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**Qeeka Home (Cayman) Inc.**

**齊屹科技(開曼)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1739)**

**INTERIM RESULTS ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

The Board of Directors of Qeeka Home (Cayman) Inc. (the “**Company**”) is pleased to announce the unaudited interim results of the Company, its subsidiaries and PRC Operating Entities (collectively, the “**Group**”) for the six months ended 30 June 2022 (the “**Reporting Period**”).

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

**KEY HIGHLIGHTS**

- Total revenue was RMB431.9 million for the six months ended 30 June 2022, a decrease of 17.6% year-over-year.
- Our overall gross profit margin was maintained at 56.7% for the six months ended 30 June 2022, compared to 56.6% for the six months ended 30 June 2021.
- Net loss attributable to equity holders of the Company was RMB57.1 million for the six months ended 30 June 2022, and adjusted net loss attributable to equity holders of the Company for the six months ended 30 June 2022 was RMB20.7 million, compared to a net profit attributable to equity holders of the Company of approximately RMB12.1 million and adjusted net profit attributable to equity holders of the Company of approximately RMB20.5 million for the six months ended 30 June 2021.
- Our cash and other liquid financial resources increased by 26.4% from RMB569.8 million as of 31 December 2021 to RMB719.9 million as of 30 June 2022.

## KEY FINANCIAL DATA

	<b>Six months ended 30 June</b>	
	<b>2022</b>	<b>2021</b>
	<b>(RMB'000)</b>	<b>(RMB'000)</b>
<b>Revenue</b>	<b>431,940</b>	<b>524,391</b>
– SaaS and Marketing Service Business	239,864	281,006
– Supply Chain Service Business	15,828	28,385
– Interior Design and Construction Business	169,904	207,079
– Innovation and others Business	6,344	7,921
<b>Gross Profit</b>	<b>244,994</b>	<b>296,556</b>
– SaaS and Marketing Service Business	231,178	267,744
– Supply Chain Service Business	1,820	3,035
– Interior Design and Construction Business	13,053	25,043
– Innovation and others Business	(1,057)	734
<b>Gross Margin</b>	<b>56.7%</b>	<b>56.6%</b>
– SaaS and Marketing Service Business	96.4%	95.3%
– Supply Chain Service Business	11.5%	10.7%
– Interior Design and Construction Business	7.7%	12.1%
– Innovation and others Business	(16.7%)	9.3%
<b>Net (loss)/profit attributable to equity holders of the Company</b>	<b>(57,080)</b>	<b>12,087</b>
<b>Adjusted net (loss)/profit attributable to equity holders of the Company<sup>(1)</sup></b>	<b>(20,682)</b>	<b>20,538</b>
<b>Adjusted Net Margin</b>	<b>(4.8%)</b>	<b>3.9%</b>

*Note:*

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

## KEY OPERATION METRICS

The table below sets forth our key operation metrics during the Reporting Periods indicated:

	Six months ended 30 June	
	2022	2021
Number of active paying merchants <sup>(1)</sup>	5,451	5,667
Number of sales leads	344,034	384,216
Number of recommended users	292,353	315,918
Average revenue from SaaS and Marketing Service per sales lead (RMB) <sup>(2)</sup>	697	731

Notes:

- (1) It represents the number of active paying merchants for the trailing twelve months by the ended 30 June 2022.
- (2) It refers to the average revenue per sales lead, which equals the revenue of SaaS and Marketing Service for the six months ended 30 June 2022 divided by the sales leads as of 30 June 2022.

During the Reporting Period, (i) the number of active paying merchants decreased by 3.8% from 5,667 for the six months ended 30 June 2021 to 5,451 for the six months ended 30 June 2022, mainly due to impacts from COVID-19 resurgence and restrictions that resulted in the shutdown of renovation sites from March to May, which has temporarily suppressed the marketing needs of our merchants; (ii) the number of sales leads decreased by 10.5% from 384,216 for the six months ended 30 June 2021 to 344,034 for the six months ended 30 June 2022, the decline of the number of sales leads during the period, mainly concentrated in the first-tier cities with strong consumption power that have been greatly affected by the epidemic; (iii) the number of recommended users decreased by 7.5% from 315,918 for the six months ended 30 June 2021 to 292,353 for the six months ended 30 June 2022, and (iv) the average revenue from SaaS and Marketing Service per sales lead decreased by 4.7% from RMB731 for the six months ended 30 June 2021 to RMB697 for the six months ended 30 June 2022.

## BUSINESS REVIEW AND OUTLOOK

The business segments consist of (i) SaaS and Marketing Service; (ii) Supply Chain Service; (iii) Interior Design and Construction; and (iv) Innovation and others. The directors of the Company consider the new presentation for the six months ended 30 June 2022 is more relevant and appropriate for the Group's current development of business. As a result, the corresponding figures are represented.

### Business Review

- *SaaS and Extended Service Business*

We are one of the leading providers of SaaS solutions in the Interior Design and Construction industry in the PRC. SaaS and Extended Service mainly include SaaS service, marketing service, value-added service, and supply chain service.

- *SaaS and Marketing Service*

We provide SaaS-based total solutions to our IDC service providers (each we refer to as a merchant). We help IDC service providers set up their digital infrastructure throughout entire business operations, from sales lead generation, and customer acquisition, to construction field management and bookkeeping.

For the six months ended 30 June 2022, the number of active paying merchants declined year-on-year mainly due to impacts from COVID-19 resurgence and restrictions that resulted in the shutdown of renovation sites from March to May, which has temporarily suppressed the marketing needs of our merchants.

In the first half of 2022, the continuous downturn of the real estate market has caused a series of ripple effects, such as a rise in bankruptcy applications in the Interior Design and Construction industry, and the IDC service providers we cooperate with have also been affected. To protect the right and interests of users, we have raised the audit threshold for service providers, and launched Ivy Plan only for excellent IDC service providers, through a series of empowerment measures to help them improve their reputation and operational capabilities to generate income under this challenging environment.

We also make great efforts to improve user experience and rights protection. In addition to the “Qijia Bao” service, we have expanded multiple media channels to share real user cases, write decoration notes for the novice, disseminate decoration knowledge to avoid pits and strengthen users' trust in our brand.

Due to the negatively impacted of COVID-19, the number of sales leads has also declined during the period, mainly concentrated in the first-tier cities with strong consumption power that have been greatly affected by the epidemic. Usually, the spring season is the best decoration start period, and the consumers' concerns about epidemic prevention policies extend the decision-making time for decoration. However, the conversion rate from sales leads to recommended users increased from 82.2% to 85.0%, compared to the same period last year, reflecting the effectiveness of our user operations.

– *Supply Chain Service*

We also provide diversified supply chain integration solutions to IDC service providers, which can reduce their overall material purchase and logistic-related expense while ensuring the quality of the material.

For the six months ended 30 June 2022, the revenue from our Supply Chain Service declined significantly mainly due to the impacts of the epidemic that resulted in factory shutdowns and logistics disruptions from March to May.

• *Interior Design and Construction and others Business*

Through SaaS and Marketing Service Business, we find that the demand structure of marketing is changing, not only on the consumer side, but also on the business side and small business side. We tried to explore more business opportunities that could match the needs of marketing.

We operate three well-known interior design and decoration brands under the self-operation and license model. We believe we can create more value from the operation of this business.

We are also incubating a series of innovative service or business models. The business is still at an early stage and has yet to contribute sizable revenue, but we believe it will play an important role in the future.

## Company Financial Highlights

For the six months ended 30 June 2022:

- Total revenue decreased by 17.6% year over year to RMB431.9 million, primarily due to a decline in SaaS and Marketing Service by 14.6% to RMB239.9 million, Supply Chain Service by 44.2% to RMB15.8 million, and Interior Design and Construction by 18.0% to RMB169.9 million, respectively.
- Total gross profit decreased by 17.4% year over year to RMB245.0 million, which is in line with the revenue trend.
- The net loss attributable to equity holders of the Company was RMB57.1 million and net loss was RMB66.3 million. Adjusted net loss attributable to equity holders of the Company was RMB20.7 million, mainly due to the operating loss from our IDC business and innovation business, which directly offset the net profit generated by our core business.
- Cash and other liquid financial resources, including cash and cash equivalents of RMB475.0 million, term deposit of RMB234.2 million, and restricted cash of RMB10.7 million as of 30 June 2022, compared to the cash and cash equivalents of RMB548.0 million and restricted cash of RMB21.7 million, respectively as of 31 December 2021.

