DESUN 德商产投服务
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Desun Real Estate Investment Services Group Co., Ltd.
德商產投服務集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2270)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

- Total revenue of the Group for the year ended 31 December 2025 increased by 7.7% to RMB488.4 million from RMB453.5 million for the year ended 31 December 2024.

- Profit after income tax for the year ended 31 December 2025 amounted to RMB40.7 million, representing an increase of 7.4% compared to that of RMB37.9 million for the year ended 31 December 2024.

- For the year ended 31 December 2025, basic earnings per share attributable to equity holders of the Company amounted to RMB6.02 cents (2024: RMB6.51 cents). For the year ended 31 December 2025, diluted earnings per share attributable to equity holders of the Company amounted to RMB5.72 cents (2024: RMB6.48 cents).

The Board is pleased to announce the audited consolidated results of the Group for the year ended 31 December 2025. The content of this annual results announcement has been prepared in accordance with applicable disclosure requirements under the Listing Rules in relation to preliminary announcements of annual results, and has been prepared in accordance with the International Financial Reporting Standards ("**IFRS**") issued by the International Accounting Standards Board ("**IASB**"). Such annual results have also been reviewed and confirmed by the Board and the Audit Committee. Unless otherwise stated, the financial data of the Group are presented in Renminbi ("**RMB**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
Revenue	5	**488,373**	453,512
Cost of sales		**(382,709)**	(353,684)
Gross profit		**105,664**	99,828
Other income and other gains or losses, net	6	**11,373**	12,680
Selling expenses		**(5,420)**	(11,540)
Administrative expenses		**(43,491)**	(38,202)
Provision for impairment losses on trade receivables, net		**(7,135)**	(2,320)
Provision for impairment losses on deposits and other receivables, net		**(1,148)**	(523)
Impairment loss on investment properties		**(292)**	(920)
Provision for inventories		**(171)**	—
Other expenses		**(1,191)**	(1,144)
Finance costs	7	**(16,026)**	(15,190)
Share of profit of associates		**6,275**	1,613
Share of loss of a joint venture		**(220)**	—
Profit before income tax	8	**48,218**	44,282
Income tax expense	9	**(7,482)**	(6,377)
Profit for the year		**40,736**	37,905
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of financial statements of foreign operations		**22**	—
Total comprehensive income for the year		**40,758**	37,905
Profit and total comprehensive income for the year attributable to:			
— Owners of the parent		**33,361**	37,014
— Non-controlling interests		**7,397**	891
		40,758	37,905
Earnings per share attributable to owners of the Company during the year			
— Basic	11	**RMB6.02 cents**	RMB6.51 cents
— Diluted	11	**RMB5.72 cents**	RMB6.48 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
Non-current assets			
Property and equipment		**93,954**	97,432
Investment properties		**211,504**	232,400
Right-of-use assets		**3,556**	154
Other intangible assets		**6,918**	9,418
Goodwill		**9,179**	9,179
Investment in associates		**30,489**	28,579
Investment in a joint venture		**430**	—
Financial assets at fair value through profit or loss		**4,433**	—
Deferred tax assets		**7,291**	5,028
Prepayments, deposits and other receivables		**8,768**	11,551
Restricted deposits		**2,421**	1,108
Total non-current assets		**378,943**	394,849
Current assets			
Inventories	*12*	**13,002**	23,981
Trade receivables	*13*	**169,322**	189,646
Prepayments, deposits and other receivables	*14*	**192,597**	57,267
Cash and cash equivalents		**178,581**	169,084
Total current assets		**553,502**	439,978
Current liabilities			
Contract liabilities		**76,765**	55,691
Trade payables	*15*	**40,636**	55,532
Other payables and accruals	*16*	**135,903**	154,408
Bank borrowings		**53,400**	9,000
Lease liabilities		**17,514**	15,131
Tax payable		**9,787**	6,412
Dividend payable		**—**	225
Total current liabilities		**334,005**	296,399
Net current assets		**219,497**	143,579
Total assets less current liabilities		**598,440**	538,428

	Notes	2025 RMB'000	2024 RMB'000
Non-current liabilities			
Other payables and accruals	*16*	**22,771**	30,922
Contract liabilities		**735**	75
Lease liabilities		**219,940**	232,653
Deferred tax liabilities		**562**	676
Bank borrowings		**28,800**	—
Total non-current liabilities		**272,808**	264,326
Net Assets		**325,632**	274,102
Equity			
Share capital	*17*	**393**	393
Treasury shares		**(74,600)**	(81,812)
Reserves		**387,414**	350,134
Equity attributable to owners of the Company		**313,207**	268,715
Non-controlling interests		**12,425**	5,387
Total equity		**325,632**	274,102

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. CORPORATE AND GROUP INFORMATION

Desun Real Estate Investment Services Group Co., Ltd. (the "**Company**") is an exempted company incorporated in the Cayman Islands. The registered office address of the Company is 190 Elgin Avenue, George Town, Grand Cayman, KY1-9008, Cayman Islands. The principal place of business in the People's Republic of China ("**PRC**") is Room 1803, Block A Desun International, No. 1480 North Section of Tianfu Avenue, High-tech Industrial Development Zone, Chengdu, China.

During the year, the Company and its subsidiaries (the "**Group**") were principally engaged in the following activities in PRC:

- The property services segment mainly includes property management services, other value — added services and sale of carparks;
- The asset operation services segment includes office building sublease services, commercial operation services, commercial property management and other related services and e-commerce live streaming services;
- The investment and development segment includes home decoration and refurbishment services.

In the opinion of the directors of the Company, the holding and the ultimate holding company of the Company is Sky Donna Holding Limited, which is incorporated in the British Virgin Islands ("**BVI**"). Mr. Zou Kang and Ms. Zou Jian are collectively the ultimate controlling shareholders of the Company (the "**Ultimate Controlling Shareholders**").

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Entity name	Place and date of incorporation/ establishment and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity Interests attributable to the Company Direct	Indirect	Principal activities
Desun Property Service Limited	Hong Kong/ 18 January 2021	HKD1	—	100%	Investment holding
成都德商產投企業管理集團有限公司 Chengdu Desun Industry Investment Enterprise Management Group Co., Ltd. ("Desun Enterprise Management")	PRC/Chinese Mainland/ 12 March 2021	RMB50,000,000	—	100%	Investment holding
成都德商產投物業服務有限公司 Chengdu De Sun Property Service Co., Ltd.	PRC/Chinese Mainland/ 12 March 2010	RMB50,000,000	—	100%	Property management
成都德正物業服務有限公司 Chengdu Dezheng Property Service Co., Ltd.	PRC/Chinese Mainland/ 19 December 2019	RMB500,000	—	100%	Property management

