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泓盈集團
HOLLWIN

HOLLWIN URBAN OPERATION SERVICE GROUP CO., LTD

泓盈城市運營服務集團股份有限公司

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

(Stock Code: 2529)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED DECEMBER 31, 2024**

	For the year ended December 31,	
	2024	2023
Revenue (<i>RMB in thousand</i>)	683,511	651,875
Gross profit (<i>RMB in thousand</i>)	172,324	151,831
Gross profit margin	25.2%	23.3%
Profit for the year (<i>RMB in thousand</i>)	71,482	70,178
Net profit margin	10.5%	10.8%
Profit for the year attributable to equity shareholders of the Company (<i>RMB in thousand</i>)	71,858	70,178
Basic and diluted earnings per share (<i>RMB</i>)	0.50	0.58
Proposed final dividend per share (<i>RMB</i>)	0.23	nil

For the year ended December 31, 2024, the total revenue of the Group was RMB683.5 million, representing an increase of 4.9% from the same period in 2023.

For the year ended December 31, 2024, the gross profit of the Group was RMB172.3 million, representing an increase of 13.5% from the same period in 2023; the Group's gross profit margin was 25.2% in 2024, representing an increase of 1.9 percentage points from the same period in 2023.

For the year ended December 31, 2024, the profit for the year of the Group was RMB71.5 million, remaining relatively stable as compared with the same period in 2023.

As of December 31, 2024, the Group's cash and cash equivalents amounted to RMB354.7 million, representing an increase of 68.7% compared with that as of December 31, 2023.

As of December 31, 2024, the Group had 12.2 million sq.m. of GFA under management, representing an increase of 2.5% compared with that as of December 31, 2023.

The Board recommended the payment of a final dividend of RMB0.23 per share (tax inclusive) for the year ended December 31, 2024.

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Hollwin Urban Operation Service Group Co., Ltd (the “**Company**”) hereby announces the audited consolidated annual results of the Company and its subsidiaries (the “**Group**” or “**we**”) for the year ended December 31, 2024 (the “**Reporting Period**”), together with comparative figures for the year ended December 31, 2023.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2024

(Expressed in Renminbi (“RMB”))

		2024	2023
	<i>Note</i>	<i>RMB’000</i>	<i>RMB’000</i>
REVENUE	3	683,511	651,875
Cost of sales		<u>(511,187)</u>	<u>(500,044)</u>
Gross profit		172,324	151,831
Other net income		536	2,184
Selling expenses		(4,413)	(4,742)
Administrative expenses		(68,125)	(53,391)
Expected credit loss	4(c)	<u>(9,706)</u>	<u>(7,266)</u>
Profit from operations		90,616	88,616
Share of profits less losses of an associate and joint ventures		1,836	2,178
Finance income	4(a)	2,730	2,212
Finance costs	4(b)	<u>(68)</u>	<u>(6)</u>
PROFIT BEFORE TAXATION		95,114	93,000
Income tax	5	<u>(23,632)</u>	<u>(22,822)</u>
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>71,482</u>	<u>70,178</u>

		2024	2023
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Attributable to:			
Equity shareholders of the Company		71,858	70,178
Non-controlling interests		<u>(376)</u>	<u>–</u>
Profit for the year		<u>71,482</u>	<u>70,178</u>
Earnings per share (<i>RMB</i>)			
Basic and diluted	6	<u>0.50</u>	<u>0.58</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2024

(Expressed in RMB)

		2024	2023
	Note	RMB'000	RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		17,286	17,971
Intangible assets		47	83
Investments in joint ventures		14,635	13,080
Investment in an associate		10,736	11,039
Deferred tax assets		13,124	10,235
Long-term deposits		842	–
Prepayments for acquisition of non-current assets		2,890	1,426
		<u>59,560</u>	<u>53,834</u>
CURRENT ASSETS			
Inventories		3,680	4,152
Contract assets	7(a)	286,302	249,703
Prepayments, trade and other receivables	8	187,013	125,182
Tax recoverable		–	2,434
Restricted bank deposits		5,325	4,579
Cash and cash equivalents		354,668	210,210
		<u>836,988</u>	<u>596,260</u>
CURRENT LIABILITIES			
Trade and other payables	9	480,002	359,698
Contract liabilities	7(b)	23,578	18,475
Lease liabilities		761	30
Current taxation		13,690	13,905
		<u>518,031</u>	<u>392,108</u>

	<i>Note</i>	2024 RMB'000	2023 <i>RMB'000</i>
NET CURRENT ASSETS		<u>318,957</u>	<u>204,152</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>378,517</u>	<u>257,986</u>
NON-CURRENT LIABILITIES			
Lease liabilities		2,139	–
Deferred income		<u>1,860</u>	<u>2,132</u>
		<u>3,999</u>	<u>2,132</u>
NET ASSETS		<u><u>374,518</u></u>	<u><u>255,854</u></u>
CAPITAL AND RESERVES			
Share capital		160,000	120,000
Reserves		<u>214,513</u>	<u>135,854</u>
Total equity attributable to equity shareholders of the Company		374,513	255,854
Non-controlling interests		<u>5</u>	<u>–</u>
TOTAL EQUITY		<u><u>374,518</u></u>	<u><u>255,854</u></u>

NOTES

(Expressed in RMB unless otherwise indicated)

1 GENERAL INFORMATION

Hollwin Urban Operation Service Group Co., Ltd (the “**Company**”) was established as a limited liability company with registered capital of RMB10,000,000 on 7 September 2015 in Changsha, Hunan Province, the People’s Republic of China (the “**PRC**”). The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) on 17 May 2024. The address of the Company’s registered office is 9/F, Building A1, Xiangjiang Times Square, 179 Pilot Road, Yuelu District, Changsha, Hunan Province, the PRC.

The Company and its subsidiaries (together, the “**Group**”) are principally engaged in the property management services, urban services and commercial operation services as defined in Note 3(b). Further details on the main services lines and operation segments of the Group are set out in Note 3.

