

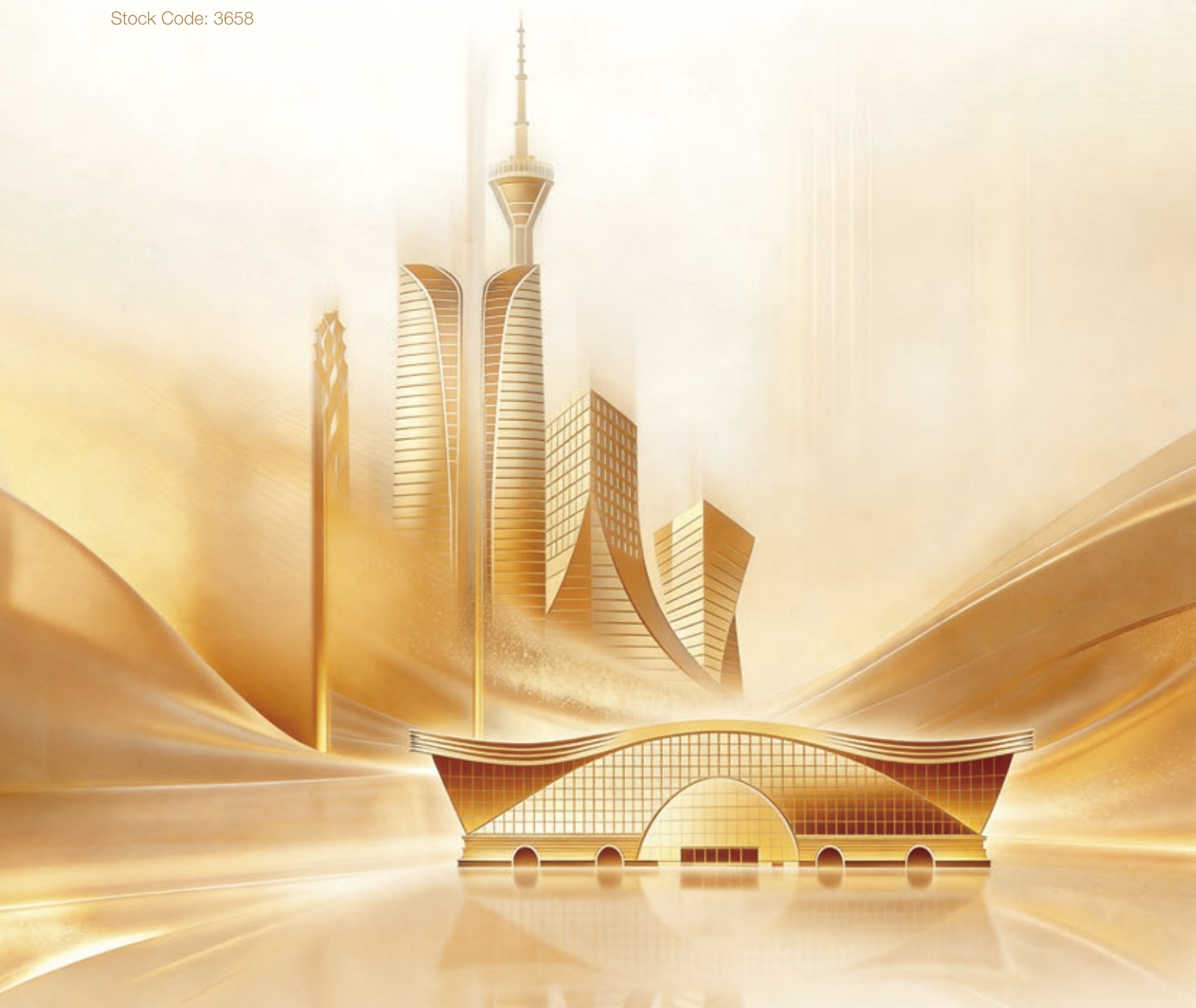


新希望服務控股有限公司

NEW HOPE SERVICE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 3658



2025
Annual Report

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Ms. Wu Min (*Co-chairman*)
(*redesignated from the non-executive director on 10 September 2025*)
Ms. Chen Jing

Non-executive Directors

Mr. Jiang Mengjun (*Chairman*)
Ms. Li Wei
Ms. Zhang Wei (*resigned on 25 March 2026*)
Mr. Liu Xu (*redesignated from executive director on 10 September 2025 and resigned on 6 January 2026*)

Independent Non-executive Directors

Mr. Cao Qilin (*resigned on 16 March 2026*)
Mr. Li Zhengguo
Mr. Kong Chi Mo
Ms. Li Ruojun (*appointed on 16 March 2026*)

AUDIT COMMITTEE

Mr. Kong Chi Mo (*Chairman*)
Mr. Li Zhengguo
Ms. Zhang Wei (*resigned on 25 March 2026*)
Mr. Jiang Mengjun (*appointed on 25 March 2026*)

REMUNERATION COMMITTEE

Mr. Cao Qilin (*Chairman*)(*resigned on 16 March 2026*)
Ms. Li Ruojun (*Chairlady*) (*appointed on 16 March 2026*)
Mr. Li Zhengguo
Ms. Wu Min

NOMINATION COMMITTEE

Mr. Jiang Mengjun (*Chairman*)(*resigned on 30 June 2025*)
Mr. Li Zhengguo (*Chairman*) (*appointed as the Chairman on 30 June 2025*)
Mr. Cao Qilin (*resigned on 16 March 2026*)
Ms. Li Ruojun (*appointed on 16 March 2026*)
Ms. Chen Jing (*appointed on 30 June 2025*)

JOINT COMPANY SECRETARIES

Mr. Li Hongjia
Mr. Lau Kwok Yin (*resigned on 23 March 2026*)

HONG KONG LEGAL ADVISOR

Sidley Austin
Level 39
Two International Finance Centre
8 Finance Street
Central
Hong Kong

AUTHORIZED REPRESENTATIVES

Ms. Chen Jing
Mr. Lau Kwok Yin (*resigned on 23 March 2026*)
Mr. Li Hongjia (*appointed on 23 March 2026*)

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre
248 Queen's Road East
Wanchai
Hong Kong

THE CAYMAN ISLANDS PRINCIPAL SHARE REGISTER AND TRANSFER OFFICE

Appleby Global Services (Cayman) Limited
Suite 210, 2nd Floor, Windward III,
Regatta Office Park,
Grand Cayman KY1-1106,
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716
17/F, Hopewell Centre
183 Queen’s Road East
Wanchai
Hong Kong

AUDITOR

KPMG
Certified Public Accountants
*Public Interest Entity Auditor registered
in accordance with the Accounting
and Financial Reporting Council Ordinance*
8/F, Prince’s Building
10 Chater Road
Central
Hong Kong

PRINCIPAL BANK

China Merchants Bank
Chengdu Jinguancheng Sub-branch
Building 5
Times Sunny Garden
8 Hangkong Road
Chengdu City
Sichuan Province
China

REGISTERED OFFICE

Suite 210, 2nd Floor,
Windward III,
Regatta Office Park,
Grand Cayman KY1-1106,
Cayman Islands

PRINCIPAL PLACE OF BUSINESS AND HEADQUARTERS IN CHINA

21/F, Building 2
New Hope Zhongding International
No. 366 Jinshi Road
Jinjiang District
Chengdu, Sichuan
China

STOCK CODE

3658

COMPANY’S WEBSITE

newhopeservice.com.cn

Chairman's Statement

To the Shareholders: "Quality Service" Creates Long-term Value

Dear Shareholders, Business Partners and Valued Customers,

On behalf of the Board, I am pleased to present the annual report of the Group for the year ended 31 December 2025, and would like to express our sincere gratitude for your continued support.

Over the past year, the ongoing adjustment in the real estate market has continued to transmit to the property management sector. The contraction of new management area, slowing growth, profit pressure, and declining collection rates have become realities that most property management enterprises face. However, amid these challenges, the industry has also embraced historic policy opportunities — property services have been incorporated into the 15th Five-Year Plan outline for the first time and integrated into the urban governance and livelihood security system. The regulatory direction is driving the transition of property services from "having services" to "quality services". "Excellent Service in Sight" is New Hope Service's practical response to this industry trend.

"Quality service" is not merely a promise, but a perceivable execution system. The Company has continuously optimised service standards to achieve faster response, greater safety, enhanced transparency, and better environment. It has also actively promoted the integrated application of "AI + Robotics + Human", leveraging digitalisation to ensure traceable services, supervisable processes, and quantifiable results, achieving a satisfaction score of 92.6 points for the year ended 31 December 2025.

Quality service delivers value to customers and also enhances the Company's competitive edge in the existing property market. Based on quality services, the Company has extended into asset operation, lifestyle services, urban facilities and other scenarios, building a "Property Plus" lifestyle service platform. For the year ended 31 December 2025, the Company achieved revenue of RMB1.54 billion, representing a compound annual growth rate of 10.54% over the past three years.

Stable growth has effectively underpinned stable returns to shareholders. For the year ended 31 December 2025, the Company recorded profit attributable to equity shareholders of the Company of RMB216 million and operating cash flow of RMB212 million, representing an increase of 31.0% over the same period in 2024. The full-year dividend is RMB0.177 per share. On 8 April 2026, we updated our dividend policy, pursuant to which no less than 60% of the profit attributable to equity shareholders of the Company will be distributed to shareholders as dividends annually in the future.

Looking ahead, operating in a property industry where "challenges" and "opportunities" coexist, New Hope Service will maintain its strategic focus on "lifestyle services". The Company will continue to build a solid regional moat through its high-density, deep city cultivation model; win more customer choices through visible quality services; leverage the industrial depth of New Hope Group in agricultural food and livelihood supply chain, together with the benefits of AI and digital technology development, to deepen the "Property Plus" ecosystem layout; and seize the initiative in development through professional value in the existing property era.

Thank you for your trust and companionship along the way.

Management Discussion and Analysis

BUSINESS REVIEW

Overview

New Hope Service Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**” or “**New Hope Service**”) is a local Chengdu integrated property services enterprise with a leading position in the Western China region. Backed by New Hope Group Co., Ltd. and its subsidiaries (“**New Hope Group**”), a member of Fortune Global 500, the Group placed emphasis on adhering to “asset value appreciation and maintenance” and “care-free and wonderful life”, and provided lifestyle service solutions such as property management services, lifestyle services and commercial operational services for middle-to-high-end residences, corporate headquarters, medical institutions, commercial office buildings, government public facilities, financial institutions and various types of properties. As of 31 December 2025, the Group was awarded the “TOP 15 Property Management Companies in China in terms of Overall Strength (中國物業企業綜合實力TOP15)” (up by 3 from last year), the “No. 14 among China’s Top 100 Property Management Companies (中國物企服務力百強TOP14)” and China Property Service Smart Service Sample Benchmark Enterprise (中國物業服務智慧服務樣本標桿企業), and Leading Competitive Enterprise in Chengdu in China Property Service Industry (中國物業服務成都市競爭力領先企業).

During the Reporting Period, the Group recorded revenue of approximately RMB1,540.5 million, representing an increase of 4.0% over the same period last year, and recorded net profit attributable to the shareholders of RMB216.1 million, representing a decrease of 4.7% over the same period last year; operating cash flow of RMB211.7 million, representing an increase of 31.0% over the same period last year; and achieved the contracted amount of various third-party projects amounting to RMB726 million, representing an increase of 20% over the same period last year, of which the contracted amount in deeply cultivated cities accounted for 95%, representing an increase of 21% over the same period last year; and independence continued to improve, with the aggregate revenue from third parties accounting for 84%, representing an increase of 2.2 percentage points over the same period last year.

Going forward, the Group will continue to adhere to the “Property+” ecosystem layout, further consolidate its structural advantages, and leverage technology to unlock the full-scenario service chain within communities, and build an efficient, intelligent, and integrated operation system, thereby continuously strengthening our capacity for high-quality development and a promising future, reinforcing the moat of its long-term advantages in “lifestyle services”, and creating sustainable value to the shareholders, customers and society.

Business Model of the Group

During the Reporting Period, the Group generated revenue primarily from four business segments: (i) property management services; (ii) lifestyle services; (iii) commercial operational services; and (iv) value-added services to non-property owners.

Management Discussion and Analysis

Property Management Services

The property management services are the basic and core business of the Group. Focusing on the corporate vision of “Excellent Service in Sight (好服務·看得見)”, the Group adhered to the strategy of deep regional development. The table below sets forth a breakdown of the growth in total gross floor area (“GFA”) under management and total contracted area of the Group:

	As at 31 December 2025	As at 31 December 2024	Growth rate
Number of properties under management	258	242	6.6%
Number of properties the Group was contracted to manage	273	256	6.6%
GFA under management (0'000 sq.m.)	3,847.3	3,512.8	9.5%
Contracted GFA (0'000 sq.m.)	4,196.1	3,897.0	7.7%

Deep Cultivation and Solid Foundation: Enhancing Both Quantity and Quality of Core Business, Building a Higher Regional Moat

During the Reporting Period, the Group achieved a contracted amount from external expansion of RMB726 million, representing an increase of 20.2% over the same period last year, marking three consecutive years of steady growth in external expansion; the contracted amount in deeply cultivated cities in the Southwestern China region and the Eastern China region accounted for 95%, representing an increase of 21.0% over the same period. Meanwhile, the Group enhanced its core business through “strict access control, enhanced radiation effect, and ability to increase fees”, thereby building a higher moat in deeply cultivated regions and ensuring project quality from the outset. It developed a three-kilometre market expansion radius. For example, after successfully bidding for the Suzhou Wujiang project, the Group secured three additional projects in the surrounding area, with a total contract value exceeding RMB70 million. In another case, after winning the bid for the Kangjun project, the Group achieved a 30.4% fee increase, demonstrating that high-quality branding and service capabilities can raise the unit price of property management fees.

The table below sets forth a breakdown of our total GFA under management, revenue and growth rate by region as at the dates indicated:

Region distribution	For the year ended/as at 31 December 2025				For the year ended/as at 31 December 2024				GFA growth (%)	Revenue growth (%)
	Revenue (RMB0'000)	Percentage (%)	GFA under management (0'000 sq.m.)	Percentage (%)	Revenue (RMB0'000)	Percentage (%)	GFA under management (0'000 sq.m.)	Percentage (%)		
Southwestern China	44,287.8	46.7	1,937.0	50.4	38,864.7	46.4	1,693.5	48.2	14.4	14.0
Eastern China region	33,837.3	35.7	1,324.0	34.4	30,674.3	36.6	1,252.9	35.7	5.7	10.3
Others	16,699.2	17.6	586.3	15.2	14,206.0	17.0	566.4	16.1	3.5	17.6
Total	94,824.3	100.0	3,847.3	100.0	83,745.0	100.0	3,512.8	100.0	9.5	13.2

Focusing on High-Tier Cities

As of 31 December 2025, 96.4% of the Group's revenue from property management was from the projects under management in first-tier, new first-tier and second-tier cities in China, among which, in terms of contracted amount, the deeply cultivated cities accounted for 95%, representing an increase of 21% over the same period.

The table below sets forth a breakdown of our total GFA under management and revenue by city tier as at the dates or for the period indicated:

Tier of city	For the year ended/as at 31 December 2025				For the year ended/as at 31 December 2024				GFA growth (%)	Revenue growth (%)
	Revenue (RMB0'000)	Percentage (%)	GFA under management (0'000 sq.m.)	Percentage (%)	Revenue (RMB0'000)	Percentage (%)	GFA under management (0'000 sq.m.)	Percentage (%)		
First-tier and New first-tier	50,352.7	53.1	1,967.6	51.1	43,154.7	51.5	1,706.9	48.6	15.3	16.7
Second-tier	41,038.4	43.3	1,749.0	45.5	37,091.2	44.3	1,683.5	47.9	3.9	10.6
Others	3,433.2	3.6	130.7	3.4	3,499.1	4.2	122.4	3.5	6.8	-1.9
Total	94,824.3	100.0	3,847.3	100.0	83,745.0	100.0	3,512.8	100.0	9.5	13.2

- (1) First-tier cities and New first-tier cities in which we provide property management services include Shanghai, Chengdu, Chongqing, Hangzhou, Suzhou, Shenyang, Qingdao and Nanjing;
- (2) Second-tier cities in which we provide property management services include Dalian, Nanning, Kunming, Ningbo, Jiaxing, Wenzhou, Wuxi and Changchun;
- (3) Others in which we provide property management services include Nanchong.

Value Realization: High-End Service Capabilities are Transforming into Pricing Power

During the Reporting Period, the Group was honored with the "2025 Top 20 High-End Property Service Providers in China (2025中國高端物業服務力TOP20)" and certified as a benchmark enterprise for featured property services by virtue of the D'LIFE high-end service system. The Group actively leveraged new media communication tools, with its Douyin account becoming TOP1 Douyin Account among Chinese Property Enterprises (中國物企抖音排名TOP1), with its "Douyin-exclusive topics" garnering 260 million views, and 15 videos each achieving over one million views on the Douyin account, enabling its excellent services to be fully exposed to the market and customers, thereby supporting market competitiveness. During the Reporting Period, the Group successfully won third-party benchmark projects such as Chengdu Aoyuan Yihu Yayuan (成都•奧園怡湖雅園), Shanghai Beilian Jingyuan (上海•貝漣景園), and Chengdu Beichen S1 (成都•貝宸S1), with unit property management fees ranging from RMB5 to RMB13.98 per sq.m. per month.

Management Discussion and Analysis

The table below sets forth the breakdown of the Group's GFA under management and revenue by the type of property developer:

Type of developer	For the year ended/as at 31 December 2025				For the year ended/as at 31 December 2024				GFA growth (%)	Revenue growth (%)
	Revenue (RMB0'000)	Percentage (%)	GFA under management (0'000 sq.m.)	Percentage (%)	Revenue (RMB0'000)	Percentage (%)	GFA under management (0'000 sq.m.)	Percentage (%)		
New Hope Wuxin Industrial Associates or joint ventures of New Hope Wuxin Industrial ⁽²⁾	36,404.9	38.4	1,389.6	36.1	31,129.7	37.2	1,379.3	39.3	0.7	16.9
Ultimate controlling shareholders and their associates ⁽³⁾	18,774.0	19.8	783.7	20.4	18,388.6	21.9	812.3	23.1	-3.5	2.1
Independent third parties	2,056.1	2.2	23.7	0.6	2,612.8	3.1	32.6	0.9	-27.3	-21.3
	37,589.3	39.6	1,650.3	42.9	31,613.9	37.8	1,288.6	36.7	28.1	18.9
Total	94,824.3	100.0	3,847.3	100.0	83,745.0	100.0	3,512.8	100.0	9.5	13.2

Notes:

- (1) Refer to properties solely developed by New Hope Wuxin Industrial and its subsidiaries, associates and joint ventures (together, "New Hope Wuxin Industrial Group"), as well as properties jointly developed by New Hope Wuxin Industrial Group and other property developers in which New Hope Wuxin Industrial Group held a controlling interest.
- (2) Refer to properties developed by joint ventures or associates of New Hope Wuxin Industrial Group (New Hope Wuxin Industrial Group does not hold a controlling interest in these properties).
- (3) Refer to properties developed by other associates of our ultimate controlling shareholders, namely Mr. Liu Yonghao (劉永好) and Ms. Liu Chang (劉暢).

Commercial Operational Services

The Group's commercial operational services comprise two categories: (i) market research and positioning and opening preparation services; (ii) commercial operational services.

During the Reporting Period, the Group's commercial operation segment achieved revenue of RMB108.2 million. While the revenue was under pressure compared to the same period last year due to the overall downturn in the commercial real estate market and the exit of certain projects, the acquisition of third-party commercial projects and business format breakthroughs achieved a significant improvement compared to the same period last year, with the contracted amount from third parties reaching RMB233 million, representing a year-on-year increase of 94.6%. Details are as follows:

1) Expanding Growth — Breakthrough in Multi-Format Operations

During the Reporting Period, the Company secured its first multi-format integrated project combining "office building + commercial + rental housing" — Chengdu Tongjin Center, as well as the core CBD landmark project in Kunming — Kunming Xishan Wanda. Additionally, the Group achieved its first breakthrough in the hotel format in Kunming by acquiring the Kunming Shiboli Hotel, solidifying its multi-format presence.

2) Stabilizing Existing Assets — High-Level Operation of Core Projects

Kunming Dashanghui introduced new business formats such as new energy, retail and dental clinics, helping its rental level remain among the top in the region, with an occupancy rate of 91.1% during the Reporting Period.

The table below sets forth a breakdown of our total revenue from commercial operational services by service category for the years indicated:

	For the year ended 31 December 2025		For the year ended 31 December 2024		Growth rate %
	Revenue (RMB0'000)	Percentage %	Revenue (RMB0'000)	Percentage %	
Market research and positioning and opening preparation services	53.2	0.5	638.7	4.4	-91.7
Commercial operational services	10,767.2	99.5	13,958.3	95.6	-22.9
Total	10,820.4	100.0	14,597.0	100.0	-25.9

Lifestyle Services

The Group's lifestyle services comprise (i) community living services; (ii) community asset management services, including carpark related services and property agency services; and (iii) online and offline retail services and catering services.

During the Reporting Period, the Group's lifestyle services segment achieved revenue of RMB379.8 million, representing a year-on-year increase of 6.8%, with a gross profit margin of 35.0%, an increase of 1.9 percentage points compared to last year, and gross profit accounted for 29.1%, an increase of 2.9 percentage points compared to the same period last year. This was mainly attributable to the following:

1. Corporate Services

Benefiting from the continuous breakthroughs in the market-oriented expansion capabilities of the corporate services segment and the "rapid response + flexible customization + butler-style service" model, the number of B-end customers reached 1,094, an increase of 30% compared to the same period last year, of which external customers accounted for 68.6%; customer stickiness further improved, with a B-end repurchase rate of over 60%;

2. Community Living Services

The average transaction value per customer for community living services increased from RMB159 in 2023 to RMB429 in 2025, achieving a 1.7-fold increase over three years; the C-end repurchase rate increased from 10% to 29.6%. Meanwhile, the annual sales of customized milk reached RMB10.73 million, becoming the first blockbuster product portfolio with a contribution of over RMB10 million.