Entity name	Place and date of incorporation/ establishment and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity Interests attributable to the Company Direct	Indirect	Principal activities
成都中能物業管理有限責任公司 Chengdu Zhongneng Property Management Company Limited ("Zhongneng")	PRC/Chinese Mainland/ 16 May 2006	RMB10,000,000	—	100%	Property management
成都福朗物業服務有限公司 Chengdu Fulang Property Service Co., Ltd.	PRC/Chinese Mainland/ 16 January 2020	RMB1,000,000	—	51%	Property management
成都商德智美房地產經紀有限公司 Chengdu Shangde Zhimei Real Estate Brokerage Co., Ltd.	PRC/Chinese Mainland/ 27 June 2022	RMB1,000,000	—	100%	Property management
成都曉賓琦美建築工程有限公司 Chengdu Xiaobin Qimei Construction Engineering Co., Ltd.	PRC/Chinese Mainland/ 13 August 2021	RMB2,000,000	—	100%	Interior design
四川德商智慧綠色置業有限公司 Sichuan Desun Smart Green Real Estate Co., Ltd.	PRC/Chinese Mainland/ 4 January 2021	RMB20,000,000	—	100%	Engineering Construction Management
成都德商新泓道商業管理有限公司 Chengdu Xinhongdao Enterprise Management Co., Ltd.	PRC/Chinese Mainland/ 2 August 2022	RMB5,000,000	—	51%	Office building leases
成都德商遠泓商業管理有限公司 Chengdu Deshang Yuanhong Commercial Management Co., Ltd.	PRC/Chinese Mainland/ 5 August 2022	RMB500,000	—	51%	Office building leases
成都德恒鴻商業管理有限公司Chengdu Dehenghong Commercial Management Co., Ltd.	PRC/Chinese Mainland/ 12 August 2022	RMB500,000	—	51%	Office building leases
成都德商永潤商業管理有限公司 Chengdu German Business Yongrun Commercial Management Co., Ltd.	PRC/Chinese Mainland/ 12 August 2022	RMB500,000	—	51%	Office building leases
四川尚合錦鴻商業管理有限公司 Sichuan Shanghe Jinhong Commercial Management Co., Ltd.	PRC/Chinese Mainland/ 3 November 2022	RMB1,000,000	—	31%*	Office building leases
成都匯企景合商業管理有限公司 Chengdu Huiqi Jinghe Commercial Management Co., Ltd.	PRC/Chinese Mainland/ 6 February 2023	RMB500,000	—	31%*	Office building leases
四川尚合宇匯商業管理有限公司 Sichuan Shanghe Yuhui Commercial Management Co., Ltd.	PRC/Chinese Mainland/ 8 November 2022	RMB1,000,000	—	31%*	Office building leases
四川德匯尚合商業管理有限公司 Sichuan Dehui Shanghe Commercial Management Co., Ltd.	PRC/Chinese Mainland/ 9 November 2022	RMB1,000,000	—	31%*	Office building leases
四川匯通錦鴻商業管理有限公司 Sichuan Huitong Jinhong Commercial Management Co., Ltd.	PRC/Chinese Mainland/ 25 April 2023	RMB500,000	—	41%*	Office building leases
四川尚行廣匯商業管理有限公司 Sichuan Shangxing Guanghui Commercial Management Co., Ltd.	PRC/Chinese Mainland/ 12 May 2023	RMB10,000,000	—	51%	Office building leases
四川匯通泓宇商業管理有限公司 Sichuan Huitong Hongyu Commercial Management Co., Ltd.	PRC/Chinese Mainland/ 12 May 2023	RMB500,000	—	51%	Office building leases

Entity name	Place and date of incorporation/ establishment and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity Interests attributable to the Company Direct	Indirect	Principal activities
四川億聯華沃商業管理有限公司 Sichuan Yilian Huawo Commercial Management Co., Ltd.	PRC/Chinese Mainland/ 12 May 2023	RMB500,000	—	31%*	Office building leases
成都蜀都萬澤置業有限責任公司 Chengdu Shudu Wanze Real Estate Co., Ltd.	PRC/Chinese Mainland/ 13 October 2021	RMB1,000,000	—	51%	Property management
成都蜀都第一太平戴維斯物業服務有限責任公司Chengdu Shudu Savills Property Service Co., Ltd.	PRC/Chinese Mainland/ 9 December 2021	RMB1,000,000	—	51%	Property management

Note:

* These companies are subsidiaries of non-wholly-owned subsidiaries of the Company and, accordingly, are accounted for as subsidiaries by virtue of the Company's control over them. The percentage of equity interests as disclosed above represented the effective equity interest attributable to the Company.

Other than Desun Enterprise Management which is registered as a wholly-foreign-invested enterprise under the PRC law, other subsidiaries established in the PRC are registered as domestic-invested enterprises with limited liability under the PRC law.

None of the subsidiaries has material non-controlling interests.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

The English names of all subsidiaries established in the PRC represent the best efforts made by the management of the Company to directly translate the Chinese names as they have not registered any official English names.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards ('IASs') and Interpretations (collectively 'IFRS Accounting Standards') issued by the International Accounting Standards Board ("**IASB**") and the provisions of the Hong Kong Companies Ordinance, Cap. 622 which concern the preparation of financial statements. The consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**").

2.2 Basis of presentation

The consolidated financial statements have been prepared under the historical cost convention except for the financial assets at fair value through profit or loss.

2.3 Functional and presentation currency

The consolidated financial statements of the Group are presented in Renminbi ("RMB"), which is also the functional currency of the Company. RMB is the currency of the primary economic environment in which the principal subsidiary of the Company operates (the functional currency of the principal subsidiary). All values are rounded to the nearest thousand except when otherwise indicated.

3. ADOPTION OF IFRS ACCOUNTING STANDARDS

3.1. Adoption of revised standards and interpretations

The following amendments to IFRS Accounting Standards and interpretations were adopted by the Company on 1 January 2025.

Amendments to IAS 21	Lack of Exchangeability

The application of the amendments to IFRS Accounting Standards have no material impact on the Group's results and financial position for the current or prior period.

3.2 Issued but not yet effective IFRS Accounting Standards

The Group has not applied the following new and revised IFRS Accounting Standards, that have been issued but are not yet effective, in these consolidated financial statements. The Group intends to apply these new and revised IFRS Accounting Standards, if applicable, when they become effective.

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[1]
IFRS 18	Presentation and Disclosure in Financial Statements[2]
IFRS 19	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to IFRS Accounting Standards	Annual Improvement to IFRS Accounting Standards — Volume 11[2]

1 Effective for annual periods beginning on or after 1 January 2026.
2 Effective for annual periods beginning on or after 1 January 2027.
3 Effective for annual periods beginning on or after a date to be determined.

The directors of the Company are currently assessing the impact of IFRS 18 on the presentation and disclosure of the Group's consolidated financial statements. Based on management's assessment, other new and amended IFRS Accounting Standards that have been issued but are not yet effective are unlikely to have a material impact on the Group's results and financial position upon application.

4. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed 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 executive directors of the Company.

The board of directors focused on the operating results of the Group based on the property services segment, asset operation service segment, investment and development segment. Management reorganised the reporting structure of the Group upon the development of several businesses, and monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment.

Accordingly, for management purposes, the Group is organised into business units based on their services and has three reportable operating segments as follows:

(a) Property services segment, which mainly includes property management services and other value-added services and sale of carparks;

(b) Asset operation service segment, which includes office building sublease services, commercial operational services, commercial property management and other related services and e-commerce live streaming services;

(c) Investment and development segment, which includes home refurbishment and decoration services.

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

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Geographical information

During the year, the Group operated within one geographical location because the majority of its revenue was generated in the PRC and the majority of its long-term assets/capital expenditure were located/incurred in the PRC. Accordingly, no geographical information is presented.

Information about a major customer

During the year, revenue from contracts with customers of approximately RMB40,766,000 (2024: RMB34,918,000) was derived from services provided to companies in which the ultimate controlling shareholders have control or jointly control and on which they have significant influence (collectively referred to as "Fellow Entities"), contributing 8.35% (2024: 8%) of the total revenue of the Group during the year.