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable IFRS Accounting Standards issued by International Accounting Standards Board (“**IASB**”) and the disclosure requirement of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Material accounting policies adopted by the Group are disclosed below.

The IASB has issued certain amendments to IFRS Accounting Standards issued by International Accounting Standards Board (“**IASB**”) that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2024 comprise the Group and the Group's interest in an associate and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis.

The preparation of financial statements in conformity with IFRS Accounting standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(c) Changes in accounting policies

The Group has applied the following amendments to IFRS Accounting Standards issued by the IASB to these financial statements for the current accounting period:

- Amendments to IAS 1, Presentation of financial statements: Classification of liabilities as current or non-current
- Amendments to IAS 1, Presentation of financial statements: Non-current liabilities with covenants
- Amendments to IFRS Accounting Standards 16, Leases: Lease liability in a sale and leaseback
- Amendments to IAS 7, Statement of cash flows and IFRS Accounting Standards 7, Financial instruments: Disclosures – Supplier finance arrangements

The adoption of the amended IFRS Accounting Standards have no material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The Group principally generates its revenue from the provision of property management services, urban services and commercial operation services as defined in Note 3(b).

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers and other sources by major services lines is as follows:

	2024 RMB'000	2023 RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major service lines		
– Provision of property management services	278,526	237,902
– Provision of municipal sanitation services	62,971	52,713
– Provision of lighting system operation services	62,186	67,497
– Provision of commercial operation services	61,338	60,683
– Provision of landscaping and engineering services	162,046	186,347
– Provision of parking lots services	52,436	42,632
	679,503	647,774
Revenue from other sources		
Disaggregated by major services lines		
– sublease of parking lots	4,008	4,101
	683,511	651,875

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographic markets is disclosed in Note 3(b)(i) and 3(b)(iv).

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by services lines. In a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker ("CODM") for the purpose of resource allocation and performance assessment, the Group has presented the following three reportable segments.

- Property Management Services which include management and operation services provided to commercial properties, residential properties, and public properties.
- Urban Services which include the provision of lighting system operation services, municipal sanitation services, landscaping and engineering services, parking lot operation services and sublease of parking lot.

- Commercial Operation Services which include the provision of commercial operation services such as tenant sourcing services, tenant management, rent collection services and sublease of commercial properties.

(i) **Segment results**

For the purposes of assessing segment performance and allocating resources between segments, the Group's CODM monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

Segment profit/loss represents gross profit earned by/loss from each segment.

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below.

	Property Management Services		Urban Services		Commercial Operation Services		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue from external customers								
Revenue from contracts with customers within the scope of IFRS 15								
Disaggregated by timing of revenue recognition								
Point in time	4,410	2,295	–	–	1,998	1,587	6,408	3,882
Over time	286,681	235,607	327,074	349,189	59,340	59,096	673,095	643,892
Subtotal	291,091	237,902	327,074	349,189	61,338	60,683	679,503	647,774
Revenue from other sources								
Gross rental income	–	–	4,008	4,101	–	–	4,008	4,101
Total	291,091	237,902	331,082	353,290	61,338	60,683	683,511	651,875
Inter-segment revenue	8,835	7,857	370	275	–	268	9,205	8,400
Reportable segment revenue	299,926	245,759	331,452	353,565	61,338	60,951	692,716	660,275
Gross profit	50,617	35,950	84,617	78,009	37,090	37,872	172,324	151,831

(ii) *Reconciliations of reportable segment revenues*

	2024 RMB'000	2023 RMB'000
Reportable segment revenue	692,716	660,275
Elimination of inter-segment revenue	(9,205)	(8,400)
	<u>683,511</u>	<u>651,875</u>
Consolidated revenue (Note 3(a))	<u>683,511</u>	<u>651,875</u>

4 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after (crediting)/charging:

(a) Finance income

	2024 RMB'000	2023 RMB'000
Interest income from bank deposits	(2,722)	(2,212)
Interest income from long-term deposits	(8)	–
	<u>(2,730)</u>	<u>(2,212)</u>

(b) Finance costs

	2024 RMB'000	2023 RMB'000
Interest on lease liabilities	<u>68</u>	<u>6</u>

(c) Expected credit loss

Expected credit losses recognised/(reversed) during the year are from items below:

	2024 RMB'000	2023 RMB'000
Trade receivables	11,009	677
Contract assets	(2,657)	5,926
Others	<u>1,354</u>	<u>663</u>
	<u>9,706</u>	<u>7,266</u>

(d) Other net income

		2024	2023
	Notes	RMB'000	RMB'000
Government grants	(i)	(980)	(403)
Exchange loss		692	–
Gain on disposal of property, plant and equipment		(2)	(3)
Super deduction of value-added tax (“VAT”)	(ii)	–	(1,902)
Others		(246)	124
		<u>(536)</u>	<u>(2,184)</u>

Notes:

- (i) For the years ended 31 December 2024 and 2023, the government grants received by the Group mainly related to subsidies for staff retention and acquisition of non-current assets.
- (ii) Pursuant to the relevant regulation, the super deduction of value-added tax policy applied to the Group was expired on 31 December 2023.