## Company Business Outlook

In the first half of 2022, we are facing challenges, the international environment has become more complex, the domestic epidemic situation has been sporadic at many place, and the downward pressure on the economy has increased significantly.

According to data from the National Bureau of Statistics, the housing completion area from January to July 2022 was 320.28 million square meters, down 23.3% year-on-year, of which the residential completion area was 232.79 million square meters, down 22.7% year-on-year; The sales area of commercial housing in China was 78,178 square meters, down 23.1% year-on-year, of which the residential sales area fell by 27.1%.

The downward pressure on the real estate market is relatively large, the market confidence is insufficient, and the impact of the epidemic is superimposed, the relation between supply and demand and transactions of the market have not warmed significantly.

On the other hand, data from the National Bureau of Statistics shows that the per capita residential consumption expenditure is RMB2,807, an increase of 6.0%, accounting for 23.9% of the per capita consumption expenditure, which is the highest proportion of the category except for food, tobacco and alcohol consumption expenditure.

With the recurrence of the epidemic, the structure of residents' consumption expenditure is changing, the demand for improved homes is constantly being released, and the market share dominated by the redecoration of existing houses is gradually expanding.

We believe that the connection between the decoration market and the new housing market will gradually weaken in the future, and the stock real estate redecoration market will become the main force driving the growth of China's decoration industry.

As a leading providers of SaaS solutions in the Interior Design and Construction industry in the PRC, we will adapt to the changes and adjust our business strategies in a timely manner, explore more business opportunities related to Interior Design and Construction industry and improve industry efficiency through diversified products and services to create more value for our shareholders.

## MANAGEMENT DISCUSSION AND ANALYSIS

*(The following information disclosures were based on financial information prepared in accordance with International Accounting Standards 34, 'Interim financial reporting' unless otherwise specified)*

	<b>Six months ended 30 June</b>	
	<b>2022</b>	<b>2021</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Revenue</b>	<b>431,940</b>	524,391
Cost of sales	<b>(186,946)</b>	(227,835)
<b>Gross profit</b>	<b>244,994</b>	296,556
Selling and marketing expenses	<b>(208,947)</b>	(234,264)
Administrative expenses	<b>(41,287)</b>	(38,501)
Research and development expenses	<b>(20,302)</b>	(22,060)
Net impairment losses on financial assets	<b>(12,965)</b>	(475)
Other (losses)/gains – net	<b>(27,088)</b>	7,895
<b>Operating (loss)/profit</b>	<b>(65,595)</b>	9,151
Finance income	<b>7,314</b>	7,279
Finance costs	<b>(1,159)</b>	(2,910)
Finance income – net	<b>6,155</b>	4,369
Share of results of investments accounted for using the equity method	<b>(3,213)</b>	3,905
<b>(Loss)/profit before income tax</b>	<b>(62,653)</b>	17,425
Income tax expenses	<b>(3,695)</b>	(1,947)
<b>(Loss)/profit for the year</b>	<b>(66,348)</b>	15,478
<b>(Loss)/profit attributable to:</b>		
Equity holders of the Company	<b>(57,080)</b>	12,087
Non-controlling interests	<b>(9,268)</b>	3,391
	<b>(66,348)</b>	15,478
<b>Non-IFRS measure</b>		
Adjusted net (loss)/profit attributable to equity holders of the Company	<b>(20,682)</b>	20,538

## Revenue

Total revenue decreased by 17.6% from RMB524.4 million for the six months ended 30 June 2021 to RMB431.9 million for the six months ended 30 June 2022, primarily due to the impact of continued COVID-19 pandemic in many places in China, which had a material effect on the interior design and construction service providers and the material suppliers about their operation. As a result, almost all the revenue of the Group decreased during the second quarter of 2022.

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

	<b>Six months ended 30 June</b>			
	<b>2022</b>		<b>2021</b>	
	<b>Amount</b>	<b>% of total</b>	Amount	% of total
	<b>RMB'000</b>	<b>revenue</b>	<b>RMB'000</b>	<b>revenue</b>
SaaS and Extended Service Business	<b>255,692</b>	<b>59.2%</b>	309,391	59.0%
Interior Design and Construction and others Business	<b>176,248</b>	<b>40.8%</b>	215,000	41.0%
<b>Total</b>	<b>431,940</b>	<b>100.0%</b>	524,391	100.0%

### *SaaS and Extended Service Business*

The breakdown of segment revenue of SaaS and Extended Service Business is as follows:

	<b>Six months ended 30 June</b>			
	<b>2022</b>		<b>2021</b>	
	<b>Amount</b>	<b>% of total</b>	Amount	% of total
	<b>RMB'000</b>	<b>revenue</b>	<b>RMB'000</b>	<b>revenue</b>
SaaS and Marketing Service	<b>239,864</b>	<b>93.8%</b>	281,006	90.8%
Supply Chain Service	<b>15,828</b>	<b>6.2%</b>	28,385	9.2%
<b>Total</b>	<b>255,692</b>	<b>100.0%</b>	309,391	100.0%

Revenue from SaaS and Extended Service Business decreased by 17.4% from RMB309.4 million for the six months ended 30 June 2021 to RMB255.7 million for the six months ended 30 June 2022. Revenue from SaaS and Extended Service Business included:

– *SaaS and Marketing Service*

Revenue from our SaaS and Marketing Service Business decreased by 14.6% from RMB281.0 million for the six months ended 30 June 2021 to RMB239.9 million for the six months ended 30 June 2022, the decrease in revenue was due to (i) our number of sales leads decreased from 384,216 for the six months ended 30 June 2021 to 344,034 for the six months ended 30 June 2022, and (ii) our average revenue from SaaS and Marketing Service per sales lead decreased from RMB731 for the six months ended 30 June 2021 to RMB697 for the six months ended 30 June 2022.

– *Supply Chain Service*

Revenue from our Supply Chain Service Business decreased by 44.2% from RMB28.4 million for the six months ended 30 June 2021 to RMB15.8 million for the six months ended 30 June 2022, primarily due to the impacts of the epidemic that resulted in factory shutdowns and logistics disruptions from March to May.

***Interior Design and Construction and others Business***

– *Interior Design and Construction*

Revenue from Interior Design and Construction decreased by 18.0% from RMB207.1 million for the six months ended 30 June 2021 to RMB169.9 million for the six months ended 30 June 2022, primarily due to the decrease of available construction sites and delay in the efficiency of delivery and acceptance of certain projects, which were mainly affected by the outbreak of COVID-19 pandemic in many places in China during the Reporting Period.

Due to the downturn in the real estate industry and the shortage of funds for developers, in response to the risk of bad debts in accounts receivable, we adjusted the growth strategy of the real estate decoration business, actively reduced the scale of the business.

– *Innovation and others*

Revenue from Innovation and others decreased by 19.9% from RMB7.9 million for the six months ended 30 June 2021 to RMB6.3 million for the six months ended 30 June 2022, primarily due to the decrease in the revenue generated by the subsidiary which equity of this subsidiary was transferred to the third party in 2021. Except for the revenue above, revenue from Innovation and others for the six months ended 30 June 2022 increased by 23.5%, compared to the six months ended 30 June 2021, primarily due to increase of new business developed on our platform.

## Cost of sales

Cost of sales decreased by 17.9% to RMB186.9 million for the six months ended 30 June 2022, compared to RMB227.8 million for the six months ended 30 June 2021, of which Interior Design and Construction Business accounted for the main part.

### *SaaS and Extended Service Business*

Cost from SaaS and Extended Service Business decreased by 41.2% from RMB38.6 million for the six months ended 30 June 2021 to RMB22.7 million for the six months ended 30 June 2022, primarily due to the decrease in revenue of this segment.