5. REVENUE

An analysis of revenue is as follows:

	2025	2024
	RMB'000	*RMB'000*
Revenue from contracts with customers	**432,612**	395,667
Revenue from other sources		
Gross rental income from investment property operating leases under lease arrangement	**55,761**	57,845
	488,373	453,512

Disaggregated revenue information:

	2025	2024
	RMB'000	*RMB'000*
Property services segment:		
— Property management services and other value-added Services	**319,529**	272,154
— Sale of carparks	**2,380**	14,975
Subtotal	**321,909**	287,129
Asset Operation Services segment:		
— Commercial operation and management	**40,818**	52,438
— Office building and community operation and management	**25,024**	23,464
— E-commerce live streaming services	**27,480**	7,739
— Revenue from other sources	**55,761**	57,845
Subtotal	**149,083**	141,486
Investment and Development segment：		
— Home decoration and refurbishment services	**17,381**	24,897
Total	**488,373**	453,512

	2025	2024
	RMB'000	*RMB'000*
Timing of revenue recognition		
Goods transferred at a point in time	**10,402**	20,376
Services transferred over time	**395,452**	365,723
Services transferred at a point in time	**26,758**	9,568
Total revenue from contracts with customers	**432,612**	395,667

6. OTHER INCOME AND OTHER GAINS OR LOSSES, NET

An analysis of other income and other gains or losses, net are as follows:

	Note	**2025**	2024
		RMB'000	*RMB'000*
Other income			
Government grants	*(i)*	**2,129**	656
Additional input value-added tax deduction		**76**	53
Interest income		**4,178**	3,299
Deposits forfeited		**5,382**	7,030
Compensation received		**—**	671
Others		**315**	153
Total other income		**12,080**	11,862
Other gains or losses, net			
Gain on bargain purchase		**—**	168
Net fair value gain on financial assets at FVTPL		**76**	—
(Losses)/gains on exchange differences, net		**(783)**	650
Total (losses)/gains, net		**(707)**	818
Total other income and other gains or losses, net		**11,373**	12,680

Note:

(i) In 2025, the Group recognised government grants of RMB1,440,000 to the subsidiaries in respect of the promotion of the high-level opening up of Chengdu by Chengdu Investment Promotion Bureau (2024: Nil).

7. FINANCE COSTS

	2025	2024
	RMB'000	*RMB'000*
Interest on lease liabilities	**10,731**	10,904
Interest on bank loans	**2,338**	380
Interest on non-controlling shareholders' loans	**2,442**	3,454
Interest on associate's loans	**515**	452
	16,026	15,190

8. PROFIT BEFORE INCOME TAX

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

	2025	2024
	RMB'000	*RMB'000*
Cost of services provided*	**378,028**	343,681
Cost of goods sold	**4,681**	10,003
Employee benefit expense (excluding directors' and chief executive's remuneration)*:		
Wages and salaries	**119,268**	95,953
Equity-settled share option expense	**5,954**	771
Pension scheme contributions (defined contribution scheme)**	**16,637**	15,061
	141,859	111,785
Auditors' remuneration	**1,500**	1,500
Amortisation of other intangible assets#	**3,194**	1,959
Depreciation of property and equipment	**15,639**	16,133
Depreciation of investment properties	**20,604**	20,532
Depreciation of right-of-use assets	**286**	232
Lease payments not included in the measurement of lease liabilities	**16,311**	14,423
Provision for impairment losses on trade receivables, net	**7,135**	2,320
Provision for impairment losses on deposits and other receivables, net	**1,148**	523
Impairment loss on investment properties	**292**	920
Provision for inventories	**171**	—
Equity-settled share option expense, net of reversal (included in directors' and chief executive's remuneration)	**7,581**	2,005
Gain on bargain purchase^	**—**	(168)
Direct operating expenses arising from investment property	**1,841**	3,588

* Employee benefit expenses of RMB118,295,000 were included in "Costs of sales" in consolidated statement of profit or loss and other comprehensive income during the year ended 31 December 2025 (2024: RMB92,422,000).

** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

\# The amortisation of other intangible assets for the year is recorded in "Cost of sales" and "Administrative expenses" in consolidated statement of profit or loss and other comprehensive income.

^ Gain on bargain purchase is included in "Other income and other gains or losses, net" in consolidated statement of profit or loss and other comprehensive income.

9. INCOME TAX EXPENSE

The income tax expense in the consolidated statement of profit or loss and other comprehensive income represents:

	2025	2024
	RMB'000	*RMB'000*
Current Enterprise Income Tax — the PRC		
— charge for the year	**9,932**	8,051
— overprovision in prior years	**(73)**	(1,193)
Deferred tax	**(2,377)**	(481)
Income tax expense	**7,482**	6,377

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly is not subject to income tax from business carried out in the Cayman Islands.

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the year.

Except for certain subsidiaries as described below, PRC corporate income tax has been provided at the statutory tax rate of 25% on the taxable profits of the Group's PRC subsidiaries for the years ended 2025 and 2024.

According to the *Circular on Issues Concerning Tax Policies for In-depth Implementation of Western Development Strategies*, certain subsidiaries of the Group that are located in Sichuan Province and engaged in the encouraged business of property services management were entitled to a preferential corporate income tax rate of 15%. Pursuant to the *Circular of Extending the Period of Western Development Strategies Preferential Tax Rate (Cai Shui Fa [2020] No. 23)*, the tax preferential treatments were extended to 31 December 2030.

In addition, certain subsidiaries in the PRC are qualified as Small Low-profit Enterprises and thus are entitled to a preferential income tax rate of 20%.

The income tax expenses for the year can be reconciled to the profit before income tax in the consolidated statement of profit or loss and other comprehensive income as follows:

	2025 *RMB'000*	2024 *RMB'000*
Profit before income tax	**48,218**	44,282
Tax at PRC statutory rate of 25% (2024: 25%)	**12,055**	11,071
Income tax at preferential tax rates	**(5,178)**	(7,281)
Tax effect of expenses not deductible for tax purposes	**1,607**	2,261
Tax effect of income not subject to tax	**(101)**	(116)
Tax effect of tax losses not recognised	**2,331**	2,899
Tax effect of deductible temporary differences not recognised	**(1,154)**	(147)
Tax effect of the share of profit of associates	**(1,569)**	(403)
Tax effect of the share of loss of a joint venture	**55**	—
Overprovision in prior years	**(73)**	(1,193)
Utilisation of tax losses previously not recognised	**(491)**	(714)
Income tax expense	**7,482**	6,377

10. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the years ended 31 December 2025 and 2024, nor has any dividend been proposed since the end of the reporting period.

11. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic earnings per share is calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the reporting period. Diluted earnings per share is calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares. The calculations of basic and diluted earnings per share are based on:

	2025 *RMB'000*	2024 *RMB'000*
Earnings		
Profit for the year attributable to owners of the Company for the purposes of calculating basic and diluted earnings per share	**33,361**	37,014

	2025	2024
Number of shares		
Weighted average number of ordinary shares for the purposes of calculating basic earnings per share	**554,560,915**	568,709,356
Effect of dilution — weighted average number of ordinary shares:		
— Share options	**28,519,377**	2,560,769
Weighted average number of ordinary shares for the purposes of calculating diluted earnings per share	**583,080,292**	571,270,125

12. INVENTORIES

	2025 *RMB'000*	2024 *RMB'000*
Carparking spaces	**9,530**	23,981
Properties	**3,381**	—
Consumptive materials	**262**	—
	13,173	23,981
Less: provision for inventories	**(171)**	—
	13,002	23,981

As at 31 December 2025 and 2024, inventories were mainly carparking spaces and properties purchased from a Fellow Entity and a third party and carparking spaces acquired in relation to debts settlement agreements with Fellow Entities.

13. TRADE RECEIVABLES

	2025 *RMB'000*	2024 *RMB'000*
Trade receivables due from:		
Related parties	**45,764**	75,560
Third parties	**144,268**	127,732
	190,032	203,292
Impairment	**(20,710)**	(13,646)
	169,322	189,646

Trade receivables mainly arise from property management fees charged on a lump sum basis and value-added services.