5 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Taxation in the consolidated statement of profit or loss represents:

	2024	2023
	RMB'000	RMB'000
Current tax – PRC Corporate Income Tax		
Provision for the year	26,607	25,755
Over-provision in respect of prior year	(86)	–
Deferred tax		
Origination and reversal of temporary differences	<u>(2,889)</u>	<u>(2,933)</u>
	<u>23,632</u>	<u>22,822</u>

(b) **Reconciliation between tax expense and accounting profit at applicable tax rates:**

	2024 RMB'000	2023 <i>RMB'000</i>
Profit before taxation	95,114	93,000
Notional tax on profit before taxation, calculated at the rates applicable to profits in the tax jurisdictions concerned (<i>Note (i)</i>)	23,779	23,250
Tax effect of PRC preferential tax rates (<i>Note (ii)</i>)	(181)	(229)
Tax effect of share of profits less losses of an associate and joint ventures	(459)	(544)
Tax effect of non-deductible expenses	579	345
Over-provision in respect of prior year	(86)	–
	23,632	22,822
Actual income tax expense	23,632	22,822

Note:

- (i) The Group's entities in the PRC are subject to PRC income tax at 25%.
- (ii) Certain entities of the Group had been filed as Small Low-Profit Enterprises for previous years. The management of the Group believes that these entities will continue to qualify as Small Low-Profit Enterprises for the year ended 31 December 2024 and are subject to a preferential effective tax rate at 5% for the year ended 31 December 2024 (2023: 5%).

6 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of RMB71,858,000 (2023: RMB70,178,000) and the weighted average of 145,027,000 ordinary shares (2023: 120,000,000 shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

	2024 '000	2023 <i>'000</i>
Issued ordinary shares at 1 January	120,000	120,000
Effect of issue of new shares by initial public offering	25,027	–
	145,027	120,000
Weighted average number of ordinary shares at 31 December	145,027	120,000

There were no dilutive potential shares outstanding during the years ended 31 December 2024 and 2023 and therefore the diluted earnings per share are same as the basic earnings per share.

7 CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract assets

	2024 RMB'000	2023 RMB'000
Arising from performance under lighting system operations services, municipal sanitation services and landscaping and engineering services contracts		
– related parties	162,870	124,926
– third parties	133,546	137,548
	<u>296,416</u>	<u>262,474</u>
Less: loss allowance on contract assets	(10,114)	(12,771)
	<u>286,302</u>	<u>249,703</u>

(b) Contract liabilities

	2024 RMB'000	2023 RMB'000
Billings in advance of performance under property management services and landscaping and engineering services contracts		
– related parties	3,186	2,021
– third parties	20,392	16,454
	<u>23,578</u>	<u>18,475</u>

Contract liabilities of the Group mainly arise from the advance payments made by customers while the underlying services are yet to be provided.

Movements in contract liabilities

	2024 RMB'000	2023 RMB'000
Balance as 1 January	18,475	13,637
Revenue recognised that was included in the balance of contract liabilities at the beginning of the year	(18,475)	(13,637)
Increase by cash received	23,578	18,475
	<u>23,578</u>	<u>18,475</u>
Balance at 31 December	<u>23,578</u>	<u>18,475</u>

8 PREPAYMENTS, TRADE AND OTHER RECEIVABLES

	2024 RMB'000	2023 RMB'000
Trade receivables		
– related parties	49,377	54,888
– third parties	149,075	51,849
	<u>198,452</u>	<u>106,737</u>
Less: allowance for trade receivables	<u>(33,025)</u>	<u>(22,016)</u>
	<u>165,427</u>	<u>84,721</u>
Other receivables	9,177	10,439
Less: allowance for other receivables	<u>(2,952)</u>	<u>(1,598)</u>
Subtotal	<u>6,225</u>	<u>8,841</u>
Amounts due from related parties	6,151	585
Bills receivable	204	–
Input VAT to be deducted	4,657	2,355
Prepayments	4,349	9,035
Prepayment for listing expenses	–	19,645
	<u>187,013</u>	<u>125,182</u>

Ageing analysis

As at the end of the reporting period, the ageing analysis of trade receivables based on the date of relevant revenue recognised and net of loss allowance, is as follows:

	2024 RMB'000	2023 RMB'000
Within 1 year	123,907	71,813
1 to 2 years	39,116	12,596
Over 2 years	2,404	312
	<u>165,427</u>	<u>84,721</u>

Trade receivables are due when the receivables are recognised.

9 TRADE AND OTHER PAYABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade payables		
– related parties	28,844	21,021
– third parties	<u>299,287</u>	<u>207,785</u>
	<u>328,131</u>	<u>228,806</u>
Amounts due to related parties	4,009	10,008
Accrued payroll and other benefits	29,384	21,669
Other taxes and charges payables	29,032	19,492
Deposits	63,576	53,984
Receipts on behalf of property owners and tenants	17,390	22,120
Other payables and accrued charges	<u>8,480</u>	<u>3,619</u>
	<u>480,002</u>	<u>359,698</u>

All trade and other payables (including amounts due to related parties) are interest-free, and are expected to be settled or recognised within one year or are repayable on demand.

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 1 year	279,148	211,819
1 to 2 years	40,094	15,973
Over 2 years	<u>8,889</u>	<u>1,014</u>
	<u>328,131</u>	<u>228,806</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a state-owned urban service and operation provider deeply rooted in Hunan Province, especially in Changsha. The H shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on May 17, 2024 by way of global offering (the “**Listing**”).

The Group focuses on providing a wide spectrum of services to its customers, forming a cohesive business layout rooted in urban area. Headquartered in Changsha, Hunan Province, the Group has established a solid market presence in the region. The services the Group provides can be divided into three reporting segments depending on service characteristics and industry standards: (i) property management services, including different property management services and value-added services to public properties, commercial properties, and residential properties; (ii) urban services, including landscaping and engineering, lighting system operation, parking lot operation, and municipal sanitation services; and (iii) commercial operation services.

The Group has built a reputation in the local market by serving a variety of property owners and developers, and its prospects are reliant on the relationships the Group has cultivated with these property owners and developers. The Group believes that provision of diverse services will improve customers’ loyalty, increase the Group’s brand recognition and enhance business operations and financial performance. According to China Index Academy (“**CIA**”), the Group was ranked 47th among the top 100 property management service enterprises in China in 2024 (2024中國物業服務百強企業). The Group was also recognized as a “Leading Enterprise of Characteristic Property Management Service in China 2024” (2024中國特色物業服務領先企業), “Leading Smart Urban Services Enterprise in China 2024” (2024中國智慧城市服務領先企業), and “Outstanding Property Management Well-known Enterprise in Urban Services in China 2024” (2024中國城市服務優秀物業品牌企業) by CIA.

