shall pay refundable Deposits to the China Vanke Group in an amount ranging from 40% to 100% of the Pre-determined Minimum Sale Prices for sale of the relevant carpark spaces. The deposit rates were determined mainly based on the location and marketability of the carpark spaces under the New Property Agency Services Framework Agreement. The marketability is mainly determined with reference to the historical transactions of carpark spaces in the same or nearby area, and taking into account the specific locations of the carpark spaces. In addition, the Company also reviewed announcements and/or circulars of other comparable companies, being Hong Kong listed companies that are principally engaged in provision of property management services and also enter into transactions with their connected persons with deposit arrangements similar to the transactions as contemplated under the New Property Agency Framework Agreement. The Company noted that their deposit rate, which is the percentage of the base price/minimum price of the relevant carpark space, ranges from up to 50% to up to 100%. Therefore, the Board is of the view that the deposit rate in respect of the carpark spaces under the New Property Agency Services Framework Agreement falls within such range, and is in line with the market practice and on normal commercial terms. Further, the Deposits are interest-free and unsecured. Having considered that (i) the main purpose for the payment of the Deposits is to obtain the exclusive sales rights for carpark spaces and thereby receive the service fees with respect to the carpark spaces; and (ii) such practice is not uncommon in the property service industry (after the review of the announcements and/or circulars on the aforementioned comparable transactions of comparable companies), the Board is of the view that such Deposit arrangement is fair and reasonable.

III. IMPLICATIONS UNDER THE LISTING RULES

As of the date of this announcement, China Vanke is interested in 660,602,000 Shares (representing 56.84% of the issued share capital of the Company, excluding 5,810,200 Shares held by the Company as treasury Shares and 3,512,200 Shares repurchased but not yet cancelled) and is a controlling Shareholder. Therefore, China Vanke is a connected person of the Company and the transactions contemplated under the New Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the proposed annual caps of the New Technology System Usage and Maintenance Services Framework Agreement is expected to be less than 0.1%, the New Technology System Usage and Maintenance Services Framework Agreement is exempted from the reporting, annual review, announcement and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratios in respect of the proposed annual caps of the New Property Lease Framework Agreement and the New AIoT and BPaaS Solution Services Framework Agreement exceed 0.1% but are all less than 5%, the New Property Lease Framework Agreement and the New AIoT and BPaaS Solution Services Framework Agreement are subject to the reporting, annual review and announcement requirements but are exempted from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratios in respect of the proposed annual caps of the New Property Services Framework Agreement, the New Value-added Services Framework Agreement and the New Property Agency Services Framework Agreement, being the Non-exempt Continuing Connected Transactions, exceed 5%, the Non-exempt Continuing Connected Transactions are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

IV. INFORMATION ON THE PARTIES

The Group

The Company, a joint stock company incorporated under the laws of the PRC with limited liability and the H shares of which are listed on the Main Board of the Hong Kong Stock Exchange, is a leading omni-space service provider in the PRC, with a well-established business system across community, commercial and urban spaces. It provides space technology services for a diverse array of properties such as residential communities, workspaces and public premises, and a broad customer base covering property owners, corporate and other institutional clients.

The Group is principally engaged in the provision of property services in the PRC.

China Vanke

China Vanke is a joint stock limited company incorporated in the PRC, the H shares and A shares of which are listed on the Hong Kong Stock Exchange (stock code: 2202) and Shenzhen Stock Exchange (stock code: 000002), respectively, and a controlling Shareholder of the Company. China Vanke is principally engaged in property development and property investment in the PRC.

As of the date of this announcement, China Vanke was owned as to approximately 27.18% by Shenzhen Metro Group Co., Ltd. (深圳市地鐵集團有限公司), which was wholly owned by Shenzhen Municipal People's Government State-owned Assets Supervision and Administration Commission.

V. INTERNAL CONTROL MEASURES

In order to further safeguard the interests of the Shareholders as a whole (including the minority Shareholders) and that the transactions contemplated under the New Framework Agreements are on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the Group has implemented the following internal control measures in relation to the continuing connected transactions:

- (1) the Group has approved internal guidelines which provide that the business partner, being the representative of the business department of the Company shall report the proposed transactions to the head of the planning and development department and financial department of the Company to commence the necessary additional assessment and approval procedures and ensure that the Group will comply with the applicable requirements under Chapter 14A of the Listing Rules;
- (2) the Group and the China Vanke Group will review and inspect the progress (including the transaction amount and the outstanding Deposits amount) of the continuing connected transactions on a quarterly basis. In particular, in respect of the Deposits under the New Property Agency Services Framework Agreement, the Company will closely observe the performance of the repayment of the Deposits under the definitive agreements. If both parties perform their duties pursuant to the terms of the agreements, the Deposits shall be refunded in accordance within one month after completion of the sale of carpark spaces pursuant to the terms of the New Property Agency Services Framework Agreement. If there is breach of the definitive agreements, the refund period of the Deposits may be adjusted according to the actual situation by both parties, and may agree on the settlement arrangement in lieu of the cash payment pursuant to the New Property Agency Services Framework Agreement;
- (3) the business department of the Company will consider and approve each of the definitive agreements to be signed, with reference to the specific conditions of the relevant project (i.e. size, location, potential return, etc.) and ensure such agreements comply with the pricing policies of the relevant continuing connected transactions framework agreement(s) and the prices under the definitive agreements are no less favourable to the Group than those offered to independent third parties. The business department of the Company will also closely monitor the implementation of the definitive agreements;
- (4) the Group will pay close attention to the business and financial conditions of the members of the China Vanke Group, assess the risks of collecting outstanding receivables (including the outstanding Deposits to be refunded to the Group) from the China Vanke Group under the relevant continuing connected transactions agreements on a monthly basis, and promptly follow up with the China Vanke Group in respect of the payment of the outstanding receivables and take legal actions as and when the Group considers necessary. If the Company is of the view that there are serious credit risks in transactions with member(s) of the China Vanke Group, the Group may suspend (as the Company considers appropriate) or terminate such continuing connected transactions pursuant to the terms of the relevant agreements where the Group cannot timely collect the receivables from the China Vanke Group;

- (5) the Group's business department will re-evaluate the transactions in respect of provision of Property Agency Services for carpark spaces, with reference to the overall average selling and leasing price of the project and the market conditions of the surrounding area of the carpark spaces in June and December each year, taking into account the specific project scale, project location, the difference between the Pre-determined Minimum Price over the estimated actual sales price and potential returns, to ensure that the final actual sales price of the carpark space under each definitive agreement is not lower than the Pre-determined Minimum Sales Price. In the event that the expected sales price is lower than the Pre-determined Minimum Sales Price or the Group identifies the actual sale price of carpark spaces under the existing portfolio could be potentially lower than the Pre-determined Minimum Sale Price during the aforementioned regular re-evaluation, the Group will negotiate with the China Vanke Group in a timely manner to adjust Pre-determined Minimum Sales Price, with reference to factors including the market value of the carpark space and market conditions at that time. If both parties could not agree on the adjustment to the Pre-determined Minimum Sales Price, the Group will terminate the relevant definitive agreement and request the members of the China Vanke Group to return the Deposits in respect of the car parking space under that definitive agreement;
- (6) in the event that the China Vanke Group fails to timely pay any outstanding receivables under the continuing connected transactions, the Group, upon negotiation with the China Vanke Group, may also consider to accept certain assets of the China Vanke Group (including but not limited to office buildings, shops, commercial housing, carpark spaces and other tangible assets or the income rights and use rights of such tangible assets) in lieu of cash payment or may request the China Vanke Group to pay default interest (資金使用費). For illustration purpose only, in the event that the Group requests the China Vanke Group to pay default interest, the Company and China Vanke will enter into a separate agreement in respect of the payment of the default interest on normal commercial terms. If the Group and the China Vanke Group agree on such settlement arrangement, the Group and the China Vanke Group will enter into separate transfer agreement(s) and the Company will comply with all the applicable requirements under Chapter 14 and 14A of the Listing Rules (including circular and independent shareholders' approval); and
- (7) the Company will provide information and supporting documents to the independent non-executive Directors and the auditors for them to conduct an annual review of the continuing connected transactions entered into by the Company. In accordance with the requirements under the Listing Rules, the independent non-executive Directors will provide an annual confirmation to the Board as to whether the continuing connected transactions have been entered into in the ordinary and usual course of business of the Group, are on normal commercial terms and are in accordance with the agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole, and the auditors will provide an annual confirmation to the Board as to whether anything has come to their attention that causes them to believe that the continuing connected transactions have not been approved by the Board, are not in accordance with the pricing policies of the Group in all material respects, are not entered into in accordance with the relevant agreements governing the transactions in all material respects or have exceeded the cap.

VI. DIRECTORS' CONFIRMATION

Mr. Wang Wenjin, Mr. Zhang Xu and Mr. Sun Jia, each of whom is a non-executive Director, are serving in China Vanke or its subsidiaries. Therefore, they have abstained from voting in respect of the relevant Board resolutions approving the transactions and the proposed annual caps contemplated under the New Framework Agreements. Save as aforesaid, none of the other Directors has any material interest in the transactions and the proposed annual caps contemplated under the New Framework Agreements and is required to abstain from voting on the relevant board resolutions.