Revenue from property management service on a lump sum basis is received in accordance with the terms of the relevant property service agreements and due for payment upon the rendering of services. Payment is received in advance or due within 180 days of the demand note issue date for related companies or certain property owners. Value-added services are due for payment upon rendering the services on a monthly, quarterly or half yearly basis depending on the nature of the services rendered and payment is due within 180 days from the demand note issue date. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by management.

All trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the year, based on the demand note issue date and net of provisions for impairment of trade receivables, is as follows:

	2025	2024
	RMB'000	*RMB'000*
Within 1 year	**118,429**	131,250
1 to 2 years	**38,685**	37,486
2 to 3 years	**8,468**	10,912
Over 3 years	**3,740**	9,998
	169,322	189,646

The movements in the loss allowance for impairment of trade receivables are as follows:

	2025	2024
	RMB'000	*RMB'000*
At beginning of year	**13,646**	11,326
Written off	**(71)**	—
Provision for impairment losses, net *(note 8)*	**7,135**	2,320
At end of year	**20,710**	13,646

14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Notes	2025 RMB'000	2024 RMB'000
Current portion:			
Due from related parties	*(d)*	**132,666**	9,928
Deposits	*(a)*	**16,491**	3,936
Staff advances		**936**	2,056
Property management costs recoverable from residents		**17,276**	7,877
Payments on behalf of residents	*(b)*	**1,495**	5,539
Cash in transit		**5,655**	4,208
Other receivables	*(c)*	**7,882**	7,646
Prepaid expenses		**17,166**	24,041
		199,567	65,231
Impairment allowance		**(6,970)**	(7,964)
		192,597	57,267
Non-current portion:			
Due from related parties		**114**	7,092
Deposits		**2,957**	3,399
Prepaid expenses		**5,697**	1,060
		8,768	11,551
		201,365	68,818

Notes:

(a) The amounts mainly represented the refundable deposits paid for performance and project tendering deposits. As at 31 December 2025 and 2024, the deposits amounting to RMB2,957,000 and RMB3,957,000, respectively, were considered credit impaired. The management has assessed that the credit risk of the deposits of RMB2,957,000 (2024: RMB3,957,000) increased significantly and an impairment of RMB2,957,000 was provided (2024: RMB3,957,000).

(b) The amounts represented the amounts paid on behalf of residents to the utility service providers for the services provided.

(c) Included in other receivables at 31 December 2025 were interest-free loans to independent individuals and independent third parties amounting to RMB600,000 (2024: RMB600,000) and RMB1,386,000 (2024: RMB1,386,000), respectively, which were considered credit impaired and a full impairment was provided by the Group.

(d) Included in current portion of due from related parties is a loan receivable from an associate of RMB115,773,000 (2024: Nil). The loan is non-trade in nature, unsecured, interest-bearing at 3.5% per annum and due for repayment on 10 October 2026. The loan was advanced for the associate's project development.

All the above receivables are interest-free and are not secured with collateral. Except for those disclosed in notes (a) to (d) above, none of the financial assets included in the above balances is past due, with no recent history of default and the loss allowance assessed to be minimal.

The movements in the loss allowance for impairment are as follows:

	2025	2024
	RMB'000	*RMB'000*
At beginning of year	**7,964**	7,441
Provision for impairment losses, net *(note 8)*	**1,148**	523
Written off	**(2,142)**	—
At end of year	**6,970**	7,964

15. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of each year, based on the invoice date, is as follows:

	2025	2024
	RMB'000	*RMB'000*
Within 3 months	**22,975**	34,233
3 to 12 months	**2,743**	10,720
Over 1 year	**14,918**	10,579
	40,636	55,532

The trade payables are non-interest-bearing and are normally settled on 90-day terms.

16. OTHER PAYABLES AND ACCRUALS

	Note	2025 RMB'000	2024 RMB'000
Current portion:			
Due to related parties		5,747	9,817
Other borrowings from related parties		—	8,686
Payables for purchase of property and equipment		5,906	9,945
Receipts on behalf from community residents	*(a)*	12,902	17,794
Payroll and social insurance payables		45,312	46,989
Deposits received		27,855	28,176
Other tax payable		25,941	20,447
Other payables and accrued expenses		12,240	12,554
Sub-total		135,903	154,408
Non-current portion:			
Other borrowings from related parties		22,771	30,922
Sub-total		22,771	30,922
Total		158,674	185,330

Note:

(a) The amounts mainly represent advances received on behalf from property owners and tenants for settlement of utility charges.

17. SHARE CAPITAL

	Number of ordinary shares
Authorised:	
Ordinary shares of USD0.0001 each	
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	2,000,000,000

	Number of shares	**Nominal value**
		RMB'000
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	620,259,200	393

Treasury shares held under the Share Award Scheme

	Note	**Number of share**	***RMB'000***
At 1 January 2024		2,746,571	2,871
Add: shares repurchased during the year		67,005,429	78,941
At 31 December 2024 and 1 January 2025		69,752,000	81,812
Less: shares transferred upon exercise of share options	*(a)*	(6,450,695)	(7,212)
At 31 December 2025		63,301,305	74,600

Note:

(a) The decrease during 2025 represents 6,450,695 shares transferred by the trustee upon exercise of share options under the Share Award Scheme.

Details of shares repurchased by the trustee during 2024 are as follows:

Month of share repurchase	**Number of shares repurchased**	**Lowest price paid per share** *HK$*	**Highest price paid per share** *HK$*	**Aggregate price paid** *HK$*
January 2024	17,838,000	1.12	1.39	23,011,000
February 2024	21,816,000	1.16	1.39	28,688,000
June 2024	16,479,429	1.14	1.28	21,918,000
October 2024	10,872,000	1.21	1.93	13,155,000
Total	67,005,429			86,772,000

During the year ended 31 December 2025, no shares were repurchased by the trustee under the Share Award Scheme.

As at 31 December 2025, the total number of issued ordinary shares of the Company include 63,301,305 shares (2024: 69,752,000 shares) held for the Share Award Scheme by the trustees of the Company, representing approximately 10.21% (2024: 11.25%) of the issued share capital of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

SUMMARY OF PERFORMANCE

- Total revenue of the Group for the year ended 31 December 2025 increased by 7.7% to RMB488.4 million from RMB453.5 million for the year ended 31 December 2024.
- Profit after income tax for the year ended 31 December 2025 amounted to RMB40.7 million, representing an increase of 7.4% compared to that of RMB37.9 million for the year ended 31 December 2024.
- For the year ended 31 December 2025, basic earnings per share attributable to equity holders of the Company amounted to RMB6.02 cents (2024: RMB6.51 cents). For the year ended 31 December 2025, diluted earnings per share attributable to equity holders of the Company amounted to RMB5.72 cents (2024: RMB6.48 cents).