During the year ended December 31, 2024, the Group derived revenue primarily from three reporting segments, namely, (i) property management services; (ii) urban services; and (iii) commercial operation services.

Project Portfolio

The following table sets forth the number of projects and GFA under management of property management services, urban services, and commercial operation services as of the dates indicated:

	As of December 31,			
	2024		2023	
	Number of projects	GFA under management (million sq.m.)	Number of projects	GFA under management (million sq.m.)
Property management services	81	11.4	68	11.1
Urban services ⁽¹⁾	265	–	242	–
Commercial operation services	57	0.8	50	0.8
Total	<u>403</u>	<u>12.2</u>	<u>360</u>	<u>11.9</u>

Note:

(1) Urban services projects are not measured by GFA under management.

Property management services – accounting for approximately 42.6% of the Group's total revenue

The Group provides public property management services, commercial property management services and residential property management services. Public properties include civic squares, parks and scenic spots, urban exhibition halls, government office buildings and schools; commercial properties include commercial office buildings, commercial complexes and sales centres; and residential properties mainly include residences and apartments. In addition, the Group also provides a wide range of value-added services to address customers' needs and improve their experience at the managed properties, such as customized order maintenance services, decoration management services, and affiliated carpark space management services.

During the Reporting Period, the Group's revenue from property management services amounted to approximately RMB291.1 million, representing an increase of approximately 22.4% as compared to the same period in 2023, mainly due to the increase in the GFA and number of projects under management of the Group.

As of December 31, 2024, the Group had 81 property management service projects under management in total, with an increase of 13 projects compared to December 31, 2023, which was primarily because the Group enhanced its efforts in market expansion by utilising the business resources of CSUD Group and actively exploring business opportunities with independent third-party customers. As of December 31, 2024, the GFA under management of the Group's property management services was approximately 11.4 million sq.m., representing a year-on-year increase of 2.7%.

Urban services – accounting for approximately 48.4% of the Group's total revenue

Founded on the Group's established expertise, experience and track record of providing quality and tailor-made management services to various categories of properties, the Group has been extending its business capacities to become a state-owned professional urban service provider specializing in serving public spaces and municipal infrastructures. The Group assists local governments and public institutions in providing urban services to improve the living experience and environment of citizens. The Group's urban services mainly include (i) landscaping and engineering, including landscape construction and engineering construction; (ii) lighting system operation, including landscape lighting operation and functional lighting operation; (iii) parking lot operation including the operation and management of public parking spaces by self-operation and leasing; and (iv) municipal sanitation services including the cleaning of municipal infrastructures such as city roads, the external walls of buildings along the main road, street lamps, and bus platforms.

During the Reporting Period, the Group's revenue from urban services amounted to approximately RMB331.1 million, representing a decrease of approximately 6.3% from approximately RMB353.3 million for the same period in 2023. The decrease was primarily due to a decline in revenue from landscaping and engineering services, driven by the completion of several major projects in 2023, which resulted in the recognition of a substantial portion of revenue during that period.

As of December 31, 2024, the total aggregate number of urban services projects was 265, with an increase of 23 projects compared to December 31, 2023. Among the 265 urban services projects, the Group completed 111 landscaping and engineering projects as of December 31, 2024. This marks an approximate increase of 30.6% compared to the 85 projects completed by December 31, 2023. The increase is attributed to the shorter duration of many projects, leading to a substantial rise in completed projects compared to the same period last year.

Commercial operation services – accounting for approximately 9.0% of the Group’s total revenue

The Group offers a wide range of commercial property operation services to developers, owners, and tenants, including preliminary business planning, preliminary operation analysis, tenant recruitment, lease agreement formulation, opening guidance, and daily operation counselling.

As of December 31, 2024, the Group provided commercial operation services to 57 commercial properties. During the Reporting Period, the Group undertook seven new projects, which was mainly due to the fact that the Group deepened its cooperation relationship between its existing customers and increased market expansion efforts. As of December 31, 2024, the total GFA under management of the Group’s commercial operation services was approximately 822 thousand sq.m., representing a year-on-year increase of approximately 7.3% from approximately 766 thousand sq.m. as of December 31, 2023.

To strengthen cooperation relationship and promote long-term business growth, the Group has offered customers certain discounts for some newly engaged projects. As a result, during the Reporting Period, the Group’s revenue from commercial operation services remained relatively stable at RMB61.3 million as compared to RMB60.7 million for the year ended December 31, 2023.

FUTURE OUTLOOK

In 2025, the Group will remain committed to its mission of “making urban life better”, striving to enhance service quality, optimize operational efficiency, and drive sustainable growth. The Group will continue to focus on expanding its market presence, strengthening brand recognition, leveraging technology, and improving corporate governance to reinforce its competitive edge.

(i) Strengthening Market Position and Expanding Business Scale

The Group will work to further solidify its market presence in Hunan Province while carefully exploring growth opportunities that are consistent with its strategic vision. The Group plans to continue utilizing the project reserves held by CSUD Group and its subsidiaries to support additional urban development and property management initiatives. Beyond its collaboration with CSUD Group, the Group is committed to broadening its customer base through measured and selective engagement with independent third-party developers, government agencies, and other strategic clients. This approach is designed to enhance its service portfolio and diversify revenue streams in a manner that aligns with its overarching long-term objectives.

(ii) Enhancing Service Quality and Building Brand Value

Going forward, the Group will maintain a strong focus on delivering exceptional service quality and ensuring customer satisfaction in response to the evolving needs of urban residents and businesses. The Group's efforts will center on the ongoing improvement of existing processes to ensure that its urban service offerings remain flexible, responsive, and aligned with market demands. By emphasizing operational excellence and clear, consistent communication with customers, it aims to reinforce its market reputation, enhance customer loyalty, and strengthen its competitive position within the urban service sector. These measured initiatives are intended to support sustainable growth and help secure its standing as a trusted provider in the industry.

(iii) Utilizing Technology to Drive Smart Transformation

The Group acknowledges the importance of technology in improving operational efficiency and supporting business functions. In 2025, it will continue to adopt a measured approach to upgrading its digital infrastructure and refining its operational systems. The Group's transformation strategy includes expanding smart service solutions designed to improve service delivery, along with strengthening cybersecurity measures to protect customer data and ensure full regulatory compliance. By leveraging these digital innovations, the Group aims to drive operational improvements, lower costs, and deliver an exceptional service experience for customers.

(iv) Strengthening Corporate Governance to Ensure Long-Term Development

The Group will also place importance on maintaining robust corporate governance, adhering to high standards of transparency, risk management, and regulatory compliance. In alignment with industry best practices, the Group is committed to enhancing its sustainability initiatives by integrating Environmental, Social, and Governance (ESG) considerations into operations. Its focus includes implementing eco-friendly property management solutions to reduce carbon emissions, promoting employee development and workplace safety to foster a high-performance culture, and engaging in community development projects to contribute to social well-being. These efforts underscore its dedication to sustainable growth and responsible corporate citizenship, ensuring the long-term interests of the Group's stakeholders are safeguarded.

FINANCIAL REVIEW

Revenue

The total revenue of the Group increased by 4.9% from RMB651.9 million for the year ended December 31, 2023 to RMB683.5 million for the Reporting Period, primarily due to the revenue contribution from provision of property management services.

- *Property management services.* Revenue from property management services increased by 22.4% from RMB237.9 million for the year ended December 31, 2023 to RMB291.1 million for the Reporting Period, mainly attributable to (i) an increase in the GFA under management from 11.1 million sq.m. as of December 31, 2023 to 11.4 million sq.m. as of December 31, 2024; and (ii) an increase in the number of projects under management from 68 as of December 31, 2023 to 81 as of December 31, 2024.
- *Urban services.* Revenue from urban services decreased by 6.3% from RMB353.3 million for the year ended December 31, 2023 to RMB331.1 million for the Reporting Period, primarily due to a decrease in the revenue from landscaping and engineering services, resulting from (i) the completion of certain major projects that commenced in 2023, and (ii) a decrease in the contract value of the newly engaged projects. The decrease in the revenue from landscaping and engineering services was partially offset by an increase in the revenue from municipal sanitation services, mainly attributable to the newly acquired projects during the period.
- *Commercial operation services.* Revenue from commercial operation services remained relatively stable at RMB60.7 million and RMB61.3 million for the year ended December 31, 2023 and 2024, respectively.

Cost of Sales

The cost of sales of the Group slightly increased by 2.2% from RMB500.0 million for the year ended December 31, 2023 to RMB511.2 million for the Reporting Period, which was in line with the revenue growth for the same period.

Gross Profit and Gross Profit Margin

The gross profit of the Group increased by 13.5% from RMB151.8 million for the year ended December 31, 2023 to RMB172.3 million for the Reporting Period, and the gross profit margin of the Group increased from 23.3% for the year ended December 31, 2023 to 25.2% for the Reporting Period. Such increase was mainly attributable to (i) the continued implementation of cost-saving measures for property management services, such as reducing utility consumption by applying energy-efficient renovations in common areas and elevating labor efficiency by streamlining tasks; (ii) the enhanced cost management for landscaping and engineering services; (iii) the enhanced cost efficiency for municipal sanitation services, benefiting from the integration of services across the municipal sanitation projects and the property management projects that were located in the same area; and (iv) further-optimised management information system, resulting in a decrease in labour costs of parking lot operation.

Other Net Income

The Group's other net income decreased by 75.5% from RMB2.2 million for the year ended December 31, 2023 to RMB0.5 million for the Reporting Period, primarily due to a decrease in the super deduction of value-added tax as a result of the adjustment in the relevant policy.

Selling Expenses

The Group's selling expenses remained relatively stable at RMB4.7 million and RMB4.4 million for the year ended December 31, 2023 and 2024, respectively.

Administrative Expenses

The Group's administrative expenses increased by 27.6% from RMB53.4 million for the year ended December 31, 2023 to RMB68.1 million for the Reporting Period, primarily due to an increase in administrative personnel and a corresponding increase in wages and salaries.

Expected Credit Loss

The Group's expected credit loss increased by 33.6% from RMB7.3 million for the year ended December 31, 2023 to RMB9.7 million for the Reporting Period, primarily due to the increased trade receivables and contract assets along with the expansion of the Group's business scale.

Finance Income

The Group's finance income increased by 23.4% from RMB2.2 million for the year ended December 31, 2023 to RMB2.7 million for the Reporting Period, primarily due to an increase in cash at banks, leading to higher interest income from bank deposits.

Share of Profits Less Losses of an Associate and Joint Ventures

The Group's share of profits less losses of an associate and joint ventures decreased by 15.7% from RMB2.2 million for the year ended December 31, 2023 to RMB1.8 million for the Reporting Period, primarily due to a decrease in shared results of the associate and joint ventures.

Income Tax

The Group's income tax increased by 3.5% from RMB22.8 million for the year ended December 31, 2023 to RMB23.6 million for the Reporting Period, mainly attributable to the increase in the profit before taxation.

Profit and Total Comprehensive Income for the Year

As a result of the foregoing, the Group recorded the profit and total comprehensive income for the year of RMB70.2 million and RMB71.5 million for the year ended December 31, 2023 and 2024, respectively.

Inventories

The Group's inventories decreased by 11.4% from RMB4.2 million as of December 31, 2023 to RMB3.7 million as of December 31, 2024, mainly because we managed our inventory level in light of the decreased revenue from lighting system operation services.

Contract Assets

The Group's contract assets increased by 14.7% from RMB249.7 million as of December 31, 2023 to RMB286.3 million as of December 31, 2024, primarily due to (i) the expansion of the Group's business scale, and (ii) the prolonged fiscal review process and settlement period of the Group's certain customers.

Trade Receivables

The Group's trade receivables increased by 95.3% from RMB84.7 million as of December 31, 2023 to RMB165.4 million as of December 31, 2024, primarily due to (i) the expansion of the Group's business scale, and (ii) the prolonged period of settlement with certain customers of the Group.

Prepayment and Other Receivables

The Group's prepayment and other receivables decreased by 46.6% from RMB40.5 million as of December 31, 2023 to RMB21.6 million as of December 31, 2024, primarily due to the Group recorded prepayment for listing expenses of RMB19.6 million as at December 31, 2023 and such prepayment for listing expenses was offset against the gross proceeds from the Listing in capital reserve of the Group.

Trade Payables

The Group's trade payables increased by 43.4% from RMB228.8 million as of December 31, 2023 to RMB328.1 million as of December 31, 2024, primarily due to the slower settlement process of the Group with its suppliers resulting from the prolonged period of settlement by certain of the Groups customers.

Other Payables

The Group's other payables increased by 16.0% from RMB130.9 million as of December 31, 2023 to RMB151.9 million as of December 31, 2024, primarily due to (i) an increase in deposits, resulting from the increased number of projects, (ii) an increase in other taxes and charges payables in line with the growth of our business, and (iii) an increase in accrued payroll and other benefits, resulting from the increased number of employees.

Property, Plant and Equipment

The Group's property, plant and equipment consist primarily of (i) machinery and electronic equipment, (ii) motor vehicles, (iii) right-of-use assets, (iv) leasehold improvement, (v) furniture and others, and (vi) construction in progress. The carrying amount of property, plant and equipment remained relatively stable at RMB18.0 million and RMB17.3 million as of December 31, 2023 and 2024, respectively.

Liquidity and Capital Resources and Current Assets

In order to manage the Group's cash, maintain strong and healthy liquidity and ensure that the Group is well positioned to take advantage of future growth opportunities, the Group has adopted comprehensive treasury policies and internal control measures to review and monitor its financial resources and has maintained stable financial condition and sufficient liquidity throughout. As of December 31, 2024, the Group did not have any outstanding borrowings or banking facilities.

As of December 31, 2024, the Group's cash and cash equivalents amounted to RMB354.7 million, representing an increase of 68.7% as compared with RMB210.2 million as of December 31, 2023. The increase was mainly attributable to the proceeds from the Global Offering (as defined below). The Group's net cash flows from operating activities remained relatively stable at RMB77.7 million and RMB76.4 million for the year ended December 31, 2023 and 2024, respectively. The management believes that the Group has sufficient financial resources and future revenue to support the current working capital requirement and future expansion of the Group.

Foreign Currency Risk

The Group's principal activities are conducted in the PRC. Except for certain net proceeds raised from the Listing, which are denominated in Hong Kong dollars, the Group is not exposed to any significant risk directly related to foreign exchange fluctuations. Taking into account the potential RMB exchange rate fluctuations, the Group will continue to monitor its foreign exchange exposure and take prudent measures to reduce its foreign exchange risk. For the year ended December 31, 2024, the Group did not use any financial instruments for hedging purposes.

Capital Commitment and Capital Expenditure

The Group mainly has capital commitments with respect to contribution to the associate and joint ventures. Capital expenditure contracted for but not yet incurred as at December 31, 2023 and 2024 was RMB6.7 million and RMB6.6 million, respectively.

The following table sets out the Group's capital expenditure for the years indicated:

	For the year ended December 31,	
	2024	2023
	<i>(RMB in thousands)</i>	
Additions to purchase of property, plant and equipment and other non-current assets	4,935	10,439
Capital contribution to a joint venture	<u>—</u>	<u>510</u>
Total	<u>4,935</u>	<u>10,949</u>

Contingent Liabilities

The Group had no material contingent liabilities as of December 31, 2024.

Pledge of Assets

As of December 31, 2024, none of the assets of the Group was pledged.

Significant Investments, Material Acquisitions and Disposals and Future Plans

For the year ended December 31, 2024, the Group did not have any significant investments, material acquisitions and disposals.

Except for the expansion plans disclosed in the sections headed “Business” and “Future Plans and Use of Proceeds” in the Company's prospectus dated May 8, 2024 (the “**Prospectus**”), there were no significant investments or acquisition of capital assets authorised by the Board as of the date of this announcement, and the Group will continue to identify new opportunities for business development.

Use of Proceeds from the Global Offering

The Company was listed on the Main Board of the Stock Exchange on May 17, 2024 by way of global offering of ordinary shares of the Company, including a public offering in Hong Kong of 12,000,000 shares and an international offering of 28,000,000 shares, in each case at a price of HK\$3.2 per share (collectively the “**Global Offering**”). After deducting the underwriting fees and relevant expenses, net proceeds from the Global Offering amounted to approximately HK\$86.4 million. Such proceeds have been and will continue to be applied in the manner consistent with that in the Prospectus:

Usage	% of total net proceeds	Planned allocation of net proceeds <i>HK\$ million</i> <i>(approximately)</i>	Utilised net proceeds as at December 31, 2024 <i>HK\$ million</i> <i>(approximately)</i>	Unutilised net proceeds as at December 31, 2024 <i>HK\$ million</i> <i>(approximately)</i>	Expected timeline for full utilisation of the balance
Strategic acquisitions, including strategic acquisitions of property management service providers specializing in professional service providers and urban service providers with relevant operation experience and required qualifications	29.2%	25.2	–	25.2	By the end of 2025
Purchase of vehicles and equipment, including:					
(i) Purchase operational vehicles for municipal sanitation services	19.8%	17.1	–	17.1	By the end of 2026
(ii) Procure operational vehicles and equipment for lighting system operation services	1.2%	1.0	–	1.0	By the end of 2025

Usage	% of total net proceeds	Planned allocation of net proceeds <i>HK\$ million</i> <i>(approximately)</i>	Utilised net proceeds as at December 31, 2024 <i>HK\$ million</i> <i>(approximately)</i>	Unutilised net proceeds as at December 31, 2024 <i>HK\$ million</i> <i>(approximately)</i>	Expected timeline for full utilisation of the balance
Technological investment, including					
(i) Develop and optimise the internal management information system	8.5%	7.4	2.1	5.3	By the end of 2026
(ii) Develop and enhance business operating system	7.4%	6.4	–	6.4	By the end of 2027
(iii) Develop device connection systems	8.5%	7.4	–	7.4	By the end of 2026
(iv) Recruit engineers for software development and maintenance	0.8%	0.7	–	0.7	By the end of 2026
Talent training and retention, including:					
(i) Expand the Group's dedicated team	13.7%	11.8	–	11.8	By the end of 2027
(ii) Optimise talent training programs	1.6%	1.4	–	1.4	By the end of 2027
Working capital	9.3%	8.0	–	8.0	By the end of 2025
Total	100.0%	86.4	2.1	84.3	

The utilization of the net proceeds has been converted from RMB into HKD at an exchange rate of RMB0.9081 to HKD1.00 (the reference exchange rate used in the Prospectus). No representation is made that any amount in HKD or RMB could have been or could be converted at the above rates or of any other rates. The net proceeds are currently held in bank deposits and will continue to be applied in the manner consistent with the proposed allocations in the Prospectus. For further information, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

As at the date of this announcement, there has been no material change in the actual use of the net proceeds from the intended use.

Employees and Remuneration Policy

As at December 31, 2024, the Group had a total of 562 employees. For the Reporting Period, the total staff cost of the Group was RMB107.1 million (the year ended December 31, 2023: RMB91.5 million). The Group's employee remuneration policy is determined by factors such as remuneration in respect of the local market, the overall remuneration standard in the industry, the inflation level, corporate operating efficiency and employee performance. The Group conducts performance appraisals once every year for its employees, the results of which are applied in annual salary reviews and promotional assessments. The Group considers the employee's annual bonuses according to certain performance criteria and appraisals results. Social insurance contributions are made by the Group for its PRC employees in accordance with the relevant PRC regulations. The Group also provides continuous learning and training programs to its employees to enhance their skills and knowledge, so as to maintain their competitiveness and improve customer service quality. The Group did not experience any major difficulties in recruitment, nor did it experience any material loss in manpower or suffer from any material labor dispute during the Reporting Period.

Final Dividend

The Board recommended the payment of a final dividend of RMB0.23 per share (tax inclusive) in cash for the year ended December 31, 2024 with a proposed dividend payout ratio equivalent to approximately 51.2%. The dividend proposal is subject to the approval of shareholders of the Company (the “**Shareholders**”) at the annual general meeting of the Company to be held on Friday, June 27, 2025 (the “**2024 AGM**”), and the proposed final dividend is expected to be paid on or before July 28, 2025. The proposed final dividend will be declared in Renminbi and distributed in Hong Kong dollars (H shares) and Renminbi, and the exchange rate will be the average of the middle rate of the exchange rate published by the People's Bank of China one calendar week prior to the date of declaration of proposed final dividend. As of the date of this announcement, there is no arrangement under which a Shareholder has waived or agreed to waive any dividends.

Dividend Taxation

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) with effect on January 1, 2008 and being revised on February 24, 2017 and December 29, 2018, the Implementation Regulations on the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》) with effect on January 1, 2008 and being revised on April 23, 2019 and December 6, 2024, and the Notice on Issues concerning Withholding the Enterprise Income Tax on Dividends Paid by Chinese Resident Enterprises to H Shares holders who are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) (國稅函[2008]897號) issued with effect on November 6, 2008 by State Taxation Administration, etc.,

any Chinese domestic enterprise which pays dividend to a non-resident enterprise shareholder in respect of annual dividends of and after 2008 shall withhold and pay 10% enterprise income tax for such shareholder for fiscal periods after 1 January 2008. Therefore, as a PRC domestic enterprise, the Company will, after withholding 10% of the annual dividend as enterprise income tax, distribute the annual dividend to non-resident enterprise shareholders (i.e. any shareholders who hold the Company's H shares in the name of non-individual shareholders, including but not limited to HKSCC Nominees Limited, other nominees, trustees, or holders of H shares registered in the name of other organizations and groups) whose names appear on the register of members of H shares of the Company. Upon receipt of such dividends, an overseas non-resident enterprise shareholder may apply to the competent tax authorities for relevant treatment under the tax treaties (arrangements) in person or through a proxy or the Company and provide evidence in support of its status as a beneficial owner as defined in the tax treaties (arrangements). Upon verification by the competent tax authorities, the difference between the tax levied and the amount of tax payable as calculated at the tax rate under the tax treaties (arrangements) will be refunded.

Pursuant to the State Administration of Taxation Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 45 (Guo Shui Han [2011] No. 348) (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)) (the “**No. 348 Circular**”) issued on June 28, 2011, the overseas resident individual shareholders of the shares issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between the countries where they are residents and China as well as the tax arrangements between China and Hong Kong or Macau. Pursuant to the No. 348 Circular, individual income tax at a tax rate of 10% may in general be withheld in respect of the dividend or bonus income to be distributed by the PRC non-foreign-invested enterprises whose shares have been issued in Hong Kong to the overseas resident individual shareholders, without any application for favorable tax treatments. However, the tax rate for each overseas resident individual shareholder may vary depending on the relevant tax agreements between the countries of its domicile and the PRC.

If the individual holders of H shares are Hong Kong residents, Macau residents and residents of other countries or regions that have a tax rate of 10% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such shareholders.

If the individual holders of H shares are residents of countries or regions that have a tax rate lower than 10% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such shareholders. If such shareholders wish to claim refund of the amount in excess of the individual income tax payable under the tax treaties, the Company may apply on behalf of such shareholders according to the relevant tax treaties for the relevant agreed preferential tax treatment, provided that the relevant shareholders submit the relevant documents and information required by the Administrative Measures on Enjoying Treatment under Treaties by Non-resident Taxpayers (State Administration of Taxation Announcement 2019, No. 35) (《非居民納稅人享受協定待遇管理辦法》(國家稅務總局公告2019年第35號)) and the provisions of the relevant tax treaties in a timely manner. The Company will assist with the tax refund of additional amount of tax withheld and paid subject to the approval of the competent tax authorities.

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

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

Compliance with the Corporate Governance Code

The Company has adopted the code provisions of the Corporate Governance Code (the “**Corporate Governance Code**”) contained in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as its own code of corporate governance. The Company has complied with all the applicable code provisions of the Corporate Governance Code during the Reporting Period.

Compliance with the Model Code for Securities Transaction

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as a code of conduct for securities transactions by the Directors and supervisors (the “**Supervisors**”) of the Company. The Company has made specific enquiries to all Directors and Supervisors and they all have confirmed that they had complied with the Model Code during the Reporting Period.

Purchase, Sale or Redemption of the Listed Securities of the Company

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the Reporting Period. As of December 31, 2024, the Company did not hold any treasury shares.

Public Float

Based on the published information and to the knowledge of the Directors, for the year ended December 31, 2024 and as of the date of this announcement, the Company maintained sufficient public float in compliance with the Listing Rules.

Accounts Review

The Company established an audit committee (the “**Audit Committee**”) in compliance with the Appendix C1 to the Listing Rules, with its working rules in writing. The Audit Committee, authorized by the Board, is responsible for reviewing and supervising the Group's financial reporting, risk management and internal control systems, and assisting the Board in performing its audit responsibilities to the Group. The Audit Committee has reviewed the Group's consolidated financial statements for the year ended December 31, 2024, and discussed with the management and auditors of the Group the accounting principles and practices adopted by the Group, as well as risk management, internal control and financial reporting related matters.

Scope of Work of KPMG

The financial figures in respect of the Group's consolidated statement of financial position as of December 31, 2024, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2024 as set out in this announcement have been compared by the Group's auditor, KPMG to the amounts set out in the Group's consolidated financial statements for the year ended December 31, 2024 and the amounts were found to be in agreement. The work performed by KPMG in this respect did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the auditor.

2024 AGM

The 2024 AGM will be held on Friday, June 27, 2025. The notice of the 2024 AGM will be published on the Company's website (www.hollwingroup.com) and the website of the Stock Exchange (www.hkexnews.hk) and dispatched to the Shareholders (as and when necessary) in the manner prescribed under the Listing Rules in due course.

Closure of Register of Members

For the purpose of determining the Shareholders' entitlement to attend and vote at the 2024 AGM, the register of members of the Company will be closed from Tuesday, June 24, 2025 to Friday, June 27, 2025, both days inclusive, during which period no transfer of shares will be registered. In order to qualify the Shareholders to attend and vote at the 2024 AGM, all the completed share transfer forms accompanied by the relevant share certificates must be lodged with the Boardroom Share Registrars (HK) Limited (the Company's H share registrar), at 2103B, 148 Electric Road, North Point, Hong Kong (for holders of H Shares) or the Office of the Board of Directors of the Company at 9/F, Building A1, Xiangjiang Times Square, No. 179, Pilot Road, Yuelu District, Changsha, Hunan Province, the PRC (for holders of Unlisted Shares) not later than 4:30 p.m. on Monday, June 23, 2025, for registration. Shareholders whose names appear on the register of members of the Company on Friday, June 27, 2025 are entitled to attend and vote at the 2024 AGM.

For the purpose of determining the Shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed from Monday, July 7, 2025 to Wednesday, July 9, 2025, both days inclusive, during which no transfer of shares will be registered. In order to determine the Shareholders' entitlement to the proposed final dividend, all the completed share transfer forms accompanied by the relevant share certificates must be lodged with the Boardroom Share Registrars (HK) Limited (the Company's H share registrar), at 2103B, 148 Electric Road, North Point, Hong Kong (for holders of H shares) or the Office of the Board of Directors of the Company at 9/F, Building A1, Xiangjiang Times Square, No. 179, Pilot Road, Yuelu District, Changsha, Hunan Province, the PRC (for holders of Unlisted Shares) not later than 4:30 p.m. on Friday, July 4, 2025, for registration. Shareholders whose names appear on the register of members of the Company on Wednesday, July 9, 2025 are entitled to receive the above final dividend.

Events after the Reporting Period

Save as disclosed in this announcement, no significant event has occurred since the end of the Reporting Period and up to the date of this announcement.

Publication of Annual Results and Annual Report

This annual results announcement has been published on the Company's website (www.hollwingroup.com) and the Stock Exchange's website (www.hkexnews.hk). The annual report of the Company for the year ended December 31, 2024 will be dispatched to Shareholders and published on the above websites in due course as and when necessary.

By Order of the Board
Hollwin Urban Operation Service Group Co., Ltd
Mr. Xie Yi
Chairman and Executive Director

Changsha, Hunan Province, the PRC
March 31, 2025

As at the date of this announcement, the Board comprises Mr. Xie Yi, Mr. Yang Xin, Mr. Duan Wenming and Mr. Wong Kwok Fu as executive Directors; Mr. Yu Xiao as non-executive Director; and Ms. Chan Ka Lai Vanessa, Dr. Dai Xiaofeng and Mr. Tse Chi Wai as independent non-executive Directors.