In respect of the Non-exempt Continuing Connected Transactions and the proposed annual caps thereunder, the Directors (other than independent non-executive Directors who will express their views under the Non-exempt Continuing Connected Transactions after considering the advice from the Independent Financial Adviser) are of the view that the Non-exempt Continuing Connected Transactions are entered into in the ordinary and usual course of business of the Company and on normal commercial terms, and that the terms of the Non-exempt Continuing Connected Transactions and the proposed annual caps thereunder are fair and reasonable and in the interests of the Shareholders as a whole.

In respect of the continuing connected transactions other than the Non-exempt Continuing Connected Transactions (being the transactions under the New Technology System Usage and Maintenance Services Framework Agreement, the New Property Lease Framework Agreement and the New AIoT and BPaaS Solution Services Framework Agreement) and the proposed annual caps thereunder, the Directors (including the independent non-executive Directors), are of the view that the aforementioned continuing connected transactions are entered into in the ordinary and usual course of business of the Company and on normal commercial terms, and that the terms of such continuing connected transactions and the proposed annual caps thereunder are fair and reasonable and in the interests of the Shareholders as a whole.

VII. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee (comprising all the independent non-executive Directors) has been formed in accordance with Chapter 14A of the Listing Rules to advise the Independent Shareholders on the Non-exempt Continuing Connected Transactions and the proposed annual caps under the Non-exempt Continuing Connected Transactions. Somerley Capital Limited has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

VIII. EGM

The EGM will be convened on Tuesday, December 31, 2024 for the Shareholders to consider and, if thought fit, approve, among other things, the Non-exempt Continuing Connected Transactions and the proposed annual caps under the Non-exempt Continuing Connected Transactions.

A circular containing, among other things, (i) details of the Non-exempt Continuing Connected Transactions (including the proposed annual caps); (ii) a letter from the Independent Board Committee with its recommendation to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) a notice convening the EGM will be despatched to the Shareholders on December 13, 2024.

IX. CHANGE OF REGISTERED ADDRESS IN THE PRC

The Company announces that its registered address in the PRC has been changed to 2201, Building B, Chuangzhiyun Center, No. 1 Guangxia Road, Meiting Community, Meilin Street, Futian District, Shenzhen, Guangdong.

X. DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“associates”	has the meaning as ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“China Vanke Group”	China Vanke and its subsidiaries, excluding the Group
“China Vanke”	China Vanke Co., Ltd. (萬科企業股份有限公司), a joint stock limited company incorporated in the PRC, the H shares and A shares of which are listed on the Hong Kong Stock Exchange (stock code: 2202) and Shenzhen Stock Exchange (stock code: 000002), respectively, and a controlling Shareholder of the Company
“China” or “PRC”	the People’s Republic of China, which, for the purpose of this announcement, is for geographical reference only
“Company”	Onewo Inc. (萬物雲空間科技服務股份有限公司), a limited liability company incorporated in the PRC on February 20, 2001 and converted into a joint stock limited company incorporated in the PRC on March 20, 2018, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 2602)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“Existing AIoT and BPaaS Solution Services Framework Agreement”

the framework AIoT and BPaaS solution services agreement dated September 13, 2022 entered into by the Company (for itself and on behalf of its subsidiaries) and China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates), pursuant to which the Group will provide AIoT and BPaaS solution services of (i) design, construction, operation and maintenance of smart property equipment and system, and related services (such as smart property consultancy services and integrated smart space solutions); and (ii) remote space operation services (such as intelligent urban space workflow management services and operation data analysis services) to members of the China Vanke Group and their respective associates

“Existing Framework Agreements”

collectively, (i) the Existing Technology System Usage and Maintenance Services Framework Agreement, (ii) the Existing Property Lease Framework Agreement, (iii) the Existing AIoT and BPaaS Solution Services Framework Agreement, (iv) the Existing Property Services Framework Agreement, (v) the Existing Value-added Services Framework Agreement and (vi) the Existing Property Agency Services Framework Agreement

“Existing Value-added Services Framework Agreement”

the framework value-added services agreement dated September 13, 2022 entered into by the Company (for itself and on behalf of its subsidiaries) and China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates), pursuant to which the Group agreed to provide value-added services to the properties owned or used by members of the China Vanke Group and their respective associates, including but not limited to (i) sale center and model room management services; (ii) pre-delivery support services; and (iii) building maintenance services in respect of the properties developed by members of the China Vanke Group and their respective associates

“Existing Property Agency Services Framework Agreement”

the framework property agency services agreement dated September 13, 2022 entered into by the Company (for itself and on behalf of its subsidiaries) and China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates), pursuant to which the Group agreed to provide property agency services to members of the China Vanke Group and their respective associates

“Existing Property Services Framework Agreement”

the framework property service agreement dated September 13, 2022 entered into by the Company (for itself and on behalf of its subsidiaries) and China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates), pursuant to which the Group agreed to provide property services including (i) residential property services in respect of the unsold residential properties developed and to be developed by members of the China Vanke Group and their respective associates; and (ii) property and facility management services in respect of the commercial properties owned or used by members of the China Vanke Group and their respective associates