	Year ended 31 December			
	2025	2024	Change	
	RMB'000	*RMB'000*	*RMB'000*	*%*
Revenue	**488,373**	453,512	34,861	7.7
Gross profit	**105,664**	99,828	5,836	5.9
Gross Profit Margin (%)	**21.6%**	22.0%		
Net Profit	**40,736**	37,905	2,831	7.4
Net Profit Margin (%)	**8.3%**	8.4%		
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of financial statements of foreign operations	**22**	—	22	N/A
Profit and Total Comprehensive Income for the Year	**40,758**	37,905	2,853	7.5
Earnings Per Share				
Basic	**RMB6.02 cents**	RMB6.51 cents		
Diluted	**RMB5.72 cents**	RMB6.48 cents		

INDUSTRY REVIEW

In 2025, the property management industry encountered a strategic period of opportunity for value reconstruction amidst the deep adjustments of the stock era. Policy directions continued to send clear signals, injecting new impetus into the industry's development. In July 2025, the Central Urban Work Conference noted that China's urbanisation had entered a phase of steady development, with the focus of urban work shifting from "large-scale incremental construction" to "enhancing the quality and efficiency of existing stock" and deployed key tasks encompassing "one optimisation and six constructions", which signalled that the strategic position of the property management industry, as a core force in urban operations, would in the future become deeply intertwined with national strategies such as urban renewal, grassroots governance and livelihood security. In August of the same year, the Opinions on Promoting High-Quality Urban Development further established property management as a crucial link in improving living standards, enhancing grassroots governance, and building "good homes" and complete communities, emphasising the implementation of initiatives to improve property service quality. Against the backdrop of "improving property service quality" becoming a frequent policy keyword, the industry's positioning is progressively upgrading from a "guardian of property services" to a "deep participant in urban asset management".

Industry regulation continued to standardise, with policy implementation becoming more precise. The regulatory framework was continuously refined in areas such as the transparency of property service fee charging, the standardisation of service disclosures, and the systematisation of service quality evaluation. This aimed to rectify market irregularities and guide the industry onto a track of healthy, orderly and standardised development.

The competitive focus shifted from scale expansion to refined operations and expansion of existing stock. The industry moved away from extensive growth. On one hand, enterprises achieved quality growth in management scale through market-based expansion. On the other hand, they actively revitalised existing resources, expanding into diverse business formats such as community commerce and urban services to carve out a high-quality second growth curve.

Digital transformation deepened, with technology driving a reshaping of services. The integrated application of technologies such as artificial intelligence and robotics is propelling the evolution of property management services towards intelligence and refinement, providing core support for cost reduction, efficiency enhancement and experience improvement.

Concurrently, the development of financial innovation tools such as public REITs is profoundly reshaping the value logic of urban assets, providing efficient pathways and liquidity solutions to revitalise existing real estate. This places new demands on property enterprises: they must continuously transcend the traditional functional boundaries of "four safeguards and one service" and transition towards full lifecycle asset management services. They must seize the opportunities of the stock era and achieve a leap from "single property management" to "comprehensive asset operation".

BUSINESS REVIEW

Facing structural adjustments in the industry and an increasingly competitive environment, the Group adhered to a long-term perspective, focusing on urban assets and continuously strengthening its comprehensive asset management capabilities. This has resulted in the formation of three core product lines: commercial and residential communities, commercial industrial complexes, and digital economy industrial parks. Through deep engagement in the existing property market, expansion of service scenarios, and focus on core operations, the Group has progressively developed a comprehensive service ecosystem covering the full lifecycle of assets. This has ultimately resulted in the formation of three synergistic business segments: property services, asset operation, and investment and development.

During the Reporting Period, the Group's business mainly included three segments: (i) property services segment: primarily comprising property management services and other value-added services as well as carpark space sales; (ii) asset operation services segment: primarily including office building sublease services, commercial operation services, commercial property management and other related services as well as e-commerce live-streaming services; and (iii) investment and development segment: primarily covering home decoration and refurbishment services.

FINANCIAL REVIEW

During the year ended 31 December 2025, the Group recorded revenue of RMB488.4 million, representing an increase of 7.7% compared to the same period of 2024, mainly attributable to the expansion of the property service management scale; gross profit of approximately RMB105.7 million, representing an increase of 5.9% compared to the same period of 2024; and gross profit margin of 21.6%, remaining stable compared to the same period of 2024. The Group's net profit after tax for the year ended 31 December 2025 was RMB40.7 million, representing an increase of 7.4% compared to RMB37.9 million for the same period of 2024, which was mainly due to the continuous expansion of the property service management scale and the growth in investment income from associates.

Revenue and its Composition

	31 December 2025		31 December 2024		
		Percentage of total revenue		*Percentage of total revenue*	*Year-on-year change*
	RMB'000	*%*	*RMB'000*	*%*	*%*
Business segment					
Property services	**321,909**	**65.9**	287,129	63.3	12.1
Asset operation services	**149,083**	**30.5**	141,486	31.2	5.4
Investment and development	**17,381**	**3.6**	24,897	5.5	–30.2
	488,373	**100.0**	453,512	100.0	7.7

Revenue

During the Reporting Period, the Group recorded revenue of RMB488.4 million, representing a year-on-year increase of 7.7% as compared to RMB453.5 million for the year ended 31 December 2024, mainly attributable to the expansion of the property service management scale.

The Group's revenue was primarily generated from three business segments: (i) property services; (ii) asset operation services; and (iii) investment and development. During the Reporting Period, (i) revenue generated from property services was RMB321.9 million, which accounted for 65.9% of the Group's total revenue, representing a year-on-year increase of 12.1% as compared to RMB287.1 million for the corresponding period in 2024; (ii) revenue generated from asset operation services was RMB149.1 million, which accounted for 30.5% of the Group's total revenue, representing a year-on-year increase of 5.4% as compared to RMB141.5 million for the corresponding period in 2024; and (iii) revenue generated from investment and development was RMB17.4 million, which accounted for 3.6% of the Group's total revenue, representing a year-on-year decrease of 30.2% as compared to RMB24.9 million for the corresponding period in 2024.

Property Services

During the Reporting Period, the Group's property services segment generated RMB321.9 million in revenue, contributing 65.9% to the Group's total revenue, which represents a 12.1% year-on-year growth from RMB287.1 million in 2024, which was mainly due to the Group's deepening its presence in the existing property market and steadily expanding management scale.

The Group's property services segment primarily encompasses basic property management services and other value-added services. Basic property management services include daily operations and maintenance such as security, cleaning, repairs, and landscaping for diverse property types including residential and ancillary commercial facilities. Other value-added services extend into areas like residential living services, retail, asset brokerage, and community event operations, centred around residents' daily living scenarios, which are dedicated to building a comprehensive service ecosystem that covers the entire lifecycle of residents' needs.

During the Reporting Period, the Group's property services segment adhered to the development strategy of "deepening existing and expanding incremental (深耕存量、拓展增量)", upholding the customer philosophy of "being user-centred, creating value for customers and delivering perceptible value to customers". While continuously strengthening its established operations, the Group actively explored external markets, fostering a development trajectory characterized by coordinated progress in service enhancement, organisational efficiency, brand strengthening, and scale growth.

In the operation of existing projects, our focus remains on enhancing service quality and deepening user relationships to continuously solidify our core business foundation:

I. Establishing an efficient and closed-loop customer feedback mechanism to ensure timely response and implementation of user needs. Through standardised and refined services, the Group consistently improved residents' satisfaction, reinforcing the cash flow foundation for business development.

II. Developing a diversified value-added service system around the daily life scenarios of residents, covering areas such as residential living services, retail, asset brokerage, and community amenities. By systematically tapping into the economic potential of the community, the Group aimed to cultivate new sources of revenue growth.

III. Leveraging the "Neighbourhood" community brand to continuously organise online and offline community activities, including parent-child events, sports, and cultural programs. Upgrading the traditional "counter-style" property service centre into an open and shared "Neighbourhood Life Centre" (有鄰生活中心), actively fostering a community atmosphere of "neighbours with bonds, joy and love", effectively enhancing user belonging and engagement.

In terms of scale expansion, we have steadily built a strong brand image and market reputation through market competition, leveraging our solid operational expertise cultivated over many years in the industry, a mature service system, and a professional and efficient team. We have successfully secured multiple high-quality projects through market-driven expansion, leveraging our superior service quality and comprehensive operational capabilities. This has enabled steady growth in our managed portfolio, further enhancing the resilience and sustainability of our business development. During the Reporting Period, the Group's area under management steadily increased to 11.9 million square meters, representing an increase of 11.8% as compared to the same period of the prior year.

