苏新服务
SUXIN SERVICE 1994

Suxin Joyful Life Services Co., Ltd.
蘇新美好生活服務股份有限公司

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

(Stock Code: 2152)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL SUMMARY

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Revenue	**972,710**	924,601
Gross profit	**170,647**	161,876
Gross profit margin	**17.5%**	17.5%
Profit for the year	**68,663**	66,153
Net profit margin	**7.1%**	7.2%
Profit attributable to owners of the Parent	**66,796**	65,316
Basic and diluted *(RMB)*	**0.66**	0.65

- For the Year, the total revenue of the Group was approximately RMB972.7 million, representing an increase of approximately 5.2% from approximately RMB924.6 million for the Previous Year.

- For the Year, the gross profit of the Group was approximately RMB170.6 million, representing an increase of approximately 5.4% from approximately RMB161.9 million for the Previous Year. The Group's gross profit margin was 17.5% for the Year, remaining the same as the Previous Year.

- For the Year, the profit of the Group was approximately RMB68.7 million, representing an increase of approximately 3.8% from approximately RMB66.2 million for the Previous Year.

- As of 31 December 2025, the Group had a total contracted GFA of approximately 29.7 million sq.m., representing an increase of approximately 4.1 million sq.m. compared with 31 December 2024.

- The Board has resolved to recommend the distribution of a final dividend in cash of RMB0.3628 per share of the Company (tax inclusive) for the Year.

ANNUAL RESULTS

The Board hereby announces the audited consolidated annual results of the Group for the Year, together with comparative figures for the Previous Year.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	Notes	**2025** *RMB'000*	2024 *RMB'000*
REVENUE	*5*	**972,710**	924,601
Cost of sales		**(802,063)**	(762,725)
Gross profit		**170,647**	161,876
Other income and gains	*5*	**9,631**	12,610
Selling and marketing expenses		**(3,453)**	(2,870)
Administrative expenses		**(68,158)**	(54,490)
Other expenses		**(3,484)**	(15,384)
Finance costs		**(13,312)**	(14,242)
Share of profits and losses of a joint venture		**(533)**	(476)
Share of profits and losses of associates		**(167)**	792
PROFIT BEFORE TAX	*6*	**91,171**	87,816
Income tax expense	*7*	**(22,508)**	(21,663)
PROFIT FOR THE YEAR		**68,663**	66,153
Profit attributable to:			
Owners of the parent		**66,796**	65,316
Non-controlling interests		**1,867**	837
		68,663	66,153
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*9*		
Basic and diluted *(RMB)*		**0.66**	0.65

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2025

	2025	2024
	RMB'000	*RMB'000*
PROFIT FOR THE YEAR	**68,663**	66,153
OTHER COMPREHENSIVE LOSS		
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive loss:		
Changes in fair value	**(1,484)**	(3,466)
Income tax effect	**370**	867
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:	**(1,114)**	(2,599)
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	**(1,114)**	(2,599)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**67,549**	63,554
Total comprehensive income attributable to:		
Owners of the parent	**65,682**	62,717
Non-controlling interests	**1,867**	837
	67,549	63,554

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	*10*	**397,090**	374,950
Investment properties		**364,727**	369,969
Other intangible assets		**4,150**	4,452
Investment in a joint venture		**–**	533
Investments in associates		**382**	1,060
Equity investments designated at fair value through other comprehensive income		**5,000**	3,484
Right-of-use assets		**9,442**	9,784
Goodwill		**2,138**	–
Deferred tax assets		**10,091**	6,531
Total non-current assets		**793,020**	770,763
CURRENT ASSETS			
Inventories		**87**	92
Trade and bills receivables	*11*	**666,698**	438,296
Prepayments, other receivables and other assets		**30,526**	26,585
Financial assets at fair value through profit or loss		**–**	8,000
Due from related companies		**73,716**	79,170
Time deposits		**9,252**	37,215
Restricted cash		**5,913**	395
Cash and cash equivalents		**390,605**	358,142
Total current assets		**1,176,797**	947,895
CURRENT LIABILITIES			
Trade payables	*12*	**533,991**	362,461
Other payables and accruals		**143,768**	123,876
Interest-bearing bank loans		**105,844**	10,000
Lease liabilities		**31**	119
Due to related companies		**32,483**	22,397
Tax payable		**11,334**	13,120
Contract liabilities		**65,449**	63,784
Total current liabilities		**892,900**	595,757
NET CURRENT ASSETS		**283,897**	352,138
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,076,917**	1,122,901

	2025	2024
	RMB'000	*RMB'000*
NON-CURRENT LIABILITIES		
Interest-bearing bank loans	**–**	99,063
Deferred tax liabilities	**7,769**	7,734
Lease liabilities	**–**	31
Other liabilities	**180,719**	177,286
Total non-current liabilities	**188,488**	284,114
Net assets	**888,429**	838,787
EQUITY		
Share capital	**101,047**	101,047
Reserves	**753,124**	723,837
Equity attributable to owners of the parent	**854,171**	824,884
Non-controlling interests	**34,258**	13,903
Total equity	**888,429**	838,787

NOTES TO FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a limited liability company established in the People's Republic of China ("**PRC**") on 12 April 1994. The registered office of the Company is located at Suzhou Gaoxin Plaza, 28 Shishan Road, New District, Suzhou, Jiangsu Province, China. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 24 August 2022 (the "**Listing Date**").

During the year, the Group was principally engaged in the provision of city services and property management services in Chinese mainland. The immediate and ultimate holding Company of the Company is Suzhou Sugaoxin Group Co., Ltd. ("**SND Company**"), a wholly state-owned company established in the PRC.

Information about subsidiaries

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

Entity name	Place and date of registration and place of operations	Registered and paid up capital	Percentage of equity interest directly attributable to the Company	Principal activities
蘇州金獅大厦發展管理有限公司 (Suzhou Golden Lion Building Development Management Co., Ltd)* ("**Golden Lion**")	PRC/Chinese Mainland 28 October 1992	RMB104,271,300	100	Property management
蘇州新港市政綠化服務有限公司 (Suzhou Xingang Municipal Greening Service Co., Ltd)* ("**Xingang Municipal Greening**")	PRC/Chinese Mainland 13 April 2011	RMB12,000,000	100	City services
蘇州科尚物業服務有限公司 (Suzhou Keshang Property Service Co., Ltd)* ("**Keshang Property Service**")	PRC/Chinese Mainland 31 December 2014	RMB5,000,000	80	Property management

The English names of the entities registered in the Chinese Mainland represent the best efforts made by the management of the Company to directly translate their Chinese names as they did not register any official English names.

During the year, the Group acquired Lianyungang Port House Maintenance Service Company from Lianyungang Port Group Co., Ltd. Further details of this acquisition are included in note 13 to the financial statements.

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.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Accounting Standards ("**IASs**") and interpretations) as issued by the International Accounting Standards Board (the "**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, equity investments designated at fair value through other comprehensive income and financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to IAS 21 Lack of Exchangeability for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

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

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8. IAS 36 and IAS 37 Disclosures about Uncertainties in the Financial Statements, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions.

4. OPERATING SEGMENT INFORMATION

Management monitors the operating results of the Group's business which includes commercial property management services, residential property management services, city services and rental income for the purpose of making decisions about resource allocation and performance assessment. Information reported to the Group's chief operating decision maker, for the purpose of resource allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated. Therefore, no discrete operating segment information is available. Accordingly, no further operating segment information is presented.

Geographical information

During the year, the Group operated within one geographical location because all of its revenue was generated in the Chinese mainland and all of its non-current assets/capital expenditure were located/incurred in the Chinese mainland. Accordingly, no further geographical information is presented.

Information about major customers

For the year ended 31 December 2025, revenue of approximately RMB216,945,000 (2024： RMB208,447,000) was derived from the provision of city services and rental income to a single customer. Except for the above, no revenue from other customers accounted for more than 10% of the total revenue of the Group.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2025 *RMB'000*	2024 *RMB'000*
Revenue from contracts with customers		
Commercial property management services	**225,278**	227,576
Residential property management services	**51,152**	61,586
City services	**688,713**	621,046
Subtotal	**965,143**	910,208
Revenue from other sources		
Rental income	**7,567**	14,393
Total	**972,710**	924,601

Revenue from contracts with customers

(a) Disaggregated revenue information

	Commercial property management services *RMB'000*	**Residential property management services** *RMB'000*	**City services** *RMB'000*	**Total** *RMB'000*
For the year ended 31 December 2025				
Rendering of services	**225,278**	**51,152**	**688,713**	**965,143**
Geographical market				
Chinese Mainland	**225,278**	**51,152**	**688,713**	**965,143**
Timing of revenue recognition				
Services transferred over time	**217,325**	**48,845**	**688,713**	**954,883**
Services transferred at a point in time	**7,953**	**2,307**	**–**	**10,260**
Total revenue from contracts with customers	**225,278**	**51,152**	**688,713**	**965,143**

	Commercial property management services *RMB'000*	Residential property management services *RMB'000*	City services *RMB'000*	Total *RMB'000*
For the year ended 31 December 2024				
Rendering of services	227,576	61,586	621,046	910,208
Geographical market				
Chinese Mainland	227,576	61,586	621,046	910,208
Timing of revenue recognition				
Services transferred over time	216,280	56,930	621,046	894,256
Services transferred at a point in time	11,296	4,656	–	15,952
Total revenue from contracts with customers	227,576	61,586	621,046	910,208

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2025 ***RMB'000***	2024 *RMB'000*
Revenue recognised that was included in contract liabilities at beginning of the reporting period:		
Rendering of services	**63,784**	53,726

(b) ***Performance obligations***

For commercial property management services, residential property management services and city services, the Group recognises revenue in the amount that equals to the right to invoice which correspond directly with the value to the customer of the Group's performance to date, on a regular basis. The Group has elected the practical expedient for not to disclose the transaction price allocated to the remaining performance obligation for these types of contracts.

An analysis of other income and gains is as follows:

	2025	2024
	RMB'000	*RMB'000*
Other income and gains		
Interest income	**6,384**	8,138
Foreign exchange differences, net	**–**	3,089
Government grants*	**1,109**	928
Others	**242**	455
Gain on disposal of items of property, plant and equipment	**1,896**	–
Total other income and gains	**9,631**	12,610

* The amount represents subsidies received from local government authorities in connection with certain financial support to local business enterprises. These government subsidies mainly comprised subsidies for employment promotion and other miscellaneous subsidies and incentives for various purposes. There are no unfulfilled conditions relating to such government subsidies recognized.

6. PROFIT BEFORE TAX

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

		2025	2024
	Notes	***RMB'000***	*RMB'000*
Cost of services provided		**802,063**	762,725
Depreciation of property, plant and equipment	*10*	**26,771**	26,863
Depreciation of right-of-use assets		**342**	279
Amortisation of other intangible assets		**909**	219
Lease payments not included in the measurement of lease liabilities		**2,071**	1,228
Gain/(loss) on disposal of items of property, plant and equipment		**(1,896)**	601
Auditor's remuneration		**1,800**	1,800
Interest income		**(6,384)**	(8,138)
Employee benefit expenses (excluding directors' and chief executive's remuneration)*:			
Wages, salaries and other allowances		**179,130**	161,045
Pension scheme contributions and social welfare		**50,636**	45,490
Total		**229,766**	206,535
Impairment of trade and bills receivables		**9,046**	5,501
Changes in fair value of investment properties		**1,016**	12,292

* An amount of RMB190,732,000 of employee benefit expenses was included in cost of services during the year ended 31 December 2025 (31 December 2024: RMB177,720,000).

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Chinese Mainland

Pursuant to the Corporate Income Tax Law and the respective regulations (the "**CIT Law**"), the subsidiaries operating in the Chinese mainland are subject to CIT at a rate of 25% on the taxable income.

	2025	2024
	RMB'000	*RMB'000*
Current — Chinese Mainland:		
Charge for the year	**25,613**	17,423
Deferred tax	**(3,105)**	4,240
Total tax charge for the year	**22,508**	21,663

A reconciliation of the tax expense applicable to profit before tax at the statutory rate to the tax expense at the effective tax rate is as follows:

	2025	2024
	RMB'000	*RMB'000*
Profit before tax	**91,171**	87,816
Tax at the statutory tax rate	**22,793**	21,954
Expenses not deductible for tax	**218**	126
Tax losses utilised from previous periods	**(972)**	(1,352)
Tax losses not recognised	**294**	935
Profits and losses attributable to joint ventures and associates	**175**	–
Tax charge at the Group's effective tax rate	**22,508**	21,663

8. DIVIDEND

	2025	2024
	RMB'000	*RMB'000*
Proposed final — RMB0.3628 per ordinary share (tax inclusive) (2024: RMB0.3602 per ordinary share (tax inclusive))	**36,657**	36,395

The proposed final dividend for the year ended 31 December 2025 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 101,047,000 (2024: 101,047,000) in issue during the year.

The Group had no potentially diluted ordinary shares in issue during the years ended 31 December 2025 and 2024.

The calculation of basic and diluted earnings per share is based on:

	2025	2024
	RMB'000	*RMB'000*
Earnings:		
Profit for the period attributable to owners of the parent, used in the basic earnings per share calculation	**66,796**	65,316

	Number of shares'000	
	2025	2024
Shares:		
Weighted average number of ordinary shares in issue during year, used in the basic earnings per share calculation	**101,047**	101,047

10. PROPERTY, PLANT AND EQUIPMENT

	Buildings *RMB'000*	Vehicles *RMB'000*	Machinery and others *RMB'000*	Construction in progress *RMB'000*	Total *RMB'000*
31 December 2025					
At 1 January 2025					
Cost	**293,095**	**60,057**	**134,486**	**3,516**	**491,154**
Accumulated depreciation	**(29,538)**	**(41,130)**	**(45,536)**	**–**	**(116,204)**
Net carrying amount	**263,557**	**18,927**	**88,950**	**3,516**	**374,950**
At 1 January 2025, net of accumulated depreciation	**263,557**	**18,927**	**88,950**	**3,516**	**374,950**
Additions	**–**	**1,254**	**1,665**	**39,919**	**42,838**
Acquisition of a subsidiary *(note 13)*	**1,675**	**931**	**4,635**	**–**	**7,241**
Disposals	**–**	**(678)**	**(490)**	**–**	**(1,168)**
Depreciation provided during the year *(note 6)*	**(8,264)**	**(6,173)**	**(12,334)**	**–**	**(26,771)**
At 31 December 2025, net of accumulated depreciation	**256,968**	**14,261**	**82,426**	**43,435**	**397,090**
At 31 December 2025					
Cost	**294,770**	**61,564**	**140,296**	**43,435**	**540,065**
Accumulated depreciation	**(37,802)**	**(47,303)**	**(57,870)**	**–**	**(142,975)**
Net carrying amount	**256,968**	**14,261**	**82,426**	**43,435**	**397,090**

	Buildings *RMB'000*	Vehicles *RMB'000*	Machinery and others *RMB'000*	Construction in progress *RMB'000*	Total *RMB'000*
31 December 2024					
At 1 January 2024					
Cost	290,136	58,711	133,113	–	481,960
Accumulated depreciation	(21,200)	(35,111)	(33,030)	–	(89,341)
Net carrying amount	268,936	23,600	100,083	–	392,619
At 1 January 2024, net of accumulated depreciation	268,936	23,600	100,083	–	392,619
Additions	2,959	1,369	1,976	3,516	9,820
Disposals	–	(23)	(603)	–	(626)
Depreciation provided during the year *(note 6)*	(8,338)	(6,019)	(12,506)	–	(26,863)
At 31 December 2024, net of accumulated depreciation	263,557	18,927	88,950	3,516	374,950
At 31 December 2024					
Cost	293,095	60,057	134,486	3,516	491,154
Accumulated depreciation	(29,538)	(41,130)	(45,536)	–	(116,204)
Net carrying amount	263,557	18,927	88,950	3,516	374,950

Certain of the Company's buildings with net carrying amounts of approximately RMB34,268,000 as at 31 December 2024 were pledged to secure certain bank loans granted to the Group.

11. TRADE AND BILLS RECEIVABLES

	2025	2024
	RMB'000	*RMB'000*
Trade receivables	**697,966**	463,319
Bank bills receivables	**2,801**	–
	700,767	463,319
Impairment	**(34,069)**	(25,023)
Net carrying amount	**666,698**	438,296

Bank bills receivables is subject to impairment under the general approach and the impairment is considered to be minimal.

Trade and bills receivables mainly arise from the provision of city services and property management services. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management and credit limits attributed to customers are reviewed once a month. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables of the Group as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

	2025	2024
	RMB'000	*RMB'000*
Within 1 year	**511,446**	372,583
1 to 2 years	**143,828**	45,263
2 to 3 years	**11,424**	20,450
Total	**666,698**	438,296

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

	2025	2024
	RMB'000	*RMB'000*
At beginning of year	**(25,023)**	(19,522)
Impairment losses	**(9,046)**	(5,501)
At end of year	**(34,069)**	(25,023)

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2025

	Current to one year	**1 to 2 years**	**2 to 3 years**	**Over 3 years**	**Total**
Expected credit loss rate	**2.46%**	**8.49%**	**27.56%**	**100.00%**	**4.88%**
Gross carrying amount *(RMB'000)*	**521,484**	**157,171**	**15,770**	**3,541**	**697,966**
Expected credit losses *(RMB'000)*	**(12,839)**	**(13,343)**	**(4,346)**	**(3,541)**	**(34,069)**

As at 31 December 2024

	Current to one year	1 to 2 years	2 to 3 years	Over 3 years	Total
Expected credit loss rate	2.35%	6.80%	28.34%	100.00%	5.40%
Gross carrying amount *(RMB'000)*	381,564	48,563	28,539	4,653	463,319
Expected credit losses *(RMB'000)*	(8,981)	(3,300)	(8,089)	(4,653)	(25,023)

12. TRADE PAYABLES

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

	2025 *RMB'000*	2024 *RMB'000*
Within 1 year	**511,871**	349,355
1 to 2 years	**16,318**	8,019
2 to 3 years	**5,213**	3,597
Over 3 years	**589**	1,490
Total	**533,991**	362,461

Trade payables are non-interest-bearing and are normally settled on 180-day terms.

13. BUSINESS COMBINATION

On 1 July 2025, the Group acquired a 51% interest in Lianyungang Port House Maintenance Service Company from Lianyungang Port Group Co., Ltd. Lianyungang Port House Maintenance Service Company is engaged in landscaping and greening construction works. The acquisition was made as part of the Group's strategy to expand markets spectrum and increase profit margins. The purchase consideration for the acquisition was in the form of cash of RMB23,766,000.

The fair values of the identifiable assets and liabilities of Lianyungang Port House Maintenance Service Company as at the date of acquisition were as follows:

	Notes	**Fair value recognised on acquisition** *RMB'000*
Property, plant and equipment	*10*	7,241
Other intangible assets		22
Cash and bank balances		2,255
Trade and bills receivables		63,674
Prepayments and other receivables		23,135
Deferred tax assets		25
Trade payables		(26,888)
Accruals and other payables		(27,037)
Contract liabilities		(19)
Total identifiable net assets at fair value		42,408
Non-controlling interests		(20,780)
Goodwill on acquisition		2,138
Total		23,766
Satisfied by cash		23,766

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

	RMB'000
Cash consideration	(23,766)
Cash and bank balances acquired	2,255
Net outflow of cash and cash equivalents included in cash flows from investing activities	(21,511)
Total net cash outflow	(21,511)

Since the acquisition, Lianyungang Port House Maintenance Service Company contributed RMB11,446,000 to the Group's revenue and RMB1,968,000 to the consolidated profit for the year ended 31 December 2025.

Had the combination taken place at the beginning of the year, the revenue from continuing operations of the Group and the profit of the Group for the year would have been RMB1,055,019,000 and RMB67,722,000, respectively.

14. EVENTS AFTER THE REPORTING PERIOD

There are no significant events subsequent to 31 December 2025.

15. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 30 March 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Group is a city service and property management service provider deeply rooted in the Yangtze River Delta Region, especially in Suzhou. The H Shares were listed on the Stock Exchange on 24 August 2022.

The Group focuses on providing city services, commercial property management services, residential property management services and property leasing. Headquartered in Suzhou, Jiangsu Province, the Group has established a solid market presence in the Yangtze River Delta Region. The Group believes that its strategic focus on the Yangtze River Delta Region, especially in Suzhou, and the established market position for providing city services and property management services in Suzhou will continue to support the growth of the Group's business scale and enable the Group to enjoy competitive advantages in the city service and property management service market of China.

The Group's focus on city environment, citizen wellbeing and commitment to customer satisfaction have shaped its brand image for high-calibre services. The Group's commitment to quality services has earned the Group numerous industry awards and recognitions. The Group has been recognized as one of the Top 100 Property Management Companies of China for ten consecutive years since 2016 and was ranked 29th among the 2025 Top 100 Property Management Companies of China (2025 中國物業服務百強企業) by CIA[1] in terms of overall strength. The Group was honoured as one of the "Leading Smart City Services Companies in China" (2025 中國智慧城市服務領先企業) by CIA in 2025 and Shishan Financial Innovation Center, the project under management, was accredited as "China Five-Star Property Service Project in 2025 (2025 中國五星級物業服務項目)".

The Group provides comprehensive city services and property management services to a wide variety of properties, including (i) city services offered to local governments and public authorities to satisfy local residents' daily living needs and improve their living standards and experience; (ii) commercial property management services offered to industrial parks, office buildings, apartments and commercial complexes; and (iii) residential property management services. The Group offers both traditional property management services and a wide range of value-added services to commercial properties and residential communities to address the diverse needs of its customers while

1 Each year the CIA publishes the Top 100 Property Management Companies in China in terms of overall strength based on the data from the previous year on key factors such as management scale, operational performance, service quality, growth potential and social responsibility of the property management companies under consideration.

enhancing customer stickiness. The Group also provides property leasing services where it leases out office buildings and apartments to diversify its revenue streams. The Group believes that provision of diverse services will improve customers' loyalty, increase its brand recognition and enhance business operations and financial performance.

As of 31 December 2025, the Group was contracted to provide public facility management services, basic commercial property management services and basic residential property management services to 213 projects in China, with a total contracted GFA of approximately 29.7 million sq. m., representing an increase of 16.0% compared with 31 December 2024, primarily attributable to an increase of 34 projects by the Group in 2025. Among these, 204 projects with a total GFA of over 27.6 million sq.m. were under the Group's management, representing an increase of 62.1% compared with 31 December 2024, primarily attributable to a project at the Stone Lake Scenic Area with a total GFA of 6.2 million sq.m..

The following table sets forth the Group's tender success rate for obtaining property management service agreements by type of property developer for the years indicated:

	Year ended 31 December					
	2025			2024		
	Number of bids submitted	**Number of winning bids**	**Tender success rate %**	Number of bids submitted	Number of winning bids	Tender success rate %
SND Group[1]	**1**	**1**	**100%**	1	1	100%
Joint ventures and/or associates of SND Group[2]	**12**	**10**	**83.3%**	5	5	100%
Independent Third Parties[3]	**79**	**34**	**43.0%**	53	26	49.1%

Notes:

(1) Refers to properties solely developed by SND Group or jointly developed by SND Group and independent third-party property developers in which project SND Group held a controlling interest.

(2) Refers to properties jointly developed by SND Group and independent third-party property developers in which project SND Group did not hold a controlling interest.

(3) Refers to properties developed solely by independent third-party property developers.

BUSINESS MODEL

The Group's business model is centred on delivering comprehensive city services and property management services, with revenue generated primarily from (i) city services (including municipal infrastructure services, public facility management services and operation of waste collection centres); (ii) commercial property management services; (iii) residential property management services; and (iv) property leasing services.

The Group believes that its business model creates value by supporting local governments, public authorities, property owners and tenants with services that improve city environment and residents' living experience, while enhancing customer stickiness through diversified service offerings. The Group also seeks to drive future performance by enlarging its portfolio of properties under management, accumulating experience and recognition for service quality, and expanding its customer base, including through organic growth and pursuing strategic acquisition and investment opportunities.

The Group's business model depends on key resources and relationships, including (i) relationships with local governments and public authorities for city services, where projects are commonly secured through tendering; (ii) its long-standing relationship and established track record with SND Group, which supports tender competitiveness for projects developed by SND Group; (iii) its on-site workforce and subcontractor network supporting service delivery; and (iv) technological initiatives, internal control policies and standardised procedures intended to support cost discipline and operational efficiency. The Group maintains these relationships and resources through service quality delivered at competitive pricing, disciplined renewal and portfolio optimisation decisions, and governance of tendering and compliance processes through internal controls.

The Group recognises that future development of its business model may be affected by factors including (i) its ability to estimate and control service costs; (ii) renewal and retention dynamics, including the need to negotiate with property owners' associations and manage loss-making projects; (iii) tendering outcomes and tendering compliance requirements, which may affect project continuity in certain circumstances; and (iv) external demand conditions relevant to the property leasing business, which may affect occupancy and rental income.

BUSINESS STRATEGIES

The Group has been gradually shifting its corporate strategy to focus on non-residential projects in recent years, and reallocated certain of its manpower and resources from residential projects to non-residential projects under its management. This is primarily because on the one hand, as the Group's service offerings diversify and the demand for professional commercial property management services increase, the Group naturally pivots our strategy away from focusing primarily on residential property management services; and on the other hand, the residential property management market faces increasingly intense competition according to Frost & Sullivan (Beijing) Inc., and the Group believes that given its capability in providing city services and commercial property management services, shifting its strategy to focus on non-residential projects will allow it to seize an opportunity for continuous and sustainable growth. The Group plans to strengthen its market position and achieve further expansion by implementing the following strategies: (i) further expand its business operations in Suzhou and the Yangtze River Delta Region and solidify the Group's competitive advantages; (ii) continue to diversify its city service and property management service portfolio; (iii) increase investment in its technologies and intelligent operations to enhance customer experience and operational efficiency; and (iv) continue to attract, cultivate and retain talent.

(i) Expansion of business operation

The Group continued to advance its expansion strategy, incorporating expansion targets into key annual performance metrics to ensure steady strategic progress and sustained growth in market share. Building on its expansion to all ten major segments of Suzhou in 2023, the Group has expanded comprehensively into the market in Jiangsu Province, reaching half of the province's cities by 2024, and completing a full provincial coverage by 2025. These expansion initiatives have delivered substantial revenue and profit growth to the Group. Moving forward, the Group will continue to deepen market expansion and optimize operational capabilities to create long-term value for its shareholders.

(ii) Diversification of city services

For city services, the Group has actively responded to policy guidelines in Gaoxin District, Suzhou, establishing a demonstration zone of smart sanitation model. In 2024, the Group introduced multiple autonomous sweeping vehicles and integrated washing-sweeping vehicles, achieving high-precision and edge-sweeping operations along certain central roads in the district, and has progressively increased the full mechanization coverage rate of slow lanes across the central areas of Gaoxin District, Suzhou. In 2025, the "city intelligent manager platform" was established, effectively utilizing information technologies such as GPS monitoring and video surveillance to achieve integrated and efficient operation of operations, supervision, and assessment.

(iii) Investment in technologies and intelligent operations

In March 2024, during the opening of the Second Session of the 14th National People's Congress, one of the key emphases was the active advancement of digital industrialization and industrial digitalization to deepen the integration of digital technologies with the real economy. The Group initiated the full-scale development of an intelligent property management system in 2024. Leveraging digital tools, the Group systematically organized and optimized supply chain management, financial management, human resources management, and project management in order to comprehensively enhance operational efficiency and service quality. In 2025, the Group formally established a digital office, introducing professional talent and continuously optimizing the Suxin Smart Property Management System, as well as enhancing business systems such as the work order repair and Leju mini-programs, thereby improving data integration and office efficiency.

STRATEGIC BUSINESS RELATIONSHIP WITH SND GROUP

The Group has maintained a long and close strategic relationship with SND Company, a controlling shareholder of the Company. The diverse property portfolio of SND Group provides the Group with a large potential pipeline of high-quality projects. The Group has been providing city services, commercial property management services, residential property management services and property leasing services to properties developed by SND Group since the Group's establishment in 1994. SND Group, its joint ventures and/or associates as a whole were the Group's second largest customer during the Year, and the Group provided multiple services to a substantial portion of the properties developed by SND Group, its joint ventures and/or associates.

The Company believes that the business relationship between the Group and SND Group is mutually beneficial and complementary and presents a sustainable business model. Over years of cooperation, the Group and SND Group have developed a mutual and deep understanding of each other's business operations and shared a similar service philosophy. The long-term cooperation relationship with and proven track record of providing services to SND Group have led to the Group's familiarity with the standards and requirements of SND Group, which has enabled the Group to reduce communication costs, build mutual trust and constantly provide high quality services to property owners, residents and tenants that meet SND Group's stringent demands and requirements, in turn to add value to the marketability of the properties developed by SND Group, and to reinforce the Group's existing market position and enhance its competitiveness in the PRC and Suzhou property management industry. The Company also believes its close and long-term cooperative relationship with SND Group is instrumental to its success in establishing a distinguished and well-recognized brand image nationally, while enabling the Group to reinforce its existing market position and enhance its competitiveness in the PRC property management industry. Meanwhile, the Group's ability to maintain high retention rate with properties under its management since its Listing also demonstrated the level of client satisfaction for the Group's high quality services, which indicates the Group's contribution to the brand image of SND Group by continuously delivering quality property management services to property owners and residents of its developed properties.

Considering the long-standing cooperation with SND Group and the amount of time and efforts required to identify and engage a new service provider with comparable experience and ability to provide services of comparable standard and scope, the Directors are of the view that the mutually beneficial and complementary relationship with SND Group will continue to enable the Group to secure future engagements from SND Group, and it would be relatively difficult for SND Group to select and engage a new service provider to replace the Group.

Going forward, the Company expects that the mutually beneficial and complementary business relationship between the Group and SND Group will continue and in turn, is unlikely to be materially or adversely changed.

ACTIVE BUSINESS OUTREACH

While maintaining its business cooperation with SND Group, with a view to diversifying the Group's customer base, the Company has also been making continuous efforts to expand its business to manage projects developed by third-party property developers as well as its customer base by leveraging its increasingly enhanced brand awareness and market position.

The Group endeavors to expand its business scale by managing more properties developed by independent third-party property developers. During the Year, the Group's bidding success rate with respect to properties developed by independent third parties was 43.0%, and the revenue from independent third-party property developers accounted for: (i) 75.4% of the Group's total commercial property management service revenue for the commercial property management segment; and (ii) approximately 98.2% of the Group's total residential property management service revenue for the residential property management service segment.

COMPETITIVE STRENGTHS

The Company believes that the following competitive strengths have enabled the Group to achieve a competitive position in the property management industry in the PRC and differentiated the Group from its competitors: (i) the Group is a leading provider of comprehensive city services and property management services deeply rooted in the Yangtze River Delta Region; (ii) the Group's diversified portfolio of service offerings and properties under management; (iii) the Group's long-term and stable cooperation with SND Group contributing to continuous and sustainable business growth; (iv) the Group's prestigious brand image supported by quality and professional services; and (v) the Group's visionary management team, effective human resource system and well-developed workforce with strong operational capabilities supporting its sustainable growth.

BUSINESS REVIEW

During the Year, the Group derived its revenue primarily from four business lines, namely, (i) city services; (ii) commercial property management services; (iii) residential property management service; and (iv) property leasing services.

The following table sets forth a breakdown of the Group's revenue by business line and by paying customer for the years indicated:

	Year ended 31 December			
	2025		2024	
	RMB'000	*%*	*RMB'000*	*%*
City services				
— SND Company	**72,473**	**7.5%**	35,347	3.8%
— Joint ventures and/or associates of SND Group	**2,708**	**0.3%**	–	0.0%
— Independent third parties	**613,532**	**63.0%**	585,699	63.4%
Commercial property management services				
— SND Company	**48,986**	**5.0%**	53,661	5.8%
— Joint ventures and/or associates of SND Group	**6,371**	**0.7%**	2,918	0.3%
— Independent third parties	**169,921**	**17.5%**	170,997	18.5%
Residential property management services				
— SND Company	**815**	**0.1%**	260	0.0%
— Joint ventures and/or associates of SND Group	**120**	**0.0%**	34	0.0%
— Independent third parties	**50,217**	**5.2%**	61,292	6.6%
Property leasing				
— Independent third parties	**7,567**	**0.7%**	14,393	1.6%
TOTAL	**972,710**	**100%**	924,601	100.0%

Portfolio of Properties under Management

The following table sets forth the number of projects and GFA under the Group's management for public facility management services, basic commercial property management services and basic residential property management services as of the dates indicated by business line:

	As of 31 December			
	2025		2024	
	Number of projects	**GFA under management** *sq.m.'000*	Number of projects	GFA under management *sq.m.'000*
Public facility management services	**77**	**6,386.3**	62	4,501.5
Basic commercial property management services	**98**	**17,712.5**	72	9,489.9
Basic residential property management services	**29**	**3,544.1**	31	3,023.7
Total	**204**	**27,642.9**	165	17,051.1

The Group's overall average monthly property management fees steadily increased. During the Year, as compared with the same period last year, (i) the average property management fees for the Group's public facility management services exhibited an upward trend; (ii) the average property management fees for the Group's commercial property management services decreased; and (iii) the average property management fees for the Group's residential property management services remained relatively stable.

City Services

The Group assists local governments and public authorities in their provision of city services to improve local residents' living experience and environment. The Group's city services primarily include (i) municipal infrastructure services; (ii) public facility management services; and (iii) operation of waste collection centres.

Municipal Infrastructure Services

The Group offers municipal infrastructure services including cleaning, greening, maintenance, regular inspection and refurbishment services to ensure the cleanliness and normal operations of public infrastructure under the Group's management, including city roads, external walls of buildings along main city roads, street lamps, water supply network, as well as tram and tram platforms. The Group charges service fees based on the length of roads or GFA of the site area covered by its services. As of 31 December 2025, the Group provided municipal infrastructure services to 28 projects.

Public Facility Management Services

The Group offers property management services including cleaning, security, gardening and landscaping, as well as repair and maintenance services to public facilities such as public museums, libraries, art and sports centres, city parks and office buildings for public authorities.

As of 31 December 2025, GFA of public facilities under the Group's management was approximately 6.4 million sq.m..

Operation of Waste Collection Centres

Underpinned by the Group's extensive experience in maintaining public facilities, the Group has been awarded by local governments and public authorities for the construction and operation of waste collection centres. Upon construction of waste collection centres, the Group assists local governments and public authorities in operating the waste collection centres and offering waste management services, including collecting household waste from city roads, households and commercial sources in the Suzhou Gaoxin District, transporting waste to the Group's operated waste collection centres, sorting and compacting waste for better treatment, and disposing compressed waste to incineration for burning or landfills for burying operated by third parties.

As of 31 December 2025, the Group had three waste collection centres with the maximum capacity to process 1,200 tons of household waste per day and 50 tons of bulky waste per day.

Commercial and Residential Property Management Services

The Group's commercial and residential property management services include both basic property management services and value-added services. Basic property management services include security services, cleaning, greening and gardening services, and common area facility repair and maintenance services. Value-added services include carpark space management services, resource management services, property agency services, and other customized services such as customized cleaning and maintenance services, security services, hosting events, business support and/or assistance to customers in leasing printing machines according to specific customer demands.

As of 31 December 2025, the Group provided basic commercial property management services to 98 commercial properties with a total GFA under management of approximately 17.8 million sq.m., and 29 residential properties with a total GFA under management of approximately 3.5 million sq.m..

Property Leasing

The Group owns certain investment properties such as office buildings and apartments which are leased out as staff dormitories or offices. The Group charges rental fees and management fees.

As of 31 December 2025, the average occupancy rate of the Group's leased properties was approximately 23.7%. The Group recorded a decrease in average occupancy rate from approximately 36.4% in the Previous Year to approximately 23.7% in the Year, primarily due to the lower-than-expected capacity utilization rate of enterprises during the reporting period in the surrounding area of Jinlin Apartment (金鄰公寓), being the Company's largest property leasing project accounting for over 80% of the Company's overall leasable area for each of the past two years, which resulted from a decrease in the occupancy demand (especially for residential properties) from corporate employees due to the decline in the number of factories in operation in the surrounding area of Jinlin Apartment.

MARKET TRENDS

The Group operates in a market where local governments and public authorities continue to require city services that enhance residents' living experiences and the local environment. Property developers, owners, tenants, and residents are increasingly seeking professional and diversified property management solutions for both commercial and residential properties. The Directors note that competition within the residential property management market has intensified. Consequently, the Group has shifted resources towards non-residential projects, where demand for professional commercial property management services is rising as service offerings diversify.

The Directors also observe a sector-wide emphasis on digitalisation and intelligent operations. To address these trends, the Group has developed an intelligent property management system to support business-finance integration and on-site project management.

The continued adoption of technologies such as cloud computing, big data, and IoT is raising requirements for facilities and service delivery across various property types. Exploring these new technologies can improve service scope, quality, and efficiency. It may also increase entry barriers for new entrants.

Whilst the Yangtze River Delta includes advanced cities with robust economies, the Directors believe there is growth potential in second- and third-tier cities within the region. These markets present opportunities for the Group to expand its geographical coverage and capture market share at an earlier stage, leveraging its experience and established operating capabilities.

In addition to technological advancements, the Group faces operational challenges that require strategic responses. The Directors recognise that the property management service market in the Yangtze River Delta Region is highly competitive, owing to rapid urbanisation, economic development, and a wide distribution of residential and non-residential properties. To remain competitive, property management companies must invest capital to broaden their service scope, enhance service quality, and maintain brand reputation. Furthermore, the industry requires a substantial workforce to deliver services such as security, cleaning, gardening, and repairs, making staff costs one of the largest operating expenses. To control costs and improve profitability, service providers are establishing standardised operation and management systems, which also enhance their capacity to manage a larger portfolio of properties.

OUTLOOK

I. Expanding Business and Pursuing Breakthroughs — Elevating Competitive Strength

The Group continued to anchor its strategic positioning as "a provider of comprehensive city services and property management services", amplifying its brand influence, strengthening external growth drivers, and continuously expanding new projects aligned with the Group's operational direction. Following its deepened presence in 2025, the Group has covered all cities across Jiangsu Province and plans to further extend its footprint into the Yangtze River Delta Region. Focusing on professionalized services, the Group will refine core offerings such as order maintenance and cleaning services and build a quality management system standard, thereby continuously enhancing its core competitiveness.

II. Consolidating Foundations and Building on Strengths, and Building a Solid Foundation for Operations — Driving Cost Efficiency and Operational Excellence

In 2026, the Group will prioritize enhancing quality and efficiency as its core operational objective, advancing cost reduction and efficiency improvement initiatives. First, precise cost management will be implemented: as for property, pilot programs for regional integration and the adoption of unattended operations will help further optimize the allocation of labor costs; as for city services, cleaning models will be refined to achieve labor cost efficiency through "streamlined operations". Second, centralized management will reduce expenditure: a unified procurement platform will be established, pricing frameworks for materials, services, and other categories will be developed, and supplier management mechanisms will be optimized to control procurement costs through "rigorous evaluation". Third, diversified value-added services will be provided: charging pile services will be provided for projects under management, offering repair and renovation services to property owners, thereby enhancing customer trust and strengthening customer stickiness; talent apartments will expand platforms for various activities, fostering a positive community ecosystem to increase resident satisfaction, thereby enhancing service reputation through these "additive" measures.

III. Breaking Boundaries and Embracing Digital Empowerment — Activating New Growth Drivers

The Group will actively explore digital transformation, creating innovative applications of artificial intelligence in service optimization to transcend traditional boundaries and activate digital momentum. The Group has established a digital office to accelerate the deployment of smart property management applications, enabling collaborative operations across business lines. Focusing on high-frequency, repetitive, and standardized operational scenarios, the Group systematically plans and pilots the introduction of AI robots for applications such as fire surveillance system upgrades, intelligent cleaning, intelligent security patrols, parcel delivery, and intelligent customer service, with the aim of establishing a human-robot collaborative service system where "robots handle standard tasks and employees address complex responsibilities". Efforts are underway to develop a flagship robotics demonstration project at the Taihu Embodied Intelligence Industrial Park (太湖具身智能產業園).

RISKS RELATING TO THE GROUP'S BUSINESS AND INDUSTRY

The Group's operations are concentrated in the Yangtze River Delta Region, and the Group is susceptible to any adverse development in government policies or business environment in this region.

The Group's operations are concentrated in the Yangtze River Delta Region. As of 31 December 2025, GFA under the Group's management of approximately 27.6 million sq.m. was from the Yangtze River Delta Region, which accounted for approximately 100% of the total GFA under the Group's management as of such date. During the Year, the Group derived RMB972.7 million, or 100%, of its total revenue from services provided to properties in the Yangtze River Delta Region. Due to such concentration, any adverse development in government policies or business environment in the area will materially and adversely affect the Group's business, financial position and results of operations.

The Group's operations rely on the following development factors in the Yangtze River Delta Region, most of which are beyond the Group's control:

- changes in the economic condition, the level of economic activities and the pace of urban development;
- the future regional development prospects;
- changes in government regulations and policies regarding the property management industry and real estate development industry; and
- the Group's ability to compete with other property management companies operating in the region.

In addition, the Group has entered into various city service agreements with local governments in Suzhou to offer the Group's various city services. Any adverse changes in the Group's cooperation relationship with the local government may negatively affect its ability to renew these service agreements or expand its municipal service business operations. Factors that could affect such relationship include (i) governments' plan and budget in engaging city service providers; (ii) the satisfaction with its services; and (iii) potential changes in laws, regulations and policies that could hinder the local governments' ability or willingness to enter into municipal service agreements with the Group.

The Group is susceptible to changes in the regulatory landscape of the PRC.

The Group seeks to comply with all applicable laws and regulations in conducting its business operations, including the regulatory regime of the property management service industry. In particular, the PRC Government may promulgate new laws and regulations from time to time, affecting different aspects of the operations of the Group, including but not limited to property management fees and minimum wages. For example, in 2024, according to a policy notice announced by the Suzhou Municipal Bureau of Human Resources and Social Security in January 2024, there was an increase in the local monthly minimum wage from RMB2,280 to RMB2,490, while the hourly minimum wage increased from RMB22 to RMB24. In January 2026, the Suzhou Municipal Bureau of Human Resources and Social Security announced another policy notice, adjusting the monthly minimum wage from the original RMB2,490 per month to RMB2,660 per month, and the hourly minimum wage from the original RMB24 per hour to RMB25 per hour. The continuous upward adjustment of minimum wages has directly impacted the Group's costs of human resources. To proactively respond to policy requirements and maintain service quality, the Group has actively implemented operational efficiency optimization measures by upgrading intelligent systems and streamlining service workflows to mitigate the impact of increased costs.

The PRC Government may also promulgate other new laws and regulations related to other aspects of the property management industry from time to time. This could increase the Group's compliance and operational costs, thereby materially and adversely affecting its business, financial condition and results of operations.

FINANCIAL REVIEW

Revenue

The following table sets forth a breakdown of the Group's revenue by business line for the periods indicated:

	Year ended 31 December			
	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
City services	**688,713**	**70.8%**	621,046	67.2%
— Municipal infrastructure services	**382,656**	**39.3%**	377,613	40.8%
— Public facility management services	**246,945**	**25.4%**	179,019	19.4%
— Operation of waste collection centers	**59,112**	**6.1%**	64,414	7.0%
Commercial property management services	**225,278**	**23.2%**	227,576	24.6%
— Basic property management services	**172,868**	**17.8%**	190,652	20.6%
— Value-added services	**52,410**	**5.4%**	36,924	4.0%
Residential property management services	**51,152**	**5.3%**	61,586	6.6%
— Basic property management services	**31,703**	**3.3%**	40,996	4.4%
— Value-added services	**19,449**	**2.0%**	20,590	2.2%
Property leasing	**7,567**	**0.7%**	14,393	1.6%
Total	**972,710**	**100.0%**	924,601	100.0%

Revenue of the Group increased by approximately 5.2% from approximately RMB924.6 million for the Previous Year to approximately RMB972.7 million for the Year, primarily reflecting the following:

(i) revenue from city services increased by approximately 10.9% from approximately RMB621.0 million for the Previous Year to approximately RMB688.7 million for the Year, primarily due to the increase in revenue from municipal infrastructure services as a result of the expansion of integrated city services, as well as the addition of public facilities including the West Campus of Nanjing University, Suzhou Campus, the Archaeological Museum, the Stone Lake Scenic Area, 8 community hospitals, Suzhou Institute of Trade & Commerce, and the Pingwang Nursing Home (平望護理院);

(ii) revenue from commercial property management services decreased by approximately 1.0% from approximately RMB227.6 million for the Previous Year to approximately RMB225.3 million for the Year, primarily due to the Group's efforts to improve quality and efficiency by reducing certain projects with low gross profit margins, such as SND-Nanda Innovation Park (蘇高新南大創新園), and Gaoxin Haowu Real Estate Supermarket (高新好屋房產超市);

(iii) revenue from residential property management services decreased by approximately 16.9% from approximately RMB61.6 million for the Previous Year to approximately RMB51.2 million for the Year, primarily due to the closure of the Yunhe Bowan Lanting (運河泊灣瀾庭) and Haixu Lanting (海胥瀾庭) projects; and

(iv) revenue from property leasing services decreased by approximately 47.2% from approximately RMB14.4 million for the Previous Year to approximately RMB7.6 million for the Year, primarily due to the decrease in the rental rate of Jinlin Apartment.

Cost of Sales

The Group's cost of sales increased from approximately RMB762.7 million for the Previous Year to approximately RMB802.1 million for the Year, which primarily corresponds to the increase in services provided by the Group during 2025 due to the increase in new projects of the Group.

The table below sets forth a breakdown of the Group's cost of sales by component for the years indicated:

	Year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Labor costs	**185,639**	177,720
Subcontracting costs	**370,296**	354,427
Utilities expenses	**23,701**	22,376
Maintenance expenses	**93,077**	86,840
Cleaning and security expenses	**34,177**	32,461
Greening and gardening expenses	**75,075**	69,571
Other expenses	**20,098**	19,330
Total	**802,063**	762,725

During the year ended 31 December 2025, subcontracting costs increased from RMB354.4 million in 2024 to RMB370.3 million in 2025, mainly due to the expansion of business and the Group continued to sub-contract certain services to third-parties to optimize its operations. Maintenance expenses increased from RMB86.8 million in 2024 to RMB93.1 million in 2025, primarily due to business expansion. Greening and gardening expenses increased from RMB69.6 million in 2024 to RMB75.1 million in 2025 due to the increase in municipal infrastructure services provided by the Group during 2025 as a result of the expansion of integrated city services provided by the Group.

Gross Profit and Gross Profit Margin

The following table sets forth the Group's gross profit and gross profit margin by business line for the years indicated:

	Year ended 31 December			
	2025		2024	
	Gross profit *RMB'000*	**Gross profit margin**	Gross profit *RMB'000*	Gross profit margin
City services	**117,197**	**17.0%**	105,188	16.9%
Commercial property management services	**44,521**	**19.8%**	42,510	18.7%
Residential property management services	**4,451**	**8.7%**	5,188	8.4%
Property leasing	**4,478**	**59.2%**	8,990	62.5%
Total	**170,647**	**17.5%**	161,876	17.5%

The Group's gross profit increased by approximately 5.4% from approximately RMB161.9 million for the Previous Year to approximately RMB170.6 million for the Year, primarily due to the Group's business expansion.

The Group's gross profit margin amounted to approximately 17.5% for the Year, remaining the same as the Previous Year, primarily reflecting the following:

(i) gross profit for city services increased by approximately 11.4% from approximately RMB105.2 million for the Previous Year to approximately RMB117.2 million for the Year, mainly due to the increase in revenue from municipal infrastructure services as a result of the expansion of integrated city services provided by the Group, as well as the addition of public facilities including the West Campus of Nanjing University, Suzhou Campus, the Archaeological Museum, the Stone Lake Scenic Area, 8 community hospitals, Suzhou Institute of Trade & Commerce, and the Pingwang Nursing Home (平望護理院), to which the Group offers property management services. The gross profit margin for city services increased from approximately 16.9% in 2024 to approximately 17.0% in 2025, generally remaining stable;

(ii) gross profit for commercial property management services increased by approximately 4.7% from approximately RMB42.5 million for the Previous Year to approximately RMB44.5 million for the Year, primarily due to the increase in the number of commercial property sales offices and industrial park projects under the Group's management, such as the public rental commercial office building of Hangsheng Science and Technology Park in Hangji Town (杭集鎮杭盛科技園), whilst the gross profit margin increased slightly in 2024 and 2025, amounting to 18.7% and 19.8%, respectively;

(iii) gross profit for residential property management services decreased by approximately 13.5% from approximately RMB5.2 million for the year ended 31 December 2024 to approximately RMB4.5 million for the Year, and the gross profit margin also remained relatively stable at approximately 8.7% in 2025; and

(iv) gross profit for property leasing services decreased by approximately 50.0% from approximately RMB9.0 million for the Previous Year to approximately RMB4.5 million for the Year, primarily due to the decrease in the occupancy rate of Jinlin Apartment. The gross profit margin decreased slightly in 2024 and 2025, amounting to 62.5% and 59.2%, respectively.

Other Income and Gains

The Group's other income and gains decreased by approximately 23.8% from approximately RMB12.6 million for the Previous Year to approximately RMB9.6 million for the Year, primarily due to (i) the absence of the gain received due to the foreign exchange gain for the Year as compared to that of approximately RMB3.1 million received in 2024; and (ii) the decrease in interest income received from approximately RMB8.1 million for the Previous Year to approximately RMB6.4 million for the Year.

Selling and Marketing Expenses

The Group's selling and marketing expenses increased slightly for the Previous Year and for the Year due to business expansion, amounting to approximately RMB2.9 million and RMB3.5 million, respectively.

Administrative Expenses

Administrative expenses increased from approximately RMB54.5 million for the Previous Year to approximately RMB68.2 million for the Year, mainly due to the increase of depreciation, credit impairment losses and taxes.

Other Expenses

Other expenses decreased by approximately 77.3% from approximately RMB15.4 million for the Previous Year to approximately RMB3.5 million for the Year, primarily due to the decrease in changes in fair value of investment properties in 2025.

Finance Costs

Finance costs decreased by approximately 6.3% from approximately RMB14.2 million for the Previous Year to RMB13.3 million for the Year, primarily due to the decrease in interest rates of bank loans and the partial repayment of bank loans.

Share of Profits/Losses of a Joint Venture and Associates

For the Year, the Group's share of profits of associates amounted to approximately RMB0.7 million, which was attributable to the Group's investment of 19% equity interest in two property management service providers, namely Suzhou Langyiju Commercial Management Service Co., Ltd.* (蘇州朗頤居商業管理服務有限公司) and Suzhou Mingsu Commercial Management Co., Ltd.* (蘇州銘蘇商業管理有限公司).

Income Tax Expense

Income tax expenses increased by approximately 3.7% from approximately RMB21.7 million for the Previous Year to RMB22.5 million for the Year, which is in line with increase of profit before tax.

Profit for the Year

As a result of the foregoing, profit for the year increased from approximately RMB66.2 million for the Previous Year to approximately RMB68.7 million for the Year.

Property, Plant and Equipment

Property, plant and equipment increased from approximately RMB375.0 million as of 31 December 2024 to approximately RMB397.0 million as of 31 December 2025.

Investment Properties

The value of the Group's investment properties, which mainly represented commercial properties and rental apartments, decreased from approximately RMB370.0 million as of 31 December 2024 to approximately RMB364.7 million as of 31 December 2025, primarily due to the disposal of self-owned properties at Xintai Huayuan, Xinsheng Xinyuan and Shishan Agricultural Market (獅山農貿市場).

Equity Investment Designated at Fair Value Through Other Comprehensive Income

As of 31 December 2025, the Group recorded equity investments designated at fair value through other comprehensive income of approximately RMB5.0 million (31 December 2024: approximately RMB3.5 million).

As of 31 December 2025, equity investments designated at fair value through other comprehensive income reflect the value of the Group's equity investment in Suzhou Xinjingtian Business Land Development Company (蘇州新景天商務地產發展有限公司) ("**Suzhou Xinjingtian**") and Suzhou High-Tech Zhangxin Living Services Technology Co., Ltd. (蘇州高新掌新生活服務科技有限公司) ("**Living SND**"), details of which are set out below:

	Principal Business	Percentage of equity attributes as of 31 December 2025	Investment costs *RMB'000*	Fair value through other comprehensive income as of 31 December 2025 *RMB'000*	Size relative to the Company's total assets as of 31 December 2025	Fair value loss as of 31 December 2025 *RMB'000*
Suzhou Xinjingtian	Property development and leasing	8.00%	24,000	–	0.00%	1,484
Living SND	Operation of local life service e-commerce platform	10.00%	2,000	5,000	0.25%	–

No dividends were received on the above investment during the Year (31 December 2024: Nil).

The Group remains susceptible to the risk of fair value change of its equity investments designated at fair value through other comprehensive income, and may record a fair value loss on the equity investments in the future, which would lead to a decrease in the total assets as well as net assets.

To monitor the performance of the Group's equity investments, the Group has adopted the following internal control policies: (i) the manager and supporting staff of each equity investment report the investment budget, the operational status of the investment target, and the major issues and their potential consequences to the Group's management on a quarterly basis; (ii) the Group will review the equity investments at least annually, and conduct periodical or special audits of its investment assets; and (iii) all the files related to each equity investment are documented and archived.

Trade Receivables

Trade receivables are amounts due from independent third-party customers for services the Group performed in its ordinary course of business. The Group's trade receivables increased by approximately 52.1% from approximately RMB438.3 million as of 31 December 2024 to approximately RMB666.7 million as of 31 December 2025, primarily due to the expansion of the city services of the Group during 2025 resulting in an increase in trade receivables.

Prepayments, Other Receivables and Other Assets

The Group's prepayments, other receivables and other assets increased by approximately 14.7% from approximately RMB26.6 million as of 31 December 2024 to approximately RMB30.5 million as of 31 December 2025, primarily due to an increase in the intercompany balances resulting from the acquisition of Lianyungang Port House Maintenance Service Company in 2025.

Trade Payables

Trade payables primarily represent the Group's obligations to pay for services acquired in the ordinary course of business from independent third-party subcontractors and construction parties. The Group's trade payables increased by approximately 47.3% from approximately RMB362.5 million as of 31 December 2024 to approximately RMB534.0 million as of 31 December 2025, primarily due to the increase in subcontracting fees incurred by the Group during 2025 due to expansion of city services and which were not yet settled by the Group to the relevant subcontractors as of 31 December 2025.

Other Payables and Accruals

Other payables and accruals represent (i) deposits that the Group collects from (a) property developers, property owners, residents and tenants before the Group commences its provision of property management services; and (b) property owners and residents before they begin renovating or refurnishing their units; (ii) payroll and welfare payable; (iii) maintenance funds; (iv) receipts of payments on behalf of customers, which primarily include payments from third parties for common area advertising and temporary parking; and (v) other tax payables.

The Group's other payables and accruals increased from approximately RMB123.9 million as of 31 December 2024 to RMB143.8 million as of 31 December 2025, primarily due to the increase in other taxes and increase in dividends payable, and as of 31 December 2025, dividends payable to the controlling shareholders of the Company amounted to approximately RMB31.9 million, which was paid in March 2026.

Contract Liabilities

Contract liabilities mainly arise from payments the Group receives from customers based on billing schedules prescribed in the property management service agreements. A portion of payments are usually received in advance of the performance of property management services under the contracts.

The Group's contract liabilities increased by approximately 2.5% from approximately RMB63.8 million as of 31 December 2024 to approximately RMB65.4 million as of 31 December 2025, primarily due to the delivery of the Quanshan Yajing (泉山雅境) residential project and prepayment of property management fees.

Net Current Assets

The Group's total current assets increased by approximately 24.1% from approximately RMB947.9 million as of 31 December 2024 to approximately RMB1,176.8 million as of 31 December 2025, primarily due to the expansion of the city services and increase in projects managed by the Group in 2025, resulting in an increase in trade receivables. Total current liabilities increased by approximately 49.9% from approximately RMB595.8 million as of 31 December 2024 to approximately RMB892.9 million as of 31 December 2025, primarily due to the increase in trade payables and bank short-term borrowings. As a result, the Group's net current assets decreased by approximately 19.4% from approximately RMB352.1 million as of 31 December 2024 to approximately RMB283.9 million as of 31 December 2025.

LIQUIDITY AND CAPITAL RESOURCES

The Group's main source of liquidity mainly came from cash flow from operations and interest-bearing borrowings and proceeds from the Listing. As of 31 December 2025, cash and cash equivalents of the Group amounted to approximately RMB390.6 million, of which RMB316.0 million was denominated in RMB and HK$82.5 million (equivalent to approximately RMB74.6 million) was denominated in Hong Kong dollars (31 December 2024: approximately RMB358.1 million, of which RMB239.5 million was denominated in RMB and HK$128.1 million was denominated in Hong Kong dollars).

Bank Borrowings

As of 31 December 2025, interest-bearing bank loans of the Group amounted to approximately RMB105.8 million (31 December 2024: bank loan of approximately RMB109.1 million), which was denominated in Renminbi, of which approximately RMB100.1 million carried a fixed interest rate of 2.12% per annum and RMB5.7 million carried a fixed interest rate of 2.56% per annum.

The following table sets forth the components of the Group's borrowings as of the dates indicated:

	31 December 2025	31 December 2024
	RMB'000	*RMB'000*
Current		
— Current portion of long-term bank loans — secured	**5,779**	10,000
— Current portion of short-term bank loans — unsecured	**100,065**	–
Non-current		
— Bank loans — secured	**–**	99,063
Total	**105,844**	109,063

The table below sets forth a repayment schedule of the interest-bearing bank loans as of the dates indicated:

	31 December 2025	31 December 2024
	RMB'000	*RMB'000*
Repayable within one year or on demand	**105,844**	10,000
Repayable within two to five years, inclusive	**–**	40,000
Beyond five years	**–**	59,063
Total	**105,844**	109,063

Other Liabilities

As of 31 December 2025, the Group recorded other liabilities of approximately RMB180.7 million (31 December 2024: approximately RMB177.3 million). Other liabilities arose from an earmarked governmental loan granted by the Suzhou Finance Bureau to Suzhou Xingang Municipal Greening Service Co., Ltd.* (蘇州新港市政綠化服務有限公司), a subsidiary of the Company, with nominal value of RMB200.0 million, an annual nominal interest rate of 3.37% payable semiannually and a maturity date on 27 February 2030 to facilitate the construction of waste collection centres.

Pledge of Assets

As of 31 December 2025, the Group's bank loan amounted to approximately RMB105.8 million (31 December 2024: approximately RMB109.1 million).

Contingent Liabilities

As of 31 December 2025, the Group did not have any outstanding material contingent liabilities (31 December 2024: nil).

Capital Expenditures

The Group's capital expenditure primarily represented expenditures incurred for purchase of property, plant and equipment and additions to leasehold land. During the Year, the Group incurred capital expenditures of approximately RMB17.4 million (31 December 2024: RMB89.0 million), primarily due to the payment of the construction costs for the land parcel no. Su Land 2024-WG-S03 (蘇地2024-WG-S03號) in Suzhou High-tech Zone acquired by the Group in 2024.

SUMMARY OF KEY FINANCIAL RATIOS

The following table sets forth certain key financial ratios as of the dates and for the periods indicated:

	As of and/or for the year ended 31 December				
	2025	2024	2023	2022	2021
Gross profit margin *(%)*	**17.5**	17.5	20.3	23.1	23.0
Net profit margin *(%)*	**7.1**	7.2	11.0	12.2	12.2
Current ratio *(times)*(1)	**1.3**	1.6	1.7	1.5	1.1
Gearing ratio *(%)*(2)	**32.3**	34.1	36.1	38.9	54.5
Return on equity *(%)*(3)	**8.0**	8.0	10.2	10.0	10.6
Return on total assets *(%)*(4)	**3.7**	4.0	5.2	4.4	4.5

Notes:

(1) Current ratio is calculated based on the Group's total current assets divided by its total current liabilities as of the respective dates. The Group's current ratio remained relatively stable at 1.6 times and 1.3 times for the Previous Year and the year, respectively.

(2) Gearing ratio is calculated based on total bank loans and other liabilities divided by total equity as of the end of that period. The Group's gearing ratio decreased from 34.1% for the Previous Year to 32.3% for the Year, primarily due to the changes in the Group's interest-bearing bank loans and other liabilities during the Year.

(3) Return on equity is calculated based on profit for the period of the Company divided by the average balance of total equity attributable to owners of the Company as of the beginning and end of the period and multiplied by 100%. The Group's return on equity was 8.0% both for the Year and for the Previous Year.

(4) Return on total assets is calculated based on profit for the period divided by the average balance of the Company's total assets as of the beginning and end of the period and multiplied by 100%. The Group's return on total assets decreased from 4.0% in 2024 to 3.7% in 2025, primarily due to the increase in the Group's total assets.

MARKET RISK ANALYSIS

The Group's major financial instruments include bank loans, finance leases, other liabilities, which primarily consist of government bonds and cash and time deposits. The risks associated with these financial instruments include credit risk and liquidity risk. The Directors manage and monitor these exposures to ensure that appropriate measures are implemented in a timely and effective manner.

Credit Risk

The Group enters into transactions only with recognized and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is insignificant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Group's head of credit control.

Liquidity Risk

The Group manages its exposure to liquidity risk primarily by monitoring current ratio. The objective of the Group is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing loans. The Group's policy is that all the borrowings should be approved by the chief financial officer of the Company.

Foreign Exchange Risk

The Group's operations are primarily conducted in Renminbi, which is the functional currency of the Group. Material fluctuations in the exchange rate of the Renminbi against the Hong Kong dollar may negatively impact the value and amount of any dividends payable on the shares of the Company. Currently, the Group does not implement any foreign currency hedging policy and the management of the Group will closely monitor any exposure to foreign exchange.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company did not have any significant investment or significant acquisition and disposals of subsidiaries, associates and joint ventures during the Year.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As of 31 December 2025, the Company did not have any future plans for material investments or additions of capital assets.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No event has taken place subsequent to 31 December 2025 and up to the date of this announcement that may have a material impact on the Group's operating and financial performance that needs to be disclosed.

PROCEEDS FROM LISTING

The Company raised net proceeds from the Global Offering (including the proceeds from the partial exercise of the Over-allotment Option (as defined in the Prospectus) in the amount of approximately HK$176.3 million.

The Board resolved to adjust the intended use and allocation of the Net Proceeds on 27 April 2023 such that the unutilized Net Proceeds in the amount of approximately HK$38.8 million from "strategic investments" and all the unutilized Net Proceeds in the amount of approximately HK$14.1 million from "investments in companies providing elderly care, nursing and medical services" under "expansion and diversification of value-added services" (i.e. a total of unutilized Net Proceeds of approximately HK$52.9 million) were re-allocated to fund the "acquisition of office building in Hong Kong for own use and leasing" under "acquisition". Details are set out in the 2023 UOP Announcement.

In addition, the Board has also resolved to re-allocate HK$52.9 million of the unutilized Net Proceeds from the subcategories of "Acquisition of office building in Hong Kong for own use and leasing" to fund a new subcategory of "Acquisition of the land in the PRC" under the major category of "Acquisition". Details are set out in the 2024 UOP Announcement.

The Company intends to utilise the Net Proceeds according to the plans set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus as amended in the manners set out in the 2023 UOP Announcement and the 2024 UOP Announcement.

An analysis of the utilization of the Net Proceeds as of 31 December 2025 is set out below:

Proposed use of Net Proceeds		Planned use of Net Proceeds as set out in the Prospectus *(HK$ million)*	Unutilised Net Proceeds after the revised allocation as stated in the 2023 UOP Announcement and the 2024 UOP Announcement *(HK$ million)*	Unutilised Net Proceeds as of 1 January 2025 *(HK$ million)*	Net Proceeds utilised during the Year *(HK$ million)*	Unutilised Net Proceeds as of 31 December 2025 *(HK$ million)*	Expected time of full utilisation
Major categories	**Sub-categories/Specific plans**						
Acquisitions	Acquisitions of other property management companies and companies providing city services and property management services	52.9	47.19	47.19	25.78	21.42	By 31 December 2026[1]
	Acquisition of office building in Hong Kong for own use and leasing	N/A	N/A	N/A	N/A	N/A	N/A
	Acquisition of the Land in the PRC	N/A	52.9	0	N/A	N/A	N/A
Strategic Investments	Investments in waste collection centers and companies providing operational and management services to waste collection centers	52.9	0	0	N/A	N/A	N/A
Expansion and diversification of value-added services	Establishment of the Group's own brand "Suxin Leju (蘇新樂居)" and launch of apartment management and operational services for housing for talents	26.4	24.84[2]	22.77	3.48[2]	19.29	By 31 December 2026[2]
	Investments in companies providing elderly care, nursing and medical services	14.1	N/A	N/A	N/A	N/A	N/A
Technological investment	Investments in the Group's Technologies and Intelligent Operations	7.1	0.99	0	N/A	N/A	N/A
Talent Training and Retention		5.3	0	N/A	N/A	N/A	N/A
Working capital and other general corporate purposes		17.6	0	N/A	N/A	N/A	N/A
	Total	176.30	158.17	69.96	29.26	40.71	

Note:

(1) The expected time of full utilisation of the Net Proceeds for the acquisition of property management companies and companies providing city services and property management services is postponed from 31 December 2025 to 31 December 2026, as additional time is required by the Company to select the suitable target companies which align with the Group's business strategies and fulfill the criteria as set out in the Prospectus. In view of the downturn in the property industry in the PRC, the Group has adopted a more prudent approach in selection of its acquisition targets.

(2) On 1 January 2024, the Company entered into a government procurement contract with the Housing and Construction Bureau of Suzhou Hi-Tech District (Huqiu District) (the "**Housing Bureau**") in relation to the launch of management and operation services for housing for talents (the "**Suzhou Hi-Tech District Project**"). Since then, the Group had been negotiating with the Housing Bureau in relation to the proposals for renovation of the housing for talents. However, there has been no further progress on the Suzhou Hi-Tech District Project. During the Year, Net Proceeds of approximately HK$3.48 million were utilised for the Group's talent housing project, Jinshan Sunshine Community in Gaoxin District, Suzhou, which commenced operations in May 2025. As such, the expected timeline for full utilisation of the Net Proceeds for establishment of the Group's own brand "Suxin Leju (蘇新樂居)" and launch of apartment management and operational services for housing for talents was further delayed from 31 December 2025 to 31 December 2026.

As of 31 December 2025, the Directors are not aware of any material change in the planned use of the Net Proceeds. The remaining Net Proceeds which had not been utilized were placed in short-term demand deposits with licensed financial institution. The unutilised Net Proceeds and the above timeline of intended utilization will be applied in the manners disclosed by the Company. However, the expected timeline for the unutilised Net Proceeds is based on the Directors' best estimation barring unforeseen circumstances, and would be subject to change based on the future development of the Group's business and the market conditions.

EMPLOYEES AND REMUNERATION POLICY

As of 31 December 2025, the Group had a total of 1,794 full-time employees (31 December 2024: 1,833). For the Year, the staff cost recognised as expenses of the Group amounted to approximately RMB230 million (31 December 2024: approximately RMB207 million).

The Group believes that the expertise, experience and professional development of its employees contributes to its growth. The Group proactively recruits skilled and qualified personnel with relevant working experience in property management to support the sustainable growth of business. The remuneration package of employees of the Group includes salary and bonus, which are generally based on their qualifications, industry experience, position and performance. In addition, the Group provides training programs regularly and across management levels, in compatible with practical needs, covering key areas in its business operations, including but not limited to corporate culture and policies, technical knowledge required for certain positions, leadership skills and general knowledge about the nature of the Group's services.

As of 31 December 2025, the Company had no share incentive schemes.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company aims to achieve high standards of corporate governance which are crucial to the development of the Group and would safeguard the interests of the Shareholders.

During the Year, the Company has applied the principles of good corporate governance and complied with the code provisions set out in Part 2 of the Corporate Governance Code.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code as its own code of conduct for dealings in the securities of the Company by the Directors and supervisors of the Company.

Specific enquiry has been made of all the Directors and the supervisors of the Company and they have confirmed that they have complied with the then applicable Model Code during the Year.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale or transfer of treasury shares) during the Year.

As of 31 December 2025, the Group did not hold any treasury shares.

FINAL DIVIDEND

The payment and amounts of dividends (if any) depend on the Group's results of operations, cash flows, financial position, statutory and regulatory restrictions on the dividends to be paid by the Company, future prospects and other relevant factors. Save for the above and subject to applicable laws and regulations as well as the articles of association of the Company, the Company expects to pay a dividend no less than 30.0% of the profit after tax each year. For the Year, the Company has proposed a dividend equivalent to approximately 60.0% of its allocable profit, demonstrating the Board's confidence in the Group's financial performance and its commitment to sharing the fruits of growth with shareholders. The declaration, payment and amount of dividends will be subject to the Company's discretion. The proposed payment of dividends is also subject to the resolution of the Shareholders' meeting, and any declaration of final dividend for the period will be subject to the approval of the Shareholders.

Having considered the foregoing and the Company's dividend policy, the Board has resolved to recommend the distribution of a final dividend in cash of RMB0.3628 per share of the Company (tax inclusive) for the Year (31 December 2024: RMB0.3602 per share of the Company, tax inclusive). It is expected that the proposed final dividend, if approved by the Shareholders at the 2025 AGM, will be paid on or before Friday, 14 August 2026.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the Listing Rules. The Audit Committee consists of three members, namely Ms. Xin Zhu, Ms. Li Xin and Mr. Liu Xin, with Ms. Xin Zhu, an independent non-executive Director having appropriate professional qualification, being the chairlady.

REVIEW OF ANNUAL RESULTS

The Audit Committee has reviewed the annual financial results for the Year and considers that the annual financial results are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

2025 AGM

The 2025 AGM will be convened and held on 15 June 2026. The notice of the 2025 AGM will be published on the Company's website (www.suxinfuwu.com) and the website of the Stock Exchange (www.hkexnews.hk) in the manner prescribed under the Listing Rules in due course.

Closure of Register of Members

(i) Attending the 2025 AGM

For the purpose of determining the Shareholders' entitlement to attend and vote at the 2025 AGM, the register of members of the Company will be closed from Wednesday, 10 June 2026 to Monday, 15 June 2026, 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 2025 AGM, all the completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for H shareholders) or to the registered office of the Company at Room 3001, 30/F, SND International Commerce Tower, 28 Shishan Road, Gaoxin District, Suzhou, Jiangsu Province, PRC (for domestic shareholders) no later than 4:30 p.m. on Tuesday, 9 June 2026 for registration. Shareholders whose names appear on the register of members of the Company on Monday, 15 June 2026 are entitled to attend and vote at the 2025 AGM.

(ii) Payment of the proposed final dividend

For the purpose of determining the Shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed from Wednesday, 24 June 2026 to Monday, 29 June 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify the Shareholders to be entitled to the proposed final dividend, all the completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for H shareholders) or to the registered office of the Company at Room 3001, 30/F, SND International Commerce Tower, 28 Shishan Road, Gaoxin District, Suzhou, Jiangsu Province, PRC (for domestic shareholders) no later than 4:30 p.m. on Tuesday, 23 June 2026 for registration. Shareholders whose names appear on the register of members of the Company on Monday, 29 June 2026 are entitled to the proposed final dividend.

SCOPE OF WORK OF THE AUDITOR

The financial information set out in this announcement does not constitute the Group's audited accounts for the Year, but represents an extract from the consolidated financial statements for the Year which have been audited by the auditor of the Company, Ernst & Young, in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF ANNUAL RESULTS AND 2025 ANNUAL REPORT

This announcement is published on the websites of the Company (www.suxinfuwu.com) and the Stock Exchange (www.hkexnews.hk). The 2025 annual report will be made available on the websites of the Company and the Stock Exchange as and when appropriate.

DEFINITIONS

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

"2023 UOP Announcement"	the announcement of the Company dated 27 April 2023 in relation to the change of use of the Net Proceeds
"2024 UOP Announcement"	the announcement of the Company dated 29 April 2024 in relation to the further change of use of the Net Proceeds
"2025 AGM"	the 2025 annual general meeting of the Company
"Audit Committee"	the audit committee of the Company
"Board"	the board of Directors
"China" or "PRC"	the People's Republic of China
"CIA"	China Index Academy
"Company"	Suxin Joyful Life Services Co., Ltd. (蘇新美好生活服務股份有限公司), a company established in the PRC as an enterprise owned by the whole people (全民所有制企業) on 12 April 1994, converted into a company with limited liability on 25 March 2004 and then converted into a joint stock company with limited liability on 23 April 2021, the H Shares of which are listed and traded on the Hong Kong Stock Exchange (stock code: 2152)
"controlling shareholder"	has the meaning as ascribed to it under the Listing Rules
"Corporate Governance Code"	the corporate governance code set out in Part 2 to Appendix C1 of the Listing Rules
"Director(s)"	the director(s) of the Company
"Domestic Share(s)"	domestic unlisted ordinary shares in the Company's capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi

"GFA"	gross floor area
"Global Offering"	the offer of the H Shares for subscription by the public as described in the Prospectus
"Group"	the Company and its subsidiaries
"H Share(s)"	overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing"	the listing of the H Shares on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Net Proceeds"	the aggregate net proceeds from the Listing and the exercise of the Over-allotment Option (as defined in the Prospectus)
"Previous Year"	the year ended 31 December 2024
"Prospectus"	the prospectus of the Company dated 10 August 2022
"Share(s)"	shares in the share capital of the Company, with a nominal value of RMB1.00 each, comprising the Domestic Shares and the H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"SND Company"	Suzhou Sugaoxin Group Co., Ltd.* (蘇州蘇高新集團有限公司), the controlling shareholders of the Company
"SND Group"	SND Company and its subsidiaries but excluding the Group

"sq. m."	square metre
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Year"	the year ended 31 December 2025
"%"	per cent.

By order of the Board
Suxin Joyful Life Services Co., Ltd.
Mr. Wang Hua
Chairman and executive Director

Suzhou, the People's Republic of China, 30 March 2026

As of the date of this announcement, the executive Directors of the Company are Mr. Wang Hua, Mr. Chen Mingdong and Mr. Zhou Jun (Employee Representative Director); the non executive Directors of the Company are Ms. Li Xin, Mr. Cao Bin and Mr. Zhang Jun; and the independent non-executive Directors of the Company are Ms. Zhou Yun, Ms. Xin Zhu and Mr. Liu Xin.

* *For identification purpose only*