“Existing Technology System Usage and Maintenance Services Framework Agreement”

the framework technology system usage and maintenance services agreement dated September 13, 2022 entered into by the Company (for itself and on behalf of its subsidiaries) and China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates), pursuant to which members of the China Vanke Group and their respective associates will provide the Group with technology system usage and maintenance services. The technology system usage and maintenance services include (i) the purchase of network infrastructure resources; and (ii) the grant of rights of using certain non-essential information system and software (such as electronic signature contract software) and the provision of maintenance services connected thereto

“Existing Property Lease Framework Agreement”

the framework property lease agreement dated September 13, 2022 entered into by the Company (for itself and on behalf of its subsidiaries) and China Vanke (for itself and on behalf of members of the China Vanke Group and their respective associates), pursuant to which the Group will lease certain properties from members of the China Vanke Group (including their respective associates) for office use

“EGM”

the extraordinary general meeting of the Company to be convened by way of online meeting at 10 a.m. on Tuesday, December 31, 2024

“Group”

the Company and its subsidiaries

“H Share(s)”

overseas listed Shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for in Hong Kong dollars and traded on the Hong Kong Stock Exchange

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company comprising Ms. Law Elizabeth, Mr. Chen Yuyu, Mr. Shen Haipeng and Mr. Song Yunfeng, being all the independent non-executive Directors, which is formed to advise the Independent Shareholders on the Non-exempt Continuing Connected Transactions and the proposed annual caps under the Non-exempt Continuing Connected Transactions
“Independent Financial Adviser”	Somerley Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), which has been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the Non-exempt Continuing Connected Transactions and the proposed annual caps under the Non-exempt Continuing Connected Transactions
“Independent Shareholder(s)”	the Shareholder(s) other than China Vanke and their respective associates
“independent third party(ies)”	person(s) or entity(ies) who (are) not connected person(s) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended and supplemented from time to time
“New AIoT and BPaaS Solution Services Framework Agreement”	the new AIoT and BPaaS solution services framework agreement dated December 12, 2024 entered into between the Company and China Vanke in relation to the provision of AIoT and BPaaS Solution Services by the Group to the China Vanke Group and their respective associates
“New Framework Agreements”	collectively, (i) the New Technology System Usage and Maintenance Services Framework Agreement, (ii) the New Property Lease Framework Agreement, (iii) the New AIoT and BPaaS Solution Services Framework Agreement, (iv) the New Property Services Framework Agreement, (v) the New Value-added Services Framework Agreement and (vi) the New Property Agency Services Framework Agreement

“New Property Agency Services Framework Agreement”	the new property agency services framework agreement dated December 12, 2024 entered into between the Company and China Vanke in relation to the provision of property agency services by the Group to the China Vanke Group and their respective associates
“New Property Services Framework Agreement”	the new property services framework agreement dated December 12, 2024 entered into between the Company and China Vanke in relation to the provision of property services by the Group to the China Vanke Group and their respective associates
“New Value-added Services Framework Agreement”	the new value-added services framework agreement dated December 12, 2024 entered into between the Company and China Vanke in relation to the provision of value-added services by the Group to the properties owned or used by members of the China Vanke Group and their respective associates
“New Technology System Usage and Maintenance Services Framework Agreement”	the new framework technology system usage and maintenance services agreement dated December 12, 2024 entered into between the Company and China Vanke in relation to the provision of Technology System Usage and Maintenance Services by members of the China Vanke Group and their respective associates to the Group
“New Property Lease Framework Agreement”	the new framework property lease agreement dated December 12, 2024 entered into between the Company and China Vanke in relation to the property lease from members of the China Vanke Group by the Group
“Non-exempt Continuing Connected Transactions”	the transactions contemplated under each of (i) the New Property Services Framework Agreement, (ii) the New Value-added Services Framework Agreement, and (iii) the New Property Agency Services Framework Agreement
“percentage ratio(s)”	has the meaning ascribed to it under Chapter 14 of the Listing Rules
“Prospectus”	the prospectus of the Company dated September 19, 2022 in connection with the global offering of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, only comprising the H Shares

“Shareholder(s)”

the shareholder(s) of the Company

“%”

per cent

By order of the Board

Onewo Inc.

Zhu Baoquan

Chairman, executive Director and general manager

Shenzhen, the PRC, December 12, 2024

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; Mr. Wang Wenjin, Mr. Zhang Xu, Mr. Sun Jia, Mr. Zhou Qi and Mr. Yao Jinbo as non-executive Directors; Ms. Law Elizabeth, Mr. Chen Yuyu, Mr. Shen Haipeng and Mr. Song Yunfeng as independent non-executive Directors.