Asset Operation Services

During the Reporting Period, the revenue from the Group's asset operation services segment amounted to RMB149.1 million, accounting for 30.5% of the Group's total revenue, representing an increase of 5.4% as compared to RMB141.5 million for the year 2024, mainly due to the expansion of the business scale.

The Group's asset operation segment relies on various business models such as entrusted operation, profit-sharing cooperation, commercial leasing operations, and lease holding. It builds a dual-driven value enhancement system around the "building economy" and "industrial ecosystem". We focus on three core businesses: office building leasing, commercial asset management, and industrial park operations. Through full-chain professional service capabilities, we continuously improve the layout of industrial spaces in key areas of Chengdu.

During the Reporting Period, our office building brands, relying on solid operational strength, have maintained an overall occupancy rate of over 90%. At the same time, the Group has deepened collaboration with strategic partners, focusing on formats like industrial complexes and digital economy industrial parks. Through resource integration and joint expansion, we have injected new growth momentum into the Group's development.

Investment and Development

During the Reporting Period, the revenue from the Group's investment and development segment amounted to RMB17.4 million, accounting for 3.6% of the Group's total revenue, representing a decrease of 30.2% as compared to RMB24.9 million for the year 2024.

As an important strategic component of the Group's efforts to promote business diversification and cultivate future growth points, the investment and development sector primarily generates revenue from home decoration and refurbishment services, while further expanding its presence in business areas including entrusted construction management, asset investment and digital finance. This sector is still in the early stages of cultivation and capacity building and has not yet made a significant contribution to the Group's overall performance. In the face of changing market conditions and industry competition, we will continue to promote effective business integration and steady growth through internal resource coordination and industrial chain integration.

Cost of Sales

During the Reporting Period, cost of sales amounted to RMB382.7 million, representing an increase of 8.2% as compared to RMB353.7 million for the corresponding period in 2024, which was mainly due to the continuous increase in the Group's cost inputs driven by the expansion of the business scale of the Group.

Selling Expenses

During the Reporting Period, selling expenses amounted to RMB5.4 million, representing a decrease of 53.0% as compared to RMB11.5 million for the corresponding period in 2024, which was mainly due to the decrease in sales commissions and other related expenses as the Group's relevant businesses entered a mature stage.

Gross Profit and Gross Profit Margin

For the year ended 31 December 2025, the gross profit was RMB105.7 million, representing an increase of 5.9% as compared to RMB99.8 million for the corresponding period in 2024. The gross profit margin was 21.6%, remaining stable compared to the same period of 2024.

Other Income and Other Gains or Losses, Net

Our other income and gains mainly consist of government grants, forfeited deposits, interest income and foreign exchange (losses)/gains, net. Other income and gains decreased by RMB1.3 million, or 10.2% from RMB12.7 million for the year ended 31 December 2024 to RMB11.4 million for the year ended 31 December 2025, which was mainly due to the change from foreign exchange gains in 2024 to foreign exchange losses in 2025 as a result of fluctuations in exchange rates.

Administrative Expenses

Our administrative expenses mainly consist of labour costs, business entertainment expenses, office expenses, staff dormitories and office space expenses, promotion expenses, transportation expenses, tax expenses, special service expenses, depreciation and amortisation, lease expenses and others. Administrative expenses of our Group increased by RMB5.3 million, or 13.9% from RMB38.2 million for the year ended 31 December 2024 to RMB43.5 million for the year ended 31 December 2025, which was mainly due to the increase in staff costs resulting from the equity incentives.

Provision for Impairment Losses on Trade Receivables, Net

The net provision for impairment of trade receivables for the year ended 31 December 2025 was RMB7.1 million as compared to the net provision for impairment of trade receivables for the year ended 31 December 2024 of RMB2.3 million, which was mainly due to the increase in the impairment provision based on prudential considerations.

Provision for Impairment Losses on Deposits and Other Receivables, Net

The net provision for impairment losses on deposits and other receivables increased from RMB0.5 million for the year ended 31 December 2024 to RMB1.1 million for the year ended 31 December 2025 which was mainly due to the increase in impairment provisions made on a prudent basis, as other receivables increased in line with business development.

Finance Costs

Our finance costs for the year ended 31 December 2025 amounted to RMB16.0 million, representing an increase from RMB15.2 million for the year ended 31 December 2024, which was mainly due to the interest expenses on bank borrowings.

Other Expenses

We incurred other expenses of RMB1.2 million for the year ended 31 December 2025, representing an increase as compared to other expenses of RMB1.1 million for the year ended 31 December 2024, which was mainly due to the impact of business expansion.

Share of Profit of Associates

Our share of profit of associates for the year ended 31 December 2025 amounted to RMB6.3 million, representing an increase from RMB1.6 million for the year ended 31 December 2024, which was mainly due to the increase of operating income generated by the associates.

Profit before Income Tax

The Group's profit before income tax during the year increased by RMB3.9 million, or 8.8% from RMB44.3 million for the year ended 31 December 2024 to RMB48.2 million for the year ended 31 December 2025.

Income Tax Expenses

Our income tax expenses increased by 17.2% from RMB6.4 million for the year ended 31 December 2024 to RMB7.5 million for the year ended 31 December 2025, primarily due to the increase in profit before income tax.

Profit for the Reporting Period

As a result of the changes discussed above, our net profit for the Reporting Period increased by 7.4% from RMB37.9 million for the year ended 31 December 2024 to RMB40.7 million for the year ended 31 December 2025, and our net profit margin for the Reporting Period decreased from 8.4% for the year ended 31 December 2024 to 8.3% for the year ended 31 December 2025.

Property and Equipment

Property and equipment mainly consist of electric devices and leasehold improvements, which decreased from RMB97.4 million as at 31 December 2024 to RMB94.0 million as at 31 December 2025. Such decrease was mainly due to the provision for depreciation.

Investment Properties

Investment properties consist of residential and commercial properties located in the PRC that are held to earn rentals or for capital appreciation, or both. Investment properties decreased from RMB232.4 million as at 31 December 2024 to RMB211.5 million as at 31 December 2025, which was mainly attributable to the provision for depreciation.

Other Intangible Assets

We recognised other intangible assets of RMB6.9 million as at 31 December 2025, which mainly include the customer relationships arising from the acquisitions of Zhongneng Group and Sichuan Desun Smart Green Real Estate Co., Ltd.* (四川德商智慧綠色置業有限公司), calculated using the straight-line method over the expected useful life (2 years to 10 years) based on the past experience of the renewal model of property management contracts and the expected duration of the contracts.

Goodwill

Goodwill arose out of our acquisition of Zhongneng Group in 2020, which resulted in the recognition of goodwill of RMB9.2 million.

Trade Receivables

Trade receivables mainly arise from property management services and certain value-added services. Trade receivables of our Group decreased from RMB189.6 million as at 31 December 2024 to RMB169.3 million as at 31 December 2025, primarily due to the Group's strengthened recovery efforts for receivables during the Reporting Period, which resulted in a decrease in the overall balance of trade receivables.

Prepayments, Deposits and Other Receivables

Prepayments, deposits and other receivables mainly comprise deposits paid for performance and project tendering, advances to staff, payment on behalf of residents relating to utilities and borrowings provided to associates. Our Group's prepayments, deposits and other receivables increased from RMB68.8 million as at 31 December 2024 to RMB201.4 million as at 31 December 2025, which was mainly due to the increase in borrowings provided to associates.