Management Discussion and Analysis

3. Group Meal Business

The group meal business operated 33 projects steadily (a year-on-year increase of 3 projects, with third-party projects accounting for 97%), and was awarded the “2025 Best Food and Beverage Channel Partner” and the “Sichuan Good Canteen” award for the first time, successfully establishing strategic projects in medical systems such as the Provincial Health Commission.

The following table sets forth a breakdown of our revenue from lifestyle services:

	For the year ended 31 December 2025		For the year ended 31 December 2024		Growth rate %
	Revenue (RMB0'000)	Percentage %	Revenue (RMB0'000)	Percentage %	
Community living services	15,837.6	41.7	15,780.6	44.4	0.4
Community asset management services	4,642.6	12.2	3,561.2	10.0	30.4
Online and offline retail services and catering services	17,500.4	46.1	16,222.4	45.6	7.9
Total	37,980.6	100.0	35,564.2	100.0	6.8

Value-added services to non-property owners

We also provide a series of value-added services to non-property owners, mainly for property developers. Our value-added services to non-property owners include (i) on-site management services; (ii) preliminary planning and design consultation, pre-delivery and repair and maintenance services; and (iii) other services, such as construction site management services.

The following table sets forth a breakdown of our revenue from value-added services to non-property owners during the periods indicated:

	For the year ended 31 December 2025		For the year ended 31 December 2024		Growth rate %
	Revenue (RMB0'000)	Percentage %	Revenue (RMB0'000)	Percentage %	
Preliminary planning, design consultation, and pre- delivery services	4,002.9	38.4	8,265.0	58.3	-51.6
Revenue from on-site management services	3,892.9	37.4	4,546.3	32.1	-14.4
Special commission services	2,525.3	24.2	1,357.6	9.6	86.0
Total	10,421.1	100.0	14,168.9	100.0	-26.5

FINANCIAL REVIEW

Revenue

The Group's revenue was primarily generated from four business lines: (i) property management services; (ii) lifestyle services; (iii) commercial operational services; and (iv) value-added services to non-property owners. The Group's revenue increased by RMB59.7 million or approximately 4.0% to RMB1,540.5 million for the year ended 31 December 2025 from RMB1,480.8 million for the year ended 31 December 2024, which was primarily attributable to (i) an increase in revenue from property management services resulting from an increase in the GFA under management and the number of projects under management of the Group; and (ii) an increase in revenue from lifestyle services.

The following table sets forth a breakdown of our total revenue by business line for the periods indicated:

	For the year ended 31 December			
	2025 Percentage of total revenue%	2024 Percentage of total revenue%	2025 (RMB0'000)	2024 (RMB0'000)
Property management services	61.5	56.5	948,242.9	837,450.4
Lifestyle services	24.7	24.0	379,805.6	355,641.6
Commercial operational services	7.0	9.9	108,204.4	145,970.0
Value-added services to non-property owners	6.8	9.6	104,211.2	141,689.3
Total	100.0	100.0	1,540,464.1	1,480,751.3

Property management services remained the largest source of revenue. For the year ended 31 December 2025, revenue from property management services amounted to RMB948.2 million, accounting for 61.5% of the Group's total revenue. The increase in the number of properties and GFA under management was mainly attributable to the Group's expansion in the third-party markets.

Revenue from lifestyle services increased by 6.8% from approximately RMB355.6 million for the year ended 31 December 2024 (representing 24.0% of the Group's total revenue) to approximately RMB379.8 million for the year ended 31 December 2025 (representing 24.7% of the Group's total revenue). Among which:

- (1) Revenue from community living services increased by 0.4% from RMB157.8 million for the year ended 31 December 2024 to RMB158.4 million for the year ended 31 December 2025, remaining largely flat.
- (2) Revenue from community asset management services increased by 30.4% from RMB35.6 million for the year ended 31 December 2024 to RMB46.4 million for the year ended 31 December 2025, primarily due to the increase in temporary parking services income resulting from the increase in GFA under management during the Reporting Period.
- (3) Revenue from online and offline retail services and catering services increased by 7.9% from RMB162.2 million for the year ended 31 December 2024 to RMB175.0 million for the year ended 31 December 2025, which was mainly attributable to the Group's continuous expansion of its lifestyle services business during the Reporting Period, particularly the increased density of new retail business and the increase in group meal projects, which led to an increase in revenue from online and offline retail services and catering services.

Management Discussion and Analysis

Revenue from commercial operational services decreased by 25.9% from RMB146.0 million for the year ended 31 December 2024 to RMB108.2 million for the year ended 31 December 2025, which was primarily due to a decrease in the occupancy rate of certain projects and the exit from certain projects during the Reporting Period.

Revenue from value-added services to non-property owners decreased by 26.5% from approximately RMB141.7 million for the year ended 31 December 2024 to approximately RMB104.2 million for the year ended 31 December 2025, which was mainly attributable to a decrease in the on-site services and pre-introduction services undertaken during the Reporting Period.

Cost of Sales

Our cost of sales represents costs directly attributable to the provision of our services and consists primarily of (i) staff costs; (ii) outsourced labor costs; (iii) maintenance costs; (iv) material and cost of goods sold; (v) energy and resources expenses; (vi) cleaning expenses; (vii) depreciation and amortization charges; and (viii) all other costs of sales, mainly including business consultation expenses, transport expenses, and costs of low value consumption goods such as office supplies and stationery. For the year ended 31 December 2025, the total cost of sales of the Group was approximately RMB1,083.2 million, which increased by approximately RMB52.5 million, or approximately 5.1%, as compared to approximately RMB1,030.7 million for the corresponding period in 2024. The growth rate of our cost of sales was higher than that of our revenue, primarily due to the increase in the proportion of revenue contribution from property management services over the Group's total revenue, which has a relatively lower gross profit margin compared to other business lines.

Gross Profit and Gross Profit Margin

The gross profit of the Group increased by RMB7.3 million, or 1.6%, to RMB457.3 million for the year ended 31 December 2025 from RMB450.0 million for the year ended 31 December 2024.

The following table sets forth a breakdown of our gross profit and gross profit margin by business line during the periods indicated:

Type	For the year ended 31 December			
	2025	Gross profit margin %	2024	Gross profit margin %
	(RMB'000)		(RMB'000)	
Property management services	230,440	24.3	203,992	24.4
Lifestyle services	133,017	35.0	117,665	33.1
Commercial operational services	61,901	57.2	83,526	57.2
Value-added services to non-property owners	31,940	30.6	44,859	31.7
Total	457,298	29.7	450,042	30.4

For the year ended 31 December 2025, the gross profit margin of the Group decreased by 0.7 percentage points as compared with the corresponding period last year.

The gross profit margin of property management services decreased by 0.1%, remaining largely flat.

The gross profit margin of value-added services to non-property owners decreased by 1.1%, which was mainly attributable to the downturn of the real estate industry in Mainland China.

The gross profit margin of commercial operational services remained stable year-on-year.

The gross profit margin of lifestyle services increased by 1.9%, primarily due to optimisation of the supply chain to reduce procurement costs, while adjusting the business structure to proactively phase out low-margin projects.

Other Net Expenses

Other net expenses of the Group for the year ended 31 December 2025 was RMB13.7 million and that for the year ended 31 December 2024 was RMB4.1 million. Such increase was primarily attributable to an increase in the impairment amount of sub-leased assets affected by a decline in occupancy rate during the Reporting Period.

Administrative Expenses

Administrative expenses include (i) staff costs; (ii) professional fees; (iii) office and business entertainment expenses; (iv) depreciation and amortization; (v) tax expenses; and (vi) all other administrative expenses, which primarily consist of office expenses, tax expenses, hiring and training expenses, and cleaning expenses. For the year ended 31 December 2025, the total administrative expenses of the Group were approximately RMB157.9 million, representing an increase of approximately RMB17.7 million, or approximately 12.6%, from approximately RMB140.2 million for the year ended 31 December 2024, which was mainly due to the increase in foreign exchange loss resulting from the depreciation of US dollars during the Reporting Period.

Selling Expenses

The selling expenses of the Group decreased by RMB0.1 million, or 11.1%, to RMB0.8 million for the year ended 31 December 2025 from RMB0.9 million for the year ended 31 December 2024. The decrease in expenses was mainly attributable to continuous cost reduction and efficiency enhancement, leading to lower expenses.

Finance Income/(Cost), Net

The net finance income of the Group increased by RMB2.9 million, or 25.7%, to RMB14.2 million for the year ended 31 December 2025 from RMB11.3 million for the year ended 31 December 2024, which was mainly attributable to a decrease in interest expenses resulting from the exit of certain commercial sub-leasing projects.

Income Tax Expense

For the year ended 31 December 2025, the income tax of the Group was approximately RMB42.5 million (for the year ended 31 December 2024: RMB47.7 million).

Profit for the Reporting Period

The net profit of the Group decreased by approximately RMB19.2 million, or approximately 7.5%, to approximately RMB236.7 million for the year ended 31 December 2025 from approximately RMB255.9 million for the year ended 31 December 2024.

Core Net Profit Attributable to Owners of the Parent

The profit attributable to equity shareholders of the Company decreased by approximately 4.7% to approximately RMB216.1 million for the year ended 31 December 2025 from approximately RMB226.8 million for the year ended 31 December 2024.

Property, Plant and Equipment

Property, plant and equipment of the Group mainly consist of machinery, vehicles, electronic equipment, office and other equipment, furniture and fixtures. As at 31 December 2025, the Group's property, plant and equipment amounted to approximately RMB50.2 million, representing an increase of approximately RMB23.9 million from approximately RMB26.3 million as at 31 December 2024, which was primarily due to an increase in renovation expenses.

Management Discussion and Analysis

Trade Receivables

Trade receivables primarily arise from the provision of property management services, value-added services to non-property owners, commercial operational services and lifestyle services. The Group's trade receivables as at 31 December 2025 amounted to approximately RMB503.5 million, representing an increase of approximately RMB54.6 million or 12.2% from approximately RMB448.9 million as at 31 December 2024, which was primarily due to (i) the growth in business; and (ii) the increase in third-party GFA under management.

Prepayments, Deposits and Other Receivables

Prepayment, deposits and other receivables increased by 8.3% from RMB123.9 million as at 31 December 2024 to RMB134.2 million as at 31 December 2025, mainly due to the increase in prepaid material purchases, rent and security deposit during the Reporting Period.

Trade Payables

The Group's trade payables as at 31 December 2025 amounted to approximately RMB193.9 million, representing a decrease of approximately RMB19.4 million or 9.1% as compared to approximately RMB213.3 million as at 31 December 2024, mainly due to the accelerated payment to suppliers.

Other Payables and Accruals

Other payables and accruals decreased by 14.0% from RMB235.3 million as at 31 December 2024 to RMB202.4 million as at 31 December 2025, mainly due to the accelerated payment during the Reporting Period.

Financial Position and Capital Structure

For the year ended 31 December 2025, the Group maintained a sound financial position.

As at 31 December 2025, the Group's current ratio (current assets/current liabilities) was 2.5 times (31 December 2024: 2.3 times). As at 31 December 2025 and 31 December 2024, the Group did not have any outstanding interest-bearing borrowings.

Pledge of Assets

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

Contingent Liabilities

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

Interest Rate Risk

As the Group had no significant interest-bearing assets and liabilities, the Group is not exposed to material risk directly relating to changes in market interest rate.

Foreign Exchange Risk

The Group mainly operates its business in the PRC, and substantially all of its revenue and expenses are denominated in Renminbi. As at 31 December 2025, among the Group's cash and bank balances, RMB231.67 million was denominated in Hong Kong dollars and United States dollars, which was subject to the exchange rate fluctuation. The Group will closely monitor its foreign exchange exposure, and strive to maintain the value of the Group's cash.

SIGNIFICANT INVESTMENTS HELD BY THE GROUP

During the Reporting Period, the Company invested RMB10 million in Beijing Saifu Haohai Industrial Internet Investment Center (Limited Partnership) (北京賽富皓海工業互聯網投資中心(有限合夥)), which was a financial asset measured at fair value through profit or loss.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company had no other significant investment or material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS OF CAPITAL ASSETS

The Group did not have any immediate plans for material investments and capital assets as at 31 December 2025.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed for the proposed final dividend, as at the date of this report, the Group did not have any other significant event subsequent to 31 December 2025.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group had approximately 3,737 employees (31 December 2024: 3,939 employees). During the Reporting Period, the total staff costs were approximately RMB353.8 million (for the year ended 31 December 2024: approximately RMB350.8 million).

In order to attract and retain high quality staff to enable smooth operation within the Group, the remuneration policy of the Group's employees is reviewed periodically to ensure that the salary and benefit levels of the employees of the Group are competitive. The salaries and allowances of employees were determined based on their performance, experience and the then prevailing market rates. Discretionary performance bonus and share option scheme after assessments are in place for employees to reward their contributions. The Group is subject to social insurance contribution plans or other pension schemes prescribed by the local governments and is required to pay on behalf of its employees, a monthly social insurance funds covering pension fund, medical insurance, work-related injury insurance, maternity insurance and unemployment insurance, and the housing provident fund, or to contribute regularly to mandatory provident fund schemes on behalf of its employees.

The Group continues to provide adequate job training to employees to equip them with practical knowledge and skills. The employee training programs primarily cover key areas in the Group's business operations, which provide continuous training to its existing employees at different levels to specialize and strengthen their skill sets.

USE OF NET PROCEEDS FROM THE LISTING

The shares of the Company (the "Shares") were listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 25 May 2021 (the "Listing Date") and the over-allotment option (the "Over-allotment Option") was partially exercised on 11 June 2021. For details, please refer to the prospectus (the "Prospectus") of the Company dated 11 May 2021 and the Company's announcement dated 15 June 2021. The Company intends to utilise the net proceeds from the listing and over-allotment in accordance with the plans set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. Net proceeds from the listing (including the partial exercise of the Over-allotment Option), after deducting the underwriting commission and other estimated expenses in connection with the listing, amounted to approximately HK\$790.0 million (equivalent to approximately RMB648.7 million). The Group continues to expand its business in the metropolitan areas and urban agglomerations in China, especially the first-tier, new first-tier and second-tier cities in the Chengdu-Chongqing urban agglomeration and the Eastern China region, and continue to consolidate our market position in these areas through market expansion, persisting in seeking investment opportunities and developing its lifestyle services. Given the above considerations and the following reasons, in order to enhance the use efficiency of the funds raised, capture market opportunities for business development in a timely manner, and strike a more reasonable balance in the use of funds, the Board resolved to change the proposed use of such proceeds on 25 May 2022. As set out in the announcement of the Company dated 25 May 2022, the subcategories under "strategic acquisition and investment" were consolidated and HK\$79 million and HK\$39.5 million originally allocated for "strategic acquisition and investment" were re-allocated to

Management Discussion and Analysis

a new category of “development of lifestyle services” and an existing category of “working capital”, respectively. Meanwhile, to further enhance the use efficiency of the funds raised, the Board resolved on 15 July 2025 to change the intended use of the proceeds, details of which are set out in the Company’s announcement dated 15 July 2025. As at 31 December 2025, an analysis on the utilization of net proceeds from the listing is as follows:

Major categories	Sub-categories	Amount (HK\$ in million)	% of total proceeds	Unutilised amount as at 1 January 2025 (HK\$ in million)	Actual utilized amount as at 31 December 2025 (HK\$ in million)	Unutilised amount as at 31 December 2025 (HK\$ in million)	Estimated utilization plan
Strategic acquisition and investment		66.22	8%	60.75	5.50	60.75	On or before 31 December 2026
Upgrade information system and equipment	Middleground system	27.79	4%	13.9	14.42	18.63	On or before 31 December 2026
	Property management support system	3.71	0%	1.3	3.71	—	
	Lifestyle service support system	23.47	3%	8.5	15.18	5.79	On or before 31 December 2026
	Corporate infrastructural operation system	17.3	2%	6.2	12.78	1.75	On or before 31 December 2026
	Intelligent community pilot projects	46.95	6%	33.5	23.47	23.49	On or before 31 December 2026
	Human resources to support information technology upgrades	37.07	5%	13.4	34.20	2.88	On or before 31 December 2026
Talent recruitment and team building		173.16	22%	133.7	133.65	39.51	On or before 31 December 2026
Development of lifestyle services		79	10%	—	79.00	—	
Working capital		315.33	40%	196.8	159.90	155.40	On or before 31 December 2026
		<u>790</u>	<u>100%</u>	<u>468.00</u>	<u>481.80</u>	<u>308.20</u>	
Total		<u>790</u>	<u>100%</u>	<u>468.00</u>	<u>481.80</u>	<u>308.20</u>	

The remaining net proceeds raised from the Listing which had not been utilized were deposited with well-established and licensed commercial banks and authorized financial institutions. As the Group (i) became more cautious in selecting acquisition targets against the backdrop of economic slowdown; and (ii) postponed the upgrade of information system as needed, the planned use of part of the listing proceeds has been postponed. The expected timeframe 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.

Biographies of Directors and Senior Management

EXECUTIVE DIRECTORS

Ms. Wu Min (武敏), aged 53, was redesignated as an executive Director on 10 September 2025. She was redesignated as a non-executive Director on 6 March 2024 and appointed as co-chairman of the Board on 22 March 2023. She served as an executive Director from 29 December 2020 to 6 March 2024, and served as a non-executive Director from 6 March 2024 to 10 September 2025. She is primarily responsible for the overall financial, cost management, internal control and capital market related matters of our Group.

From November 2002 to August 2007, Ms. Wu worked as tax supervisor in tax administration sector at Pangang Group Company Ltd. (攀鋼集團有限公司), a company principally engaged in metal manufacturing, where she was mainly responsible for tax management and tax planning. From February 2007 to April 2014, she worked in New Hope Group Company with her last position as the director of operation and management department where she became responsible for the overall management. From November 2011 to April 2015, Ms. Wu served as a supervisor in New Hope Liuhe Co., Ltd. (新希望六和股份有限公司), whose shares are listed on the Shenzhen Stock Exchange (stock code: 000876). From December 2012 to April 2015, she served as a non-independent director in Polaris Bay Group Co., Ltd. (華創陽安股份有限公司), whose shares are listed on the Shanghai Stock Exchange (stock code: 600155.SH). From September 2013 to August 2014, she served as a supervisor in Shenzhen Gas Group Co., Ltd. (深圳市燃氣集團股份有限公司), whose shares are listed on the Shanghai Stock Exchange (stock code: 601139.SH). Since February 2014, Ms. Wu has been working as an executive vice president and chief financial officer at New Hope Wuxin and has been mainly responsible for assisting the president in the overall management of the company, including finance, capital and operational matters.

Ms. Wu obtained a diploma in material preparation and performance testing from Sichuan University in the PRC. She also obtained an executive Master of Business Administration degree from Sichuan University in the PRC in June 2018. Ms. Wu was admitted as a Certified Tax Agent (註冊稅務師) by Sichuan Provincial Office of Human Resource (四川省人事廳) in the PRC in August 2002. She was also admitted as a Certified Public Accountant by the Ministry of Finance of the People's Republic of China and a senior accountant granted by Pangang Group Company Ltd. in the PRC in December 2002 and March 2005, respectively.

Ms. Chen Jing (陳靜), aged 41, has been our Director since 5 November 2020. She was re-designated as our executive Director and appointed as the chief executive officer of our Group on 29 December 2020. She is primarily responsible for implementation of strategies and operational management of our Group. She joined our Group as the general manager of New Hope Services in August 2018. She also holds directorships in our various subsidiaries.

Prior to joining our Group, from 2011 to 2015, she worked as a person in charge of regional smart services at Chengdu Longhu Property Management Co. Ltd. (成都龍湖物業服務有限公司), where she was mainly responsible for project management. From June 2015 to October 2016, she served as the vice general manager at the Fuzhou branch office of Fuzhou Rongqiao Property Management Co., Ltd. (福州融僑物業管理有限公司福州分公司), where she was mainly responsible for business management. From September 2016 to August 2018, she worked as the general manager at Chengdu branch company of Guangzhou Ningjun Property Management Co. Ltd (廣州市寧駿物業管理有限公司成都分公司), where she was mainly responsible for the overall management of the company.

Ms. Chen received the award of "2020 Top 100 Property Manager with Outstanding Contribution" (2020年度百強物業年度卓越貢獻經理) granted by The Economic Observer (經濟觀察報) in August 2020. She obtained a bachelor's degree in polymer materials and engineering from Sichuan University (四川大學) in the PRC in June 2008.

Biographies of Directors and Senior Management

NON-EXECUTIVE DIRECTOR

Mr. Jiang Mengjun (姜孟軍), aged 51, was appointed as our non-executive Director on 29 December 2020 and appointed as chairman of the Board on 22 March 2023. He is primarily responsible for providing guidance and formulation of business strategies for the overall development of our Group.

From July 2000 onwards, Mr. Jiang has served various positions at the group companies of New Hope Wuxin Industrial Group Co., Ltd.* (新希望五新實業集團有限公司), formerly known as Sichuan New Hope Property Development Co., Ltd.* (四川新希望房地產開發有限公司) (“**New Hope Wuxin**”, together with its subsidiaries “**New Hope Wuxin Group**”, including as a planning manager in Chengdu Minjiang New Hope Garden Property Development Co., Ltd. (成都岷江新希望花園房地產開發有限責任公司) from July 2000 to December 2004, a deputy director of marketing department at New Hope Wuxin from December 2004 to January 2008, a director of marketing department at Chengdu Minjiang New Hope Huayuan Property Development Co. Ltd. (成都岷江新希望花園房地產開發有限責任公司) from November 2005 to January 2008, a director of marketing department and assistant to the president at New Hope Wuxin from January 2008 to August 2013 and a general manager of Yongjia Wanxin Hengjin Real Estate Co. Ltd (永嘉萬新恒錦置業有限公司) from September 2013 to February 2017. Mr. Jiang was promoted to vice president of New Hope Wuxin in August 2016, where he was mainly responsible for investment development, marketing, design and product development. Since then in September 2020, Mr. Jiang became the executive president of New Hope Wuxin where he is mainly responsible for the overall operational management of New Hope Wuxin.

He also completed the business administration courses from the Business School of Sichuan University (四川大學) in the PRC in June 2010 through long distance learning.

Biographies of Directors and Senior Management

Ms. Li Wei (李巍), born in 1952, was appointed as our non-executive Director on 6 March 2024. She is primarily responsible for providing guidance and formulation of business strategies for the overall development of our Group. Ms. Li is the mother of Ms. Liu Chang and the wife of Mr. Liu Yonghao, the controlling shareholders of the Company.

Ms. Li graduated from the West China Medical School of Sichuan University (四川大學華西醫科學院) in 1978 and worked as a practising doctor from 1978 to 1988. She went into business in the nineties and has extensive experience in business operation and business strategy. She founded Xichang Natural Pigment Co., Ltd.* (西昌天然色素有限公司) in 1996. Subsequently, she founded Chengdu Haochijie Catering and Entertainment Co., Ltd.* (成都好吃街餐飲娛樂有限公司) in 1996 and Chengdu Fenglan Technology Co., Ltd.* (成都楓蘭科技有限公司) in 2001.

Ms. Li is enthusiastic about social welfare and has founded a number of public welfare organizations. She founded Li Wei Education Foundation (李巍教育基金會) in 2011 and Shanghai Love Tree Life Care Centre (上海愛心樹生命關愛中心) in 2014. Ms. Li has served as the vice president of the China Woman Entrepreneurs Association* (中國女企業家協會) for four consecutive terms and as executive committee member of the Yunnan Provincial Women's Federation* (雲南省婦聯) for three consecutive terms. She currently served as the chairman of the Li Wei Education Foundation* and Shanghai Love Tree Life Care Centre*, a consultant to the China Hotel Association* (中國飯店協會) and a member of the advisory committee of the United Nations Development Programme Sustainable Development Innovation Demonstration Project.

Biographies of Directors and Senior Management

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kong Chi Mo (江智武), aged 50, was appointed as our independent non-executive Director on 16 February 2022. He is primarily responsible for providing independent advice on the operations and management of our Group. Mr. Kong is also the chairman of the Audit Committee of the Board.

Mr. Kong has more than 20 years of experience in accounting and audit, corporate finance, investor relations, company secretarial and governance with an additional concern on corporate sustainability. Mr. Kong currently holds several directorships in listed companies including serving as an independent non-executive director and chairman of audit committee of AK Medical Holdings Limited (stock code: 01789), and an independent non-executive director and chairman of audit committee of Beijing Capital Jiaye Property Services Co., Limited (stock code: 02210). All of the above-mentioned public companies are listed on the Stock Exchange.

Prior to joining the Company, Mr. Kong started his career as a finance trainee in Hutchison Telecommunications (Hong Kong) Limited, an indirect wholly-owned subsidiary of Hutchison Telecommunications Hong Kong Holdings Limited (stock code: 00215), from June 1997 to March 1998. Mr. Kong worked as a tax associate in PricewaterhouseCoopers, an international accounting firm from March 1998 to October 1999 and worked in KPMG, another international accounting firm from October 1999 to December 2007, during which his last position held in KPMG was audit senior manager. Mr. Kong successively served as an executive director, chief financial officer, company secretary and authorized representative during his employment with China Vanadium Titano-Magnetite Mining Company Limited (stock code: 00893) from May 2008 to March 2020. Mr. Kong served as an independent non-executive director of Huazhang Technology Holding Limited (stock code: 01673) from May 2013 to December 2021, an independent non-executive director of Aowei Holding Limited (前稱恆實礦業投資有限公司) (stock code: 01370) from June 2013 to March 2021, an independent non-executive director of Starlight Culture Entertainment Group Limited (前稱集美國際娛樂集團有限公司) (stock code: 01159) from May 2017 to May 2019, and an independent non-executive director of ZACD Group Ltd. (stock code: 08313) from December 2017 to April 2024. All of the above-mentioned public companies are listed on the Stock Exchange.

Mr. Kong is accredited as (i) an European Federation of Financial Analysts Societies (EFFAS) Certified ESG Analyst, the first internationally recognized ESG Professional Accreditation in Hong Kong and (ii) a Value Reporting Foundation's (VRF) Fundamentals of Sustainability Accounting Credential Holder. Aside from the above-mentioned ESG- and sustainability-related qualifications, in aspects of accounting, company secretarial and governance, Mr. Kong is also admitted as (i) a Fellow of the Association of Chartered Certified Accountants (ACCA) in the United Kingdom, (ii) a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants (HKICPA), (iii) a Fellow of both The Chartered Governance Institute (CGI) in the United Kingdom and The Hong Kong Chartered Governance Institute (HKCGI) with the designations of Chartered Secretary and Chartered Governance Professional, (iv) a Fellow of The Hong Kong Institute of Directors (HKIoD), and (v) an Ordinary Member of Hong Kong Securities and Investment Institute (HKSI). Mr. Kong graduated from The Chinese University of Hong Kong with a Bachelor's degree in Business Administration in December 1997.

Biographies of Directors and Senior Management

Ms. Li Ruojun, aged 40, was appointed as an independent non-executive Director on 16 March 2026. She is primarily responsible for providing independent advice on the operations and management of our Group.

Ms. Li Ruojun has over twelve years of experience in cross-border finance, real estate investment management and private equity fund management, with expertise spanning corporate strategy, financial management, full-cycle management of cross-border investments, risk control and corporate governance.

Ms. Li is the co-founder and chief financial officer of Canaan Global Holdings and Jianan Asset Management Co., Ltd.* (迦南資產管理有限公司), responsible for the financial planning of the group, operation of the private equity fund management platform, and domestic and overseas investment and financial management. She has extensive practical experience in overseas asset management, investment structuring and compliance management, and has led the investment and management of multiple overseas projects.

From 2012 to 2014, Ms. Li served as the deputy general manager of the general management department and investment manager at CCB Jingrui Capital Management Group* (建銀精瑞資本管理集團), responsible for due diligence on investment projects, structuring, process management and post-investment management, and participated in the investment in and exit arrangements for multiple real estate fund projects.

Ms. Li obtained a Master of Actuarial Studies from Macquarie University, Australia in 2012, and graduated from Sichuan University with a Bachelor of Business Administration (ACCA stream) in 2009.

Mr. Li Zhengguo (李正國), aged 53, was appointed as our independent non-executive Director on 30 April 2021. He is primarily responsible for providing independent advice on the operations and management of our Group.

From July 1996 to August 2003, Mr. Li served as associate at Sichuan JunHe LLP (四川君合律師事務所). Since August 2003, he worked as director and chief partner at Sichuan Henghexin Law Office (四川恒和信律師事務所). He was appointed as vice president at Sichuan Lawyers Association (四川省律師協會) in August 2013 and he was appointed president at Chengdu Bankruptcy Administrator Association (成都市破產管理人協會) in July 2020. He was recognized as the Excellent Lawyer of Sichuan Province (四川省優秀律師) by Sichuan Provincial Department of Justice (四川省司法廳) and Sichuan Lawyers Association (四川省律師協會) in May 2010. He was recognized as the "National Excellent Lawyer of Year 2011 to 2014" (2011至2014年度全國優秀律師) by China National Lawyers' Association (中華全國律師協會) in February 2016. He also received the honor of "Outstanding Builder of Socialism with Chinese Characteristics of the Third Session in Sichuan Province" (第三屆四川省優秀中國特色社會主義事業建設者) in December 2018 by the Union of United Front Department of Sichuan Province, Department of Provincial CPC Committee, Department of Economy and Information Technology of Sichuan Province, Department of Human Resources and Social Security of Sichuan Province, Sichuan Market Supervision and Administration Bureau and Sichuan Federation of Industry and Commerce (中共四川省委統戰部、四川省經濟和資訊化廳、四川省人力資源和社會保障廳、四川省市場監督管理局、四川省工商業聯合會).

Mr. Li obtained the bachelor degree in Chinese from Sichuan College of Education (四川教育學院) in the PRC in June 1996. He obtained the master degree in law from Southwestern University of Finance and Economics (西南財經大學) in the PRC in December 2016. He was awarded the certificate of legal professional qualification in August 1996 and has the lawyer's practising license.

Biographies of Directors and Senior Management

SENIOR MANAGEMENT

Mr. Li Hongjia (李紅佳), aged 39, was appointed as our joint company secretary on 22 March 2023, and was appointed as our company secretary on 23 March 2026. Mr. Li was appointed as the deputy general manager of the Company on 1 February 2023 and is primarily responsible for the board affairs and capital market, branding, investment and M&A, and legal and audit affairs of the Company. Mr. Li has more than 10 years of corporate legal and compliance experience. From July 2011 to March 2016 and from March 2016 to March 2018, Mr. Li worked as legal counsel at China Evergrande Group and China Fortune Land Development Co., Ltd. respectively and was responsible for the corporate governance, legal litigation and operation compliance. From March 2018 to January 2023, Mr. Li worked as general manager of the legal compliance centre of New Hope Wuxin Industrial Group Co., Ltd.* (新希望五新實業集團有限公司), formerly known as Sichuan New Hope Property Development Co., Ltd.* (四川新希望房地產開發有限公司), and was responsible for the investment and finance, risk management and compliance and dispute resolution.

Mr. Li obtained the Bachelor in Laws degree from Zhongnan University of Economics and Law (中南財經政法大學) in July 2008 and Master in Laws degree from Renmin University of China (中國人民大學) in June 2011. Mr. Li held the Legal Professional Qualification Certificate issued by Ministry of Justice of the People's Republic of China and the Corporate Compliance Officer Certificate issued by China Enterprise Directors Association.

COMPANY SECRETARY

Mr. Li Hongjia (李紅佳), aged 39, was appointed as our joint company secretary on 22 March 2023, and was appointed as our company secretary on 23 March 2026. Please refer to his biography above for details.

Corporate Governance Report

The Board is pleased to present the corporate governance report for the annual report of the Company for the year ended 31 December 2025.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to achieving high standards of corporate governance to safeguard the interests of the shareholders of the Company (the “**Shareholders**”) and to enhance corporate value and accountability.

The Company has adopted the principles and code provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules (the “**CG Code**”) as the basis of the Company’s corporate governance practices, and the CG Code has been applicable to the Company with effect from the Listing Date.

During the year ended 31 December 2025 and up to the date of this report, so far as the Directors are aware, the Company has complied with all the applicable code provisions set out in the CG Code.

THE BOARD

The Board is in charge of the task of maximizing the financial performance of the Company and making decisions in the best interest of the Company. The Board is also responsible for formulating business policies and strategies, directly and supervising management of the Group, adopting and monitoring internal business and management control, approving and monitoring annual budgets and business plans, reviewing operational and financial performance, considering dividend policy, reviewing and monitoring the Company’s systems of financial control and risk management. The Board has delegated the day-to-day management, administration and operation of the Group and implementation and execution of Board policies and strategies to the executive Directors and management of the Company.

All Directors have full and timely access to all relevant information in relation to the Group’s businesses and affairs as well as unrestricted access to the advice and services of the company secretary. The Directors may seek independent professional advice at the Company’s expenses in carrying out their duties and responsibilities.

Composition of the Board

The Board currently comprises seven Directors, including two executive Directors, two non-executive Directors and three independent non-executive Directors.

Corporate Governance Report

The members of the Board as at 31 December 2025 and up to the date of this report are set out as below:

Member of the Board

Executive Director

Ms. Wu Min (*Co Chairman*)⁽²⁾

Ms. Chen Jing

Non-executive Director

Mr. Liu Xu⁽¹⁾

Mr. Jiang Mengjun (*Chairman*)

Ms. Li Wei

Ms. Zhang Wei⁽³⁾

Independent non-executive Directors

Mr. Cao Qilin⁽⁴⁾

Mr. Li Zhengguo

Mr. Kong Chi Mo

Ms. Li Ruojun⁽⁵⁾

Notes:

1. Mr. Liu Xu resigned on 6 January 2026.
2. Ms. Wu Min was redesignated from a non-executive Director to an executive Director on 10 September 2025.
3. Ms. Zhang Wei resigned on 25 March 2026.
4. Mr. Cao Qilin resigned on 16 March 2026.
5. Ms. Li Ruojun was appointed as an independent non-executive Director on 16 March 2026.

The newly appointed Director Ms. Li Ruojun, has received induction on the first occasion of their appointment to ensure appropriate understanding of the business and operations of the Company and awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. All Directors have carried out duties in good faith and in compliance with applicable laws and regulations and have acted in the interests of the Company and the Shareholders at all time.

The list of Directors is set out in the section headed "Directors' Report" in this annual report. Biographical detail of Directors are set out in the section headed "Biographies of Directors and Senior Management" of this annual report and available on the Company's website. Save as disclosed in this annual report, there are no financial, business, family or other material relationships among the members of the Board.

Confirmation from Directors under Rule 3.09D

Ms. Li Ruojun was appointed as an independent non-executive Director on 16 March 2026 and has obtained the legal advice referred to in Rule 3.09D on 12 March 2026 and understands her obligations as a director of a listed issuer under the Listing Rules.

Responsibilities

The Board is responsible for the overall leadership of the Group, oversees the Group's strategic decisions and monitors business and performance. The Directors have to make decisions objectively in the interests of the Company. The Board has established three board committees including the audit committee, the remuneration committee and the nomination committee (together, the "**Board Committees**"). The Board directly, and indirectly through its committees, leads and provides direction to the management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place. The Board also has delegated to the Board Committees responsibilities as set out in their respective terms and reference. The management of the Company will be responsible for the day-to-day operation of the Group.

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations and in the interests of the Company and its Shareholders at all times.

Chairman and Chief Executive Officer

The code provision C.2.1 of the CG Code states that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

During the year ended 31 December 2025, the chairman of the Board, namely, Mr. Jiang Mengjun focuses on the overall management of the investment strategies and business development of the Group. The chief executive officer, Ms. Chen Jing, is responsible for day-to-day business and management of the Group. Such division of responsibilities helps to reinforce their independence and ensure a balance of power and authority.

Independent Non-executive Directors

For the year ended 31 December 2025, the Company has three independent non-executive Directors in compliance with Rules 3.10(1) and 3.10(2) of the Listing Rules, with at least one of them possessing appropriate professional qualifications or accounting or related financial management expertise. The number of independent non-executive Directors exceeds one third of the number of the Board members.

According to Rule 3.13 of the Listing Rules, the independent non-executive Directors of the Company have made confirmation to the Company regarding their independence for the year ended 31 December 2025. Based on the confirmations of the independent non-executive Directors, the Company considers each of them to be independent during the year ended 31 December 2025.

Appointment and Re-election of Directors

The code provision B.2.2 of the CG Code states that every director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years.

All non-executive Directors and independent non-executive Directors are appointed for a term of three years. The procedures and process of appointment, re-election and removal of Directors are laid down in the articles of association of the Company (the "**Articles of Association**").

Directors' Training and Continuous Professional Development

Pursuant to the code provision C.1.4 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

Each newly appointed Director has been provided with necessary induction and information to ensure that he has a proper understanding of the Company's operations and businesses as well as his responsibilities under relevant statutes, laws, rules and regulations.

All the relevant Directors have been updated with the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. In addition, continuing briefing and professional development to Directors will be arranged whenever necessary.

According to the records maintained by the Company, during the year ended 31 December 2025, training session(s) in relation to updates on the Listing Rules, directors' responsibilities and anti-corruption and the relevant reading materials were arranged to the Directors and the Directors' participated in continuous professional development in following manner:

Name of Directors	Attending trainings, seminars, conferences or briefings
Executive Directors	
Ms. Wu Min	1
Ms. Chen Jing	1
Non-executive Directors	
Mr. Jiang Mengjun	1
Ms. Li Wei	1
Mr. Liu Xu	1
Ms. Zhang Wei	1
Independent Non-executive Directors	
Mr. Cao Qilin	1
Mr. Li Zhengguo	1
Mr. Kong Chi Mo	1

Directors' Responsibility on Financial Statements

The Directors acknowledge their responsibilities for preparing the financial statements of the Company for the financial year ended 31 December 2025.

The Directors are responsible for overseeing the preparation of financial statements of the Company with a view to ensuring that such financial statements give a true and fair view of the state of affairs of the Group and relevant statutory and regulatory requirements and applicable accounting standards are complied with.

As at 31 December 2025, the Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt on the Group's ability to continue as a going concern.

The responsibility of the external auditor is to form an independent opinion, based on their audit, on those consolidated financial statements prepared by the Board and to report their opinion to the Shareholders. The statements by external auditor, KPMG, about their reporting responsibility on the consolidated financial statements of the Group are set out in the independent auditor's report in this annual report.

Board Meetings and General Meeting

The code provision C.5.1 of the CG Code prescribes that at least four regular Board meetings should be held in each year at approximately quarterly intervals with active participation of majority of directors, either in person or through electronic means of communication. The Company has held an annual general meeting for the year ended 31 December 2025. 12 meetings of the Board were held and the attendance records of the Board members are set out in the table below:

Name of Directors	Attendance/Eligible to attend the general meeting(s)	Attendance/number of Board meeting(s) held
Mr. Liu Xu ⁽¹⁾	1/1	12/12
Ms. Wu Min ⁽²⁾	1/1	12/12
Ms. Chen Jing	1/1	12/12
Mr. Jiang Mengjun	1/1	12/12
Ms. Li Wei	1/1	12/12
Ms. Zhang Wei ⁽³⁾	1/1	12/12
Mr. Cao Qilin ⁽⁴⁾	1/1	12/12
Mr. Li Zhengguo	1/1	12/12
Mr. Kong Chi Mo	1/1	12/12
Ms. Li Ruojun ⁽⁵⁾	N/A	N/A

Notes:

1. Mr. Liu Xu resigned on 6 January 2026.
2. Ms. Wu Min was redesignated from a non-executive Director to an executive Director on 10 September 2025.
3. Ms. Zhang Wei resigned on 25 March 2026.
4. Mr. Cao Qilin resigned on 16 March 2026.
5. Ms. Li Ruojun was appointed as an independent non-executive Director on 16 March 2026.

The number of meetings convened is based on the tenure of Directors.

The Company has adopted the practice of holding Board meetings regularly. Notice of not less than 14 days is given of all regular Board meetings to provide all Directors with the opportunity to attend and include matters in the agenda. For other committee meetings, reasonable notice is given. The agenda and accompanying board papers are despatched to the Directors or committee members at least three days before meetings to ensure that they have sufficient time to review these documents and be adequately prepared. When Directors or committee members are unable to attend a meeting, they are advised of the matters to be discussed and given an opportunity to make their views known to the chairman prior to the meeting.

Corporate Governance Report

Minutes of the Board meetings and Board Committee meetings are recorded in sufficient detail about the matters considered by the Board and the Board Committees and the decisions reached, including any concerns raised by the Directors/Board Committee members. Draft and final versions of the minutes of each Board meeting and Board Committee meeting are sent to the Directors/Board Committee members for comments and records respectively within a reasonable time after the date on which the meeting is held. Minutes of the Board meetings are available for inspection by Directors. All Directors shall obtain information related to the Board resolutions in a comprehensive and timely manner. Any Director can seek independent professional advice at the Company's expense after making reasonable request to the Board.

BOARD COMMITTEE

The Company has established three Board committees, namely the audit committee, the remuneration committee and the nomination committee of the Board. Each of these Board Committees has specific written terms of reference which deal clearly with their authority and duties. The chairmen of these Board Committees will report their findings and recommendations to the Board after each meeting.

The table below sets out the composition of these committees on which each Board member serves during the year ended 31 December 2025.

Name of Directors	Audit Committee	Remuneration Committee	Nomination Committee
Executive Directors			
Ms. Wu Min ⁽²⁾	—	M	—
Ms. Chen Jing	—	—	M
Non-executive Directors			
Mr. Liu Xu ⁽¹⁾	—	—	—
Mr. Jiang Mengjun	—	—	—
Ms. Li Wei	—	—	—
Ms. Zhang Wei ⁽³⁾	M	—	—
Independent non-executive Directors			
Mr. Cao Qilin ⁽⁴⁾	—	C	M
Mr. Li Zhengguo	M	M	C
Mr. Kong Chi Mo	C	—	—
Ms. Li Ruojun ⁽⁵⁾	—	—	—

C: Chairman of the relevant Board Committees

M: Member of the relevant Board Committees

1. Mr. Liu Xu resigned on 6 January 2026.

2. Ms. Wu Min was redesignated from a non-executive Director to an executive Director on 10 September 2025.

3. Ms. Zhang Wei resigned on 25 March 2026.

4. Mr Cao Qilin resigned on 16 March 2026.

5. Mr. Li Ruojun was appointed as an independent non-executive Director on 16 March 2026.

Audit Committee

The Board has established the audit committee (the “**Audit Committee**”) on 30 April 2021 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C.3 of the CG Code as set out in Appendix C1 to the Listing Rules. The terms of reference of the Audit Committee has been uploaded to the websites of the Stock Exchange (www.hkexnews.hk) and the Company (newhopeservice.com.cn).

The Audit Committee currently consists of three members, including one non-executive Director and two independent non-executive Directors, namely Mr. Kong Chi Mo, Mr. Jiang Mengjun and Mr. Li Zhengguo. The chairman of the Audit Committee is Mr. Kong Chi Mo who possesses appropriate professional qualifications or related financial management expertise as required under Rule 3.10(2) of the Listing Rules. The primary duties of the Audit Committee include, but are not limited to, (i) reviewing and supervising our financial reporting process and internal control system of our group, risk management and internal audit; (ii) providing advice and comments to our Board; and (iii) performing other duties and responsibilities as may be assigned by our Board.

For the year ended 31 December 2025, the Audit Committee convened 2 meetings. The table below sets for the details of the attendance record:

Name of Directors	Number of meeting(s) attended/held
Mr. Kong Chi Mo	2/2
Mr. Li Zhengguo	2/2
Ms. Zhang Wei ⁽¹⁾	2/2
Mr. Jiang Mengjun ⁽²⁾	N/A

Notes:

- Ms. Zhang Wei resigned as a member of the Audit Committee on 25 March 2026.
- Mr. Jiang Mengjun was appointed as a member of the Audit Committee on 25 March 2026.

The number of meetings convened is based on the tenure of Directors.

At the above meetings, member of the Audit Committee have reviewed the audited annual results of the Group for the year ended 31 December 2024 and the unaudited interim results of the Group for the six months ended 30 June 2025. The Audit Committee have also reviewed the significant issues on the financial reporting and compliance procedures, internal control and risk management systems and internal audit function of the Group, connected transactions of the Company, and have discussed with the auditor of the Company about the tasks they performed.

The Audit Committee has reviewed, and has agreed with the auditor of the Company on the annual results of the Group for the year ended 31 December 2025.

The Audit Committee has reviewed the remuneration of the auditor for the year ended 31 December 2025 and has recommended the Board to re-appoint KPMG as the auditor of the Company for the year ending 31 December 2026, subject to approval by the Shareholders at the annual general meeting of the Company (the “**AGM**”) to be held on 16 June 2026.

Corporate Governance Report

Remuneration Committee

The Board has established the remuneration committee (the “**Remuneration Committee**”) on 30 April 2021 with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1 of the CG Code as set out in Part 2 of Appendix C1 to the Listing Rules. The terms of reference of the Remuneration Committee has been uploaded to the websites of the Stock Exchange (www.hkexnews.hk) and the Company (newhopeservice.com.cn).

The Remuneration Committee currently consists of three members, including one executive Director and two independent non-executive Directors, namely Ms. Li Ruojun, Ms. Wu Min and Mr. Li Zhengguo. Ms. Li Ruojun has been appointed as the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee include, but are not limited to (i) establishing, reviewing and providing advices to our Board on our policy and structure concerning remuneration of our Directors and senior management and on the establishment of a formal and transparent procedure for developing policies concerning such remuneration; (ii) determining the terms of the specific remuneration package of each Director and senior management member; and (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by our Directors from time to time; and (iv) reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules.

For the year ended 31 December 2025, the Remuneration Committee convened 2 meetings. The table below sets for the details of the attendance record:

Name of Directors	Number of meeting(s) attended/held
Mr. Cao Qilin ⁽¹⁾	2/2
Ms. Wu Min	2/2
Mr. Li Zhengguo	2/2
Ms. Li Ruojun ⁽²⁾	N/A

Notes:

1. Mr. Cao Qilin resigned as a member of the Remuneration Committee on 16 March 2026.
2. Ms. Li Ruojun was appointed as a member of the Remuneration Committee on 16 March 2026.

At the above meeting, the Remuneration Committee has discussed and reviewed (i) the remuneration policy and structure, size and composition of the Board; (ii) the terms of remuneration packages for directors and members of senior management; and (iii) performance-based remuneration for directors and members of senior management.

Nomination Committee

The Board has established the nomination committee (the “**Nomination Committee**”) on 30 April 2021 with written terms of reference in compliance with the code provision B.3 of the CG Code as set out in Part 2 of Appendix C1 of the Listing Rules. The terms of reference of the Nomination Committee has been uploaded to the websites of the Stock Exchange (www.hkexnews.hk) and the Company (newhopeservice.com.cn).

The Nomination Committee currently consists of three members, including one executive Director and two independent non-executive Directors, namely Mr. Li Zhengguo, Ms. Chen Jing and Ms. Li Ruojun. Mr. Li Zhengguo has been appointed as the chairman of the Nomination Committee. The primary duties of the Nomination Committee include, but are not limited to, (i) reviewing the structure, size and composition of our Board on a regular basis and making recommendations to our Board regarding any proposed changes to the composition of our Board; (ii) identifying, selecting or making recommendations to our Board on the selection of individuals nominated for directorship, and ensuring the diversity of our Board members; (iii) assessing the independence of our independent non-executive Directors; and (iv) making recommendations to our Board on relevant matters relating to the appointment, re-appointment and removal of our Directors and succession planning for our Directors.

For the year ended 31 December 2025, the Nomination Committee convened 2 meetings. The table below sets for the details of the attendance at these meetings:

Name of Directors	Number of meeting(s) attended/held
Mr. Jiang Mengjun	2/2
Mr. Li Zhengguo	2/2
Mr. Cao Qilin ⁽¹⁾	2/2
Ms. Li Ruojun ⁽²⁾	N/A

Notes:

- Mr. Cao Qilin resigned as a member of the Nomination Committee on 16 March 2026.
- Ms. Li Ruojun was appointed as a member of the Nomination Committee on 16 March 2026.

At the above meetings, the Nomination Committee has discussed and reviewed (i) the structure, size and composition of the Board; (ii) the assessment of the independence of the independent non-executive directors; (iii) the review of the nomination policy; (iv) the review of the policy on board diversity; and (v) the consideration of the reappointment of retiring directors.

NOMINATION POLICY

The Company has adopted a nomination policy setting out the nomination practice, such as the criteria and procedures for the selection, appointment and re-appointment of the Directors. Under the policy, the Nomination Committee will evaluate potential candidates by considering various factors, including their reputation for integrity, accomplishment and experience, time commitments, potential contribution to board diversity, and material conflict of interest with the Group (if any). Should there are any suitable candidate, the Nomination Committee will recommend to the Board for consideration and appointment.

BOARD DIVERSITY POLICY

The Company has adopted the board diversity policy (the “**Board Diversity Policy**”) which sets out the objective and approach to achieve diversity of our Board. Our Group recognizes the benefits of having a diversified Board and sees increasing diversity at the Board level as an essential element in supporting the attainment of our Group’s strategic objectives and sustainable development. Our Group seeks to achieve diversity of our Board through the consideration of a number of factors, including but not limited to professional experience, skills, knowledge, education background, gender, age and ethnicity. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard to the benefits of diversity on our Board. The Nomination Committee reviews the Board Diversity Policy and its implementation from time to time to ensure its implementation and monitor its continued effectiveness.

As at 31 December 2025, the Board comprised of nine members, including four female Directors. Our Directors also have a balanced mix of knowledge, skills and experiences, including overall management, property management, business development, human resources, tax management, marketing, legal, finance, auditing and accounting experiences. We have three independent non-executive Directors who have different industry backgrounds, representing one-third of our Board members. Furthermore, the ages of our Directors range from 41 years old to 73 years old. The education background of our Directors ranges from economics and business administration to law, with degrees awarded by education institutions in the PRC and overseas.

The Nomination Committee will review the board diversity policy and its implementation from time to time to ensure its implementation and monitor its continued effectiveness, and the same will be disclosed in our corporate governance report in accordance with the Listing Rules, including any measurable objectives set for implementing the board diversity policy and the progress on achieving these objectives on an annual basis.

For the year ending 31 December 2025, the Board has reviewed and discussed the measurable objectives mentioned above, including but not limited to professional qualifications, skills, knowledge, educational background, gender, age and ethnicity, and agreed that such measurable objectives would help achieve board diversity, thereby improving the Company’s strategy and facilitating the development of the Company’s business.

As at 31 December 2025, Board diversification in terms of gender and age group is set out below:

Gender	Quantity
Male	5
Female	4

As at 31 December 2025, the Board had 4 female members out of the total 9 Board members. The Board is of the view that gender diversity has been achieved and targets to maintain at least the current level of female representation. The Company has also taken, and will continue to take steps to promote gender diversity at all levels of the Company, including but not limited to the Board and the management levels so that it will have a pipeline of female senior management and potential successors to the Board in the future. The Company will continue to apply the principle of appointments based on merits with reference to the Board Diversity Policy. The Board will strive to achieve an appropriate balance of gender diversity with reference to the stakeholders’ expectation and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity.

GENDER DIVERSITY OF EMPLOYEES

As at 31 December 2025, the Group has a total of 3,737 employees, and the ratio of male to female employees is approximately 1.2:1 (in respect of senior management: 1.7:1). The Nomination Committee considered that the current ratio of male and female employees is relatively balanced. The Group adheres to the employment principle of gender equality, actively increases the number of female employees, protects the legal rights of female employees, provides equal opportunities for female employees in recruitment, training, promotion and career development, and actively fosters a corporate culture of respect, openness and inclusiveness. In addition, the Group is committed to creating a professional, inclusive and non-discriminatory workplace for its employees to realize their potential, as a workplace where we understand, appreciate and encourage differences. We provide equal opportunities to all employees on our diverse platform regardless of religion, age, gender or gender identity, disability, or sexual orientation.

CORPORATE GOVERNANCE FUNCTION

The Board is responsible for performing the functions set out in the code provision A.2.1 of the CG Code.

During the year ended 31 December 2025, the Board met twice to review the Company's corporate governance policies and practices, training and continuous professional development of the Directors and the senior management of the Group, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code, and the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.

DIRECTORS' LIABILITY INSURANCE

Liability insurance for Directors of the Company is maintained by the Company with appropriate coverage for certain legal liabilities which may arise in the course of performing their duties.

JOINT COMPANY SECRETARIES

The Company has appointed Mr. Li Hongjia and Mr. Lau Kwok Yin as Joint Company Secretaries. Mr. Lau Kwok Yin is a vice president of an external service provider, SWCS Corporate Services Group (Hong Kong) Limited, assisting Mr. Li Hongjia in discharging his duties as the company secretary of the Company. Mr. Lau Kwok Yin is the principal contact person of Mr. Li Hongjia in the Company. Each of Mr. Li Hongjia and Mr. Lau Kwok Yin has confirmed that for the year ended 31 December 2025, they have taken no less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules. The biography of Mr. Li Hongjia and Mr. Lau Kwok Yin are set out in the "Biographies of Directors and Senior Management" section on pages 21 of this report.

Mr. Lau Kwok Yin resigned as the joint company secretary of the Company on 23 March 2026. Mr. Li Hongjia was appointed as the sole company secretary of the Company on 23 March 2026.

DIVIDEND POLICY

According to the dividend policy of the Company, the Company may, subject to the Cayman Companies Law, from time to time in general meetings declare dividends in any currency to be paid to the Shareholders but no dividend shall be declared in excess of the amount recommended by the Board.

Corporate Governance Report

According to the dividend policy, the Group intends to distribute no less than 60% of the net profit attributable to the parent company to the Shareholders as dividend distribution each year. When recommending the distribution of any dividend, the Board shall take into account, among other factors:

- (i) financial results;
- (ii) cash flow situation;
- (iii) business conditions and strategies;
- (iv) future operations and earnings;
- (v) capital requirements and expenditure plans;
- (vi) Shareholders' interest;
- (vii) any restrictions on payment of dividends; and
- (viii) any other factors that the Board may deem relevant.

Whether the Company declares dividends is ultimately determined at the full discretion of the Board, and is subject to the Companies Law of the Cayman Islands and the Company's Articles of Association. Even if the Board decides to propose and declare dividends, the form, frequency and amount of such dividends shall ultimately depend on the factors disclosed above and other factors that affect the Company.

AUDITOR'S REMUNERATION

For the year ended 31 December 2025, the fee paid/payable to the external auditor of the Company in respect of audit services and non-audit services is set out as follows:

	For the year ended 31 December 2025 RMB million
Audit and related service:	2.25
Non-audit service — other services:	0.40
Total:	2.65

SENIOR MANAGEMENT'S REMUNERATION

The remuneration of the members of the senior management excluding Directors of the Group by band for the year ended 31 December 2025 is set out below:

	Number of members of senior management
RMB Nil to RMB1,000,000	—
RMB1,000,001 to RMB1,500,000	3
RMB1,500,001 to RMB2,000,000	1

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for the risk management and internal control systems of the Group and for reviewing their effectiveness.

The Company continues to adopt best practices and industry standards for risk management and internal control. The Group's risk management and internal control systems include a well-established organisational structure with clearly defined lines of responsibility and authority. Such system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Structure and Procedures of Internal Control System

In order to ensure that internal control and risk control management can be carried out in an orderly manner, the Group has established an internal control system structure (including internal audit function) for hierarchical risk management, which comprises the Board — the Audit Committee — the Risk Control and Management Committee of the Group (including the Legal Risk Control Department) — the functional centers at the headquarters — regional offices/operating units. Day-to-day departmental operations are entrusted to individual departments, which are accountable for their own conduct and performance and are required to operate their own department's business within the scope of the delegated authority and to implement and strictly adhere to the strategies and policies set by the Company from time to time. Each department is also required to keep the Board informed of material developments in the department's business and of the implementation of the policies and strategies set by the Board on a regular basis.

- The Board is the leading organ for the comprehensive risk management of the Group and the paramount decision-making organ for major risk matters in the comprehensive risk management process.
- The Audit Committee assists the Board in leading the management and overseeing the design, implementation and monitoring of risk management and internal control systems.
- The Risk Control and Management Committee of the Group (including the Legal Risk Control Department), as authorized by the Board and the Audit Committee, reviews major risk management matters first and is responsible for making decisions on daily risk control matters as a department for coordinating and managing risk control matters.
- The functional centers at the headquarters is responsible for risk supervision and management in each functional area, and is responsible for promoting and implementing specific risk management measures, monitoring various risks (including ESG risks) of the businesses under management, and reporting risk information to the General Risk Control and Management Committee of the Group in a timely manner.
- The regional offices/operating units are the responsible and executive departments for risk management, and are responsible for assessing individual risk types within their terms of reference and reporting the relevant risks identified to the functional centers at the headquarters.

Corporate Governance Report

The Group has established the internal control system structure (including internal audit function) to identify and assess the risks and internal controls relating to the daily operations of the Group and to report regularly to the Audit Committee and/or the Board on the results of the assessment and follow-up actions. In the second half of 2025, the Company carried out the internal control assessment work for the year of 2025 with an assessment period covering the accounting year of 2025, to comprehensively assess the design and operation of internal controls, and implemented control assessments on key control points, with an aim to reveal and prevent operating risks, and completed the self-assessment of internal control at the end of March 2026, concluding that the risks in the operating and management activities of the Group can be effectively controlled. The internal control situation for this year has been submitted to the Audit Committee for review, and the Board has reviewed the relevant special report through the Audit Committee. The Group's risk management and internal control systems and procedures were effective and sufficient for the year ended 31 December 2025, and the Group will continue to strengthen the corporate risk management framework and risk control procedures and the implementation thereof.

In addition, the Board has reviewed and is satisfied with the adequacy of resources, the qualifications and experience of the staff of the Company's accounting, internal audit and financial reporting functions, and their training programs and budget. The Board expects that a review of the internal control and risk management systems will be reviewed annually.

INDEPENDENCE EVALUATION MECHANISM

The Board has resolved to adopt a Board Independence Evaluation Mechanism, to ensure independent view and input are available to the Board. The Board Independence Evaluation Mechanism includes various measures to ensure independent views and input are available to the Board.

The Board shall at all times comprise at least three independent non-executive Directors that represent at least one-third of the Board, such that there is always a strong element of independence on the Board which can effectively exercise independent judgment. Each independent non-executive Director is required to provide an annual confirmation of his/her independence to the Company and the nomination committee of the Company is responsible to assess the independence of each independent non-executive Director at least annually.

All the Directors, including the independent non-executive Directors, are given equal opportunity and channels to communicate and express their views to the Board and have separate and independent access to the management of the Group in order to make informed decisions. All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company. The chairman of the Board will hold meetings with the independent non-executive Directors without the involvement of other Directors at least annually to discuss any issues and concerns.

Any Director or his/her associate who has a conflict of interest in a matter to be considered by the Board will be dealt with by a physical Board meeting rather than by written resolutions. Such Director will be required to declare his/her interests before the meeting and abstain from voting and not counted towards the quorum on the relevant resolutions. Independent non-executive Directors who, and whose associates, have no interest in the matter should attend the Board meeting. The Board has reviewed and considered that the Board Independence Evaluation Mechanism is effective in ensuring that independent views and input are provided to the Board during the year ended 31 December 2025.

DISCLOSURE OF INSIDE INFORMATION

The Company has adopted policies on monitoring, reporting and disclosure of inside information (as defined in the Listing Rules). This ensures timely reporting and disclosure as well as fulfilment of the Group's continuous disclosure obligations. In particular, the Group:

- has conducted its affairs with close regard to the disclosure requirement under the Listing Rules as well as the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission in June 2012;
- has established its own disclosure obligation procedures, which set out the procedures and controls for the assessment of potential inside information and the handling and dissemination of inside information. The procedures have been communicated to the senior management and staff of the Company, and the implementation was monitored by the Company; and
- has made broad, non-exclusive disclosure of information to the public through channels such as financial reports, public announcements and its website.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions conducted by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct for securities transactions conducted by relevant Directors and employees. After making specific enquires of all the Directors, each of them has confirmed that they have complied with the required standards set out in the Model Code for the year ended 31 December 2025.

The Company is not aware of any incident of non-compliance of the Model Code committed by any Directors or relevant employees for the year ended 31 December 2025.

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution will be proposed for each issue at general meetings, including the election of individual Directors. All resolutions put forward at Shareholder meetings will be voted by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange in a timely manner after each general meeting.

To promote effective communication, the Company maintains a website (newhopeservice.com.cn), where the latest information and updates on its business operation and development, corporate governance practice, contact information of investor relations and other information are published for the public's access.

PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING

In accordance with article 64 of the Articles of Association of the Company, any one or more Shareholders holding at the date of deposit of the requisition (the "**Requisition**") not less than one-tenth of the paid up capital of the Company carrying the right of voting at the general meetings of the Company shall at all times have the rights, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting (the "**EGM**") to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such Requisition. If within 21 days of such deposit, the Board fails to process to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

PROCEDURES FOR PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS

There are no provisions allowing Shareholders to propose new resolutions at the general meetings under the Articles of Association and the Cayman Islands Companies Law. However, Shareholders who wish to propose resolutions may follow Article 64 of the Articles of Association for requisitioning an EGM and including a resolution at such meeting. The requirements and procedures of Article 64 are set out above.

PROCEDURES FOR DIRECTING SHAREHOLDERS' ENQUIRIES TO THE BOARD AND SHAREHOLDERS' COMMUNICATION POLICY

The Company considers that effective communication with the Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognizes the importance of transparency and timely disclosure of corporate information, which enables the Shareholders and investors to make the best investment decisions.

If you have any query in connection with your shareholdings, please write to or contact the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at:

Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

Tel: (852) 2862 8555

Fax: (852) 2119 9137

Website: <https://www.computershare.com>

To contact the Company in relation to your query about the Company, the contact details are as follows:

Tel: (86) 028-65724993

Fax: ir_nhs@newhope.cn

Address: 21/F, Building 2, New Hope Zhongding International, No. 366 Jinshi Road, Jinjiang District Chengdu, Sichuan, China

The Board welcomes views of the Shareholders and encourages them to attend general meetings to raise any concerns they might have with the Board or the management directly. Board members and appropriate senior staff of the Group are available at the meetings to answer any questions raised by the Shareholders.

The Board has reviewed the shareholders' communication policy and its effectiveness was confirmed.

CHANGE IN CONSTITUTIONAL DOCUMENTS

The Company has not made any significant amendments to its constitutional documents for the year ended 31 December 2025.

Directors' Report

The Board is pleased to present the annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2025.

CORPORATE INFORMATION AND GLOBAL OFFERING

The Company was incorporated in the Cayman Islands on 5 November 2020 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Suite 210, 2nd Floor, Windward III, Regatta Office Park, Grand Cayman, KY1-1106, Cayman Islands.

The Company's shares were listed on the Main Board of the Stock Exchange on 25 May 2021.

PRINCIPAL ACTIVITIES

The Group is principally engaged in the provision of property management services, lifestyle, commercial operational services and value-added services to non-property owners in the PRC.

Details of the principal activities of the principal subsidiaries of the Group are set out in note 15 to the consolidated financial statements in this annual report. There were no significant changes in the nature of the Group's principal activities as of 31 December 2025 and up to the date of this annual report. As at the date of this annual report, the Board has no intention to significantly change the principal business of the Group.

RESULTS

The results of the Group for the year ended 31 December 2025 are set out in the consolidated statement of comprehensive income of the Group in this annual report. The Group's business review and future business development are provided in the section headed "Chairman's Statement" in this annual report. An analysis of the Group's performance using financial key performance indicators is provided in the section headed "Management Discussion and Analysis" in this annual report.

FINAL DIVIDEND

The Board recommends the payment of a final dividend of RMB0.077 per share of the Company for the year ended 31 December 2025 (the "**Final Dividend**") in cash (for the year ended 31 December 2024: RMB0.076), subject to approval of the shareholders of the Company (the "**Shareholders**") at the AGM. If the resolution for the proposed Final Dividend is passed at the AGM, the proposed Final Dividend is expected to be paid on or before Tuesday, 7 July 2026 to the Shareholders whose names appear on the register of members of the Company on Thursday, 25 June 2026.

The Board is not aware that any shareholder of the Company has waived or agreed to waive any dividends.

CLOSURE OF THE REGISTER OF MEMBERS

For the purpose of ascertaining Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 11 June 2026 to Tuesday, 16 June 2026 (both days inclusive) during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the AGM, all transfer documents accompanied by the relevant share certificates (together the "**Share Transfer Documents**") must be lodged with the Company's Hong Kong share registrar (the "**Hong Kong 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 not later than 4:30 p.m. on Wednesday, 10 June 2026.

Directors' Report

For the purpose of ascertaining Shareholders' entitlement to the Final Dividend, the register of members of the Company will be closed from Tuesday, 23 June 2026 to Thursday, 25 June 2026 (both days inclusive) during which period no transfer of the Shares will be registered. In order to qualify for the Final Dividend, the Share Transfer Documents must be lodged with the Hong Kong Share Registrar at the address specified above not later than 4:30 p.m. on Monday, 22 June 2026.

BORROWINGS

As at 31 December 2025, the Group did not have any outstanding interest-bearing borrowings.

RESERVES

Details of movements in the reserves of the Group during the year ended 31 December 2025 are set out in the consolidated statements of changes in equity in this annual report. As at 31 December 2025, the distributable reserve of the Company amounted to approximately RMB749 million.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 December 2025 are set out in note 13 to the consolidated financial statements of the Group in this annual report.

SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in note 26 to the consolidated financial statements of the Group in this annual report.

FINANCIAL STATEMENTS

The results of the Group for the year ended 31 December 2025 and the state of the Group's financial position as at the date are set out in the consolidated financial statements on pages 59 to 61 in this report.

MAJOR CUSTOMERS AND SUPPLIERS

The Group's customer base primarily consists of property developers, property owners, residents and enterprise.

For the year ended 31 December 2025, the transaction amount of the Group's top five customers accounted for 17.3% of the total revenue of the Group (2024: 18.6%), while the transaction amount of the Group's single largest customer accounted for 14.1% of the total revenue of the Group (2024: 14.9%).

For the year ended 31 December 2025, the transaction amount of the Group's top five suppliers accounted for 19.0% of the total purchase of the Group (2024: 13.7%), while the transaction amount of the Group's single largest supplier accounted for 6.8% of the total purchase of the Group (2024: 4.6%).

None of the Directors or any of their associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and suppliers (other than the Group and its associates).

DONATIONS

Donations made by the Group during the year ended 31 December 2025 amounted to RMB1.89 million.

DIRECTORS

The Directors during the year ended 31 December 2025 and up to the date of this annual report are:

Name of director

Ms. Wu Min (*Co-Chairman*)⁽¹⁾
 Ms. Chen Jing
 Mr. Jiang Mengjun (*Chairman*)
 Mr. Liu Xu⁽²⁾
 Ms. Zhang Wei⁽³⁾
 Ms. Li Wei
 Mr. Cao Qilin⁽⁴⁾
 Mr. Li Zhengguo
 Mr. Kong Chi Mo
 Ms. Li Ruojun (*appointed on 16 March 2026*)⁽⁵⁾

Notes:

- (1) Ms. Wu Min was redesignated from the non-executive Director to the executive Director on 10 September 2025.
- (2) Mr. Liu Xu resigned as the non-executive Director on 6 January 2026 as he would like to devote more time on his other commercial and personal affair.
- (3) Ms. Zhang Wei resigned as the non-executive Director on 25 March 2026 as she would like to devote more time on her other commercial and personal affair.
- (4) Mr. Cao Qilin resigned as the Independent non-executive Director on 16 March 2026 as he would like to devote more time on his personal affair.
- (5) Ms. Li Ruojun was appointed as the Independent non-executive Director on 16 March 2026.

The biographical details of the Directors and the senior management of the Company are set out in the section headed "Directors and Senior Management" in this annual report.

In accordance with article 108(a) of the Articles of Association, of the Company one-third of the Directors for the time being (or, if their number is not three or a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation and be eligible for re-election and re-appointment at every annual general meeting, provided that every Director shall be subject to retirement by rotation at the annual general meeting at least once every three years. Further, article 111 of the Articles of Association of the Company provides that any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his/her appointment and shall be eligible for re-election at that meeting and any Director appointed by the Board as an addition to the Existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Accordingly, in accordance with article 108(a) of the Article of Association, Ms. Chen Jing, Ms. Wu Min and Mr. Li Zhengguo shall retire from office at the AGM. Ms. Li Ruojun shall retire and be re-elected at the AGM in accordance with article 111 of the Articles of Association. All the above Directors are eligible and willing to be re-elected at the AGM.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors are independent.

Directors' Report

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement with the Company for a term of three years commencing from the date of appointment.

Each of the non-executive Directors and the independent non-executive Directors has entered into a letter of appointment with the Company for a term of three years commencing from the their date of appointment.

The appointments of the Directors are subject to the provisions of retirement and rotation of Directors under the Articles of Association.

Save as disclosed above, none of the Directors has entered into any service contract with the Company or any of its subsidiaries (excluding contracts expiring or determinable by the Company within one year without payment of compensation for loss of office, other than statutory compensation).

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2025, none of the Directors, the management, shareholders of the Company nor their respective associates (as defined in the Listing Rules) had any interest in a business that competed or might compete with the business of the Group.

NON-COMPETITION UNDERTAKING

The ultimate controlling shareholders of the Group namely Mr. Liu Yonghao (劉永好) and Ms. Liu Chang (劉暢) (the "**Ultimate Controlling Shareholders**") have entered into a deed of non-competition dated 6 May 2021 (the "**Undertakings**") details of which are disclosed in the Company's prospectus dated 11 May 2021. The Ultimate Controlling Shareholders have confirmed to the Company that, for the year ended 31 December 2025, they have complied with the Undertakings.

The independent non-executive Directors had reviewed the status of compliance and the confirmation provided by each of the Controlling Shareholders as part of the annual review process. On the basis that: (i) the Company has received the confirmations from all of them regarding the Undertakings; (ii) there was no competing business reported by them; and (iii) there was no particular situation rendering the full compliance of the Undertakings being questionable, the independent non-executive Directors are of the view that the Undertakings have been complied with and been enforced by the Company in accordance with the terms.

DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the remuneration of the Directors and those of the five highest paid individuals of the Group for the year ended 31 December 2025 are set out in note 9 to the consolidated financial statements of the Group in this annual report.

None of the Directors waived his/her emoluments nor has agreed to waive his/her emoluments for the year ended 31 December 2025.

RETIREMENT BENEFITS SCHEME

The Group does not have any employee who is required to participate in mandatory Provident Fund in Hong Kong. The employees of the PRC subsidiaries are members of the state-managed retirement benefits scheme operated by the PRC government. The employees of the PRC subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to this retirement benefits scheme is to make the required contributions under the scheme. The forfeited contributions may not be used by the Group to reduce the existing level of contributions.

PERMITTED INDEMNITY PROVISION

Each Director is entitled to be indemnified by the Company against all losses or liabilities which he/she may sustain or incur in carrying out his/her functions. The Company has also arranged appropriate insurance in respect of potential legal actions against the Directors arising out of corporate activities.

MANAGEMENT CONTRACTS

Other than the Directors' service contract and letters of appointment, no contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or in existence as at the end of the year or at any time during the year ended 31 December 2025.

SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme through written shareholders' resolution on 30 April 2021 (the "**Share Option Scheme**").

The purpose of the Share Option Scheme is to recognize and acknowledge the contributions that the eligible participants had or may have made to the Group. The Directors believe the Share Option Scheme will enable the Group to reward the Group's employees, Directors and other selected participants for their contributions to the Group.

Participate

Any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries; any directors (including independent non-executive Directors) of our Company or any of its subsidiaries; and any advisors, consultants, suppliers, customers, distributors and such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Company and/or any of its subsidiaries.

Maximum number of Shares

The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme shall not in aggregate exceed 10% of the aggregate of the Shares in issue on the day on which trading of the Shares commences on the Stock Exchange, and such 10% limit represents 80,000,000 Shares, representing 9.83% of the total Shares in issue as at the date of this report.

The maximum entitlement of each participant

The total number of Shares issued and to be issued upon exercise of the options granted and to be granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised and outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being.

Time of acceptance and exercise of option

An option may, subject to the terms and conditions including the period within which the option may be exercised and vesting period upon which such option is granted, be exercised in whole or in part by the grantee giving notice in writing to the Company in such form as the Board may from time to time determine stating that the option is thereby exercised and the number of Shares in respect of which it is exercised.

Directors' Report

Price of Shares

Subject to any adjustments, the subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be determined by the Board in its absolute discretion, but in any event must be at least the higher of:

- (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date on which such option is offered in writing to the eligible participant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the official closing prices of our Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date on which such option is offered in writing to our eligible participant; and
- (iii) the nominal value of a Share.

Grant offer letter and notification of grant of options

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptances of the options duly signed by the grantee, together with a remittance or payment in favor of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date. Such remittance or payment shall in no circumstances be refundable. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it must be accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

The duration of the Share Option Scheme

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. There is no minimum period specified by the Share Option Scheme, for which the option must be held before it can be exercised. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. No option may be granted more than 10 years after the Listing Date. Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years from the Listing Date. As at the date of this report, the remaining life of the Share Option Scheme is approximately 5 years and 1 months.

Since the date of the adoption of the Share Option Scheme and up to the date of this report, no options have been granted, exercised, cancelled or lapsed under the Share Option Scheme, and there were no outstanding options under the Share Option Scheme. For details of the Share Option Scheme, please refer to the section headed "Appendix V — Statutory and General Information — D. OTHER INFORMATION — 1. Share Option Scheme" in the Prospectus. As at 1 January 2025 and 31 December 2025, the number of options available for grant under the Share Option Scheme is 80,000,000 Shares.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 December 2025, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which were required to be entered in the register kept by the Company pursuant to section 352 of the SFO, or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code under the Listing Rules, are set out below:

(i) Interest in our Company

Name of Director	Nature of Interest	Number of Shares ⁽¹⁾	Percentage of shareholding interest
Ms. Wu Min ⁽²⁾	Beneficiary of a discretionary trust and interest in controlled corporation	26,640,111 (L)	3.27%
Ms. Chen Jing ⁽²⁾	Beneficiary of a discretionary trust and interest in controlled corporation	26,640,111 (L)	3.27%
Mr. Jiang Mengjun ⁽²⁾	Beneficial owner	542,000 (L)	0.07%
	Beneficiary of a discretionary trust and interest in controlled corporation	26,640,111 (L)	3.27%
Ms. Li Wei ⁽³⁾	Interest of Spouse	544,800,000 (L)	66.92%
	Beneficial owner	12,252,000 (L)	1.50%

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) Mr. Zhang Minggui is the settlor of the Employee Benefit Trust, a discretionary trust of the benefit of New Charm Development Limited ("New Charm"), New Mistry Development Limited ("New Mistry"), New Conception Development Limited ("New Conception") with TMF Trust (HK) Limited as the trustee. Each of New Charm, New Mistry and New Conception is wholly owned by Ms. Wu Min, Ms. Chen Jing and Mr. Jiang Mengjun, respectively, for the purpose of investment holdings. Accordingly, each of Ms. Chen Jing, Ms. Wu Min and Mr. Jiang Mengjun is deemed to be interested under the SFO in the Shares held by the Employee Benefit Trust in their respective capacity as the beneficiary of the Employee Benefit Trust and as a Director.
- (3) Ms. Li Wei is the spouse of Mr. Liu Yonghao. By nature of SFO, Ms. Li Wei is deemed to be interested in the share interests of Mr. Liu Yonghao.

Save as disclosed above, as at the 31 December 2025, none of the Directors and chief executives of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations, which (a) were recorded in the register required to be kept by the Company under section 352 of the SFO, or (b) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' Report

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

So far as is known to the Company, as at 31 December 2025, as recorded in the register required to be kept by the Company under section 336 of the SFO, the following persons, other than a Director or chief executive of the Company, had an interest of 5% or more in the shares or underlying Shares:

Name	Nature of interest	Number of Shares ⁽¹⁾	Percentage of shareholding interest
Adventure Way Pte. Ltd. ⁽²⁾	Protector of a discretionary trust and interest in controlled corporation	544,800,000 (L)	66.92%
Ms. Liu Chang ⁽²⁾	Settlor of a discretionary trust and interest in controlled corporation	544,800,000 (L)	66.92%
Mr. Liu Yonghao ⁽²⁾	Interest in persons acting in concert	12,252,000 (L)	1.50%
	Interest in controlled corporation	544,800,000 (L)	66.92%
Medea Investments Limited ⁽²⁾	Interest of spouse	12,252,000 (L)	1.50%
	Interest in controlled corporation	544,800,000 (L)	66.92%
Vistra Trust (Singapore) Pte. Limited ⁽²⁾	Trustee of a discretionary trust	544,800,000 (L)	66.92%
Sea Glory Developments Limited ⁽²⁾	Interest in controlled corporation	544,800,000 (L)	66.92%
New Prosperity Development Limited ⁽²⁾	Interest in controlled corporation	544,800,000 (L)	66.92%
Golden Rose Developments Limited ⁽²⁾	Beneficial owner	544,800,000 (L)	66.92%

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) The entire issued share capital of Golden Rose Developments Limited is wholly owned by New Prosperity Development Limited, which is in turn indirectly wholly owned by Sea Glory Developments Limited, a special purpose holding vehicle wholly owned by Vistra Trust (Singapore) Pte. Limited, the trustee of the Cathaya Trust. The Cathaya Trust is an irrevocable discretionary trust for the benefit of Mr. Liu's family members. The protector of the Cathaya Trust is Adventure Way Pte. Ltd., which is directly and indirectly wholly owned by Mr. Liu Yonghao and Ms. Liu Chang through Medea Investments Limited. By virtue of the Acting in Concert Deed, Mr. Liu Yonghao and Ms. Liu Chang both have a deemed interest under the SFO in the Shares held by Adventure Way Pte. Ltd. in its capacity as the protector of the Cathaya Trust. Vistra Trust (Singapore) Pte. Limited has a deemed interest under the SFO in the Shares held by the Cathaya Trust in its capacity as trustee of the Cathaya Trust. Accordingly, each of Mr. Liu Yonghao, Ms. Liu Chang, Medea Investments Limited, Adventure Way Pte. Ltd., Vistra Trust (Singapore) Pte. Limited, Sea Glory Developments Limited, New Prosperity Development Limited has a deemed interest under the SFO in the Shares held by Golden Rose Developments Limited.

Save as disclosed above, as at the 31 December 2025, the Company had not been notified of any persons (other than a Director or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares that were recorded in the register required to be kept under section 336 of the SFO.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in this report, no transactions, arrangements or contracts of significance in relation to which the Company, its holding company or subsidiaries was a party and in which a Director or his connected entities had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2025.

CONTRACTS OF SIGNIFICANCE

Save as disclosed in this report, no contracts of significance (i) in relation to the Group's business; or (ii) for provision of services to the Company (or any of its subsidiaries) by a controlling shareholder (or any of its subsidiaries) between the Company (or any of its subsidiaries) and a controlling shareholder (or any of its subsidiaries) subsisted during or at the end of the year ended 31 December 2025.

CONNECTED TRANSACTIONS

During the year ended 31 December 2025, the Company has strictly complied with the requirements specified under Chapter 14A of the Listing Rules in respect of its connected transactions. Details of the relevant connected transactions are as follow:

(A) Continuing Connected Transactions Subject to the Reporting, Annual Review and Announcement Requirements but Exempt from Independent Shareholders' Approval Requirement

1. 2025 Master Dairy Products Purchase Agreement

On 24 January 2025, New Hope Service entered into a master dairy products purchase agreement (the **"2025 Master Dairy Products Purchase Agreement"**) with New Hope Dairy Co., Ltd. (新希望乳業股份有限公司) (the **"New Hope Dairy"**), pursuant to which the Company agreed to purchase from New Hope Dairy and its subsidiaries and/or associates (the **"New Hope Dairy Group"**) dairy products for a term commencing from 1 January 2025 to 31 December 2026. The Company will re-sell a substantial portion of such products to residents of properties the Group managed who place orders via the "New Hope Club (希望雲)" mobile application or offline convenience stores under our management or certain B-end customers of the Group. It also gave a small quantity of these products to employees as part of their employee benefits. As the previous master dairy products purchase agreement had expired on 31 December 2024, and the Group is expected to carrying on the transactions contemplated thereunder upon its expiry, New Hope Service entered into the 2025 Master Dairy Products Purchase Agreement with New Hope Dairy on 24 January 2025.

The annual caps of the fee payable by the Group under the 2025 Master Dairy Products Purchase Agreement for the year ending 31 December 2025 is RMB14.0 million. The amount for the transactions under the 2025 Master Dairy Products Purchase Agreement involved for the year ended 31 December 2025 is RMB8.6 million.

As at the date of this report, New Hope Dairy is indirectly controlled by Ms. Liu Chang, one of the Company's controlling shareholders. Hence, New Hope Dairy is an associate of Ms. Liu Chang, and a connected person of the Company.

2. 2024 Master Purchase Agreement

On 15 December 2023, New Hope Service entered into a master purchase agreement (the **"2024 Master Purchase Agreement"**) with New Hope Holdings Co., Ltd. (新希望控股有限公司) (the **"New Hope Holdings"**), pursuant to which the Group agreed to purchase from New Hope Holdings, its subsidiaries and associates (the **"New Hope Holdings Group"**) meat products and seasonings for a term commencing from 1 January 2024 to 31 December 2026. The Company will re-sell a substantial portion of such products to residents of properties the Group managed who place orders via the "Modern Leisure Lifestyle (漫生活)" mobile application or offline convenience stores under its management. The Company also gives away a small amount of such products to its employees as part of the Group's employee benefits and certain amount of seasonings is used in the canteens under its management. As the previous master purchase agreement will expire on 31 December 2023, and the Group is expected to carrying on the transactions contemplated thereunder upon its expiry, New Hope Service entered into the 2024 Master Purchase Agreement with New Hope Holdings on 15 December 2023.

The annual caps of the fee payable by the Group under the 2024 Master Purchase Agreement for each of the three years ending 31 December 2024, 31 December 2025 and 31 December 2026 is RMB26.0 million, RMB28.6 million and RMB31.5 million, respectively. The amount for the transactions under the 2024 Master Purchase Agreement involved for the year ended 31 December 2025 is RMB2.4 million.

As at the date of this report, New Hope Holdings is indirectly wholly owned by Mr. Liu Yonghao, one of the Company's controlling shareholders. Hence, New Hope Holdings is an associate of Mr. Liu Yonghao, and a connected person of the Company.

3. 2024 Master Property Agency Services Agreement

On 15 December 2023, New Hope Service entered into a master property agency services agreement (the **"2024 Master Property Agency Services Agreement"**) with New Hope Wuxin, pursuant to which the Group agreed to provide property agency services in respect of unsold commercial properties including car parking lots owned/developed by the New Hope Wuxin Group and its associates. The 2024 Master Property Agency Services Agreement has a term commencing from 1 January 2024 to 31 December 2026. As the previous master property agency services agreement will expire on 31 December 2023, and the Group is expected to carrying on the transactions contemplated thereunder upon its expiry, New Hope Service entered into the 2024 Master Property Agency Services Agreement with New Hope Wuxin on 15 December 2023.

The annual caps of the fee payable by the New Hope Wuxin Group under the 2024 Master Property Agency Services Agreement for each of the three years ending 31 December 2024, 31 December 2025 and 31 December 2026 is RMB20.0 million, RMB22.0 million and RMB24 million, respectively. The amount for the transactions under the 2024 Master Property Agency Services Agreement involved for the year ended 31 December 2025 is RMB3.1 million.

As at the date of this report, New Hope Wuxin is indirectly controlled by Mr. Liu Yonghao, one of the controlling shareholders of the Company. Hence, New Hope Wuxin is an associate of Mr. Liu Yonghao, and a connected person of the Company.

(B) Continuing Connected Transactions Subject to the Reporting, Annual Review, Announcement and Independent Shareholders' Approval Requirement

1. 2024 Master Property Management and Related Services Agreement

On 15 December 2023, New Hope Service entered into a master property management and related services agreement (the **"2024 Master Property Management and Related Services Agreement"**) with New Hope Holdings, pursuant to which the Group agreed to provide to the New Hope Holdings Group property management and related services, including but not limited to (i) pre-delivery services, including but not limited to (a) preliminary planning and design consultancy services; (b) management services for the sales offices and the display units; (c) house inspection; (d) pre-delivery cleaning services; and (e) pre-delivery preparation; (ii) repair and maintenance services for house and auxiliary facilities after delivery; (iii) property management services for the properties owned or used by New Hope Holdings Group, including but not limited to the unsold residential property units, car parking lots, office buildings and commercial properties; and (iv) other value-added services, such as catering services to the employees of New Hope Holdings Group. The 2024 Master Property Management and Related Services Agreement has a term commencing from 1 January 2024 to 31 December 2026. As the previous master property management and related services agreement will expire on 31 December 2023, and the Group is expected to carrying on the transactions contemplated thereunder upon its expiry, New Hope Service entered into the 2024 Master Property Management and Related Services Agreement with New Hope Holdings on 15 December 2023.

The annual caps of the fee payable by the New Hope Holdings Group under the 2024 Master Property Management and Related Services Agreement for each of the three years ending 31 December 2024, 31 December 2025 and 31 December 2026 is RMB300.0 million, RMB330.0 million and RMB363.0 million, respectively. The amount for the transactions under the 2024 Master Property Management and Related Services Agreement involved for the year ended 31 December 2025 is RMB155.7 million.

As at the date of this report, New Hope Holdings is indirectly wholly owned by Mr. Liu Yonghao, one of the Company's controlling shareholders. Hence, New Hope Holdings is an associate of Mr. Liu Yonghao, and a connected person of the Company.

2. 2024 Master Commercial Operational and Related Services Agreement

On 15 December 2023, New Hope Service entered into a master commercial operational services agreement (the "**2024 Master Commercial Operational and Related Services Agreement**") with New Hope Wuxin Industrial Group Co., Ltd. (新希望五新實業集團有限公司), formerly known as Sichuan New Hope Property Development Co., Ltd. (四川新希望房地產開發有限公司) ("**New Hope Wuxin**"), pursuant to which the Group agreed to provide to the New Hope Wuxin and its associates ("**New Hope Wuxin Group**") with commercial operational services, including but not limited to preliminary planning and consultancy, tenant sourcing and management and marketing and promotion services and other related services, for commercial properties developed/owned/rent by the New Hope Wuxin Group and its associates which include office buildings, shopping malls, commercial complexes and operational spaces in or near residential communities. The 2024 Master Commercial Operational and Related Services Agreement has a term commencing from 1 January 2024 to 31 December 2026. As the previous master commercial operational and related services agreement will expire on 31 December 2023, and the Group is expected to carrying on the transactions contemplated thereunder upon its expiry, New Hope Service entered into the 2024 Master Commercial Operational and Related Services Agreement with New Hope Wuxin on 15 December 2023.

The annual caps of the fee payable by the New Hope Wuxin Group under the 2024 Master Commercial Operational and Related Services Agreement for each of the three years ending 31 December 2024, 31 December 2025 and 31 December 2026 is RMB83.6 million, RMB92.0 million and RMB101.1 million, respectively. The amount for the transactions under the 2024 Master Commercial Operational and Related Services Agreement involved for the year ended 31 December 2025 is RMB34.9 million.

As at the date of this report, New Hope Wuxin is indirectly controlled by Mr. Liu Yonghao, one of the controlling shareholders of the Company. Hence, New Hope Wuxin is an associate of Mr. Liu Yonghao, and a connected person of the Company.

3. 2024 Centralized Supply Chain Service Framework Agreement

On 15 December 2023, New Hope Service entered into a centralized supply chain service framework agreement (the “**2024 Centralized Supply Chain Service Framework Agreement**”) with New Hope Holdings, pursuant to which, the New Hope Holdings Group has agreed to place order on the supply chain platform of the New Hope Service Group for certain products, and the New Hope Service Group has agreed to supply such products for a term from 1 January 2024 to 31 December 2026. As the previous centralized supply chain service framework agreement will expire on 31 December 2023, and the Group is expected to carrying on the transactions contemplated thereunder upon the expiry, New Hope Service entered into the 2024 Centralized Supply Chain Service Framework Agreement with New Hope Holdings on 15 December 2023.

The annual caps for each of the three years ending 31 December 2024, 31 December 2025 and 31 December 2026 is RMB88.0 million, RMB100.0 million and RMB120.0 million respectively. The actual transaction amount for the year ended 31 December 2025 is RMB58.4 million.

As at the date of this report, New Hope Holdings is indirectly controlled by Mr. Liu Yonghao, one of the controlling shareholders of the Company. Hence, New Hope Holdings is an associate of Mr. Liu Yonghao, and a connected person of the Company.

CONFIRMATION FROM THE INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to Rule 14A.55 of the Listing Rules, all the independent non-executive Directors have reviewed the above continuing connected transactions and confirmed that they have been entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better; and (iii) in accordance with the respective agreement governing the above continuing connected transactions on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

CONFIRMATION FROM THE AUDITOR

In accordance with Rule 14A.56 of the Listing Rules, the Group has engaged its auditor to report on the Group's continuing connected transactions. The auditor of the Group have issued a letter to the Board confirming that nothing has come to their attention that causes them to believe that the above continuing connected transactions (i) have not been approved by the Board; (ii) were not, in all material respects, in accordance with the pricing policies of the Group; (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (iv) have exceeded their respective annual cap.

RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group for the year ended 31 December 2025 are set out in note 28 to the consolidated financial statements in this annual report.

Save as disclosed above, during the year ended 31 December 2025, none of the related party transactions constitutes a connected transaction or continuing connected transaction subject to reporting, announcement, independent Shareholders' approval, annual review and all disclosure requirements in Chapter 14A of the Listing Rules. The Company confirms it has complied with all the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

EQUITY LINKED AGREEMENTS

During the year ended 31 December 2025, other than the Share Option Scheme, no equity-linked agreements were entered into by the Company or subsisted at the end of the year.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the Share Option Scheme, at no time during the year was the Company, its holding company, or any of its subsidiaries, a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

For the year ended 31 December 2025, the Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company (including the sale of treasury shares). As at 31 December 2025, the Company did not hold any treasury shares.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands, being the jurisdiction in which the Company is incorporated under which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

LITIGATION

As at 31 December 2025, no member of our Group was engaged in any litigation or arbitration of material importance and, so far as our Directors are aware, no litigation or claim of material importance is pending or threatened by or against any member of our Group.

TAX RELIEF AND EXEMPTION OF HOLDERS OF LISTED SECURITIES

The Company is not aware of any tax relief or exemption available to the Shareholders by reason of their holding of the Company's securities.

BUSINESS REVIEW

A review of the Group's business during the year ended 31 December 2025, which includes a discussion of the principal risks and uncertainties facing by the Group, an analysis of the Group's performance using financial key performance indicators, particulars of important event affecting the Group during Reporting Period, and an indication of likely future developments in the Group's business, could be found in the sections headed "Chairman's Statement", "Management Discussion and Analysis" and "Corporate Governance Report" in this annual report. The review and discussion form part of this directors' report.

FINANCIAL SUMMARY

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last five financial years is set out on page 118 of this annual report. This summary does not form part of the audited consolidated financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the number of shares held by the public in the Company for the year ended 31 December 2025 and up to the date of the report has been in compliance with the minimum percentage of public float prescribed by the Stock Exchange.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of our shareholders and to enhance corporate value and accountability. The Company has adopted CG Code contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as its own code of corporate governance.

Directors' Report

In the opinion of the Directors, the Company has complied with all the code provisions as set out in the CG Code from the Listing Date to the 31 December 2025. The Company will continue to review and monitor its corporate governance practice to ensure the compliance of the CG Code.

COMPLIANCE WITH LAWS AND REGULATIONS

The Company is incorporated in the Cayman Islands with the Shares listed on the Main Board of the Stock Exchange. The Group's subsidiaries are mainly incorporated in the PRC. The Group's operations are mainly carried out by the Group's subsidiaries in the PRC.

Its establishments and operations accordingly shall comply with relevant laws and regulations in the Cayman Islands, the PRC and Hong Kong. During the year ended 31 December 2025 and up to the date of this report, the Group has complied with all the relevant laws and regulations in the Cayman Islands, the PRC and Hong Kong that have a significant impact on the Group.

RELATIONSHIP WITH STAKEHOLDERS

The Group considers its employees as important stakeholders and cooperative partners. The Group has established an efficient incentive scheme to link its employees' performance with the Group's corporate goal, which further align their interest with the Group. The Group also puts ongoing efforts to provide adequate trainings and development resources to the employees so that they can keep abreast of the latest development of the market and the industry and, at the same time, improve their performance and self-development in their positions.

The Group's suppliers are primarily subcontractors located in China which provide cleaning, security, landscaping, certain repair and maintenance services and third-party suppliers for its online and offline retail services and catering services. The Group is dedicated to develop good relationship with suppliers as long-term business partners to ensure stability of the Group's businesses. The Group's customers are primarily property developers, property owners, property owners' associations, businesses, residents and tenants. Customer satisfaction with the Group's services has a profound impact on the profitability. The Group values customer feedback on its services, the Group is in constant communication with its customers and potential customers to identify customers' pain points alongside grasping the market trend, thus helping the Group to timely adjust our operating strategies to fit the market requirement.

ENVIRONMENTAL AND SOCIAL MATTERS

The Company's compliance with the relevant provisions set out in the Environmental, Social and Governance Reporting Guide in Appendix C2 of the Listing Rules for the financial year ended 31 December 2025 are set out in the Environmental, Social and Governance Report in this annual report.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

As at the date of this report, the Group did not have any other significant event subsequent to 31 December 2025.

AUDITOR

The Company's shares were only listed on the Stock Exchange on 25 May 2021, and there is no change in auditors since the Listing Date. The consolidated financial statements of the Group for the year ended 31 December 2025 have been audited by KPMG who will retire at the 2026 AGM. KPMG, being eligible, will offer themselves for re-appointment. A resolution for the re-appointment of KPMG as the auditor of the Company will be proposed at the 2026 AGM.

There has been no change in the auditor of the Company in the past three years.

By Order of the Board
New Hope Service Holdings Limited
Jiang Mengjun
Chairman

Hong Kong, 30 March 2026

Independent Auditor's Report



Independent auditor's report
to the shareholders of New Hope Service Holdings Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of New Hope Service Holdings Limited ("the Company") and its subsidiaries ("the Group") set out on pages 54 to 117, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ("the Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER (CONTINUED)

Expected credit loss allowance for trade receivables

Refer to accounting policy note 2(k)(i) and note 27(a) to the consolidated financial statements.

The Key Audit Matter

How the matter was addressed in our audit

As at 31 December 2025, the Group's gross trade receivables and a loss allowance for expected credit losses ("ECL") amounted to RMB554.4 million and RMB50.9 million, respectively.

The Group's trade receivables comprise mainly receivables from property owners and property developers.

Management measured the loss allowance at an amount equal to lifetime ECL of the trade receivables based on the estimated loss rates for different customers. The estimated loss rates take into account the ageing of trade receivables, historical default rate, current market conditions and forward-looking information. Such assessment involves a significant degree of management judgement.

We identified the ECL allowance for trade receivables as a key audit matter because the balance of trade receivables is material to the Group's consolidated financial statements and determining the level of the loss allowance requires the exercise of management judgement.

Our audit procedures to assess ECL allowance for trade receivables included the following:

- obtaining an understanding of and evaluating the design, implementation and operating effectiveness of key internal controls relating to credit control, segmentation of trade receivables, ageing analysis review, and estimation of credit loss allowances;
- evaluating the Group's policy for estimating the credit loss allowance with reference to the requirements of the prevailing accounting standard;
- obtaining an understanding of the key data and assumptions of the ECL model adopted by management, including the basis of segmentation of trade receivables based on credit loss characteristics, historical default data used in management's estimation of loss rate;
- assessing the appropriateness of management's estimation of loss allowance by examining the information used by management to derive such estimates, including testing the accuracy of the historical default data and evaluating whether historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information;
- assessing whether items in the trade receivables ageing report were categorised in the appropriate ageing bracket by comparing individual items with the demand notes and sales invoices on a sample basis; and
- re-performing the calculation of the loss allowance as at 31 December 2025 based on the Group's ECL allowance policies.

Independent Auditor's Report

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon. We obtained the Management Discussion and Analysis prior to the date of this auditor's report and expect remaining other information to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon as part of our engagement to audit the consolidated financial statements. We have been engaged to perform an assurance engagement on the disclosed continuing connected transactions that form part of the other information and provide a separate assurance practitioner's conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Independent Auditor's Report

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Wong Chi Kin (practising certificate number: P08067).

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
30 March 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2025
(Expressed in Renminbi ("RMB"))

	Note	2025 RMB'000	2024 RMB'000
Revenue	4	1,540,464	1,480,751
Cost of sales		<u>(1,083,166)</u>	<u>(1,030,709)</u>
Gross profit		457,298	450,042
Other net expenses	5	(13,689)	(4,130)
Selling expense		(798)	(946)
Administrative expenses		(157,903)	(140,235)
Expected credit loss on financial assets		(21,400)	(13,689)
Profit from operations		263,508	291,042
Finance expenses		(3,316)	(6,337)
Finance income		17,527	17,630
Finance income, net	6(a)	14,211	11,293
Share of profits less losses of associates		1,490	1,238
Profit before taxation	6	279,209	303,573
Income tax	7(a)	(42,477)	(47,691)
Profit and total comprehensive income for the year		236,732	255,882
Attributable to:			
Equity shareholders of the Company		216,075	226,785
Non-controlling interests		20,657	29,097
Profit and total comprehensive income for the year		236,732	255,882
Earnings per share			
Basic and diluted (RMB)	10	0.265	0.279

The notes on pages 65 to 117 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in Note 26(b).

Consolidated Statement of Financial Position

for the year ended 31 December 2025
(Expressed in RMB)

	<i>Note</i>	At 31 December 2025 RMB'000	At 31 December 2024 RMB'000
Non-current assets			
Investment properties	11	103,842	118,867
Goodwill	12	133,415	133,415
Property and equipment	13	50,196	26,274
Intangible assets	14	136,560	145,799
Interests in associates	16	10,281	6,806
Other investments in securities	17(a)	12,371	11,118
Deferred tax assets	25(b)	5,430	11,294
		452,095	453,573
Current assets			
Inventories		558	480
Other investments in securities	17(b)	51,590	—
Trade receivables	18	503,520	448,907
Prepayments, deposits and other receivables	19	134,242	123,931
Restricted cash		7,887	4,703
Cash and cash equivalents	20	957,808	1,053,051
		1,655,605	1,631,072
Current liabilities			
Trade payables	21	193,944	213,298
Other payables and accruals	22	202,433	235,326
Contract liabilities	23	249,638	209,342
Current taxation	25(a)	1,330	8,919
Lease liabilities	24	2,297	43,826
		649,642	710,711
Net current assets		1,005,963	920,361
Total assets less current liabilities		1,458,058	1,373,934
Non-current liabilities			
Lease liabilities	24	34,452	33,563
Deferred tax liabilities	25(b)	12,143	12,074
		46,595	45,637
NET ASSETS		1,411,463	1,328,297

The notes on pages 65 to 117 form part of these financial statements.

Consolidated Statement of Financial Position

for the year ended 31 December 2025
(Expressed in RMB)

	<i>Note</i>	At 31 December 2025 RMB'000	At 31 December 2024 RMB'000
CAPITAL AND RESERVES			
Share capital	26(a)	6,741	6,741
Reserves		<u>1,311,702</u>	<u>1,238,914</u>
Total equity attributable to equity shareholders of the Company		1,318,443	1,245,655
Non-controlling interests		<u>93,020</u>	<u>82,642</u>
TOTAL EQUITY		<u>1,411,463</u>	<u>1,328,297</u>

Approved and authorised for issue by the board of directors on 30 March 2026.

Wu Min
Director

Chen Jing
Director

The notes on pages 65 to 117 form part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025
(Expressed in RMB)

	Attributable to equity shareholders of the Company									
	Note	Share capital	Share premium	Capital reserve	Statutory surplus reserves	Exchange reserve	Retained profits	Total	Non-controlling interests	Total equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2024		6,741	750,036	(44,746)	77,800	(23)	370,861	1,160,669	96,027	1,256,696
Changes in equity for 2024:										
Profit for the year		—	—	—	—	—	226,785	226,785	29,097	255,882
Total comprehensive income for the year		—	—	—	—	—	226,785	226,785	29,097	255,882
Appropriation to statutory reserve		—	—	—	26,445	—	(26,445)	—	—	—
Contribution from non-controlling interests		—	—	—	—	—	—	—	15,225	15,225
Dividends approved in respect of previous years	26(b)	—	—	—	—	—	(74,227)	(74,227)	—	(74,227)
Dividends declared in respect of the current year	26(b)	—	—	—	—	—	(67,572)	(67,572)	—	(67,572)
Dividend distribution to non-controlling interests		—	—	—	—	—	—	—	(57,707)	(57,707)
Balance at 31 December 2024		6,741	750,036	(44,746)	104,245	(23)	429,402	1,245,655	82,642	1,328,297

The notes on pages 65 to 117 form part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025
(Expressed in RMB)

	Attributable to equity shareholders of the Company									
	Note	Share	Share	Capital	Statutory	Exchange	Retained	Total	Non-	Total
		capital	premium	reserve	surplus	reserve	profits	controlling	equity	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2025		6,741	750,036	(44,746)	104,245	(23)	429,402	1,245,655	82,642	1,328,297
Changes in equity for 2025:										
Profit for the year		—	—	—	—	—	216,075	216,075	20,657	236,732
Total comprehensive income for the year		—	—	—	—	—	216,075	216,075	20,657	236,732
Appropriation to statutory reserve		—	—	—	21,968	—	(21,968)	—	—	—
Contribution from non-controlling interests		—	—	—	—	—	—	—	1,582	1,582
Dividends approved in respect of previous years	26(b)	—	—	—	—	—	(61,874)	(61,874)	—	(61,874)
Dividends declared in respect of the current year	26(b)	—	—	—	—	—	(81,413)	(81,413)	—	(81,413)
Dividend distribution to non-controlling interests		—	—	—	—	—	—	—	(11,861)	(11,861)
Balance at 31 December 2025		6,741	750,036	(44,746)	126,213	(23)	480,222	1,318,443	93,020	1,411,463

The notes on pages 65 to 117 form part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended 31 December 2025
(Expressed in RMB)

	<i>Note</i>	2025 RMB'000	2024 RMB'000
Operating activities			
Cash generated from operations	20(b)	255,867	208,004
Income taxes paid	25(a)	(44,133)	(46,415)
Net cash generated from operating activities		211,734	161,589
Investing activities			
Interest received		2,289	—
Disposal of property and equipment		522	553
Purchases of property and equipment		(35,525)	(17,752)
Addition of intangible assets		(9,450)	(25,448)
Payment for purchase of financial asset		(57,581)	—
Proceeds from redemption of financial asset		5,991	—
Capital contributions to an associate		(1,986)	(400)
Net cash used in investing activities		(95,740)	(43,047)
Financing activities			
Increase in restricted cash		(3,184)	(4,703)
Contribution from non-controlling interests		1,582	15,225
Dividends paid to non-controlling interests		(14,394)	(48,510)
Dividends paid by equity shareholders of the Company		(151,787)	(148,984)
Capital element of finance leases rentals paid	20(c)	(40,865)	(20,132)
Interest element of finance leases rentals paid	20(c)	(2,589)	(3,657)
Net cash used in financing activities		(211,237)	(210,761)
Net decrease in cash and cash equivalent		(95,243)	(92,219)
Cash and cash equivalents at 1 January	20(a)	1,053,751	1,145,270
Cash and cash equivalents at 31 December	20(a)	957,808	1,053,051

The notes on pages 65 to 117 form part of these financial statements.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

1 CORPORATION INFORMATION

New Hope Service Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 5 November 2020 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The Company and its subsidiaries (together, referred to as “the Group”) are principally engaged in property management services, lifestyle services, commercial operational services and value-added services to non-property owners in the People’s Republic of China (the “PRC”).

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

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

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

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- Investment property, including interests in leasehold buildings held as investment property where the Group is the registered owner of the property interest (see Note 2(g))
- Investments in equity securities (see Note 2(f))

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

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation of the financial statements (continued)

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

Judgements made by management in the application of IFRS Accounting Standards that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 3.

(c) Changes in accounting policies

The group has applied amendments to HKAS 21, The effects of changes in foreign exchange rates — Lack of exchangeability issued by the HKICPA to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Subsidiaries and non-controlling interests (continued)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company.

Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the period between non-controlling interests and the equity shareholders of the Company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in associates or joint venture.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(k)).

(e) Goodwill

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see Note 2(k)(ii)).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Other investments in securities

The Group's policies for investments in equity securities, other than investments in subsidiaries and associate, are set out below.

Investments in equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at FVPL for which transaction costs are recognised directly in profit or loss. For an explanation of how the group determines fair value of financial instruments, see note 17. These investments are subsequently accounted for as follows, depending on their classification.

(i) Non-equity investments

Non-equity investments are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Expected credit losses, interest income calculated using the effective interest method (see note 2(r)(ii)(b)), foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- FVPL if the investment does not meet the criteria for being measured at amortised cost or fair value through other comprehensive income (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(g) Investment property

Investment properties are buildings which are owned or held under a leasehold interest (see Note 2(j)(ii)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in Note 2(r)(ii).

(h) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses (see Note 2(k)(ii)).

The cost of self-constructed items of property and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs.

Items may be produced while bringing an item of property and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management. The proceeds from selling any such items and the related costs are recognised in profit or loss.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Intangible assets (other than goodwill)

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the resulting asset. Otherwise, it is recognised in profit or loss as incurred. Capitalised development expenditure is subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets, including customer relationship, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses (see note 2(k)).

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, if any, and is generally recognised in profit or loss.

The estimated useful lives for the current and comparative periods are as follows:

— Software	10 years
— Customer relationship	10 years

Amortisation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

(j) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets which, for the Group are primarily equipment. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Leased assets (continued)

(i) As a lessee (continued)

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 2(h) and 2(k)(ii)).

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in debt securities carried at amortised cost. Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets. The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property and equipment' and presents lease liabilities separately in the statement of financial position.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Leased assets (continued)

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with Note 2(r)(ii).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in Note 2(j)(i), then the Group classifies the sub-lease as an operating lease.

(k) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognises a loss allowance for expected credit losses ("ECL"s) on financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables).

Other financial assets measured at fair value, including equity and debt securities measured at FVPL and equity securities designated at FVOCI (non-recycling), are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using effective interest rate determined at initial recognition or an approximation thereof for fixed-rate financial assets and trade and other receivables if the effect of discounting is material.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Measurement of ECLs (continued)

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 1 year past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Significant increases in credit risk (continued)

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Basis of calculation of interest income

Interest income recognised in accordance with Note 2(r)(ii) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or past due event;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset, lease receivable is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Credit losses and impairment of assets (continued)

(ii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than property carried at revalued amounts, investment property, inventories and other contract costs, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU"s). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with IAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see Notes 2(k)(i) and (ii)).

Impairment losses recognised in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(l) Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 2(r)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see Note 2(m)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see Note 2(r)(ii)).

(m) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost, using the effective interest method and including less allowance for credit losses (see Note 2(k)(i)).

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, property pre-sale proceeds held by solicitor that are held for meeting short-term cash commitments, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for expected credit losses ("ECL") in accordance with the policy set out in Note 2(k)(i).

(o) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(p) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(q) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;
- taxable temporary differences arising on the initial recognition of goodwill; and
- those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(q) Income tax (continued)

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Where investment properties are carried at their fair value in accordance with Note 11(b), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date, unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the measurement of deferred tax reflects the tax consequences that would follow from the manner in which the group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(r) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Revenue from contracts with customers

The Group is the principal for its revenue transactions and recognises revenue on a gross basis. In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group's ability to direct the use of and obtain substantially all of the remaining benefits from the products.

Revenue is recognised when control over a product or service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(r) Revenue and other income (continued)

(i) Revenue from contracts with customers (continued)

(a) Property management services and commercial operational services

For management services related to property management services and commercial operational services, the Group recognises revenue in the amount to which the Group has the right to invoice based on the value of performance completed on a monthly basis.

For property services management income arising from properties managed under lump sum basis, where the Group acts as principal, the Group entitles to revenue at the value of property services management fee received or receivable. For property services management income arising from properties managed under commission basis, where the Group acts as an agent of the property owners, the Group entitles to revenue at a pre-determined percentage or fixed amount of the property services management fees the property owners are obligated to pay.

(b) Value-added services to non-property owners

Value-added services mainly include preliminary planning and pre-delivery inspection services, post-delivery warranty services and additional tailored services customised to property developers recognised when such services have been provided.

If contracts involve the provision of multiple services, the transaction prices are allocated to each performance obligation based on their relative stand-alone selling prices. If the stand-alone selling prices are not directly observable, they are estimated based on expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information.

(c) Sale of goods

Revenue is recognised when the customer takes possession of and accepts the goods.

(ii) Revenue from other sources and other income

(a) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(r) Revenue and other income (continued)

(ii) Revenue from other sources and other income (continued)

(b) Interest income

Interest income is recognised as it accrues under the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see Note 2(k)).

(c) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognised initially as deferred income and amortised to profit or loss on a straight-line basis over the useful life of the assets by way of recognised in other income.

(s) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

(t) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(t) Related parties (continued)

(b) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is associates or joint venture of the other entity (or associates or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is associates of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(u) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(i) Expected credit losses for receivables

The credit losses for trade and other receivables are based on assumptions about risk of expected credit loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the expected credit loss calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, see Note 27(a). Changes in the assumptions and estimates could materially affect the result of the assessment and it may be necessary to make additional loss allowances in future periods.

(ii) Valuation of investment properties

Investment properties are stated at fair value based on the valuation performed by an independent firm of professional valuers after taking into consideration the market evidences of transaction prices, and where appropriate, the rental income allowing for reversionary income potential.

In determining the fair value, the valuers have taken into consideration the market conditions existed at the end of each reporting period or where appropriate, a method of valuation where involves, inter alia, certain estimates including market prices, prevailing market rents for comparable properties in the same location and condition, appropriate discount rate and expected future market rents. In relying on the valuation report, the management has exercised their judgement and are satisfied that the method of valuation is reflective of the prevailing market conditions as at the end of each reporting period.

(iii) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2025 was RMB133,415,000 (2024: RMB133,415,000). Further details are given in note 12.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are property management services, lifestyle services, commercial operational services and value-added services to non-property owners.

(i) Disaggregation of revenue

	2025 RMB'000	2024 RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
— Over time	1,267,084	1,198,194
— A point in time	261,148	262,685
Revenue from other sources		
— Rental income from investment properties	12,232	19,872
Total	1,540,464	1,480,751

Save as those disclosed in Note 28(b), the Group's customer base is diversified and none of other customers contributed 10% or more of the Group's revenue during year ended 31 December 2025 (2024: None).

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

For property management services, commercial operational service and value-added services to non-property owners, the Group recognises revenue when the services are provided on a monthly basis and recognises to which the Group has a right to invoice and that corresponds directly with the value of performance completed. The Group has elected the practical expedient for not to disclose the remaining performance obligations for this type of contracts.

For lifestyle services, there is no significant unsatisfied performance obligation at the end of respective reporting periods.

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by a mixture of business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment. The accounting policies applied in determining segment revenue and segment results of the operating segments are the same as the Group's accounting policies. Segment results represent the profit earned by each segment without allocation of central administrative costs. The chief operating decision maker ("CODM") considers the Group has four operating and reportable segments which are based on the internal organisation and reporting structure. This is the basis upon which the Group is organised.

The Group's operating and reportable segments are as follows:

- Property management services: this segment provides property management services to residential properties, commercial properties and other types of non-residential properties.
- Lifestyle services: this segment provides community operation services and community asset management services and online and offline retail services and catering services and marketing consultancy services and community space operational services.
- Commercial operational services: this segment provides market research and positioning and tenant sourcing services and commercial operation services and commercial properties leasing.
- Value-added services to non-property owners: this segment provides value-added services to non-property owners, including preliminary planning, design consultancy and pre-delivery services and sales office management.

(i) Segment results

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Central administrative expenses or assistance provided by one segment to the other, including sharing of assets and technical know-how, is not measure in respective operating segment.

The measure used for reporting segment profit is gross profit.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

(i) Segment results (continued)

No analysis of segment assets and segment liabilities is presented as this information is not regularly provided to the CODM for review.

The following is an analysis of the Group's revenue and results by operating and reportable segment:

	Property management services RMB'000	Lifestyle services RMB'000	Commercial operational services RMB'000	Value-added services to non-property owners RMB'000	Total RMB'000
Year ended 31 December 2025					
Segment revenue	<u>948,243</u>	<u>379,806</u>	<u>108,204</u>	<u>104,211</u>	<u>1,540,464</u>
Segment gross profits	<u>230,440</u>	<u>133,017</u>	<u>61,901</u>	<u>31,940</u>	<u>457,298</u>
Central administrative costs					<u>(178,089)</u>
Profit before taxation					<u>279,209</u>

	Property management services RMB'000	Lifestyle services RMB'000	Commercial operational services RMB'000	Value-added services to non-property owners RMB'000	Total RMB'000
Year ended 31 December 2024					
Segment revenue	<u>837,450</u>	<u>355,642</u>	<u>145,970</u>	<u>141,689</u>	<u>1,480,751</u>
Segment gross profits	<u>203,992</u>	<u>117,665</u>	<u>83,526</u>	<u>44,859</u>	<u>450,042</u>
Central administrative costs					<u>(146,469)</u>
Profit before taxation					<u>303,573</u>

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(Expressed in RMB unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

(ii) Geographic information

The Group generated its revenue mainly in the Chinese Mainland and its non-current assets are substantially located in the Chinese Mainland, and accordingly, no analysis of geographic information is presented.

5 OTHER NET EXPENSES

	2025 RMB'000	2024 RMB'000
Government grants (Note)	2,786	2,814
Valuation losses on investment properties	(19,830)	(8,367)
Fair value gain on equity securities measured at FVPL	1,253	1,118
(Gains)/losses on disposal of property and equipment	(67)	125
Losses on disposal of investment properties	(131)	(2,729)
Others	2,300	2,909
	<u>2,300</u>	<u>2,909</u>
Total	<u>(13,689)</u>	<u>(4,130)</u>

Note: The government grants represent subsidies from various PRC authorities. There are no unfulfilled conditions or future obligations attached to these subsidies.

6 PROFIT BEFORE TAXATION

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

(a) Finance income, net

	2025 RMB'000	2024 RMB'000
Interest income on bank deposit	(15,238)	(17,630)
Interest income on debt securities measured at amortised cost (Note 17(b))	(2,289)	—
Interest on lease liabilities	2,589	3,657
Others	727	2,680
	<u>727</u>	<u>2,680</u>
Total	<u>(14,211)</u>	<u>(11,293)</u>

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

6 PROFIT BEFORE TAXATION (CONTINUED)

(b) Staff costs

	2025 RMB'000	2024 RMB'000
Salaries, wages and other benefits	320,208	317,478
Contributions to defined contribution retirement plan	33,571	33,286
Total	<u>353,779</u>	<u>350,764</u>

(c) Other items

	2025 RMB'000	2024 RMB'000
Amortisation of intangible assets (Note 14)	18,689	17,467
Depreciation charge (Note 13)		
— Owned property and equipment	10,349	5,473
— Right-of-use assets	514	956
Expected credit loss on financial assets		
— Trade receivables (Note 18)	18,229	12,279
— Prepayments, deposits and other receivables (Note 19)	3,171	1,410
Net foreign exchange loss/(gain)	11,144	(1,558)
Auditor's remuneration-audit and interim services	2,250	2,300
Auditor's remuneration-other services	405	445
Rental income from investment properties less direct outgoings of RMB6,163,000 (2024: RMB6,398,000)	6,069	13,474
Expenses relating to short-term leases	1,917	1,181

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(a) Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	2025 RMB'000	2024 RMB'000
Current tax — PRC Corporate Income Tax		
Provision for the year	34,976	49,508
Under-provision/(over-provision) in prior years	1,568	(300)
Deferred tax		
Origination and reversal of temporary differences	5,933	(1,517)
	<u>42,477</u>	<u>47,691</u>

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

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

	2025 RMB'000	2024 RMB'000
Profit before taxation	<u>279,209</u>	<u>303,573</u>
Notional tax on profit before taxation, calculated at the rates applicable to profits in the jurisdictions concerned (Note (i))	69,802	75,893
Effect of PRC preferential tax (Notes (ii) and (iii))	(33,603)	(34,543)
Effect of non-deductible expenses	97	232
Effect of unrecognised tax losses	4,823	6,586
Under-provision/(over-provision) in prior years	1,568	(300)
Others	(210)	(177)
Actual tax expense	<u>42,477</u>	<u>47,691</u>

Notes:

- (i) Pursuant to the tax rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

No provision for Hong Kong Profits Tax has been made as the Group did not earn any income subject to Hong Kong Profits Tax in 2025 (2024: nil).

The provision for PRC current income tax is based on a statutory rate of 25% (2024: 25%) of the assessable profit as determined in accordance with the relevant income tax rules and regulations of the PRC.

- (ii) Pursuant to Caishui [2011] No. 58 Notice on Issues Concerning Relevant Tax Policies to In-depth Implementation of the Western Development Strategy (關於深入實施西部大開發戰略有關稅收政策問題的通知) and Announcement [2012] No. 12 Public Announcement on Corporate Income Tax Issues Relating to In-depth Implementation of the Western Development Strategy (關於深入實施西部大開發戰略有關企業所得稅問題的公告) and Caishui [2020] No. 23 Announcement on Continuation of Corporate Income Tax Policies for the Western Development Strategy (關於延續西部大開發企業所得稅政策的公告), certain subsidiaries of the Group, being enterprises engaged in state encouraged industries established in the specified western regions, are taxed at a preferential income tax rate of 15% till 31 December 2030.
- (iii) Certain subsidiaries have been approved as Small Low-profit Enterprises ("SLE"). The entitled subsidiaries are subject to a preferential income tax rate of 5% in certain years.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

8 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance, and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

Name of directors	Year ended 31 December 2025				
	Directors' fee RMB'000	Basic salaries and allowance RMB'000	Discretionary bonus RMB'000	Retirement benefit contribution RMB'000	Total RMB'000
Executive Directors					
Wu Min (re-designated on 10 September 2025)	—	—	—	—	—
Chen Jing	—	928	1,074	32	2,034
Non-executive Directors					
Jiang Mengjun	—	—	—	—	—
Li Wei	—	—	—	—	—
Zhang Wei	—	—	—	—	—
Independent non-executive directors					
Kong Chi Mo	220	—	—	—	220
Li Zhengguo	220	—	—	—	220
Cao Qilin	220	—	—	—	220
	660	928	1,074	32	2,694

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

8 DIRECTORS' EMOLUMENTS (CONTINUED)

Name of directors	Year ended 31 December 2024					Total RMB'000
	Directors' fee RMB'000	Basic salaries and allowance RMB'000	Discretionary bonus RMB'000	Retirement benefit contribution RMB'000		
Executive Directors						
Liu Xu (re-designated on 6 March 2024)	250	—	—	—		250
Chen Jing	—	840	927	32		1,799
Non-executive Directors						
Jiang Mengjun	—	—	—	—		—
Li Wei (appointed on 6 March 2024)	—	—	—	—		—
Wu Min (re-designated on 6 March 2024)	—	—	—	—		—
Zhang Wei	—	—	—	—		—
Dong Li (resigned on 6 March 2024)	—	—	—	—		—
Independent non-executive directors						
Kong Chi Mo	220	—	—	—		220
Li Zhengguo	220	—	—	—		220
Cao Qilin	220	—	—	—		220
	<u>910</u>	<u>840</u>	<u>927</u>	<u>32</u>		<u>2,709</u>

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, one (2024: one) is director whose emolument is disclosed in Note 8. During the year ended 31 December 2025, the emoluments in respect of the other four (2024: four) individuals were as follow:

	2025 RMB'000	2024 RMB'000
Salaries and other emoluments	2,815	2,732
Discretionary bonuses	1,889	1,543
Retirement scheme contributions	117	117
	<u>4,821</u>	<u>4,392</u>

The emoluments of the above individuals with the highest emoluments are within the following bands:

	2025	2024
Nil to HKD1,000,000	—	—
HKD1,000,001 to HKD1,500,000	3	4
HKD1,500,001 to HKD2,000,000	1	—
	<u>4</u>	<u>4</u>

10 EARNINGS PER SHARE

	2025 RMB'000	2024 RMB'000
Profits		
Profit attributable to equity shareholders of the Company	<u>216,075</u>	<u>226,785</u>

	2025 '000	2024 '000
Number of shares		
Weighted average number of ordinary shares	<u>814,126</u>	<u>814,126</u>

Diluted earnings per share were the same as the basic earnings per share as the Group had no dilutive potential shares in 2025 (2024: nil).

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11 INVESTMENT PROPERTIES

	Car parks and business property — owned RMB'000	Commercial properties — leased RMB'000	Total RMB'000
Fair value			
At 1 January 2024	52,557	44,572	97,129
Additions	—	54,565	54,565
Disposals	(110)	(24,350)	(24,460)
Change in fair value	(2,070)	(6,297)	(8,367)
At 31 December 2024 and 1 January 2025	50,377	68,490	118,867
Additions	255	6,433	6,688
Disposals	(83)	—	(83)
Change in fair value	(5,421)	(16,209)	(21,630)
At 31 December 2025	45,128	58,714	103,842

(a) Right-of-use assets

The Group leased certain commercial properties located in mainland China including Wenzhou and Chengdu, from property owners and subleased to tenants through operating leases to earn rental income. The right-of-use assets of the leases are determined to meet the definition of investment property.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

11 INVESTMENT PROPERTIES (CONTINUED)

(b) Fair value of properties

The following table presents the fair value of the Group's properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs

		Fair value as at 31 December 2025 RMB'000	Fair value as at 31 December 2024 RMB'000
Investment properties located in the PRC	Level 3	<u>103,842</u>	<u>118,867</u>

During the years ended 31 December 2025 there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (2024: nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

All of the Group's investment properties were revalued as at 31 December 2025. The valuations as at 31 December 2025 were carried out by two independent firms, Beijing Zhongwei Zhengxin("Beijing") Asset Evaluation Co.,Ltd. (中威正信(北京)資產評估有限公司) and Savills Valuation and Professional Services (China) Limited, who have among their staff Fellows of The Hong Kong Institute of Surveyors or members of The China Appraisal Society with recent experience in the location and category of property being valued. The Group's management have discussion with the surveyors on the valuation assumptions and valuation methodology when the valuation is performed at each interim and annual reporting date.

The following table gives information about how the fair values of these investment properties are determined.

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(Expressed in RMB unless otherwise indicated)

11 INVESTMENT PROPERTIES (CONTINUED)

(b) Fair value of properties (continued)

	Valuation techniques	Unobservable input	Range
Investment properties			
— Car parks	Market approach	Market transaction price	Market price per unit., 31 December 2025: RMB50,296–RMB62,500 31 December 2024: RMB57,147–RMB62,145
— Commercial properties	Income approach	Risk-adjusted discount rate	Risk-adjusted discount rate 31 December 2025: 5.95%–6.96% 31 December 2024: 6.36%–6.37%

The fair value of investment properties is based on determined market approach or income approach. Under the market approach, the fair value is estimated based on comparable transactions for properties in similar location, accessibility, age, quality and size. Under the income approach, the fair value is estimated based on discounted cashflow from income rights attributable to the investment property during its remaining lease period. The unit rent mainly made reference to the rents in existing lease. The fair value measurement is positively correlated to the market price, and negatively correlated to the risk-adjusted discount rates.

The Group leases out investment property under operating leases. The leases typically run for an initial period of 4 to 10 years, with an option to renew the lease after that date at which time all terms are renegotiated.

Undiscounted lease payments under operating leases in place at the reporting date will be receivable by the Group in future periods as follows:

	At 31 December 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 year	2,611	28,695
After 1 year but within 2 years	2,646	1,418
After 2 years but within 3 years	2,682	1,453
After 3 years but within 4 years	31,591	1,489
After 4 years but within 5 years	1,563	31,591
After 5 years	2,423	3,987
	43,516	68,633

Notes to the Consolidated Financial Statements

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12 GOODWILL

	Total RMB'000
At 31 December 2024, 1 January 2025 and 31 December 2025	<u>133,415</u>

Impairment of cash-generating units containing goodwill

For the purpose of impairment testing of goodwill, goodwill is allocated to a CGU (being subsidiaries acquired in acquisition, mainly in property service area). Such CGU represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

	2025 RMB'000	2024 RMB'000
Subsidiaries in property management service	<u>133,415</u>	<u>133,415</u>

The recoverable amount of the CGU has been determined based on value-in-use calculations. The Group engaged an independent professional valuer to assist with the calculation. These calculations use cash flow projections based on five-year financial budgets approved by management for the goodwill related asset group. The key assumptions used in estimating the recoverable amount are as follows:

	2025	2024
Gross profit margin	36%	43%
Revenue growth rate	0%~2%	0%~2%
Pre-tax discount rate	14.44%	14.64%

Based on the results of the above assessment, the Group determines that there is no impairment on goodwill as at 31 December 2025 (2024 : Nil).

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13 PROPERTY AND EQUIPMENT

	Vehicles RMB'000	Office and other equipment RMB'000	Furniture and fixtures RMB'000	Right-of-use assets — leased properties RMB'000	Total RMB'000
Cost:					
At 1 January 2024	1,204	20,727	18,387	3,004	43,322
Additions	190	8,512	9,050	240	17,992
Disposals	(35)	(1,051)	(62)	—	(1,148)
At 31 December 2024 and 1 January 2025	1,359	28,188	27,375	3,244	60,166
Additions	54	3,415	31,456	451	35,376
Disposals	(27)	(1,126)	(901)	(3,244)	(5,298)
At 31 December 2025	1,386	30,477	57,930	451	90,244
Accumulated depreciation:					
At 1 January 2024	(760)	(12,268)	(13,550)	(1,604)	(28,182)
Charge for the year	(326)	(2,812)	(2,335)	(956)	(6,429)
Written back on disposals	4	701	14	—	719
At 31 December 2024 and 1 January 2025	(1,082)	(14,379)	(15,871)	(2,560)	(33,892)
Charge for the year	(89)	(3,441)	(6,819)	(514)	(10,863)
Written back on disposals	15	929	814	2,949	4,707
At 31 December 2025	(1,156)	(16,891)	(21,876)	(125)	(40,048)
Carrying amount:					
At 31 December 2025	230	13,586	36,054	326	50,196
At 31 December 2024	277	13,809	11,504	684	26,274

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in Note 20(c) and Note 24, respectively. The leases typically run for an initial period of 2 years. Lease payments are usually increased every year to reflect market rentals. Some leases do not include an option to renew the lease for an additional period after the end of the contract term. Where practicable, the Group seeks to include such extension options exercisable by the Group to provide operational flexibility.

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(Expressed in RMB unless otherwise indicated)

14 INTANGIBLE ASSETS

	Software RMB'000	Customer relationship RMB'000	Total RMB'000
Cost:			
At 1 January 2024	102,532	64,395	166,927
Addition	25,448	—	25,448
At 31 December 2024 and 1 January 2025	127,980	64,395	192,375
Addition	9,450	—	9,450
At 31 December 2025	137,430	64,395	201,825
Accumulated amortisation:			
At 1 January 2024	(17,955)	(11,154)	(29,109)
Charge for the year	(11,028)	(6,439)	(17,467)
At 31 December 2024 and 1 January 2025	(28,983)	(17,593)	(46,576)
Charge for the year	(12,250)	(6,439)	(18,689)
At 31 December 2025	(41,233)	(24,032)	(65,265)
Net book value:			
At 31 December 2025	96,197	40,363	136,560
At 31 December 2024	98,997	46,802	145,799

The amortisation charge for the year is included in "administrative expenses" and "cost of sales".

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15 INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

Company name	Place of incorporation/ establishment and operation	Particulars of registered and paid-up capital	Proportion of ownership interest		Principal activities
			Held by the Company	Held by a subsidiary	
New Brilliance Development Limited	The BVI	USD1	100%	—	Investment holding
Golden Prosperity Development Limited	Hong Kong	HKD10,000	—	100%	Investment holding
新希望物業服務集團有限公司	The PRC	RMB813,304,900	—	100%	Property management
New Hope Property Service Group Co., Ltd. (Notes (i) and (ii))					
廣西新希望物業服務有限公司	The PRC	RMB5,000,000	—	100%	Property management
Guangxi New Hope Property Service Co., Ltd. (Notes (i) and (ii))					
瀋陽新希望物業服務有限公司	The PRC	RMB500,000	—	100%	Property management
Shenyang New Hope Property Service Co., Ltd. (Notes (i) and (ii))					
大連新希望物業服務有限公司	The PRC	RMB2,000,000	—	100%	Property management
Dalian New Hope Property Service Co., Ltd. (Notes (i) and (ii))					
雲南新希望物業服務有限公司	The PRC	RMB5,000,000	—	100%	Property management
Yunnan New Hope Property Co., Ltd. (Notes (i) and (ii))					
蘇州新希望物業管理有限公司	The PRC	RMB1,000,000	—	100%	Property management
Suzhou New Hope Property Management Co., Ltd. (Notes (i) and (ii))					
雲南大商匯商業發展有限公司	The PRC	RMB40,000,000	—	100%	Commercial Business management
Yunnan Dashanghui Commercial Development Co., Ltd. (Notes (i) and (ii))					
成都國悅新生活服務有限責任公司	The PRC	RMB50,000,000	—	60%	Property and Commercial Business management
Chengdu Guoyue New Life Service Co., Ltd. (Notes (i) and (ii))					
成都明宇環球商業管理有限公司	The PRC	RMB5,000,000	49%	2%	Property management
Chengdu Mingyu Global Business Management Co., Ltd. (Notes (i) and (ii))					

Notes:

(i) These entities were registered as limited liability companies under the laws and regulations in the PRC.

(ii) The English translation of the names are for identification only. The official names of these entities are in Chinese.

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15 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The following table lists out the information relating to each subsidiary of the Group which has material non-controlling interests ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

	Chengdu Mingyu Global Business Management Co., Ltd.		Chengdu Guoyue New Life Service Co., Ltd.	
	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000
NCI percentage	49%	49%	40%	40%
Current assets	163,046	200,511	109,872	72,451
Non-current assets	69,132	75,917	36,316	58,232
Current liabilities	(128,916)	(140,860)	(67,839)	(36,427)
Non-current liabilities	(7,018)	(8,112)	(24,872)	(33,480)
Net assets	96,244	127,456	53,477	60,776
Carrying amount of NCI	47,160	62,454	21,391	24,310
Revenue	162,267	177,404	32,374	18,863
Profit/(loss) from continuing operations	33,829	50,665	(7,299)	11,110
Total comprehensive income	33,829	50,665	(7,299)	11,110
Profit/(loss) allocated to NCI	16,576	24,826	(2,920)	4,444
Dividend paid to NCI	(14,394)	(48,510)	—	—

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16 INTERESTS IN ASSOCIATES

The following list contains only the particulars of material associates, all of which are unlisted corporate entities whose quoted market price is not available:

Name	Particulars of issued shares held	Place of registration and business	Percentage of ownership interest attributable to the Group	Principal activity
Chengdu Jingkai Hope Youfu Business Services Co., Ltd. (成都經開希望優服商務服務有限公司)	Ordinary shares	PRC/Mainland China	49%	property management services and lifestyle services
Chengdu Mingyu Shijia Property Service Co., Ltd. (成都明宇世嘉物業服務有限公司)	Ordinary shares	PRC/Mainland China	34%	property management services and lifestyle services
Fuzhou Guoxinrui Beautiful City Operation Management Co., Ltd. (福州市國新瑞美好城市運營管理有限公司)	Ordinary shares	PRC/Mainland China	49%	property management services and lifestyle services
Chengdu Dongming Future Enterprise Management Co., Ltd. (成都東明未來企業經營管理有限公司)	Ordinary shares	PRC/Mainland China	40%	commercial operational services
Sichuan Zhilian Xinyun Robot Technology Co., Ltd (四川智鏈新雲機器人科技有限公司)	Ordinary shares	PRC/Mainland China	49%	commercial operational services
Beiwang (Chengdu) Property Management Co., Ltd. (貝望(成都)物業管理有限公司)	Ordinary shares	PRC/Mainland China	49%	property management services and lifestyle services

Aggregate information of associates that are not individually material:

	2025 RMB'000	2024 RMB'000
Aggregate carrying amount of individually immaterial associates in the consolidated financial statements	10,281	6,806
Aggregate amounts of the Group's share of those associates' Profit from continuing operations	1,490	1,238
Total comprehensive income	1,490	1,238

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17 OTHER INVESTMENTS IN SECURITIES

(a) Financial assets measured at fair value through profit or loss (“FVPL”)

	2025 RMB'000	2024 RMB'000
Equity securities measured at FVPL (Note)	<u>12,371</u>	<u>11,118</u>
	<u>12,371</u>	<u>11,118</u>

Note:

On 2 February 2023, the Group and other investors entered into a cooperation agreement to form a limited partnership (“the Partnership”) and the Group is one of the limited partners. The Partnership is incorporated in Beijing and engaged in internet industrial investment. As at 31 December 2025, the actual capital injection of the Group was RMB10,000,000.

The directors consider that the Group has neither significant influence nor control over the investment and designated the investment as equity securities measured at fair value through profit or loss. The investment is not held for trading purposes.

(b) Debt securities measured at amortised cost

	2025 RMB'000	2024 RMB'000
Treasury Securities	<u>51,590</u>	<u>—</u>
	<u>51,590</u>	<u>—</u>

Note:

The Group entered into an asset management plan investment agreement with investment institutions. The agreement mainly invests in financial instruments such as bonds, warrants, options, etc.

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(Expressed in RMB unless otherwise indicated)

18 TRADE RECEIVABLES

	2025 RMB'000	2024 RMB'000
Trade receivables from the companies controlled by the Ultimate Owners (Note 28(c))	150,363	152,976
Trade receivables from external customers	404,053	331,923
Less: Allowance for trade receivables	(50,896)	(35,992)
	<u>503,520</u>	<u>448,907</u>

(a) Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables based on the date of revenue recognition and net of allowance for impairment of trade receivables is as follows:

	2025 RMB'000	2024 RMB'000
Within 1 year	483,872	433,023
1 to 2 years	15,075	9,387
2 to 3 years	4,235	6,306
3 to 4 years	338	191
	<u>503,520</u>	<u>448,907</u>

Trade receivables are due when the receivables are recognised. Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 27(a).

(b) Impairment of trade receivables

The movements in the loss allowance in respect of trade receivables during the year are as follows:

	2025 RMB'000	2024 RMB'000
At 1 January	35,992	23,713
Expected credit loss recognised	18,229	15,916
Expected credit loss reversed	—	(3,637)
Written-off	(3,325)	—
	<u>50,896</u>	<u>35,992</u>
At 31 December		

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19 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Deposits and other receivables

	2025 RMB'000	2024 RMB'000
Receivables from tenants and staff	29,797	23,973
Deposits	34,726	29,469
Other receivables	14,498	12,671
Less: Allowance for other receivables	(7,064)	(3,893)
Financial assets measured at amortised cost	71,957	62,220
Prepayments	54,208	54,424
Deductible value-added tax	8,077	7,287
	<u>134,242</u>	<u>123,931</u>

20 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

	2025 RMB'000	2024 RMB'000
Cash at bank	957,598	1,052,602
Cash on hand	210	449
	<u>957,808</u>	<u>1,053,051</u>

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

20 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(b) Reconciliation of profit before taxation to cash generated from operations:

	<i>Note</i>	2025 RMB'000	2024 RMB'000
Profit before taxation		279,209	303,573
Adjustments for:			
Interest income	6	(17,527)	(14,487)
Interest expenses	6	2,589	3,657
Foreign exchange loss/(gain)		11,144	(1,558)
Depreciation of property and equipment	13	10,863	6,429
Amortisation of intangible assets	14	18,689	17,467
Valuation losses on investment properties	5	19,830	8,367
Valuation gain on FVPL		(1,253)	(1,118)
Expected credit loss on financial assets		21,400	13,689
Net losses/(gains) on disposal of property and equipment	5	67	(125)
Net losses on disposal of investment properties		131	2,729
Share profits of associates	16	(1,490)	(1,238)
Changes in working capital:			
Increase in inventories		(78)	(114)
Increase in trade receivables		(69,517)	(143,591)
Increase in prepayments, deposits and other receivables		(8,482)	(23,772)
Increase in contract liabilities		40,296	14,887
(Decrease)/increase in trade payables		(19,354)	18,622
(Decrease)/increase in other payables and accruals		(30,650)	4,587
Cash generated from operations		<u>255,867</u>	<u>208,004</u>

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(Expressed in RMB unless otherwise indicated)

20 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(c) Reconciliation of liabilities arising from financing activities

The tables below detail changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Lease liabilities RMB'000
At 1 January 2024	57,298
Changes from financing cash flows:	
Capital element of lease rentals paid	(20,132)
Interest element of lease rentals paid	(3,657)
Total changes from financing cash flows	(23,789)
Increase in lease liabilities from new leases entered during the year	40,223
Interest expenses	3,657
At 31 December 2024 and 1 January 2025	77,389
Changes from financing cash flows:	
Capital element of lease rentals paid	(40,865)
Interest element of lease rentals paid	(2,589)
Total changes from financing cash flows	(43,454)
Increase in lease liabilities from new leases entered during the year	225
Interest expenses	2,589
At 31 December 2025	36,749

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21 TRADE PAYABLES

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

	2025 RMB'000	2024 RMB'000
Amounts due to the companies controlled by the Ultimate Owners (Note 28(c))	4,158	3,660
Amounts due to third parties	<u>189,786</u>	<u>209,638</u>
	<u>193,944</u>	<u>213,298</u>

	2025 RMB'000	2024 RMB'000
Within 1 year	189,933	207,799
1 to 2 years	2,067	2,895
2 to 3 years	1,552	1,876
Over 3 years	<u>392</u>	<u>728</u>
	<u>193,944</u>	<u>213,298</u>

All the trade payables (including amounts due to the companies controlled by the Ultimate Owners) are expected to be settled on demand.

22 OTHER PAYABLES AND ACCRUALS

	2025 RMB'000	2024 RMB'000
Other taxes and charges payable	9,527	26,526
Accrued payroll and other benefits	34,656	41,434
Deposits	64,032	70,585
Receipts on behalf of residents/tenants	85,024	85,445
Dividends payable	8,333	10,576
Other payables and accruals	<u>861</u>	<u>760</u>
	<u>202,433</u>	<u>235,326</u>

All the other payables and accruals are expected to be settled or are repayable on demand.

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23 CONTRACT LIABILITIES

	2025 RMB'000	2024 RMB'000
Billings in advance of performance		
— Companies controlled by the Ultimate Owners (Note 28(c))	4,485	9,198
— External customers	<u>245,153</u>	<u>200,144</u>
	<u>249,638</u>	<u>209,342</u>

Movements in contract liabilities were as follows:

	2025 RMB'000	2024 RMB'000
Balance at 1 January	209,342	194,455
Revenue recognised that was included in the balance of contract liabilities at the beginning of the year	(207,692)	(193,175)
Increase by cash received	<u>247,988</u>	<u>208,062</u>
Balance at 31 December	<u>249,638</u>	<u>209,342</u>

The Group received a deposit before rendering the services. This will give rise to contract liabilities at the start of a contract, until the revenue recognised on the project exceeds the amount of the deposit.

The amounts of contract liabilities expected to be recognised as income after more than one year are RMB2,330,000 as at 31 December 2025 (31 December 2024: RMB1,650,000).

24 LEASE LIABILITIES

At 31 December 2025, the lease liabilities were repayable as follows:

	2025 RMB'000	2024 RMB'000
Within 1 year	<u>2,297</u>	<u>43,826</u>
After 1 year but within 2 years	2,209	2,072
After 2 years but within 5 years	29,931	28,879
After 5 years	<u>2,312</u>	<u>2,612</u>
	<u>34,452</u>	<u>33,563</u>
	<u>36,749</u>	<u>77,389</u>

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25 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position represents:

	2025 RMB'000	2024 RMB'000
PRC Corporate Income Tax		
At 1 January	8,919	6,126
Provision for the year (Note 7)	34,976	49,508
Under-provision/(over-provision) in prior years (Note 7)	1,568	(300)
Payments during the year	(44,133)	(46,415)
At 31 December	1,330	8,919

(b) Deferred tax assets and liabilities recognised:

(i) Movement of each component of deferred tax assets and liabilities

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the reporting period are as follows:

Deferred tax arising from:	Revaluation			Intangible assets		Cumulative tax losses	Retained profits to be distributed	Total
	Credit loss allowance	of investment property	Right-of-use assets	Lease liabilities	arising from acquisitions			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024	(4,723)	1,347	6,650	(12,110)	9,312	(1,221)	3,042	2,297
(Credited)/charged to profit or loss	(2,415)	(200)	10,447	(7,927)	(1,100)	—	(322)	(1,517)
At 31 December 2024 and 1 January 2025	(7,138)	1,147	17,097	(20,037)	8,212	(1,221)	2,720	780
(Credited)/charged to profit or loss	(2,440)	(540)	(2,724)	10,906	(1,100)	1,221	610	5,933
At 31 December 2025	(9,578)	607	14,373	(9,131)	7,112	—	3,330	6,713

(ii) Reconciliation to the consolidated statement of financial position

	2025 RMB'000	2024 RMB'000
Net deferred tax asset recognised in the consolidated statement of financial position	5,430	11,294
Net deferred tax liabilities recognised in the consolidated statement of financial position	(12,143)	(12,074)
	(6,713)	(780)

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25 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(c) Deferred tax assets not recognised

	2025 RMB'000	2024 RMB'000
Unrecognised tax losses	<u>47,515</u>	<u>32,780</u>

In accordance with the accounting policy set out in Note 2(q), the Group has not recognised deferred tax assets in respect of cumulative tax losses of RMB47,515,000 as of 31 December 2025 (31 December 2024: RMB32,780,000), as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entities.

Pursuant to the relevant laws and regulations in the PRC, the unrecognised tax losses at the end of the reporting period will expire in the following years:

	2025 RMB'000	2024 RMB'000
2025	—	848
2026	1,741	1,741
2027	1,827	1,827
2028	10,989	10,989
2029	17,375	17,375
2030	15,583	—
	<u>47,515</u>	<u>32,780</u>

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26 CAPITAL, RESERVES, DIVIDENDS AND NON-CONTROLLING INTERESTS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below.

	Share capital RMB'000	Share premium RMB'000	Retained profits RMB'000	Total RMB'000
Balance at 1 January 2024	6,741	697,073	61,236	765,050
Change in equity for 2024:				
Total comprehensive income for the year	—	—	138,931	138,931
Dividends approved in respect of the previous year	—	—	(74,227)	(74,227)
Dividends declared in respect of the current year	—	—	(67,572)	(67,572)
Balance at 31 December 2024	6,741	697,073	58,368	762,182
Balance at 1 January 2025	6,741	697,073	58,368	762,182
Change in equity for 2025:				
Total comprehensive income for the year	—	—	130,550	130,550
Dividends approved in respect of the previous year	—	—	(61,874)	(61,874)
Dividends declared in respect of the current year	—	—	(81,413)	(81,413)
Balance at 31 December 2025	6,741	697,073	45,631	749,445

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26 CAPITAL, RESERVES, DIVIDENDS AND NON-CONTROLLING INTERESTS (CONTINUED)

(b) Dividends

- (i) Dividends payable to equity shareholders of the Company attributable to the year:

	2025 RMB'000	2024 RMB'000
Interim dividend declared and paid of HKD0.110 (equivalent to RMB0.100) per share (2024: HKD0.090 (equivalent to RMB0.083))	81,413	67,572
Final dividend proposed after the end of the reporting period of RMB0.077 (2024: RMB0.076) per ordinary share	62,687	61,874
	144,100	129,446

The final dividend proposed for shareholders' approval after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2025 RMB'000	2024 RMB'000
Final dividend in respect of the previous financial year, approved and paid during the year, of RMB0.076 per share (2024: RMB0.091 per share)	61,874	74,227

(c) Share capital

Authorised share capital

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 5 November 2020.

	No. of shares	RMB
Ordinary shares, Issued and fully paid at 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	<u>814,126,000</u>	<u>6,740,976</u>

26 CAPITAL, RESERVES, DIVIDENDS AND NON-CONTROLLING INTERESTS (CONTINUED)

(d) Nature and purpose of reserves

(i) Share premium

Share premium represents the difference between the consideration and the par value of the issued and paid-up shares of the Company. Under the Companies Law of the Cayman Islands, the share premium account of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company would be in a position to pay off its debts as they fall due in the ordinary course of business.

(ii) Capital reserve

Capital reserve balance represents:

- the aggregate amount of the paid-in capital, capital premium and other capital reserves of a subsidiary of the Company at the respective dates; and
- cash consideration received from related management personnel for subscription of the incentive shares in previous years.

(iii) Statutory surplus reserve

Pursuant to the relevant laws in the PRC, each of the subsidiaries established in the PRC is required to allocate 10% of its profit after tax to the statutory reserves fund until such fund reaches 50% of the subsidiaries' registered capital. The statutory reserves fund can be utilised, upon approval by the relevant authorities, to offset accumulated losses or to increase registered capital of the subsidiaries, provided that such fund is maintained at a minimum of 25% of the subsidiaries' registered capital.

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost. The Group's overall strategy remains unchanged throughout the year.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

Exposure to credit, liquidity and currency risks arise in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

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27 FINANCIAL RISK MANAGEMENT

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to cash at bank, trade receivables, deposits, other receivables and debt securities. The Group's exposure to credit risk arising from cash and cash equivalents are limited because the counterparties are banks and financial institutions with a high credit standing assigned by the management of the Group, to which the Group considers to have low credit risk. The Group's exposure to credit risk arising from refundable rental deposits is considered to be low, taking into account the remaining lease term and the period covered by the rental deposits.

In respect of amounts due from related parties, amounts due from tenants and staff, deposits and other receivables included in prepayments, deposits and other receivables, the Group has assessed that the expected credit loss rate for these receivables is immaterial under 12 months expected losses method based on historical settlement records, current economic conditions and forward-looking information.

In respect of trade receivables, the Group measures loss allowances at an amount equal to lifetime ECLs based on historical settlement records, current economic conditions and forward-looking information. Except for disclosed in Note 3, the Group has a large number of customers and there was no concentration of credit risk. In addition, the Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The Group considers that a default event occurs when there is significant decrease in services fee collection rate and estimates the expected credit loss rate for the reporting period. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2025 and 2024.

	At 31 December 2025		
	Expected loss rate %	Gross carrying amount RMB'000	Loss allowance RMB'000
within 1 year	3.42%	501,009	(17,137)
1-2 years	44.16%	26,999	(11,924)
2-3 years	67.52%	13,038	(8,803)
3 to 4 years	96.67%	10,137	(9,799)
over 4 years	100.00%	3,233	(3,233)
		<u>554,416</u>	<u>(50,896)</u>

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27 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

	At 31 December 2024		
	Expected loss rate %	Gross carrying amount RMB'000	Loss allowance RMB'000
within 1 year	2.94%	446,147	(13,124)
1-2 years	32.15%	13,834	(4,447)
2-3 years	64.95%	17,992	(11,686)
3 to 4 years	96.55%	5,545	(5,354)
over 4 years	100.00%	1,381	(1,381)
		<u>484,899</u>	<u>(35,992)</u>

Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants and its relationship with finance providers, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of each reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

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27 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (continued)

	At 31 December 2025					
	Contractual undiscounted cash outflow					Carrying amount
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Trade payables	193,944	—	—	—	193,944	193,944
Other payables and accruals	202,433	—	—	—	202,433	202,433
Lease liabilities	2,843	2,646	35,836	2,423	43,748	36,749
	<u>399,220</u>	<u>2,646</u>	<u>35,836</u>	<u>2,423</u>	<u>440,125</u>	<u>433,126</u>

	At 31 December 2024					
	Contractual undiscounted cash outflow					Carrying amount
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Trade payables	213,298	—	—	—	213,298	213,298
Other payables and accruals	235,326	—	—	—	235,326	235,326
Lease liabilities	50,574	2,732	37,614	2,884	93,804	77,389
	<u>499,198</u>	<u>2,732</u>	<u>37,614</u>	<u>2,884</u>	<u>542,428</u>	<u>526,013</u>

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is not subject to interest rate risk during the reporting periods.

(d) Currency risk

The Group's PRC subsidiaries' functional currency is RMB and their businesses are principally conducted in RMB. The Group considers the currency risk to be insignificant.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

28 MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 8 and certain of the highest paid employees as disclosed in Note 9, is as follows:

	2025 RMB'000	2024 RMB'000
Short-term employee benefits	6,706	6,042
Post-employment benefits	149	149
	<u>6,855</u>	<u>6,191</u>

Total remuneration is included in "staff costs" (see Note 6(b)).

(b) Significant related party transactions

The ultimate controlling owners of the Group are Mr. Liu Yonghao and Ms. Liu Chang (collectively the "Ultimate Owners"). The principal transactions which were carried out in the ordinary course of business are as follows:

Nature of related party	2025 RMB'000	2024 RMB'000
Provision of property management services and other services		
— Companies controlled by the Ultimate Owners	217,884	222,686
— Associate of companies controlled by the Ultimate Owners	34,307	52,300
Purchase of goods and receiving services and cost sharing		
— Companies controlled by the Ultimate Owners	13,141	9,128
Rental paid to companies controlled by the Ultimate Owners	<u>1,300</u>	<u>1,300</u>

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

28 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Balances with related parties

The outstanding balances arising from above transactions in the consolidated statement of financial position are as follows:

	2025 RMB'000	2024 RMB'000
Trade receivables		
— Companies controlled by the Ultimate Owners	150,363	152,976
Trade payables		
— Companies controlled by the Ultimate Owners	4,158	3,660
Contract liabilities		
— Companies controlled by the Ultimate Owners	4,485	9,198
Lease liabilities		
— Companies controlled by Ultimate Owners	3,277	5,262

Amounts due to related parties as at 31 December 2025 are all trade nature, unsecured and interest-free.

29 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	<i>Note</i>	2025 RMB'000	2024 RMB'000
Non-current asset			
Interests in subsidiaries		114,803	114,803
Total non-current asset		114,803	114,803
Current assets			
Amounts due from subsidiaries		645,400	647,179
Cash and cash equivalents		640	200
Total current assets		646,040	647,379
NET ASSETS		760,843	762,182
CAPITAL AND RESERVES			
Share capital	26(c)	6,741	6,741
Reserves		754,102	755,441
TOTAL EQUITY		760,843	762,182

30 IMMEDIATE PARENT AND ULTIMATE CONTROLLING PARTY

At 31 December 2025, the directors consider the immediate parent of the Group to be Golden Rose Developments Limited, which is incorporated in British Virgin Islands ("BVI") and ultimate controlling party of the Group are Mr. Liu Yonghao and Ms. Liu Chang.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

31 COMPARATIVE FIGURES

Certain comparative figures were reclassified to conform with current year's presentation.

32 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2025

Up to the date of issue of these financial statements, the IASB has issued a number of new or amended standards, which are not yet effective for the year ended 31 December 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to IFRS 9, Financial instruments and IFRS 7, <i>Financial instruments: disclosures — Contracts referencing nature-Dependent electricity</i>	1 January 2026
Amendments to IFRS 9, <i>Financial instruments</i> and IFRS 7, <i>Financial instruments: disclosures — Amendments to the classification and measurement of financial instruments</i>	1 January 2026
Annual improvements to IFRS Accounting Standards — Volume 11	1 January 2026
IFRS 18, <i>Presentation and disclosure in financial statements</i>	1 January 2027
IFRS 19, <i>Subsidiaries without public accountability: disclosures</i>	1 January 2027
Amendments to IFRS10, <i>Consolidated financial statements</i> and IAS28, <i>Investments in associates and joint ventures, Sale or contribution of assets between an investor and its associate or joint venture</i>	To be determined

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

IFRS 18, *Presentation and disclosure in financial statements*

IFRS 18 will replace IAS 1 Presentation of financial statements and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The group does not plan to early adopt IFRS 18 and is still in the process of assessing the impact of the adoption.

Financial Summary

	2021 (RMB'000)	2022 (RMB'000)	2023 (RMB'000)	2024 (RMB'000)	2025 (RMB'000)
Revenue	924,970	1,138,889	1,260,723	1,480,751	1,540,464
Gross profit	376,690	431,134	440,214	450,042	457,298
Gross profit margin	40.70%	37.9%	34.9%	30.4%	29.7%
Profit before taxation	202,212	266,420	283,934	303,573	279,209
Income tax expense	36,333	44,141	43,300	47,691	42,477
Profit for the year	165,879	222,279	240,634	255,882	236,732

	2021 (RMB'000)	2022 (RMB'000)	2023 (RMB'000)	2024 (RMB'000)	2025 (RMB'000)
Non-current assets	139,375	376,236	409,483	453,573	452,095
Current assets	1,351,592	1,443,689	1,551,223	1,631,072	1,655,605
Current liabilities	468,760	568,999	644,965	710,771	649,642
Net current assets	882,832	874,690	906,258	920,361	1,005,963
Total assets less current liabilities	1,022,207	1,250,926	1,315,741	1,373,934	1,458,058
Non-current liabilities	67,848	77,093	59,045	45,637	46,595
Total equity of the Company	954,359	1,173,833	1,256,696	1,328,297	1,411,463