### *Interior Design and Construction Business*

Cost from Interior Design and Construction Business decreased by 13.8% from RMB182.0 million for the six months ended 30 June 2021 to RMB156.9 million for the six months ended 30 June 2022. The decrease in cost from IDC business was primarily attributable to a decrease in raw materials and labor costs resulting from the decrease of approximately 18.0% in revenue as compared with that of the corresponding period.

## Gross profit and gross profit margin

As a result of the foregoing, our total gross profit decreased by 17.4% from RMB296.6 million for the six months ended 30 June 2021 to RMB245.0 million for the six months ended 30 June 2022.

Our overall gross profit margin was maintained at 56.7% for the six months ended 30 June 2022, compared to 56.6% for the six months ended 30 June 2021.

	Six months ended 30 June			
	2022		2021	
	Amount	Gross Margin	Amount	Gross Margin
	RMB'000	%	RMB'000	%
SaaS and Extended Service Business	232,998	91.1%	270,779	87.5%
Interior Design and Construction and others Business	11,996	6.8%	25,777	12.0%
	<u>244,994</u>	<u>56.7%</u>	<u>296,556</u>	<u>56.6%</u>

### ***SaaS and Extended Service Business***

Gross profit from SaaS and Extended Service Business decreased by 14.0% from RMB270.8 million for the six months ended 30 June 2021 to RMB233.0 million for the six months ended 30 June 2022, primarily due to the decrease in revenue of this segment.

The breakdown of gross profit and gross profit margin of SaaS and Extended Service Business is as follows:

	<b>Six months ended 30 June</b>			
	<b>2022</b>		<b>2021</b>	
	<b>Amount</b>	<b>Gross</b>	<b>Amount</b>	<b>Gross</b>
	<b>RMB'000</b>	<b>Margin</b>	<b>RMB'000</b>	<b>Margin</b>
		<b>%</b>		<b>%</b>
SaaS and Marketing Service	<b>231,178</b>	<b>96.4%</b>	267,744	95.3%
Supply Chain Service	<b>1,820</b>	<b>11.5%</b>	3,035	10.7%
	<b>232,998</b>	<b>91.1%</b>	<b>270,779</b>	<b>87.5%</b>

Gross profit margin of this segment stabilized at approximately 91.1% for the six months ended 30 June 2022, as compared to 87.5% for the six months ended 30 June 2021, primarily due to the stability of the gross profit margin from SaaS and Marketing Service, which accounted for a larger proportion of the revenue of this segment. Gross profit margin from SaaS and Marketing Service stabilized at approximately 96.4% for the six months ended 30 June 2022, as compared to 95.3% for the six months ended 30 June 2021.

### ***Interior Design and Construction and others Business***

Gross profit from Interior Design and Construction and other Business decreased by 53.5% from RMB25.8 million for the six months ended 30 June 2021 to RMB12.0 million for the six months ended 30 June 2022, was mainly attributable to (i) the decrease in revenue of this segment, and (ii) the real estate refined decoration services with low gross margin for the six months ended 30 June 2022.

Gross profit margin of this segment decreased from 12.0% for the six months ended 30 June 2021 to 6.8% for the six months ended 30 June 2022, which was mainly attributable to the low margin business of our real estate refined decoration service, which accounted for a larger proportion of the revenue of this segment.

### ***Selling and marketing expenses***

Our selling and marketing expenses decreased by 10.8% from RMB234.3 million for the six months ended 30 June 2021 to RMB208.9 million for the six months ended 30 June 2022, primarily due to (i) the decrease in advertising and promotion expenses, resulting from the optimization of the marketing channels, and (ii) the decrease in labor costs, mainly attributable to the improvement of the customer services efficiency and optimization of the customer services team.

### **Administrative expenses**

Our administrative expenses slightly increased by 7.2% from RMB38.5 million for the six months ended 30 June 2021 to RMB41.3 million for the six months ended 30 June 2022. It was mainly due to the increase in labor costs, which was to reserve certain senior managers of the Group for the development of the Interior Design and Construction Business and Innovative and others Business, which partially offset the saving in travelling, entertainment and communication expenses and other miscellaneous.

### **Research and development expenses**

Our research and development expenses slightly decreased by 8.0% from RMB22.1 million for the six months ended 30 June 2021 to RMB20.3 million for the six months ended 30 June 2022. The decrease in research and development expenses was mainly attributable to the Group's improvement of the research and development efficiency and optimization of the research and development team.

### **Net impairment losses on financial assets**

Our net impairment losses on financial assets increased from RMB0.5 million for the six months ended 30 June 2021 to RMB13.0 million for the six months ended 30 June 2022, primarily due to the expected credit loss on trade receivables and contract assets of the Interior Design and Construction projects, which was continuing affected by the overall downturn in the real estate market in 2022. After assessment by the management of the Company, net impairment losses on financial assets of IDC business had been provided for RMB12.9 million for the six months ended 30 June 2022.

### **Other losses – net**

Other net losses were RMB27.1 million for the six months ended 30 June 2022. It was mainly due to (i) impairment loss on investments accounted for using the equity method of RMB22.7 million, (ii) loss on investment on financial assets at fair value through profit or loss of RMB5.7 million, and (iii) government subsidies of RMB1.6 million.

### **Finance income – net**

Our finance income for the six months ended 30 June 2022 was mainly due to the interest income from our cash and cash equivalents.

### **Share of results of investments accounted for using the equity method**

Our share of results of investments accounted for using the equity method for the six months ended 30 June 2022 was mainly due to the result of profit or losses picked up from investees.

### **Income tax expenses**

Our income tax expenses for the six months ended 30 June 2022 was RMB3.7 million mainly due to the decrease in deferred tax assets.

**(Loss)/profit and Non-IFRS measures: adjusted net (loss)/profit attributable to equity holders of the Company**

As a result of the foregoing, our net loss was RMB66.3 million for the six months ended 30 June 2022, as compared to net profit of RMB15.5 million for the six months ended 30 June 2021.

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

Our adjusted net loss attributable to equity holders of the Company was RMB20.7 million for the six months ended 30 June 2022. The decrease in adjusted net loss attributable to equity holders of the Company was mainly due to the operating loss from our IDC business and innovation business, which directly offset the net profit generated by our core business.

The following table reconciled our adjusted net (loss)/profit attributable to equity holders of the Company for the six months ended 30 June 2022 and 2021 to the most directly comparable financial measure calculated and presented in accordance with IFRS:

	<b>Six months ended 30 June</b>	
	<b>2022</b>	<b>2021</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Net (loss)/profit attributable to equity holders of the Company for the year	<b>(57,080)</b>	12,087
Impairment loss on investments accounted for using the equity method	<b>22,668</b>	–
Share-based compensation expenses	<b>3,504</b>	4,925
Net fair value change on investment on financial assets at fair value through profit or loss, exclude wealth management products and others	<b>10,226</b>	3,526
<b>Adjusted net (loss)/profit attributable to equity holders of the Company</b>	<b>(20,682)</b>	20,538

## Liquidity and financial resources

We had historically funded our cash requirements principally from capital contribution from shareholders and financing through issuance and bank borrowings. We had cash and cash equivalents of RMB475.0 million, term deposits of RMB234.2 million and restricted cash of RMB10.7 million as of 30 June 2022, compared to the balance of cash and cash equivalents and restricted cash of RMB548.0 million and RMB21.7 million as of 31 December 2021, respectively. The increase in cash and other liquid financial resources was due to the purchase of more low risk term deposits to improve the security of funds.

The following table sets forth a summary of our cash on hand and at bank for the years indicated:

	<b>30 June 2022</b>	31 December 2021
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Cash and cash equivalents	<b>475,036</b>	548,017
Term deposits	<b>234,228</b>	–
Restricted cash	<b>10,658</b>	21,734
	<hr/>	<hr/>
<b>Cash and other liquid financial resources</b>	<b><u>719,922</u></b>	<u>569,751</u>

Cash and cash equivalents includes cash in hand and deposits held at call with banks. Restricted cash mainly represented cash guaranteed for margin account. Term deposits are bank deposits with original maturities over three months and redeemable on maturity. Most of our cash and cash equivalents, restricted cash and term deposits are denominated in the USD, RMB and HKD.

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

	<b>Six months ended 30 June</b>	
	<b>2022</b>	2021
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Net cash (used in)/generated from operating activities	<b>(134,257)</b>	21,487
Net cash generated from/(used in) investing activities	<b>45,005</b>	(756)
Net cash (used in)/generated from financing activities	<b>(1,281)</b>	17,058
Net (decrease)/increase in cash and cash equivalents	<b>(90,533)</b>	37,789
Effect on exchange rate difference	<b>17,552</b>	(5,657)
Cash and cash equivalents at the beginning of the period	<b>548,017</b>	897,354
	<hr/>	<hr/>
Cash and cash equivalents at the end of the period	<b><u>475,036</u></b>	<u>929,486</u>

### **Net cash used in operating activities**

For the six months ended 30 June 2022, our net cash used in operating activities was RMB134.3 million, which was primarily attributable to our loss before income tax of RMB62.7 million, as adjusted by (i) non-cash items, which primarily comprised depreciation and amortization of RMB12.4 million, provision for bad debt and impairment loss on investment in associate of RMB35.6 million and share-based payments of RMB3.5 million, fair value losses on investments of RMB8.9 million; and (ii) changes in working capital, which primarily comprised a decrease in trade and other receivables of RMB14.3 million, an increase in contract assets of RMB8.0 million, a decrease in restricted cash of RMB11.1 million, and a decrease in trade and other payables and contract liabilities of RMB145.6 million.

### **Net cash generated from investing activities**

For the six months ended 30 June 2022, our net cash generated from investing activities was RMB45.0 million, which was mainly attributable to proceeds from disposals of subsidiaries of RMB137.2 million and disposals of financial assets at fair value through profit or loss of RMB608.0 million, partially offset by purchase of financial assets at fair value through profit or loss of RMB418.2 million, purchase of term deposits of RMB234.2 million, and loans provided to a third party of RMB50.0 million.

### **Net cash used in financing activities**

For the six months ended 30 June 2022, net cash used in financing activities was RMB1.3 million, which was mainly attributable to proceeds from borrowings of RMB18.0 million and cash received from capital contributions in subsidiaries from non-controlling interests of RMB3.2 million, partially offset by repayment of borrowings of RMB15.0 million, cash paid in the repurchase of treasury shares of RMB5.1 million and payment for lease liabilities of RMB3.2 million.

### **Trade and other receivables and advances to suppliers**

Trade and other receivables and advances to suppliers decreased by 33.9% from RMB336.6 million as of 31 December 2021 to RMB222.6 million as of 30 June 2022, primarily due to (i) decrease of receivables from the disposal of subsidiaries of RMB147.0 million, (ii) decrease of trade receivables from third parties of RMB34.7 million about the development of our IDC business, and (iii) increase of the loans due from third parties of RMB50.0 million, attributable to the provision of the loan by the Group to an independent third-party individual on 15 January 2022.

## Borrowings

As of 30 June 2022, we had total borrowings of RMB19.3 million and the interest rate of the borrowings was from 4.36% to 4.53% per annum, (i) RMB10.0 million of which was pledged by the property owned by Mr. Yang Weihan, who is the non-controlling shareholder of Qijia Jumei (Suzhou) Refined Construction Technology Co., Ltd, (ii) RMB8.0 million of which was shared guaranteed by Shanghai Qiyu Information Technology Co., Ltd, Mr. Yang Weihan and Mrs. Zhang Fan, who is the wife of Mr. Yang Weihan, and (iii) discounted and undue commercial acceptance bills of RMB1.3 million represented two notes receivables, which were discounted by the bank with right of recourse.

## Gearing ratio

As of 30 June 2022, our gearing ratio, calculated as total borrowings divided by total equity attributable to equity holders of the Company was approximately 1.5%.

## Treasury policy

We have adopted a prudent financial management approach towards our treasury policies and thus maintained a healthy liquidity position throughout the six months ended 30 June 2022. To manage the liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

## Capital expenditure

	Six months ended 30 June	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
Purchase of property and equipment	1,249	6,479
Purchase of intangible assets	89	18
<b>Total</b>	<b>1,338</b>	<b>6,497</b>

Our capital expenditures was mainly used for the acquisition of property and equipment such as servers and computers and intangible assets.

## Significant Investment Held

As of 30 June 2022, the Group had the following significant investment held with a value of 5 per cent. or more of the Group's total assets which was classified as investment accounted for using the equity method:

Name of the investment	Investment costs RMB'000	Net book value as at 30 June 2022 RMB'000	Number of shares of investment held as at 30 June 2022	Percentage of investment held as at 30 June 2022 (%)	Performance/ Change in share of results of investment accounted for using the Equity method for the six months ended 30 June 2022 RMB'000	Performance/ Change in share of other comprehensive loss for the six months ended 30 June 2022 RMB'000	Performance/ Change in provision of impairment for the six months ended 30 June 2022 RMB'000	Size as compared to the Group's total assets as at 30 June 2022 (%)
Guangzhou Seagull Kitchen and Bath Products Co. Ltd. (廣州海鷗住宅工業股份有限公司, "Seagull")	242,834	247,922	39,720,000	6.12%	(3,245)	(2,106)	(21,454)	12.9%

## Description of the investment

In 2014, we made a minority investment in Guangzhou Seagull Kitchen and Bath Products Co. Ltd. ("Seagull"), a PRC company listed on the Shenzhen Stock Exchange (Stock code: 002084) that engages in the production and sale of high-end plumbing equipment and hardware. The investment in Seagull is not held for trading. We believe that we enjoyed strategic and synergic benefits from our investment and consider it as strategic investment. We will review our investment strategy regularly in response to the changes in market situation. The financial performance of this company has stabilized but still fell short of original projection and lowered the expectation to its future profitability and consequently affected the valuation conducted by independent valuer. As of 30 June 2022, except for the aforementioned investment, there were no other investments held with a value of 5% or more of the Group's total assets.

## Financial assets at fair value through profit or loss

As of 30 June 2022, the Group had current and non-current financial assets at fair value through profit or loss of approximately RMB448.7 million (31 December 2021: approximately RMB639.3 million), mainly comprised (i) investments in wealth management products of approximately RMB417.6 million (31 December 2021: approximately RMB603.0 million); (ii) investments in listed companies of approximately RMB17.3 million (31 December 2021: approximately RMB18.4 million); (iii) investments in financial assets related to redemption rights of approximately RMB5.5 million (31 December 2021: approximately RMB12.4 million); and (iv) private equity funds of approximately RMB4.5 million (31 December 2021: approximately RMB5.0 million).

	<b>As at 30 June 2022 RMB'000</b>	As at 31 December 2021 RMB'000
<b>Financial assets at fair value through profit or loss</b>		
<b>Current</b>		
Wealth management products <sup>(1)</sup>	<b>417,626</b>	603,013
Investments in listed companies	<b>17,273</b>	18,432
Financial assets related to redemption rights	<b>5,500</b>	12,350
Mutual funds	<b>3,832</b>	548
<b>Subtotal</b>	<b>444,231</b>	634,343
<b>Non-current</b>		
Private equity funds	<b>4,451</b>	5,000
<b>Subtotal</b>	<b>4,451</b>	5,000
<b>Total</b>	<b>448,682</b>	639,343

- (1) Wealth management products decreased by 30.7% from RMB603.0 million as at 31 December 2021 to RMB417.6 million as at 30 June 2022, mainly due to the Group purchase more low risk term deposit after the wealth management products was redeemed to improve the security of the funds.

## Long-term investment activities

	<b>As at 30 June 2022 RMB'000</b>	As at 31 December 2021 RMB'000
Investments accounted for using the equity method	<b>252,082</b>	280,069
Financial assets at fair value through other comprehensive income	<b>38,360</b>	48,388
Financial assets at fair value through profit or loss	<b>4,451</b>	5,000
<b>Total</b>	<b>294,893</b>	333,457

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

As of 30 June 2022, the decrease of long-term investment activities came from the decrease in the fair value of our investment company.

## Foreign exchange risk

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

## Contingent liabilities

As of 30 June 2022, we did not have any material contingent liabilities.

**INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

		<b>Unaudited</b>	
		<b>Six months ended 30 June</b>	
	<i>Note</i>	<b>2022</b>	2021
		<i>RMB'000</i>	<i>RMB'000</i>
<b>Revenue</b>	4	<b>431,940</b>	524,391
Cost of sales	5	<u>(186,946)</u>	<u>(227,835)</u>
<b>Gross profit</b>		<b>244,994</b>	296,556
Selling and marketing expenses	5	<b>(208,947)</b>	(234,264)
Administrative expenses	5	<b>(41,287)</b>	(38,501)
Research and development expenses	5	<b>(20,302)</b>	(22,060)
Net impairment losses on financial assets	9(d)	<b>(12,965)</b>	(475)
Other (losses)/gains – net		<u>(27,088)</u>	<u>7,895</u>
<b>Operating (loss)/profit</b>		<b>(65,595)</b>	9,151
Finance income	6	<b>7,314</b>	7,279
Finance costs	6	<u>(1,159)</u>	<u>(2,910)</u>
Finance income – net	6	<u><b>6,155</b></u>	<u>4,369</u>
Share of results of investments accounted for using the equity method		<u>(3,213)</u>	<u>3,905</u>
<b>(Loss)/profit before income tax</b>		<b>(62,653)</b>	17,425
Income tax expenses	7	<u>(3,695)</u>	<u>(1,947)</u>
<b>(Loss)/profit for the period</b>		<u><b>(66,348)</b></u>	<u>15,478</u>
<b>(Loss)/profit attributable to:</b>			
– Equity holders of the Company		<b>(57,080)</b>	12,087
– Non-controlling interests		<u>(9,268)</u>	<u>3,391</u>
		<u><b>(66,348)</b></u>	<u>15,478</u>
<b>(Losses)/earnings per share for (loss)/profit attributable to equity holders of the Company</b>			
Basic (losses)/earnings per share ( <i>RMB</i> )	8	<u><b>(0.0510)</b></u>	<u>0.0104</u>
Diluted (losses)/earnings per share ( <i>RMB</i> )	8	<u><b>(0.0510)</b></u>	<u>0.0104</u>

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
<i>Note</i>	<b>2022</b>	<b>2021</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>(Loss)/profit for the period</b>	<b>(66,348)</b>	<b>15,478</b>
<b>Other comprehensive income for the period</b>		
<i>Items that may be reclassified to profit or loss:</i>		
Share of other comprehensive loss of investments accounted for using the equity method	<b>(2,106)</b>	–
Exchange differences on translation of foreign operations	<b>22,396</b>	<b>(6,043)</b>
	<b>20,290</b>	<b>(6,043)</b>
<i>Items that will not be reclassified to profit or loss:</i>		
Exchange differences on translation of foreign operations	<b>1,616</b>	<b>(684)</b>
Changes in the fair value of equity investments at fair value through other comprehensive income	<b>(11,644)</b>	<b>42,699</b>
	<b>(10,028)</b>	<b>42,015</b>
Total other comprehensive income for the period, net of tax	<b>10,262</b>	<b>35,972</b>
<b>Total comprehensive (loss)/income for the period</b>	<b>(56,086)</b>	<b>51,450</b>
<b>Total comprehensive (loss)/income for the period attributable to:</b>		
Equity holders of the Company	<b>(46,818)</b>	<b>48,059</b>
Non-controlling interests	<b>(9,268)</b>	<b>3,391</b>
	<b>(56,086)</b>	<b>51,450</b>

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

**INTERIM CONDENSED CONSOLIDATED BALANCE SHEET  
AS AT 30 JUNE 2022**

	<i>Note</i>	<b>Unaudited 30 June 2022 RMB'000</b>	Audited 31 December 2021 RMB'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>25,440</b>	27,828
Right-of-use assets		<b>29,946</b>	36,156
Intangible assets		<b>3,066</b>	4,416
Goodwill		<b>7,796</b>	7,796
Deferred tax assets		<b>7,053</b>	10,786
Investments accounted for using the equity method		<b>252,082</b>	280,069
Financial assets at fair value through other comprehensive income (“FVOCI”)		<b>38,360</b>	48,388
Financial assets at fair value through profit or loss (“FVPL”)		<b>4,451</b>	5,000
Other receivables	9	<b>5,000</b>	5,000
<b>Total non-current assets</b>		<b>373,194</b>	425,439
<b>Current assets</b>			
Inventories		<b>3,731</b>	2,996
Trade and other receivables and prepayments to suppliers	9	<b>217,552</b>	331,644
Amounts due from related parties		<b>1,077</b>	1,069
Contract assets	9	<b>157,995</b>	159,472
Financial assets at fair value through profit or loss (“FVPL”)		<b>444,231</b>	634,343
Term deposits		<b>234,228</b>	–
Restricted cash		<b>10,658</b>	21,734
Cash and cash equivalents		<b>475,036</b>	548,017
<b>Total current assets</b>		<b>1,544,508</b>	1,699,275
<b>Total assets</b>		<b>1,917,702</b>	2,124,714

	<i>Note</i>	<b>Unaudited 30 June 2022 RMB'000</b>	Audited 31 December 2021 RMB'000
<b>EQUITY</b>			
Share capital		761	767
Share premium		2,257,706	2,262,955
Other reserves		(238,476)	(252,209)
Treasury shares		(45,360)	(46,420)
Accumulated losses		(725,049)	(667,969)
<b>Equity attributable to equity holders of the Company</b>		<b>1,249,582</b>	1,297,124
<b>Non-controlling interests</b>		<b>(17,681)</b>	(11,681)
<b>Total equity</b>		<b>1,231,901</b>	1,285,443
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred tax liabilities		395	457
Lease liabilities		14,981	21,501
<b>Total non-current liabilities</b>		<b>15,376</b>	21,958
<b>Current liabilities</b>			
Short-term borrowings		19,280	16,280
Trade and other payables	<i>11</i>	457,772	608,841
Contract liabilities	<i>11</i>	122,218	126,856
Amounts due to related parties		266	–
Lease liabilities		23,732	18,174
Income tax liabilities		47,157	47,162
<b>Total current liabilities</b>		<b>670,425</b>	817,313
<b>Total liabilities</b>		<b>685,801</b>	839,271
<b>Total equity and liabilities</b>		<b>1,917,702</b>	2,124,714

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

## 1. GENERAL INFORMATION

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

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

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

The interim condensed consolidated financial information is presented in Renminbi thousand (RMB’000), unless otherwise stated.

The interim condensed consolidated financial information was approved by the Board of Directors on 22 August 2022.

The interim condensed consolidated financial information has not been audited.

## 2 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2022 has been prepared in accordance with International Accounting Standard (“**IAS**”) 34, ‘Interim financial reporting’. The interim condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2021, which have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622 and any public announcements made by the Company during the interim reporting period.

## 3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2021, as described in those annual financial statements.

### (a) New and amended standards adopted by the Group

- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
- Onerous Contracts – Cost of Fulfilling a Contract – Amendments to IAS 37
- Annual Improvements to IFRS Standards 2018-2020
- Reference to the Conceptual Framework – Amendments to IFRS 3
- Amendments to AG5 Merger Accounting for Common Control Combinations

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

**(b) New Standards, amendments to standards and interpretations not yet adopted**

Certain new accounting standards, amendments and interpretations that have been issued but not yet effective and not been early adopted by the Group for the reporting period are as follows:

	<b>New standards, amendments</b>	<b>Effective for annual periods beginning on or after</b>
IFRS 17	Insurance contracts and related Amendments	January 1, 2023
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	January 1, 2023
Amendments to IFRS 4	Extension of the temporary exemption from applying IFRS 9	January 1, 2023
Amendments to IAS 8	Definition of Accounting Estimates	January 1, 2023
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies	January 1, 2023
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has already commenced an assessment of the related impact of the above standards and amendments to standards which are relevant to the Group's operation. There are no other standards that are not yet effective and that are expected to have a material impact on the Group's financial performance and position.

**4 SEGMENT INFORMATION**

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

The Group's operations are mainly organised under the following business segments as a result of the aforementioned change on operating segments:

- SaaS and Marketing Service;
- Supply Chain Service;
- Interior Design and Construction; and
- Innovation and others.

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

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

Segment	Six months ended 30 June 2022 (unaudited)				Total RMB'000
	SaaS and Marketing Service RMB'000	Supply Chain Service RMB'000	Interior Design and Construction RMB'000	Innovation and others RMB'000	
<b>Revenue</b>					
Segment revenue	242,800	21,535	170,191	44,165	478,691
Inter-segment sales	(2,936)	(5,707)	(287)	(37,821)	(46,751)
Revenue from external customers	<u>239,864</u>	<u>15,828</u>	<u>169,904</u>	<u>6,344</u>	<u>431,940</u>
Timing of revenue recognition					
At a point in time	164,338	15,828	1,553	3,814	185,533
Over time	<u>75,526</u>	<u>–</u>	<u>168,351</u>	<u>2,530</u>	<u>246,407</u>
	<u>239,864</u>	<u>15,828</u>	<u>169,904</u>	<u>6,344</u>	<u>431,940</u>
<b>Results</b>					
Segment gross profit/(loss)	<u>231,178</u>	<u>1,820</u>	<u>13,053</u>	<u>(1,057)</u>	<u>244,994</u>
Selling and marketing expenses					(208,947)
Administrative expenses					(41,287)
Research and development expenses					(20,302)
Net impairment losses on financial assets					(12,965)
Other losses – net					(27,088)
Finance income – net					6,155
Share of results of investments accounted for using the equity method					<u>(3,213)</u>
					<u>(62,653)</u>

Segment	Six months ended 30 June 2021 (unaudited)				Total RMB'000
	SaaS and Marketing Service RMB'000	Supply Chain Service RMB'000	Interior Design and Construction RMB'000	Innovation and others RMB'000	
<b>Revenue</b>					
Segment revenue	282,725	32,890	209,409	22,679	547,703
Inter-segment sales	(1,719)	(4,505)	(2,330)	(14,758)	(23,312)
Revenue from external customers	<u>281,006</u>	<u>28,385</u>	<u>207,079</u>	<u>7,921</u>	<u>524,391</u>
Timing of revenue recognition					
At a point in time	188,693	28,385	2,990	2,304	222,372
Over time	<u>92,313</u>	<u>–</u>	<u>204,089</u>	<u>5,617</u>	<u>302,019</u>
	<u>281,006</u>	<u>28,385</u>	<u>207,079</u>	<u>7,921</u>	<u>524,391</u>
<b>Results</b>					
Segment gross profit	<u>267,744</u>	<u>3,035</u>	<u>25,043</u>	<u>734</u>	<u>296,556</u>
Selling and marketing expenses					(234,264)
Administrative expenses					(38,501)
Research and development expenses					(22,060)
Net impairment losses on financial assets					(475)
Other gains – net					7,895
Finance income – net					4,369
Share of results of investments accounted for using the equity method					<u>3,905</u>
					<u>17,425</u>

**(a) Revenue**

The revenue for the six months ended 30 June 2022 and 2021 are set out as follows:

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2022</b>	<b>2021</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
SaaS and Marketing Service	<b>239,864</b>	281,006
Supply Chain Service	<b>15,828</b>	28,385
Interior Design and Construction	<b>169,904</b>	207,079
Innovation and others	<b>6,344</b>	7,921
	<b><u>431,940</u></b>	<b><u>524,391</u></b>

**(b) Revenue by geographical markets**

All the revenue of the Group was generated in the PRC during the six months ended 30 June 2022 and 2021.

**(c) Information about major customers**

No individual customer's revenue amounted to 10% or more of the Group's total revenue.

## 5 EXPENSES BY NATURE

	Unaudited	
	Six months ended 30 June	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
Outsourced labour costs	147,721	159,676
Advertising and promotion expenses	121,816	142,145
Employee benefit expenses	92,812	85,295
Materials and other consumables used	59,541	94,908
Depreciation of right-of-use assets	7,676	6,008
Travelling, entertainment and communication expenses	5,899	8,180
Short-term leases and leases of low-valued assets	4,792	7,212
Depreciation of property, plant and equipment	3,324	2,195
Professional fee	2,116	3,259
Auditor's remuneration		
– Audit service	1,750	1,600
– Non-audit service	70	70
Bank charges and point-of-sale device processing fees	1,742	2,884
Amortization of intangible assets	1,439	1,746
Taxes and levies	1,208	120
Utilities and electricity expenses	243	384
Miscellaneous	5,333	6,978
	<u>457,482</u>	<u>522,660</u>

## 6 FINANCE INCOME – NET

	Unaudited	
	Six months ended 30 June	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
Finance income:		
Interest income	<u>7,314</u>	<u>7,279</u>
Finance costs:		
Interest expenses on borrowings	(363)	(1,979)
Interest expenses on lease liabilities	<u>(796)</u>	<u>(931)</u>
	(1,159)	(2,910)
Finance income – net	<u>6,155</u>	<u>4,369</u>

## 7 INCOME TAX EXPENSES

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2022</b>	<b>2021</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Current tax:		
Current tax for the period	<u>24</u>	<u>360</u>
Deferred income tax:		
Decrease in deferred tax assets	3,733	1,649
Decrease in deferred tax liabilities	<u>(62)</u>	<u>(62)</u>
Total deferred tax	<u>3,671</u>	<u>1,587</u>
Income tax expenses	<u><b>3,695</b></u>	<u><b>1,947</b></u>

### (a) Cayman Islands

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

### (b) British Virgin Islands

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

### (c) Hong Kong

Hong Kong profits tax rate is 8.25% for assessable profits on the first HKD2 million and 16.5% for any assessable profits in excess. No Hong Kong profit tax was provided for as there was no estimated assessable profit that was subject to Hong Kong profits tax during the six months ended 30 June 2022 and 2021.

### (d) PRC corporate income tax ("CIT")

CIT provision was made on the estimated assessable profits of entities within the Group incorporated/established in the PRC and was calculated in accordance with the relevant regulations of the PRC after considering the available tax benefits from refunds and allowances. The general PRC CIT rate is 25% for the six months ended 30 June 2022 and 2021.

A subsidiary of the Group in the PRC was qualified as "High and New Technology Enterprises", and accordingly, it was subject to a reduced preferential CIT rate of 15% for the six months ended 30 June 2022 and 2021 according to the applicable CIT Law.

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

### (e) Withholding tax on undistributed profits

According to CIT law, distribution of profits earned by PRC companies since 1 January 2008 is subject to withholding tax with a rate of 5% or 10%, depending on the country of incorporation of the foreign investor. During the six months ended 30 June 2022 and 2021, the PRC companies of the Group do not have any profit distribution plan.

## 8 (LOSSES)/EARNINGS PER SHARE

### (a) Basic (losses)/earnings per share

Basic (losses)/earnings per share is calculated by dividing the (loss)/profit of the Group attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the interim periods excluding treasury shares.

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2022</b>	<b>2021</b>
(Losses)/earnings attributable to equity holders of the Company (RMB'000)	<b>(57,080)</b>	12,087
Weighted average number of ordinary shares in issue (thousand)	<b>1,118,925</b>	1,157,839
(Losses)/earnings per share (RMB per share)	<b><u>(0.0510)</u></b>	<u>0.0104</u>

### (b) Diluted (losses)/earnings per share

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

For the six months ended 30 June 2022 and 2021, the Company had one category of dilutive potential ordinary shares: Restricted Stock Units. For the Restricted Stock Units, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the rights attached to outstanding shares under RSU Scheme. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the vesting of outstanding shares under RSU Scheme.

As the Group incurred losses for the six months ended 30 June 2022, the potential ordinary shares were not included in the calculation of diluted losses per share as their inclusion would be anti-dilutive. Accordingly, diluted losses per share for the six months ended 30 June 2022 were the same as basic losses per share.

The calculation of the diluted earnings per share for the six months ended 30 June 2021 was shown as follows:

	<b>Unaudited</b>
	<b>Six months</b>
	<b>ended</b>
	<b>30 June</b>
	<b>2021</b>
Earnings attributable to equity holders of the Company (RMB'000)	<u>12,087</u>
Weighted average number of ordinary shares in issue (thousand)	<b>1,157,839</b>
Adjustments for RSUs (thousands of shares)	<u>3,450</u>
Weighted average number of ordinary shares for diluted earnings per share (thousands of shares)	<b>1,161,289</b>
Diluted earnings per share (RMB per share)	<b><u>0.0104</u></b>

## 9 TRADE AND OTHER RECEIVABLES AND ADVANCES TO SUPPLIERS

	Unaudited 30 June 2022 RMB'000	Audited 31 December 2021 RMB'000
<b>Non-current:</b>		
<b>Other receivables</b>		
Receivables from disposal of subsidiaries	5,000	5,000
Less: provision for impairment of other receivables	—	—
Net other receivables	<u>5,000</u>	<u>5,000</u>
<b>Current:</b>		
<b>Notes receivables</b>		
	<u>1,280</u>	<u>1,280</u>
<b>Trade receivables</b>		
Due from third parties	107,665	139,855
Less: provision for impairment of trade receivables	<u>(10,844)</u>	<u>(8,287)</u>
Net trade receivables	<u>96,821</u>	<u>131,568</u>
<b>Other receivables</b>		
Loans due from third parties (a)	60,206	10,206
Project deposits	10,425	11,104
Staff advances	4,648	3,314
Rental deposits	3,099	2,208
Interest receivable	874	227
Receivables from disposal of subsidiaries (b)	—	147,000
Others	<u>15,646</u>	<u>10,580</u>
Gross other receivables	94,898	184,639
Less: provision for impairment of other receivables	<u>(12,491)</u>	<u>(11,577)</u>
Net other receivables	<u>82,407</u>	<u>173,062</u>
<b>Others</b>		
Prepayments to suppliers	31,699	20,240
Value-added tax recoverable	<u>5,345</u>	<u>5,494</u>
<b>Total current trade and other receivables and prepayments to suppliers</b>	<u>217,552</u>	<u>331,644</u>
<b>Contract assets</b>		
Due from third parties	176,312	168,295
Less: provision for impairment of contract assets	<u>(18,317)</u>	<u>(8,823)</u>
Net contract assets	<u>157,995</u>	<u>159,472</u>

- (a) On 15 January 2022, the Group granted a loan of RMB50,000,000 to an independent third-party individual, with a fixed interest rate of 10% per annum. The loan is pledged by some restricted shares owned by this individual.
- (b) During the year ended 31 December 2021, the Group disposed 100% equity interests in Shanghai Jinjie Furniture and Decorations Co., Ltd., Shanghai Zhengyi Information Technology Co., Ltd, Fujian Qiyi Information Technology Co., Ltd., and Sanming Qijia Network Information Technology Co., Ltd. Receivables of RMB147,000,000 from disposal of subsidiaries were received in January 2022. Payables of RMB9,816,000 for disposal of subsidiaries were paid in January 2022 (Note 11).
- (c) As at 30 June 2022, the carrying amounts of trade and other receivables and contract assets are primarily denominated in RMB and approximate their fair values at each of the reporting dates.

The Group grants credit periods to customers ranging from 30 days to 180 days. As at 30 June 2022, the aging analysis of the trade receivables based on invoice date were as follows:

	<b>Unaudited</b> <b>30 June</b> <b>2022</b> <i>RMB'000</i>	Audited 31 December 2021 <i>RMB'000</i>
<b>Trade receivables – gross</b>		
Within 1 month	<b>46,016</b>	55,052
Over 1 month and within 1 year	<b>46,899</b>	64,376
Over 1 year and within 2 years	<b>9,557</b>	17,912
Over 2 years	<b>5,193</b>	2,515
	<b>107,665</b>	139,855

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

	<b>Unaudited</b> <b>Six months ended 30 June</b> <b>2022</b> <i>RMB'000</i>	2021 <i>RMB'000</i>
<b>At the beginning of the period</b>	<b>(8,287)</b>	(1,589)
Increase in impairment	<b>(2,557)</b>	(467)
Write-off	–	3
<b>At the end of the period</b>	<b>(10,844)</b>	(2,053)

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

	<b>Unaudited Six months ended 30 June 2022 RMB'000</b>
<b>At the beginning of the period</b>	<b>(8,823)</b>
Increase in impairment	<b>(9,494)</b>
	<hr/>
<b>At the end of the period</b>	<b><u>(18,317)</u></b>

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

	<b>Unaudited Six months ended 30 June</b>	
	<b>2022</b>	<b>2021</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>At the beginning of the period</b>	<b>(11,577)</b>	<b>(14,452)</b>
Increase in impairment	<b>(914)</b>	<b>(8)</b>
Write-off	<b>–</b>	<b>1,567</b>
	<hr/>	<hr/>
<b>At the end of the period</b>	<b><u>(12,491)</u></b>	<b><u>(12,893)</u></b>

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

	<b>Unaudited Six months ended 30 June</b>	
	<b>2022</b>	<b>2021</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Net impairment loss provision		
– Trade receivables	<b>(2,557)</b>	<b>(467)</b>
– Contract assets	<b>(9,494)</b>	<b>–</b>
– Other receivables	<b>(914)</b>	<b>(8)</b>
	<hr/>	<hr/>
	<b><u>(12,965)</u></b>	<b><u>(475)</u></b>

## 10 DIVIDENDS

No dividends were paid or declared by the Company during the six months ended 30 June 2022 and 2021.

## 11 TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

	<b>Unaudited 30 June 2022 RMB'000</b>	Audited 31 December 2021 RMB'000
<b>Trade payables (a)</b>	<b>194,683</b>	233,080
<b>Other payables</b>		
Deposits payables (b)	87,816	182,470
Quality and performance guarantee deposits from customers	77,793	75,834
Payables for disposal of subsidiaries (Note 9(b))	–	9,816
Decoration payments collected on behalf of merchants	1,138	1,225
Other accrued expenses and payables	22,880	27,140
Total other payables	189,627	296,485
<b>Others</b>		
Staff salaries and welfare payables	47,024	51,585
Accrued taxes other than income tax	26,438	27,691
<b>Total trade and other payables</b>	<b>457,772</b>	608,841
<b>Contract liabilities (c)</b>	<b>122,218</b>	126,856

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

	<b>Unaudited 30 June 2022 RMB'000</b>	Audited 31 December 2021 RMB'000
Within 1 month	79,668	164,306
Over 1 month and within 3 months	21,425	25,262
Over 3 months and within 1 year	57,999	18,792
Over 1 year	35,591	24,720
	<b>194,683</b>	233,080

(b) Deposits payables mainly represent security deposits from users of our escrow payment services.

(c) Contract liabilities represent prepayments made by customers in exchange for goods or services to be provided by the Group in subsequent period, primarily in relation to order recommendation services, interior design and construction services and sales of building materials.

## OTHER INFORMATION

### Purchase, sale or redemption of the Company's listed securities

During the Reporting Period, the Company has repurchased 8,827,000 Shares on the Stock Exchange at an aggregate consideration (excluding transaction cost) of approximately HKD6.2 million. The highest price paid was HKD0.79, and the lowest price paid was HKD0.40.

Particulars of the repurchases made by the Company during the Reporting Period and up to the date of this announcement are as follows:

Months	Number of Shares repurchased	Purchase price per Share		Aggregate consideration (HK\$)
		Highest (HK\$)	Lowest (HK\$)	
January	8,167,000	0.79	0.62	5,873,324
April	660,000	0.42	0.40	276,480

The 222,500 Shares repurchased in 2021 and 8,827,000 Shares repurchased in 2022 were cancelled on 28 June 2022.

For details of the Shares purchased by the RSU Trustee (as defined below) for the purpose of the 2021 RSU Scheme during the Reporting Period, please refer to the section headed "Employee and remuneration policy" below.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities during the Reporting Period and up to the date of this announcement.

### Employee and remuneration policy

As of 30 June 2022, the Group had 870 full-time employees, most of whom were based in China, primarily at our headquarters in Shanghai, with the rest based in Beijing, Fuzhou and various other cities in China. The number of employees employed by the Group varies depending on needs and employees are remunerated based on industry practice.

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

Pursuant to the 2021 RSU Scheme which was adopted on 15 January 2021 and the grant of RSUs as disclosed in the announcement dated 22 March 2021, Tricor Trust (Hong Kong) Limited was appointed as the trustee for the administration of the 2021 RSU Scheme (the “**RSU Trustee**”). Until the six months ended 30 June 2022, the RSU Trustee purchased an aggregate of 31,642,000 Shares at a total cash consideration of approximately HK\$63.2 million on-market to hold on trust for the benefit of the participants of the 2021 RSU Scheme (the “**RSU Participants**”). Such Shares will be used as awards for relevant RSU Participants upon the grant and vesting of RSUs. As of 30 June 2022, RSUs in respect of an aggregate of 14,927,432 Shares (representing approximately 1.3% of the total issued share capital of the Company as at the date of this announcement) granted by the Company under the 2021 RSU Scheme remained outstanding.

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

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

### **Compliance with the CG Code**

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

The Company has adopted the principles and code provisions of the CG Code as set out in Part 2 of Appendix 14 to the Listing Rules as the basis of the Company’s corporate governance practices during the Reporting Period.

Save for code provision C.2.1, the Company has complied with all the code provisions as set out in the CG Code during the Reporting Period.

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

## **Compliance with the Model Code**

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company since the Listing Date. Having made specific enquiry of all the Directors of the Company, all the Directors confirmed that they have strictly complied with the required standards set out in the Model Code during the Reporting Period.

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

## **Audit and Risk Management Committee and review of financial statements**

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

The Audit and Risk Management Committee has reviewed the Company's unaudited condensed consolidated interim results for the Reporting Period, and confirms that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. The Audit and Risk Management Committee has also discussed the auditing, internal control and financial reporting matters.

## **Interim dividend**

The Board has resolved not to declare any interim dividend for the Reporting Period.

## **Use of net proceeds**

The total net proceeds from the issue of new Shares by the Company in its Listing (after deducting the underwriting fees and related expenses) amounted approximately RMB949.8 million, and the net proceeds had been used up during the Reporting Period. As a result, the balance of unutilized net proceeds was Nil as at 30 June 2022.

The net proceeds from the Global Offering have been utilized in accordance with the intended uses as disclosed in the Prospectus of the Company and subsequently revised in the announcement issued by the Company dated 27 March 2020. The table below sets out the actual usage of the net proceeds as at 30 June 2022:

<b>Use of proceeds</b>	<b>Revised allocation of usage of net proceeds (RMB million)</b>	<b>Revised Percentage of total net proceeds</b>	<b>Actual usage up to 30 June 2022 (RMB million)</b>	<b>Unutilized net proceeds as at 30 June 2022 (RMB million)</b>
Marketing expense	379.9	40.0%	379.9	–
Development of supply chain management business	135.0	14.2%	135.0	–
Development of Loan referral business	20.0	2.1%	20.0	–
Development of our self-operated interior design and construction business	50.0	5.3%	50.0	–
Investment in our technology infrastructure and system	162.5	17.1%	162.5	–
Additional strategic investments and acquisitions	95.0	10.0%	95.0	–
Development of our new business	40.0	4.2%	40.0	–
General working capital	67.4	7.1%	67.4	–
<b>Total</b>	<b>949.8</b>	<b>100.0%</b>	<b>949.8</b>	<b>–</b>

### **Important events after the Reporting Period**

The Group has no important events after the Reporting Period.

### **Sufficiency of Public float**

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

### **Publication of the interim results announcement and interim report**

This interim results announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.qeeka.com](http://www.qeeka.com). The interim report of the Company for the six months ended 30 June 2022 will be dispatched to the Shareholders and will be available on the above websites in due course.

## **APPRECIATION**

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

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

Shanghai, the PRC, 22 August 2022

*As at the date of this announcement, the Board comprises Mr. Deng Huajin, Mr. Tian Yuan and Mr. Gao Wei as executive Directors; Mr. Li Gabriel, Mr. Xiao Yang and Mr. Zhao Guibin as non-executive Directors; and Mr. Zhang Lihong, Mr. Cao Zhiguang and Mr. Wong Man Chung Francis as independent non-executive Directors.*

## DEFINITION USED IN THIS ANNOUNCEMENT

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Auditor”	PricewaterhouseCoopers, the independent auditor of the Company
“Board”	the board of Directors of our Company
“CEO”	the chief executive officer of our Company
“CG Code”	the Corporate Governance Code as set out in Appendix 14 of the Listing Rules
“Chairman”	the chairman of the Board
“CIT”	corporate income tax
“Company”, “our Company”, “we” or “us”	Qeeka Home (Cayman) Inc. 齊屹科技(開曼)有限公司 (formerly known as China Home (Cayman) Inc.), an exempted company with limited liability incorporated in the Cayman Islands on 20 November 2014
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Contractual Arrangement(s)”	the series of contractual arrangements entered into among Shanghai Qijia, Qijia Network Technology and the shareholders of Shanghai Qijia, details of which are described in the section headed “Contractual Arrangements” of the Prospectus
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of our Company
“EPS”	earnings/(loss) per share
“Group” or “our Group”	the Company, its subsidiaries, and the PRC Operating Entities (the financial results of which have been consolidated and accounted for as subsidiaries of our Company by virtue of the Contractual Arrangements) from time to time
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“IAS”	the International Accounting Standards
“IASB”	the International Accounting Standards Board
“IDC” or “Interior Design and Construction Business”	the provision of interior design and construction service and licensing it brand to business partners and others
“IFRS”	the International Financial Reporting Standards, amendments and interpretation issued from time to time by the IASB
“Innovation and others”	the provision of other initiative services
“IPO”	the Company’s initial public offering and listing of its shares on Main Board of the Stock Exchange on 12 July 2018
“Listing Date”	12 July 2018, the date on which the Shares were listed on Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified form time to time
“Main Board”	The stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the Growth Enterprise Market of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules
“Mr. Deng”	Mr. Deng Huajin, our founder, Chairman, executive Director, CEO and our single largest Shareholder
“PRC” or “China”	the People’s Republic of China, except where the context requires otherwise and only for the purposes of this prospectus, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Operating Entities”	Shanghai Qijia and its subsidiaries and branches, the financial accounts of which have been consolidated and accounted for as if they were subsidiaries of our Company by virtue of the Contractual Arrangements

“Prospectus”	the prospectus being issued in connection with the IPO
“Reporting Period”	the six months ended 30 June 2022
“RMB”	Renminbi, the lawful currency of PRC
“RSU(s)”	restricted share unit(s)
“SaaS and Marketing Service Business”	the provision of SaaS based total marketing solution, targeted marketing services and inspection service
“Sales lead”	the data that identifies someone as a potential demand user of Interior Design and Construction
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shanghai Qiyu”	Shanghai Qiyu Information Technology Co., Ltd.* (上海齊煜信息科技有限公司), a company incorporated in the PRC and a wholly owned subsidiary of the Company
“Share(s)”	ordinary share(s) in the share capital of our Company with a par value of US\$0.0001 each
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the meaning ascribed thereto in section 15 of the Companies Ordinance
“Supply Chain Service Business”	the provision of building and home decoration materials
“USD”	United States dollar, the lawful currency of the United States
“%”	per cent

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