Trade Payables

Trade payables primarily represent our obligations to pay for goods and services that have been acquired in our course of business from suppliers. The trade payables primarily consist of cleaning fees, material fees, maintenance fees, subcontracting fees and construction fees. Trade payables of the Group decreased from RMB55.5 million as at 31 December 2024 to RMB40.6 million as at 31 December 2025, primarily due to the Group's strengthened working capital management, accelerated settlement of amounts due to suppliers and performance of payment obligations in accordance with contracts, which resulted in the decrease in the year-end balance of trade payables.

Other Payables and Accruals

The other payables and accruals of our Group primarily consist of payables for payroll, utilities and other taxes, receipt of advances on behalf of residents, consideration payables as well as deposits received. The other payables and accruals decreased from RMB185.3 million as at 31 December 2024 to RMB158.7 million as at 31 December 2025, which was mainly due to the reduction in transactions with related parties.

Contract Liabilities

The contract liabilities of our Group primarily arise from the advance payments received from customers of our Group's property management services. The contract liabilities of our Group increased from RMB55.8 million as at 31 December 2024 to RMB77.5 million as at 31 December 2025, which was mainly due to the expansion of the Group's overall business scale.

Tax Payables

Tax payables of our Group primarily consist of PRC corporate income tax payable and value-added tax payable. Our tax payables increased from RMB6.4 million as at 31 December 2024 to RMB9.8 million as at 31 December 2025, primarily due to the expansion of the overall business scale.

Lease Liabilities

The current lease liabilities amounted to RMB17.5 million for the year ended 31 December 2025 (as at 31 December 2024: RMB15.1 million), which was mainly due to the increase in lease liabilities corresponding to new operating lease assets. The non-current lease liabilities of the Group amounted to RMB219.9 million as at 31 December 2025 (as at 31 December 2024: RMB232.7 million), primarily due to the reclassification of non-current lease liabilities to current lease liabilities at the end of 2025 as a portion of the non-current lease liabilities at the end of 2024 will be due for payment in 2026.

Liquidity and Capital Resources

Our cash and bank balances increased by RMB9.5 million from RMB169.1 million as at 31 December 2024 to RMB178.6 million as at 31 December 2025. Our net current assets increased from RMB143.6 million as at 31 December 2024 to RMB219.5 million as at 31 December 2025. Our current ratio was approximately 1.7 times (31 December 2024: approximately 1.5 times). As at 31 December 2025, the short-term borrowings amounted to RMB53.4 million.

Pledge of Assets

As at 31 December 2025, none of the assets of the Group were pledged (31 December 2024: Nil).

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

On 24 September 2025, Green Real Estate, an indirect wholly-owned subsidiary of the Company, made a capital increase in Chengdu Bangtai Jinchen Real Estate Co., Ltd.* (成都邦泰錦宸置業有限公司) ("**Chengdu Bangtai**" or "**Target Company**"). Upon completion of the Capital Increase, the registered capital of the Target Company was increased from RMB10 million to RMB20 million, and each of Green Real Estate and Chengdu Bangtai Yueshang Real Estate Co., Ltd.* (成都邦泰躍尚置業有限公司) ("**Bangtai Yueshang**") will hold 50% of the equity interest in the Target Company. For details, please refer to the announcement of the Company dated 10 October 2025.

Save as disclosed in this announcement, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

Significant Investment Held and Future Plans for Material Investment and Capital Assets

During the year ended 31 December 2025, our Group did not have any significant investment, and there was no plan for other material investments or additions of capital assets as at the date of this announcement.

Gearing Ratio

The gearing ratio (sum of interest-bearing bank loans divided by total equity) as at 31 December 2025 was 25.2% (as at 31 December 2024: 3.28%), which is primarily due to the increase in bank borrowings required for business development.

Contingent Liabilities

As at 31 December 2025, our Group did not have any outstanding guarantees or other material contingent liabilities (31 December 2024: Nil).

Future Outlook

Looking ahead, building on its well-established professional asset operating capabilities, the Group will focus on developing an integrated asset management model centred on the full cycle of "fundraising, investment, management and exit". The Group will undertake a comprehensive industrial layout and strategic investments focused on urban assets, and gradually establish a complete business system underpinned by "operations as the foundation and capital as the driver".

We will continue to strengthen our front-end capabilities in fund raising and investment deployment, and systematically enhance back-end value realisation and exit mechanisms, so as to further strengthen key links in the closed-loop asset management chain. Meanwhile, the asset operation segment will continue to leverage its professional strengths to systematically enhance asset value and operating efficiency; the property services segment will further deepen customer relationships and steadily expand its management scale, jointly consolidating the foundation for the Group's development.

Ultimately, through the synergistic framework of "targeted fundraising and investment, professional operation, quality services, efficient exit and digitalised and intelligent management", the Group will continue to maximise asset value, develop a resilient and sustainable development model with cross-cycle capabilities, and steadily advance towards becoming an industry-leading asset management platform.

Treasury Policies

We consistently comply with our treasury policy in managing the relevant departments, as well as in conducting business, accounting and filing. We are committed to safeguarding overall financial security and maintaining a strong cash position and a healthy debt profile with strong repayment ability. To maintain a strong financial position, we have established a long-term, medium-term and short-term fund management system. By adopting a full, reasonable and professional assessment mechanism, preparing annual and monthly funding plans, we have established disciplined fund management principle, which allows us to efficiently manage market risks. If new funding needs arise due to factors such as strategic expansion, external financing will be arranged in time to meet such requirements.

Foreign Exchange Risk

Other than the bank deposits, some of which are denominated in USD and HKD (as at 31 December 2025, bank and cash balances denominated in HKD and USD equal to RMB23.91 million in total), the Group's business is principally conducted in RMB and therefore did not have any material direct exposure to foreign exchange fluctuation in the year of 2025. Accordingly, the Group considers its exposure to currency risk to be insignificant. As at 31 December 2025, the Group has not entered into any hedging transaction against foreign currency risks. However, the Board will remain alert to any relevant risks and, if necessary, consider hedging any material potential foreign exchange risk.

Employees and Benefits Policies

As at 31 December 2025, our Group had 1,333 employees (31 December 2024: 1,235 employees). During the Reporting Period, the wages and salaries of employees (including directors' remuneration) amounted to RMB122.8 million as compared to RMB100.6 million for the year ended 31 December 2024. Employees' remuneration is determined based on the employees' performance, skills, knowledge, experience and market trends. Our Group regularly reviews compensation policies and programmes, and will make necessary adjustment in order to be in line with the remuneration levels in the industry. Our Group also provides various systematic and extensive training programmes to its employees. Our Group's employee training programmes primarily cover key areas in the Group's business operations, which provide continuous training to our Group's existing employees at different levels to refine and strengthen their skill sets.

On 22 December 2023, the Company also adopted the share award scheme which was amended and restated on 20 May 2024 and 14 July 2025 (the "**Share Award Scheme**"). The purposes of the Share Award Scheme are to recognise the contributions by certain eligible participants and to provide them with incentives in order to retain them for the continual operation and development of the Group; and to attract suitable personnel for further development of the Group.

Major Risks and Uncertainties

The Group believes that the risk management practices are important and uses its best endeavours to effectively and efficiently mitigate risks inherent in its operations and financial position. The following are the major risks and uncertainties of our business:

(i) if our Group is unable to perform its contracts with customers, the results of operations and financial condition may be adversely affected;

(ii) our Group is susceptible to changes in the regulatory landscape of the PRC property management industry;

(iii) as an increasing number of our Group's competitors listed on the Stock Exchange are looking for high-quality property management companies in the PRC as their acquisition targets, the Group faces intense competition, and there is no guarantee that our Group will be able to acquire or invest in the targets that it desires as planned; and

(iv) any financial difficulties faced by Desun Group may have adverse impact on our Group's business, financial condition, results of operation and prospects.

In response to the aforementioned risks, the Group will implement countermeasures in the following aspects:

1. Business Diversification and Refined Management: the Group will optimise its business structure by consolidating its three core business segments, strengthening overall risk resilience through business diversification to mitigate dependence on any single business or related parties. Meanwhile, through digital empowerment and other means, the Group will refine cost control and cash flow management to reduce the risk of capital utilisation. This approach seeks to achieve synergistic development of both scale and quality.

2. Resource Allocation Optimisation and Talent Assurance: by reducing costs and increasing efficiency, along with optimising resource allocation, the Group aims to enhance overall operational efficiency and lower operational costs, thus mitigating risks stemming from regulatory changes or heightened market competition. Furthermore, with a customer value-oriented approach, the Group will enhance service quality, strengthen standard evaluation mechanisms, and improve talent development and incentive mechanisms. This will enhance the team's execution and innovation capabilities, providing a solid talent foundation to navigate a complex and ever-changing market environment.

Events after the Reporting Period

On 25 March 2026, Chengdu Desun Real Estate Investment Property Service Co., Ltd.* (成都德商產投物業服務有限公司) ("**Chengdu Desun**"), a wholly-owned subsidiary of the Company, successfully won the bid for the Jiaozi Park Financial and Business District Cultural and Financial Industry Supporting Infrastructure Construction Project (成都市交子公園金融商務區文創金融產業配套基礎設施建設項目) (the "**Project**"), a landmark media complex located in Chengdu, the PRC, with a net land area of approximately 35.5642 mu, which is set to become a hub for "digital media + fashion and arts". The Project is expected to have a term of 10 years, including the preparation period and the cooperation period, and involves three cooperative projects: the office property entrusted operation, commercial leasing and comprehensive property services. As part of the scope of the Project, Chengdu Desun will enter into the Lease Agreement for the commercial property and, subject to the compliance with the designated use, obtain authorization to carry out specific operational activities. Chengdu Desun (as the lessee) and Chengdu East Coast Smart Media Cultural Industry Development Co., Ltd.* (成都東岸智媒文化產業發展有限公司) ("**Dongan Smart Media**") (as the lessor) shall enter into the Lease Agreement in respect of the Leased Premises. Dongan Smart Media is expected to deliver the Leased Premises on 30 June 2027, and the lease term shall commence on 1 July 2027 and end on 30 June 2036, with an expected duration of nine years. For details, please refer to the announcement of the Company dated 25 March 2026.

Save as disclosed in this announcement, the Group had no significant events after the Reporting Period and up to the date of approval of the audited consolidated results.

CORPORATE GOVERNANCE

The Board is committed to maintaining high corporate governance standards.

The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of the Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company's corporate governance practices are based on the principles as set out in the CG Code.

The Company has adopted the principles and code provisions as set out in Part 2 of Appendix C1 to the Listing Rules and complied with the applicable code provisions contained in Part 2 of Appendix C1 to the Listing Rules throughout the Reporting Period except for code provision C.2.1.

Currently, Mr. Zhang Zhicheng serves as both the chairman of the Board and the CEO, and such practice deviates from the code provision C.2.1 of the CG Code which states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Nevertheless, the Board believes that the extensive experience and knowledge in the real estate and property management industry of Mr. Zhang, who has guided the Group to complete the initial public offering in December 2021, together with the support of the management, will provide solid and consistent leadership for the Group. Therefore, the Board considers that the deviation from the code provision C.2.1 of the CG Code is appropriate under such circumstances.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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 its codes of conduct regarding securities transactions by its Directors and employees (the "**Securities Dealing Code**").

The Company has made specific enquiry of all Directors as to whether they have complied with the required standard as set out in the Model Code for the Reporting Period and all Directors confirmed that they have complied with the Model Code and the Securities Dealing Code throughout the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares (as defined in the Listing Rules)). As at 31 December 2025, the Company did not hold any treasury shares (as defined in the Listing Rules).

REVIEW OF ACCOUNTS

The Audit Committee was established with written terms of reference in compliance with Appendix C1 to the Listing Rules. The Audit Committee is authorised by the Board to review and monitor the financial reporting, risk management and internal control systems of the Company, and assist the Board in fulfilling its responsibilities in respect of the audit of the Group. The Audit Committee has reviewed the annual results and the consolidated financial statements of the Group for the year ended 31 December 2025 and reviewed with the management of the Group the accounting principles and practices adopted by the Group, and discussed with them the internal control and financial reporting matters.

The Audit Committee comprises three independent non-executive Directors, namely, Mr. Yan Hong, Mr. Chen Di and Mr. Fang Liqiang. The chairman of the Audit Committee is Mr. Yan Hong.

FINAL DIVIDEND

The Board has resolved not to recommend the payment of any final dividend for the year ended 31 December 2025.

PUBLIC FLOAT

As at the date of this announcement and based on the information publicly available to the Company and to the best knowledge of the Directors, the Company has maintained the minimum public float of 25% as required under the Listing Rules.

SCOPE OF WORK OF AUDITORS

The financial information set out in this announcement does not constitute the Group's audited accounts for the year ended 31 December 2025, but represents an extract from the consolidated financial statements for the year ended 31 December 2025 which have been audited by the auditors of the Company, BDO Limited, in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. The work performed by BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by BDO Limited on this announcement. The financial information has been reviewed by the Audit Committee and approved by the Board.

PUBLICATION OF THE ANNUAL RESULTS AND 2025 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.desunhui.com), and the 2025 Annual Report containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company in due course.

DEFINITIONS

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

"Audit Committee"	the audit committee of the Board
"Board"	the board of directors of the Company
"CEO"	the chief executive officer of the Company
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules

"China" or "PRC"	People's Republic of China, but for the purpose of this announcement and for geographical reference only and except where the context requires otherwise, references in this announcement to "China" and the "PRC" do not apply to Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"Company" or "Our Company" or "Desun Real Estate Investment"	Desun Real Estate Investment Services Group Co., Ltd. (德商產投服務集團有限公司) (formerly known as Desun Real Estate Investment Services Limited), an exempted company incorporated in the Cayman Islands with limited liability on 10 December 2020
"Desun Group"	Companies in which Mr. Zou Kang has control or joint control, and has significant influence
"Director(s)"	the directors of the Company
"Group", "our Group", "our", "we" or "us"	the Company and its subsidiaries from time to time
"HKD"	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the PRC
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"Reporting Period"	the year ended 31 December 2025
"Share(s)"	ordinary shares in the share capital of our Company with a nominal value of USD0.0001 each
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"value-added services"	include value-added services provided to property owners, tenants and non-property owners

"Zhongneng"	Chengdu Zhongneng Property Management Company Limited* (成都中能物業管理有限責任公司), a company incorporated with limited liability in the PRC on 16 May 2006 and an indirect wholly owned subsidiary of our Company
"Zhongneng Group"	Zhongneng and its subsidiaries

By order of the Board
Desun Real Estate Investment Services Group Co., Ltd.
Zhang Zhicheng
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 27 March 2026

As at the date of this announcement, the executive Directors are Mr. Zhang Zhicheng, Ms. Wan Hong, Mr. Liu Jun, Mr. Shao Jiazhen and Ms. Zhu Na, the non-executive Director is Mr. Zou Kang, and the independent non-executive Directors are Mr. Fang Liqiang, Mr. Chen Di and Mr. Yan Hong.

* *for identification purpose only*

** *Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding*