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**S-Enjoy Service Group Co., Limited**

**新城悅服務集團有限公司**

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

**(Stock Code: 1755)**

**(1) RESULTS ANNOUNCEMENT FOR THE YEAR ENDED  
31 DECEMBER 2024;  
AND  
(2) CONTINUED SUSPENSION OF TRADING**

Reference is made to the announcement of the Company dated 20 January 2026 in relation to, among other things, the unaudited annual results for the year ended 31 December 2024 (the “**Unaudited Results Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Unaudited Results Announcement.

The auditor of the Group has completed the audit process on the Group’s consolidated financial statements for the year ended 31 December 2024.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to draw attention to the Shareholders and potential investors that the 2024 Annual Results has no differences with the unaudited annual results contained in the Unaudited Results Announcement.

The Board hereby announces the audited consolidated results of the Group for the year ended 31 December 2024, together with the comparative amounts for the corresponding period in 2023.

| <b>ANNUAL RESULTS HIGHLIGHTS</b>                                                                                                                               |                                                |             |                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|-------------|-------------------------|
|                                                                                                                                                                | <b>For the year ended 31 December</b>          |             |                         |
|                                                                                                                                                                | <b>2024</b>                                    | <b>2023</b> | <b>YoY</b>              |
|                                                                                                                                                                | <i>(RMB'000 except as otherwise specified)</i> |             |                         |
| Revenue                                                                                                                                                        | <b>5,055,598</b>                               | 5,424,284   | -6.8%                   |
| — Property management services                                                                                                                                 | <b>3,575,950</b>                               | 3,555,106   | 0.6%                    |
| — Community-related value-added services                                                                                                                       | <b>1,184,806</b>                               | 1,314,308   | -9.9%                   |
| — Developer-related value-added services*                                                                                                                      | <b>294,842</b>                                 | 554,870     | -46.9%                  |
| * Developer-related value-added services contain on-site sale assistance services, consulting services, house inspection services and smart community services |                                                |             |                         |
| Gross profit                                                                                                                                                   | <b>936,605</b>                                 | 1,438,478   | -34.9%                  |
| Gross profit margin                                                                                                                                            | <b>18.5%</b>                                   | 26.5%       | -8.0 percentage points  |
| — Property management services                                                                                                                                 | <b>16.6%</b>                                   | 24.0%       | -7.4 percentage points  |
| — Community-related value-added services                                                                                                                       | <b>26.4%</b>                                   | 35.7%       | -9.3 percentage points  |
| — Developer-related value-added services                                                                                                                       | <b>10.5%</b>                                   | 20.8%       | -10.3 percentage points |
| (Loss)/Profit for the year                                                                                                                                     | <b>(875,645)</b>                               | 507,858     | -272.4%                 |
| (Loss)/Profit for the year attributable to owners of the company                                                                                               | <b>(819,562)</b>                               | 445,045     | -284.2%                 |
| (Loss)/Earnings per share <i>(Expressed in RMB)</i>                                                                                                            |                                                |             |                         |
| — Basic (loss)/earnings per share                                                                                                                              | <b>(0.96)</b>                                  | 0.52        | -284.6%                 |
| — Diluted (loss)/earnings per share                                                                                                                            | <b>(0.96)</b>                                  | 0.52        | -284.6%                 |

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

|                                                                          |       | For the year<br>ended<br>31 December<br>2024<br>RMB'000 | For the year<br>ended<br>31 December<br>2023<br>RMB'000 |
|--------------------------------------------------------------------------|-------|---------------------------------------------------------|---------------------------------------------------------|
|                                                                          | Notes |                                                         |                                                         |
| <b>Revenue</b>                                                           | 4     | <b>5,055,598</b>                                        | 5,424,284                                               |
| Cost of sales and services                                               | 4, 5  | <u>(4,118,993)</u>                                      | <u>(3,985,806)</u>                                      |
| <b>Gross profit</b>                                                      |       | <b>936,605</b>                                          | 1,438,478                                               |
| Selling and marketing expenses                                           | 5     | (278,098)                                               | (104,746)                                               |
| Administrative expenses                                                  | 5     | (574,150)                                               | (540,976)                                               |
| Net impairment losses on financial assets and<br>contract assets         |       | (1,016,026)                                             | (255,737)                                               |
| Other income                                                             | 6     | 69,598                                                  | 50,973                                                  |
| Other expenses                                                           |       | (16,940)                                                | (12,596)                                                |
| Other gains — net                                                        |       | <u>51,000</u>                                           | <u>48,280</u>                                           |
| <b>Operating (loss)/profit</b>                                           |       | <b>(828,011)</b>                                        | 623,676                                                 |
| Finance income                                                           |       | 25,409                                                  | 22,781                                                  |
| Finance cost                                                             |       | <u>(560)</u>                                            | <u>(842)</u>                                            |
| Finance income — net                                                     | 7     | <u>24,849</u>                                           | <u>21,939</u>                                           |
| Share of net loss of associates accounted for<br>using the equity method |       | <u>(1,113)</u>                                          | <u>(30)</u>                                             |
| <b>(Loss)/Profit before income tax</b>                                   |       | <b>(804,275)</b>                                        | 645,585                                                 |
| Income tax expense                                                       | 8     | <u>(71,370)</u>                                         | <u>(137,727)</u>                                        |
| <b>(Loss)/Profit for the year</b>                                        |       | <u><b>(875,645)</b></u>                                 | <u>507,858</u>                                          |

|                                                                                                   |              | <b>For the year<br/>ended<br/>31 December<br/>2024<br/>RMB'000</b> | <b>For the year<br/>ended<br/>31 December<br/>2023<br/>RMB'000</b> |
|---------------------------------------------------------------------------------------------------|--------------|--------------------------------------------------------------------|--------------------------------------------------------------------|
|                                                                                                   | <i>Notes</i> |                                                                    |                                                                    |
| Other comprehensive income                                                                        |              |                                                                    |                                                                    |
| <i>Items that may be reclassified to profit or loss</i>                                           |              |                                                                    |                                                                    |
| Changes in the fair value of debt instruments at fair<br>value through other comprehensive income |              | <b>(1,259)</b>                                                     | (3,619)                                                            |
| Credit loss of debt instruments at fair value through<br>other comprehensive income               |              | <b>1,259</b>                                                       | 3,619                                                              |
|                                                                                                   |              | <u>—</u>                                                           | <u>—</u>                                                           |
| Other comprehensive income for the year                                                           |              | <u>—</u>                                                           | <u>—</u>                                                           |
| <b>Total comprehensive (expense)/income<br/>for the year</b>                                      |              | <b><u>(875,645)</u></b>                                            | <b><u>507,858</u></b>                                              |
| (Loss)/Profit for the year attributable to:                                                       |              |                                                                    |                                                                    |
| — Owners of the Company                                                                           |              | <b>(819,562)</b>                                                   | 445,045                                                            |
| — Non-controlling interests                                                                       |              | <b>(56,083)</b>                                                    | 62,813                                                             |
|                                                                                                   |              | <b><u>(875,645)</u></b>                                            | <b><u>507,858</u></b>                                              |
| Total comprehensive (expense)/income<br>attributable to:                                          |              |                                                                    |                                                                    |
| — Owners of the Company                                                                           |              | <b>(819,562)</b>                                                   | 445,045                                                            |
| — Non-controlling interests                                                                       |              | <b>(56,083)</b>                                                    | 62,813                                                             |
|                                                                                                   |              | <b><u>(875,645)</u></b>                                            | <b><u>507,858</u></b>                                              |
| <b>(Loss)/Earnings per share<br/>(expressed in RMB)</b>                                           |              |                                                                    |                                                                    |
| — Basic (loss)/earnings per share                                                                 | 9            | <b>(0.96)</b>                                                      | 0.52                                                               |
| — Diluted (loss)/earnings per share                                                               | 9            | <b>(0.96)</b>                                                      | 0.52                                                               |

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

|                                                                   | Notes | As at<br>31 December<br>2024<br>RMB'000 | As at<br>31 December<br>2023<br>RMB'000 |
|-------------------------------------------------------------------|-------|-----------------------------------------|-----------------------------------------|
| <b>Assets</b>                                                     |       |                                         |                                         |
| <b>Non-current assets</b>                                         |       |                                         |                                         |
| Property, plant and equipment                                     |       | 69,111                                  | 74,129                                  |
| Right-of-use assets                                               |       | 19,944                                  | 18,069                                  |
| Intangible assets                                                 |       | 456,139                                 | 849,930                                 |
| Investments in associates                                         |       | 4,970                                   | 5,683                                   |
| Deferred tax assets                                               |       | 103,051                                 | 106,927                                 |
| Financial assets at fair value through profit or loss             |       | 75,624                                  | 75,624                                  |
| Prepayments, deposits and other receivables                       | 11    | 186,591                                 | —                                       |
| <b>Total non-current assets</b>                                   |       | <b>915,430</b>                          | <b>1,130,362</b>                        |
| <b>Current assets</b>                                             |       |                                         |                                         |
| Inventories                                                       |       | 22,926                                  | 39,614                                  |
| Contract assets                                                   |       | 59,606                                  | 332,472                                 |
| Financial assets at fair value through other comprehensive income |       | 1,118                                   | 2,377                                   |
| Financial assets at fair value through profit or loss             |       | 321,140                                 | 503,582                                 |
| Trade receivables                                                 | 10    | 1,258,609                               | 1,796,855                               |
| Prepayments, deposits and other receivables                       | 11    | 701,157                                 | 950,098                                 |
| Restricted cash                                                   | 12    | 53,308                                  | —                                       |
| Cash and cash equivalents                                         | 12    | 2,141,751                               | 1,927,283                               |
| <b>Total current assets</b>                                       |       | <b>4,559,615</b>                        | <b>5,552,281</b>                        |
| <b>Total assets</b>                                               |       | <b>5,475,045</b>                        | <b>6,682,643</b>                        |
| <b>Equity</b>                                                     |       |                                         |                                         |
| <b>Equity attributable to owners of the Company</b>               |       |                                         |                                         |
| Share capital                                                     | 13    | 59,980                                  | 59,980                                  |
| Reserves                                                          |       | 1,820,656                               | 2,843,785                               |
|                                                                   |       | 1,880,636                               | 2,903,765                               |
| <b>Non-controlling interests</b>                                  |       | <b>172,607</b>                          | <b>387,443</b>                          |
| <b>Total equity</b>                                               |       | <b>2,053,243</b>                        | <b>3,291,208</b>                        |

|                                      |              | <b>As at<br/>31 December<br/>2024<br/>RMB'000</b> | <b>As at<br/>31 December<br/>2023<br/>RMB'000</b> |
|--------------------------------------|--------------|---------------------------------------------------|---------------------------------------------------|
|                                      | <i>Notes</i> |                                                   |                                                   |
| <b>Liabilities</b>                   |              |                                                   |                                                   |
| <b>Non-current liabilities</b>       |              |                                                   |                                                   |
| Lease liabilities                    |              | <b>11,122</b>                                     | 7,693                                             |
| Provisions                           |              | <b>5,050</b>                                      | 4,100                                             |
| Trade and other payables             | 14           | <b>28,700</b>                                     | 112,924                                           |
| Deferred tax liabilities             |              | <b>75,579</b>                                     | 111,326                                           |
|                                      |              | <hr/>                                             | <hr/>                                             |
| <b>Total non-current liabilities</b> |              | <b>120,451</b>                                    | 236,043                                           |
|                                      |              | <hr/>                                             | <hr/>                                             |
| <b>Current liabilities</b>           |              |                                                   |                                                   |
| Lease liabilities                    |              | <b>6,721</b>                                      | 7,578                                             |
| Contract liabilities                 |              | <b>1,078,475</b>                                  | 826,549                                           |
| Dividend payable                     |              | <b>8,165</b>                                      | 27,467                                            |
| Trade and other payables             | 14           | <b>2,079,023</b>                                  | 2,080,679                                         |
| Current income tax liabilities       |              | <b>128,967</b>                                    | 213,119                                           |
|                                      |              | <hr/>                                             | <hr/>                                             |
| <b>Total current liabilities</b>     |              | <b>3,301,351</b>                                  | 3,155,392                                         |
|                                      |              | <hr/>                                             | <hr/>                                             |
| <b>Total liabilities</b>             |              | <b>3,421,802</b>                                  | 3,391,435                                         |
|                                      |              | <hr/>                                             | <hr/>                                             |
| <b>Total equity and liabilities</b>  |              | <b>5,475,045</b>                                  | 6,682,643                                         |
|                                      |              | <hr/>                                             | <hr/>                                             |
| <b>Net current assets</b>            |              | <b>1,258,264</b>                                  | 2,396,889                                         |
|                                      |              | <hr/>                                             | <hr/>                                             |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2024*

## 1 GENERAL INFORMATION

S-Enjoy Service Group Co., Limited (the “**Company**”) was incorporated in the Cayman Islands on 16 January 2018 as an exempted company with limited liability under the Companies Act (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands and listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 6 November 2018. The address of the Company’s registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of property management services and related value-added services in the People’s Republic of China (the “**PRC**”). The ultimate controlling company is Infinity Fortune Development Limited. The ultimate controlling shareholder of the Group is Mr. Wang Zhenhua (“**Mr. Wang**” or the “**Ultimate Controlling Shareholder**”).

These consolidated financial statements are presented in thousands of Renminbi (“**RMB’000**”), unless otherwise stated.

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

### 2.1 Basis of preparation

These annual consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), which collective term includes all applicable individual HKFRS accounting standards, Hong Kong Accounting Standards and Interpretations (“**HKFRS Accounting Standards**”) and the accounting principles generally accepted in Hong Kong.

The consolidated financial statements also comply with the applicable requirements of the Companies Ordinance and include the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through other comprehensive income and financial assets and liabilities at fair value through profit or loss.

***Amended HKFRS Accounting Standards that are effective for annual periods beginning on 1 January 2024***

In the current year, the Group has applied for the first time the following amended HKFRS Accounting Standards as issued by the HKICPA, which are relevant to the Group's operations and effective for the Group's consolidated financial statements for the annual period beginning on 1 January 2024:

|                                  |                                                                                                              |
|----------------------------------|--------------------------------------------------------------------------------------------------------------|
| Amendments to HKFRS 16           | Lease Liability in a Sale and Leaseback                                                                      |
| Amendments to HKAS 1             | Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 |
| Amendments to HKAS 1             | Non-current Liabilities with Covenants                                                                       |
| Amendments to HKAS 7 and HKFRS 7 | Supplier Finance Arrangements                                                                                |

The adoption of the amended HKFRS Accounting Standards had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

***Issued but not yet effective HKFRS Accounting Standards***

At the date of authorisation of these consolidated financial statements, certain new and amended HKFRS Accounting Standards have been published but are not yet effective, and have not been adopted early by the Group.

|                                          |                                                                                                                                              |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| HKFRS 18                                 | Presentation and Disclosure in Financial Statements <sup>3</sup>                                                                             |
| HKFRS 19                                 | Subsidiaries without Public Accountability: Disclosures and related amendments <sup>3</sup>                                                  |
| Amendments to HKFRS 9 and HKFRS 7        | Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>                                                       |
| Amendments to HKFRS 9 and HKFRS 7        | Contracts Referencing Nature — Dependent Electricity <sup>2</sup>                                                                            |
| Amendments to HKFRS 10 and HKAS 28       | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>                                           |
| Amendments to HKAS 21                    | Lack of Exchangeability <sup>1</sup>                                                                                                         |
| Amendments to HKAS 21                    | Translation to Hyperinflationary Presentation Currency <sup>3</sup>                                                                          |
| Amendments to HKFRS Accounting Standards | Annual Improvements to HKFRS Accounting Standards — Volume 11 <sup>2</sup>                                                                   |
| Amendments to Hong Kong Interpretation 5 | Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause <sup>3</sup> |

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>4</sup> Effective date not yet determined

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement and are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.



### 3 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by chief operating decision-maker (“**CODM**”). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive and non-executive directors.

For the years ended 31 December 2024 and 2023, the Group was principally engaged in the provision of property management services and value-added services, including community-related value-added services and developer-related value-added services in the PRC. Management reviews the operating results of the business as one operating segment to make decisions about resources to be allocated. Therefore, the CODM of the Company regards that there is only one segment which is used to make strategic decisions.

The principal operating entity of the Group is domiciled in the PRC. Accordingly, all of the Group’s revenue was derived in the PRC during the years ended 31 December 2024 and 2023.

As at 31 December 2024 and 2023, all of the non-current assets of the Group were located in the PRC (excluding financial instruments and deferred tax assets).

### 4 REVENUE AND COST OF SALES AND SERVICES

Revenue mainly comprises of proceeds from property management services and value-added services. An analysis of the Group’s revenue and cost of sales and services by category for the years ended 31 December 2024 and 2023 is as follows:

|                                                             | For the year ended 31 December |                            |                  |                            |
|-------------------------------------------------------------|--------------------------------|----------------------------|------------------|----------------------------|
|                                                             | 2024                           |                            | 2023             |                            |
|                                                             | RMB’000                        |                            | RMB’000          |                            |
|                                                             | Revenue                        | Cost of sales and services | Revenue          | Cost of sales and services |
| <b>Revenue from customers and recognised over time:</b>     |                                |                            |                  |                            |
| Property management services                                | 3,575,950                      | 2,982,714                  | 3,555,106        | 2,701,043                  |
| Value-added services:                                       |                                |                            |                  |                            |
| — Community-related value-added services                    | 950,293                        | 723,641                    | 964,464          | 637,095                    |
| — Developer-related value-added services                    | 294,842                        | 263,969                    | 554,870          | 439,328                    |
|                                                             | <u>4,821,085</u>               | <u>3,970,324</u>           | <u>5,074,440</u> | <u>3,777,466</u>           |
| <b>Revenue from customers recognised at a point in time</b> |                                |                            |                  |                            |
| Value-added services:                                       |                                |                            |                  |                            |
| — Community-related value-added services                    | 234,513                        | 148,669                    | 349,844          | 208,340                    |
|                                                             | <u>5,055,598</u>               | <u>4,118,993</u>           | <u>5,424,284</u> | <u>3,985,806</u>           |

## 5 EXPENSES BY NATURE

|                                                  | For the year ended 31 December |                  |
|--------------------------------------------------|--------------------------------|------------------|
|                                                  | 2024                           | 2023             |
|                                                  | RMB'000                        | RMB'000          |
| Employee benefit expenses                        | 1,603,681                      | 1,812,117        |
| Outsourced security, greening and cleaning costs | 1,516,721                      | 1,308,853        |
| Consumables and goods used                       | 784,901                        | 820,671          |
| Utilities                                        | 424,696                        | 283,184          |
| Depreciation and amortisation charges            | 110,701                        | 107,752          |
| Impairment loss of goodwill                      | 85,455                         | 55,219           |
| Office expenses                                  | 52,818                         | 54,133           |
| Travelling expenses                              | 44,525                         | 44,968           |
| Employee uniform and related expenses            | 50,773                         | 32,887           |
| Business entertainment expenses                  | 36,522                         | 32,477           |
| Impairment loss of customer relationships        | 196,634                        | 21,639           |
| Taxes and surcharges                             | 15,439                         | 17,815           |
| Bank charges                                     | 10,145                         | 10,130           |
| Auditor's remuneration                           | 4,960                          | 3,151            |
| <i>Including: audit services</i>                 | 4,780                          | 2,950            |
| <i>non-audit services</i>                        | 180                            | 201              |
| Professional fees                                | 20,371                         | 18,471           |
| Advertising and promotion expenses               | 3,892                          | 3,306            |
| Operating lease payments                         | 2,791                          | 1,376            |
| Others                                           | 6,216                          | 3,379            |
|                                                  | <b>4,971,241</b>               | <b>4,631,528</b> |

## 6 OTHER INCOME

|                                                                                                                                                  | For the year ended 31 December |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|---------------|
|                                                                                                                                                  | 2024                           | 2023          |
|                                                                                                                                                  | RMB'000                        | RMB'000       |
| Government grants                                                                                                                                | 25,219                         | 41,865        |
| Gain on disposals of subsidiaries                                                                                                                | 6,161                          | 507           |
| Gain on disposal of financial assets at fair value through profit or loss                                                                        | 21,257                         | —             |
| Interest income from financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income | 684                            | 185           |
| Others                                                                                                                                           | 16,277                         | 8,416         |
|                                                                                                                                                  | <b>69,598</b>                  | <b>50,973</b> |

## 7 FINANCE INCOME — NET

|                                                                 | For the year ended 31 December |                |
|-----------------------------------------------------------------|--------------------------------|----------------|
|                                                                 | 2024                           | 2023           |
|                                                                 | <i>RMB'000</i>                 | <i>RMB'000</i> |
| Interest income on cash and cash equivalents                    | 17,766                         | 15,912         |
| Interest income on loan receivables                             | 7,643                          | 6,869          |
| Interest and finance charges paid/payable for lease liabilities | (560)                          | (842)          |
| Finance income — net                                            | <u>24,849</u>                  | <u>21,939</u>  |

## 8 INCOME TAX EXPENSE

|                            | For the year ended 31 December |                |
|----------------------------|--------------------------------|----------------|
|                            | 2024                           | 2023           |
|                            | <i>RMB'000</i>                 | <i>RMB'000</i> |
| Current income tax         |                                |                |
| — PRC corporate income tax | 88,656                         | 171,580        |
| Deferred income tax        | (17,286)                       | (33,853)       |
|                            | <u>71,370</u>                  | <u>137,727</u> |

### (a) Cayman Islands income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of the Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

### (b) British Virgin Islands income tax

Under the current laws of British Virgin Islands (“BVI”), all dividends, interest, rents, royalties, compensation and other amounts paid by companies incorporated in the BVI to persons who are not resident in the BVI and any capital gains realised with respect to any shares, debt obligations, or other securities of such companies incorporated in the BVI by persons who are not resident in the BVI are exempt from income tax. In addition, upon payments of dividends by BVI companies to us, no BVI withholding tax is imposed.

### (c) Hong Kong profits tax

No provision for Hong Kong profits tax was made as the Group did not derive any income subject to Hong Kong profits tax during the year ended 31 December 2024 (2023: nil).

(d) **PRC corporate income tax**

Income tax provision of the Group in respect of operations in Mainland China has been calculated at the applicable tax rate on the estimated assessable profits for the year, based on the existing legislation, interpretations and practices in respect thereof.

During the years ended 31 December 2024 and 2023, Chengyue Times Co., Ltd. and Guizhou Bajie Property Management Co., Ltd., the subsidiaries of the Company, registered in Western area of China, are entitled to a preferential tax rate of 15% according to the Preferential Policies for the Development of Western China.

During the years ended 31 December 2024 and 2023, Beihai Xinchengyue Business Service Co., Ltd., the subsidiary of the Company, registered in Guangxi Province is entitled to a preferential tax rate of 15% and a further 40% tax exemption according to the Tax Incentives for the Beibu Gulf Economic Zone of Guangxi Province, resulting in 9% preferential income tax rate.

Nanjing Yuncabinet Network Technology Co., Ltd., the subsidiary of the Company, has obtained the Certificates of High and New-Technology Enterprise jointly issued by Science and Technology Department of Jiangsu Province, Department of Finance of Jiangsu Province and Jinangsu Provincial Taxation Bureau, State Administration of Taxation on 6 November 2023, which are eligible to pay the corporate income tax at a preferential rate of 15% for three years.

During the year ended 31 December 2023, Tibet Xinchengyue Property Services Co., Ltd. (“**Tibet Xinchengyue**”), the subsidiary of the Company and a Tibet registered Company, is entitled to a preferential tax rate of 15%. Tibet Xinchengyue has a number of branches across China. According to the relevant tax laws and regulations, the Group files its income tax return by combining the taxable income of head office in Tibet and all of its branches with 50% of the aggregate taxable income apportion to the head office in Tibet which is subject to income tax rate of 15% and the remaining 50% among the branches which are subject to income tax rate of 25%, resulting in an average of about 20% applicable income tax rate. During the year ended 31 December 2024, Tibet Xinchengyue is not entitled to this preferential tax treatment.

During the year ended 31 December 2023, Xinchengyue (Chengdu) Property Management Co., Ltd. (“**Xinchengyue Chengdu**”), the subsidiary of the Company, registered in Western area of China, was entitled to a preferential tax rate of 15% according to the Preferential Policies for the Development of Western China. During the year ended 31 December 2024, Xinchengyue Chengdu is not entitled to this preferential tax treatment.

The corporate income tax rate applicable to other entities of the Group located in Mainland China is 25% according to the Corporate Income Tax Law of the PRC (the “**CIT Law**”).

**(e) PRC dividend withholding tax**

According to the CIT Law, starting from 1 January 2008, a 10% withholding tax will be levied on the immediate holding companies outside the PRC when their PRC subsidiaries declare dividend out of profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are established in Hong Kong and the beneficial owners of the dividends according to the tax treaty arrangements between the PRC and Hong Kong. During the year ended 31 December 2024, 5% withholding tax rates were used for the PRC subsidiaries of the Group. A provision for dividend withholding tax of approximately RMB27,199,000 was charged to profit or loss for the year ended 31 December 2024 (2023: nil).

**9 (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY**

**(a) Basic (loss)/earnings per share**

Basic (loss)/earnings per share for the year is calculated by dividing the (loss)/profit for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

|                                                                                                                                             | <b>For the year ended 31 December</b> |                    |
|---------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------|
|                                                                                                                                             | <b>2024</b>                           | <b>2023</b>        |
| <b>(Loss)/Earnings:</b>                                                                                                                     |                                       |                    |
| (Loss)/Profit for the year attributable to owners of the Company used in the basic (loss)/earnings per share calculation ( <i>RMB'000</i> ) | <b>(819,562)</b>                      | 445,045            |
| <b>Number of shares:</b>                                                                                                                    |                                       |                    |
| Weighted average number of ordinary shares in issue during the year per share calculation ( <i>in thousand</i> )                            | <b>855,296</b>                        | 854,816            |
| Basic (loss)/earnings per share for (loss)/profit attributable to the owners of the Company during the year ( <i>expressed in RMB</i> )     | <b><u>(0.96)</u></b>                  | <b><u>0.52</u></b> |

**(b) Diluted (loss)/earnings per share**

For the year ended 31 December 2024, the calculation of the diluted loss per share has not taken into account the issuance of the dilutive potential ordinary shares under the share award scheme and the share option scheme as they are considered as anti-dilutive. For the year ended 31 December 2023, diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

|                                                                                                                                                                                   | <b>For the year ended 31 December</b> |             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------|
|                                                                                                                                                                                   | <b>2024</b>                           | <b>2023</b> |
| <b>(Loss)/Earnings:</b>                                                                                                                                                           |                                       |             |
| (Loss)/Profit for the year attributable to owners of the Company used in the diluted (loss)/earnings per share calculation ( <i>RMB'000</i> )                                     | <b>(819,562)</b>                      | 445,045     |
| <b>Number of shares:</b>                                                                                                                                                          |                                       |             |
| Weighted average number of ordinary shares in issue during the year per share calculation ( <i>in thousand</i> )                                                                  | <b>855,296</b>                        | 854,816     |
| Add: number of dilutive shares ( <i>in thousand</i> )                                                                                                                             | <u>—</u>                              | <u>411</u>  |
| Weighted average number of ordinary shares in issue and potential ordinary shares used as the denominator in calculating diluted (loss)/earnings per share ( <i>in thousand</i> ) | <b>855,296</b>                        | 855,227     |
| Diluted (loss)/earnings per share for (loss)/profit attributable to the owners of the Company during the year ( <i>expressed in RMB</i> )                                         | <u><b>(0.96)</b></u>                  | <u>0.52</u> |

## 10 TRADE RECEIVABLES

|                                                                   | As at 31 December       |                         |
|-------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                   | 2024                    | 2023                    |
|                                                                   | RMB'000                 | RMB'000                 |
| Trade receivables ( <i>Note (a)</i> )                             |                         |                         |
| — Related parties                                                 | 961,035                 | 799,319                 |
| — Third parties                                                   | <u>1,261,466</u>        | <u>1,277,117</u>        |
|                                                                   | 2,222,501               | 2,076,436               |
| Less: expected credit loss (“ECL”) allowance of trade receivables | <u>(963,892)</u>        | <u>(279,581)</u>        |
|                                                                   | <u><u>1,258,609</u></u> | <u><u>1,796,855</u></u> |

- (a) Trade receivables mainly arise from property management services managed under lump sum basis and value-added services. Property management services income under lump sum basis is received in accordance with the term of the relevant property service agreements. Income from property management services is due for payment by the property owners upon rendering of services.

As at 31 December 2024 and 2023, the aging analysis of the trade receivables based on invoice date was as follows:

|               | As at 31 December       |                         |
|---------------|-------------------------|-------------------------|
|               | 2024                    | 2023                    |
|               | RMB'000                 | RMB'000                 |
| Within 1 year | 1,049,289               | 1,438,471               |
| 1 to 2 years  | 755,914                 | 434,425                 |
| 2 to 3 years  | 293,266                 | 113,382                 |
| 3 to 4 years  | 89,556                  | 61,542                  |
| 4 to 5 years  | 22,631                  | 22,175                  |
| Over 5 years  | <u>11,845</u>           | <u>6,441</u>            |
|               | <u><u>2,222,501</u></u> | <u><u>2,076,436</u></u> |

As at 31 December 2024 and 2023, the trade receivables were denominated in RMB, and the fair value of trade receivables approximated their carrying amounts. Property management services and value-added services are either billed in accordance with the terms of the relevant services agreements or due for payment upon the issuance of invoice.

# 11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

|                                                       | As at 31 December |                |                |             |
|-------------------------------------------------------|-------------------|----------------|----------------|-------------|
|                                                       | 2024              |                | 2023           |             |
|                                                       | RMB'000           |                | RMB'000        |             |
|                                                       | Current           | Non-current    | Current        | Non-current |
| Prepayments                                           |                   |                |                |             |
| — Utilities and outsourced services                   | 49,260            | —              | 61,401         | —           |
| — Consumables to be used in value-added services      | 7,601             | —              | 14,492         | —           |
| Subtotal                                              | 56,861            | —              | 75,893         | —           |
| Input VAT to be deducted and others                   | 31                | —              | 45,039         | —           |
| Deposits (a)                                          | 554,289           | —              | 622,209        | —           |
| Other receivables                                     |                   |                |                |             |
| — Payments on behalf of property owners (b)           | 77,981            | —              | 101,652        | —           |
| — Loans to third parties including interests (c)      | 122,556           | —              | 145,869        | —           |
| — Loans to related parties including interests        | —                 | 195,557        | —              | —           |
| — Others                                              | 54,361            | —              | 52,492         | —           |
| Subtotal                                              | 254,898           | 195,557        | 300,013        | —           |
| Total                                                 | 866,079           | 195,557        | 1,043,154      | —           |
| Less: ECL allowance of other receivables and deposits | (164,922)         | (8,966)        | (93,056)       | —           |
|                                                       | <u>701,157</u>    | <u>186,591</u> | <u>950,098</u> | <u>—</u>    |

- (a) As at 31 December 2024 and 2023, deposits mainly included deposits paid to government-related bodies for property management services contracts and deposits paid to car parking lots owners to secure the agency role in selling the car parking lots. Deposits of approximately RMB453,450,000 (2023: RMB537,088,000) were disclosed as related parties balances by the Group for exclusive rights to sales of some car parking lots owned by related parties.
- (b) As at 31 December 2024 and 2023, the amounts represented the payments on behalf of property owners in respect of mainly utilities and elevator maintenance costs of the properties.
- (c) As at 31 December 2024 and 2023, the loans to third parties including interests is unsecured, carried at average interest rate of 7.4% per annum and repayable based on scheduled installments. Considering the loans to third parties including interests are already past due, the Group considers the loans are credit-impaired and categorised as stage 3 for the years ended 31 December 2024 and 2023. The ECL rate is estimated by individual assessment with reference to the historical loss record and adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate.

As at 31 December 2024 and 2023, deposits and other receivables were denominated in RMB.



## 12 CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

|                           | As at 31 December       |                         |
|---------------------------|-------------------------|-------------------------|
|                           | 2024                    | 2023                    |
|                           | RMB'000                 | RMB'000                 |
| Cash on hand              | 99                      | 344                     |
| Cash in banks             | 2,113,592               | 1,898,940               |
| Cash in payment platforms | 81,368                  | 27,999                  |
|                           | <u>2,195,059</u>        | <u>1,927,283</u>        |
| Less: Restricted cash     | (53,308)                | —                       |
| Cash and cash equivalents | <u><u>2,141,751</u></u> | <u><u>1,927,283</u></u> |

The carrying amount of cash and cash equivalents and restricted cash are denominated in the following currencies:

|     | As at 31 December       |                         |
|-----|-------------------------|-------------------------|
|     | 2024                    | 2023                    |
|     | RMB'000                 | RMB'000                 |
| USD | 23,342                  | 23,672                  |
| RMB | 2,164,157               | 1,890,607               |
| HKD | 7,560                   | 13,004                  |
|     | <u><u>2,195,059</u></u> | <u><u>1,927,283</u></u> |

## 13 SHARE CAPITAL

The Company was incorporated in the Cayman Islands on 16 January 2018. At the date of incorporation, the authorised share capital is USD51,200 comprising 51,200 ordinary shares of USD1.00 each. As at 31 December 2024 and 2023, the authorised share was 10,000,000,000 shares at par value of USD0.01.

Ordinary shares, issued and fully paid:

|                                                                                | Number of shares          | USD'000             | RMB'000              |
|--------------------------------------------------------------------------------|---------------------------|---------------------|----------------------|
| At 1 January 2023                                                              | 871,231,000               | 8,712               | 59,973               |
| Exercise of share option under<br>2019 share option scheme ( <i>Note (a)</i> ) | <u>100,000</u>            | <u>1</u>            | <u>7</u>             |
| At 31 December 2023, 1 January 2024 and<br>31 December 2024                    | <u><u>871,331,000</u></u> | <u><u>8,713</u></u> | <u><u>59,980</u></u> |

- (a) During the year ended 31 December 2023, several employees under the share option scheme subscribed 100,000 shares in total with exercise price of HKD6.18 per share. The Company received the net proceeds from exercise approximately HKD618,000 (equivalent to approximately RMB541,000).

#### 14 TRADE AND OTHER PAYABLES

|                                                                     | As at 31 December       |                      |                         |                       |
|---------------------------------------------------------------------|-------------------------|----------------------|-------------------------|-----------------------|
|                                                                     | 2024                    |                      | 2023                    |                       |
|                                                                     | RMB'000                 |                      | RMB'000                 |                       |
|                                                                     | Current                 | Non-current          | Current                 | Non-current           |
| Trade payables ( <i>Note (a)</i> )                                  |                         |                      |                         |                       |
| —Third parties                                                      | <u>620,316</u>          | <u>—</u>             | <u>410,594</u>          | <u>—</u>              |
| Other payables                                                      |                         |                      |                         |                       |
| — Accrued expenses                                                  | 303,253                 | —                    | 294,504                 | —                     |
| — Amounts collected on behalf of property owners                    | 683,114                 | —                    | 765,448                 | —                     |
| — Contingent consideration payables for acquisition of subsidiaries | 42,516                  | 28,700               | 30,817                  | 112,924               |
| — Others                                                            | <u>98,717</u>           | <u>—</u>             | <u>97,680</u>           | <u>—</u>              |
|                                                                     | 1,127,600               | 28,700               | 1,188,449               | 112,924               |
| Accrued payroll                                                     | 255,768                 | —                    | 320,410                 | —                     |
| Other tax payables                                                  | <u>75,339</u>           | <u>—</u>             | <u>161,226</u>          | <u>—</u>              |
|                                                                     | <u><b>2,079,023</b></u> | <u><b>28,700</b></u> | <u><b>2,080,679</b></u> | <u><b>112,924</b></u> |

- (a) As at 31 December 2024 and 2023, the aging analysis of the trade payables based on invoice date was as follows:

|               | As at 31 December     |                       |
|---------------|-----------------------|-----------------------|
|               | 2024                  | 2023                  |
|               | RMB'000               | RMB'000               |
| Within 1 year | 536,863               | 336,802               |
| 1 to 2 years  | 60,413                | 47,519                |
| 2 to 3 years  | 14,586                | 16,092                |
| Over 3 years  | <u>8,454</u>          | <u>10,181</u>         |
|               | <u><b>620,316</b></u> | <u><b>410,594</b></u> |

## 15 DIVIDENDS

|                                                                                    | For the year ended 31 December |                |
|------------------------------------------------------------------------------------|--------------------------------|----------------|
|                                                                                    | 2024                           | 2023           |
|                                                                                    | <i>RMB'000</i>                 | <i>RMB'000</i> |
| Dividends declared by the Company ( <i>Note (a)</i> )                              | <b>178,623</b>                 | 139,413        |
| Dividends paid by subsidiaries to<br>non-controlling interests ( <i>Note (b)</i> ) | <u><b>81,352</b></u>           | <u>10,641</u>  |
|                                                                                    | <u><b>259,975</b></u>          | <u>150,054</u> |

- (a) A final dividend in respect of 2023 of RMB0.205 (2023: in respect of 2022 of RMB0.160) per ordinary share, amounting to approximately RMB178,623,000 (2023: RMB139,413,000) was proposed and approved at the annual general meeting of the Company held on 18 June 2024 (2023: held on 28 June 2023). The dividend was reflected as an appropriation of share premium.
- (b) Several subsidiaries of the Company declared dividends of RMB81,352,000 (2023: RMB10,641,000) in total to non-controlling interests for the year ended 31 December 2024.

## 16 COMPARATIVE FIGURES

Certain comparative amounts have been reclassified or added to conform with current year's presentation.

## **CHAIRMAN’S STATEMENT**

To all shareholders:

I hereby on behalf of the Board present the annual results of the Company for the year ended 31 December 2024.

Throughout 2024, enterprises faced persistent challenges stemming from both geopolitical factors and the overall macroeconomic environment. However, we also witnessed the resilience and diligence of outstanding companies across various sectors, driving their industries, and indeed the capital market, to overcome the headwinds through their continuous efforts.

## **BUSINESS REVIEW**

Despite the challenging environment, the Group maintained a steady strategic course, achieving healthy development in our core businesses. Our property management business took over premium property management projects with gross floor area of more than 20 million square meters this year. Coupled with the exit from certain underperforming projects, the overall composition of our managed portfolio has continued to be optimised. Our catering services developed rapidly, with a year-on-year growth exceeding 20% and accounting for approximately 10% of our revenue, and have become a significant component of the Group’s business portfolio.

At the same time, we adopted a particularly prudent approach in financial aspect this year, allowing us to reassess the Group’s operational quality from a risk prevention perspective. We believe that maintaining a cautious stance is crucial in the current environment. The figures in financial statements serve as a warning for us, allowing us to identify and respond to certain risk points in advance.

As the overall economic conditions were challenging in 2024, the real estate market in the PRC remained sluggish and many developers in the PRC struggled with cash flow and certain property owners delayed payments for property management services, and our provision for bad debts and impairment of goodwill increased, resulting in less-than-ideal reported profit for the year. However, we believe that our core businesses are currently operating normally, and certain operational figures have begun to show positive changes. I would like to take this opportunity to highlight some of these positive developments.

- **Solid Foundation in Property Management**

Property management services, particularly residential property management, are our core business. This year, we focused on strengthening service quality and refining management standards to enhance operational efficiency of projects.

Quality operations were the starting point for all our actions this year, including our approach of scale expansion. Although the contract value of developed property management projects decreased compared to previous years, the revenue generated from new developed projects increased during the year. This success was attributable to our stringent control over project quality and unwavering commitment to implement our regional deep-cultivation strategy.

- **Catering Services Growth Against the Trend**

The Group began researching and participating in the catering services in 2020, when the property management sector was booming. Five years later, this category has become our second-largest source of revenue. We have always taken a long-term view of the development potential of our business portfolio. It has been proven that our layout set up in the catering services in advance has become a key differentiator between us and our competitors. The stability demonstrated by this business in the current economic environment positions it as a second curve for our long-term development.

For the year ended 31 December 2024, the Group's revenue from catering services surpassed RMB500 million, representing a year-on-year growth of approximately 20% and accounting for approximately 10% of our total revenue. At the same time, the Group's annualised contract amount of existing catering services exceeded RMB600 million, and we are confident in the continued growth of the business scale.

- **Rebalancing Our Relationship with the Real Estate Sector**

Revenue from businesses closely related to the real estate sector has been declining for several years. However, we are still seeking to further reduce the scale of these businesses to bring our receivables from related parties back to a healthy level as soon as possible.

In the second half of 2024, from a half-year comparison perspective, revenue from our businesses related to real estate industry continued to reduce significantly. Furthermore, under the new continuing connected transaction framework agreements signed with connected parties, including Seazen Holdings Co., Ltd. (“**Seazen Holdings**”) in October 2024, our revenue from services provided to connected parties including Seazen Holdings will not exceed RMB120 million in 2025. Given the minimal amount of new continuing connected transactions and our proactive efforts to expedite payments from connected parties, we believe that our trade receivables from connected parties should be on a downward trend.

## **PROSPECTS**

Our asset-light business model has always been robust. However, the figures presented in this year’s financial statements were undoubtedly unexpected and reflected the unprecedented pressures faced by enterprises in the current environment. Fortunately, these key changes were primarily driven by the changes in non-cash accounting items and did not materially impact the operation of our core businesses.

As the management, we will do our best to mitigate these potential risks and prevent further escalation of their impacts. We will maintain a prudent strategy in 2025 and continue to reinforce our customer-centric service philosophy. Our strategy for 2025 can be summarised as follows:

- **Continuous Strengthening of Core Businesses**

Our core businesses continue to grow. Although the growth rates may moderate, they remain on an expansionary trajectory. Maintaining quality of service delivery while expanding operation scale is a constant difficulty in the service industry. We consistently prioritise customer satisfaction as a key performance indicator for development of our core businesses. In the current highly competitive environment, the importance of this indicator will undoubtedly be amplified. We will continue to invest in project quality and customer satisfaction, rewarding and incentivising high-performing employees. A steady and consistent approach is crucial for long-term success.

- **Diligent Control of Investment Risks**

At the end of 2023, we identified performance pressures and goodwill risks related to previously acquired companies operating in highly competitive environments. Therefore, in 2024, we fully divested from a previously acquired property management company, and sold our equity interest back to the original shareholders at the same price as the purchase price. We have received full payment for this disposal. This year, we have witnessed a wider range of issues arising from acquired companies, partly due to the intensified competition stemming from the overall economic environment but our past shortcomings in investment decisions and post-investment management also require serious reflection. For some acquired enterprises that have not met our operational expectations, our management has begun exploring solutions and will make every effort to minimise losses to the Group.

Finally, I would like to express my gratitude to our shareholders (the “**Shareholders**”) for their ongoing support and trust. We embark on the new year with renewed vigor, and are committed to operating our core businesses effectively. I also want to thank our colleagues and employees for their dedication. Their hard work and commitment enable us to fulfill our promises and provide exceptional experiences for our customers.

**Qi Xiaoming**

*Chairman*

## MANAGEMENT DISCUSSION AND ANALYSIS

The Group is a national residential property management service provider as well as a fast-growing comprehensive logistics service provider.

### FINANCIAL REVIEW

#### Revenue

In 2024, the revenue of the Group amounted to approximately RMB5,055.6 million, representing a decrease of approximately 6.8% as compared to approximately RMB5,424.3 million for the corresponding period in 2023.

The revenue of the Group is derived from three categories: (i) property management services; (ii) community-related value-added services; and (iii) developer-related value-added services.

|                                        | For the year ended 31 December |             |                  |
|----------------------------------------|--------------------------------|-------------|------------------|
|                                        | 2024                           | Growth rate | 2023             |
|                                        | RMB'000                        | %           | RMB'000          |
| Property management services           | 3,575,950                      | 0.6         | 3,555,106        |
| Community-related value-added services | 1,184,806                      | -9.9        | 1,314,308        |
| Developer-related value-added services | 294,842                        | -46.9       | 554,870          |
| Total                                  | <u>5,055,598</u>               | <u>-6.8</u> | <u>5,424,284</u> |

#### — *Property management services*

We provide residents and tenants with an extensive range of property management services, including property and facilities maintenance, security services, cleaning services, horticulture services, public areas repair and maintenance and other property management related services.

In 2024, the revenue from property management services of the Group amounted to approximately RMB3,576.0 million, representing an increase of approximately 0.6% as compared to approximately RMB3,555.1 million for the corresponding period in 2023, accounting for approximately 70.8% of the total revenue for the year ended 31 December 2024.



The following table sets forth a breakdown of the Group's revenue generated from property management services:

|                                           | For the year ended 31 December                       |                  |                                                      |
|-------------------------------------------|------------------------------------------------------|------------------|------------------------------------------------------|
|                                           | 2024                                                 |                  | 2023                                                 |
| Properties under management of the Group: | Revenue from property management services<br>RMB'000 | Growth rate<br>% | Revenue from property management services<br>RMB'000 |
| Developed by Seazen Holdings              | 2,148,575                                            | 6.4              | 2,018,695                                            |
| Developed by third parties                | 1,427,375                                            | -7.1             | 1,536,411                                            |
| Total                                     | <u>3,575,950</u>                                     | <u>0.6</u>       | <u>3,555,106</u>                                     |

|                            | For the year ended 31 December                       |                  |                                                      |
|----------------------------|------------------------------------------------------|------------------|------------------------------------------------------|
|                            | 2024                                                 |                  | 2023                                                 |
|                            | Revenue from property management services<br>RMB'000 | Growth rate<br>% | Revenue from property management services<br>RMB'000 |
| Residential properties     | 2,791,658                                            | -1.3             | 2,827,480                                            |
| Non-residential properties | 784,292                                              | 7.8              | 727,626                                              |
| Total                      | <u>3,575,950</u>                                     | <u>0.6</u>       | <u>3,555,106</u>                                     |

— *Community-related value-added services*

We render public resources management services, community engineering services, extensive decoration services, catering services, facility management services and a variety of other convenience and living services, which cover various sectors and places, to property owners and customers, with a view to providing them with a more comfortable and convenient living and working environment.

During the year, the revenue from community-related value-added services amounted to approximately RMB1,184.8 million, representing a decrease of approximately 9.9% as compared to approximately RMB1,314.3 million in 2023, accounting for approximately 23.4% of the total revenue for the year ended 31 December 2024. The decline in revenue was mainly due to the organizational restructuring of facility services, resulting in a decrease in business volume.

## — *Developer-related value-added services*

We mainly provide four types of services related to property developers, namely on-site sale assistance services, consulting services, house inspection services and smart community services.

During the year, the revenue from developer-related value-added services amounted to approximately RMB294.8 million, representing a decrease of approximately 46.9% as compared to approximately RMB554.9 million for the corresponding period in 2023, accounting for approximately 5.8% of the total revenue for the year ended 31 December 2024. The decline in revenue was mainly due to the decrease in demand from developers and our strict control over signing new contracts.

## **Cost of Sales and Services**

During the year, the cost of sales and services of the Group was approximately RMB4,119.0 million, representing an increase of approximately 3.3% as compared to approximately RMB3,985.8 million for the corresponding period in 2023. The increase in cost of sales and services was mainly due to the increased cost for some projects in property management services.

## **Gross Profit and Gross Profit Margin**

|                                        | For the year ended 31 December 2024 |              |              |              | For the year ended 31 December 2023 |               |               |
|----------------------------------------|-------------------------------------|--------------|--------------|--------------|-------------------------------------|---------------|---------------|
|                                        | Gross profit                        | Gross profit | Percentage   | Change in    | Gross                               | Gross         | Percentage of |
|                                        | <i>RMB'000</i>                      | margin       | of gross     | gross profit | profit                              | profit margin | gross profit  |
|                                        |                                     | %            | profit       | margin       | <i>RMB'000</i>                      | %             | %             |
|                                        |                                     |              | %            | <i>ppt</i>   |                                     |               |               |
| Property management services           | 593,236                             | 16.6         | 63.3         | -7.4         | 854,063                             | 24.0          | 59.4          |
| Community-related value-added services | 312,496                             | 26.4         | 33.4         | -9.3         | 468,873                             | 35.7          | 32.6          |
| Developer-related value-added services | 30,873                              | 10.5         | 3.3          | -10.3        | 115,542                             | 20.8          | 8.0           |
| Total                                  | <u>936,605</u>                      | <u>18.5</u>  | <u>100.0</u> | <u>-8.0</u>  | <u>1,438,478</u>                    | <u>26.5</u>   | <u>100.0</u>  |

The Group recorded gross profit of approximately RMB936.6 million for the year ended 31 December 2024, representing a year-on-year decrease of approximately 34.9% as compared to approximately RMB1,438.5 million in 2023. Gross profit margin was approximately 18.5%, representing a decrease of 8.0 percentage points as compared to 26.5% in 2023.

Gross profit of property management services was approximately RMB593.2 million, representing a decrease of approximately 30.5% as compared to approximately RMB854.1 million in 2023. Gross profit margin was approximately 16.6%, representing a year-on-year decrease of 7.4 percentage points. The decrease in the gross profit margin of property management services was mainly due to the increase in the cost of service personnel.

Gross profit of community-related value-added services was approximately RMB312.5 million, representing a decrease of approximately 33.4% as compared to approximately RMB468.9 million in 2023. Gross profit margin was approximately 26.4%, representing a year-on-year decrease of 9.3 percentage points. The decrease in the gross profit margin of community-related value-added services was mainly because: (i) the revenue of car parking lot sales with high gross profit margins has declined; and (ii) the gross profit margin of facility services has declined significantly.

Gross profit of developer-related value-added services was approximately RMB30.9 million, representing a decrease of approximately 73.3% as compared to approximately RMB115.5 million in 2023. Gross profit margin was approximately 10.5%, representing a year-on-year decrease of 10.3 percentage points. The main reason for the decline in gross profit margin was the significant decrease in the gross profit margin of smart community services.

### **Administrative Expenses**

Administrative expenses (excluding impairment loss of goodwill) were approximately RMB488.7 million, remained relatively stable as compared to approximately RMB485.8 million in 2023.

### **Other Gains — Net**

The other gains of the Group were approximately RMB51.0 million, whereas the other gains of approximately RMB48.3 million were recorded in 2023.

## **Income Tax Expense**

Income tax expense amounted to approximately RMB71.4 million, representing a decrease of approximately 48.2% as compared to approximately RMB137.7 million for the corresponding period in 2023.

Under the rules and regulations of the Cayman Islands, the Group is exempted from income tax in the Cayman Islands.

For the Group entities incorporated in Hong Kong, as the Group did not derive any revenue subject to Hong Kong profits tax for the year ended 31 December 2024, the Group did not make provision for Hong Kong profits tax accordingly.

## **(Loss)/Profit for the Year**

Loss for the year of the Group was approximately RMB875.6 million, representing a decrease of approximately 272.4% as compared to profit for the year of approximately RMB507.9 million in 2023; loss for the year attributable to owners of the Company was approximately RMB819.6 million, representing a decrease of approximately 284.2% as compared to profit for the year attributable to owners of the Company in 2023.

## **SIGNIFICANT INVESTMENTS**

As at 31 December 2024, the Group held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income of approximately RMB396.8 million and approximately RMB1.1 million respectively, accounting for approximately 7.3% in aggregate of the total assets of the Group as at 31 December 2024. Such financial assets mainly include investments in various wealth management products of unlisted trust plans and investment funds, contingent consideration receivables as well as investments in listed bonds denominated in US dollars. The Group will closely monitor and assess the performance of these investments and make timely and appropriate adjustments on the investment portfolio to enhance the returns for the Group. The Board considers any single investment with fair value accounting for more than 5% of the total assets of the Group as significant investment. As the Group did not have any single investment accounting for 5% or more of the total assets of the Group as at 31 December 2024, the Group did not hold any significant investments. As at 31 December 2024, the Company had no plans for any significant investments in the future.

## Financial assets at fair value through profit or loss held by the Group as at 31 December 2024

| Nature of investments                                             | As at 31 December 2024       |                                                                       | For the year ended<br>31 December 2024                          |                                |
|-------------------------------------------------------------------|------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------|--------------------------------|
|                                                                   | Fair value<br><i>RMB'000</i> | Approximate<br>percentage of<br>the total assets<br>of the Group<br>% | Fair value<br>gains through<br>profit or loss<br><i>RMB'000</i> | Other income<br><i>RMB'000</i> |
| <b>Financial assets at fair value through<br/>profit or loss:</b> |                              |                                                                       |                                                                 |                                |
| Trust products and investment funds                               | 360,847                      | 6.6                                                                   | 413                                                             | 21,941                         |
| Contingent consideration receivables                              | 21,122                       | 0.4                                                                   | 24,265                                                          | —                              |
| Listed bonds denominated in US dollars                            | 14,795                       | 0.3                                                                   | 917                                                             | —                              |
| Total                                                             | <u>396,764</u>               | <u>7.3</u>                                                            | <u>25,595</u>                                                   | <u>21,941</u>                  |

| Nature of investments                                                         | As at 31 December 2024       |                                                                       | For the year ended<br>31 December 2024                             |                                |
|-------------------------------------------------------------------------------|------------------------------|-----------------------------------------------------------------------|--------------------------------------------------------------------|--------------------------------|
|                                                                               | Fair value<br><i>RMB'000</i> | Approximate<br>percentage of<br>the total assets<br>of the Group<br>% | Accrued<br>expected credit<br>impairment<br>loss<br><i>RMB'000</i> | Other income<br><i>RMB'000</i> |
| <b>Financial assets at fair value through<br/>other comprehensive income:</b> |                              |                                                                       |                                                                    |                                |
| Listed bonds denominated in US dollars                                        | <u>1,118</u>                 | <u>—</u>                                                              | <u>(1,259)</u>                                                     | <u>—</u>                       |

## BORROWINGS

As at 31 December 2024, the Group had no borrowings.

## PLEDGE OF ASSETS

As at 31 December 2024, the Group did not pledge any assets.

## FOREIGN EXCHANGE RISK

As at 31 December 2024 and 2023, the balances of cash and cash equivalents and restricted cash held by the Group were as follows:

|       | As at<br>31 December<br>2024<br>RMB'000 | As at<br>31 December<br>2023<br>RMB'000 |
|-------|-----------------------------------------|-----------------------------------------|
| USD   | 23,342                                  | 23,672                                  |
| RMB   | 2,164,157                               | 1,890,607                               |
| HKD   | 7,560                                   | 13,004                                  |
| Total | <u>2,195,059</u>                        | <u>1,927,283</u>                        |

Almost all of the Group's operating activities are carried out in the PRC with most of the transactions denominated in Renminbi. The Group is exposed to foreign exchange risk arising from the exposure of US dollars and Hong Kong dollars against Renminbi as a result of certain cash balances. We will closely monitor the fluctuations of exchange rates and give prudent consideration as to whether to enter into any currency swap arrangements as and when appropriate to hedge corresponding risks.

## PLACING

On 16 March 2021, the Company and Citigroup Global Markets Limited and CLSA Limited (the “**Placing Agents**”) entered into a placing agreement, pursuant to which the Placing Agents agreed on an individual (rather than joint or joint and several) basis to place (the “**Placing**”) up to 50,000,000 new ordinary shares (the “**Placing Shares**”) on a best-efforts basis at a price of HK\$20.80 per share. The aggregate nominal value of the Placing Shares was US\$500,000, while the net placing price (after deducting related costs and expenses to be borne by the Company) was approximately HK\$20.64 per share. The Directors are of the view that the Placing would raise funds to consolidate the financial position of the Group, provide a good opportunity to broaden the shareholder base and capital base of the Group to facilitate future development, and increase the liquidity of the shares.

The Placing was completed on 23 March 2021. A total of 50,000,000 Placing Shares were successfully placed with not less than six placees at a placing price of HK\$20.80 per Placing Share. The market price of the shares was HK\$23.75 per share as quoted on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 15 March 2021, being the date on which the terms of the issue were fixed. The Company has received the net proceeds from the Placing of approximately HK\$1,032 million (equivalent to approximately RMB864.3 million) (after deducting the relevant costs and expenses to be borne by the Company).

On 28 March 2024, the Board resolved to change the use of the remaining unutilised net proceeds from the Placing with an updated expected timeline of full utilisation, please refer to the announcement of the Company dated 28 March 2024 (the “**Announcement**”) for details.

As at 31 December 2024, the Company has fully utilised the net proceeds from the Placing. The particulars of the change in use of proceeds from the Placing as set out in the Announcement and the usage of the net proceeds during the year ended 31 December 2024 are as follows:

| Item                                                                                                                             | Net proceeds (RMB million)                                                   |                                                             |                                                   |                                                                          |                                                                                      |                                                                    |                                                   |                                                        |
|----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------------|
|                                                                                                                                  | Percentage of<br>planned use of<br>net proceeds as<br>at 31 December<br>2023 | Planned use of<br>net proceeds as<br>at 31 December<br>2023 | Unutilised<br>amount as at<br>31 December<br>2023 | Revised<br>allocation of<br>proceeds<br>according to the<br>Announcement | Revised<br>allocation of<br>unutilised<br>amount<br>according to the<br>Announcement | Utilised amount<br>during the year<br>ended<br>31 December<br>2024 | Unutilised<br>amount as at<br>31 December<br>2024 | Expected time of<br>full utilisation of<br>the balance |
| Acquisition of property management companies                                                                                     | 60%                                                                          | 518.6                                                       | —                                                 | 518.6                                                                    | —                                                                                    | —                                                                  | —                                                 | Not applicable                                         |
| Acquisition of downstream companies that<br>are complementary to the Company's<br>community-related value-added service business | 30%                                                                          | 259.3                                                       | 47.6                                              | 211.7                                                                    | —                                                                                    | —                                                                  | —                                                 | Not applicable                                         |
| Upgrade of information technology infrastructure                                                                                 | 10%                                                                          | 86.4                                                        | —                                                 | 86.4                                                                     | —                                                                                    | —                                                                  | —                                                 | Not applicable                                         |
| General working capital of the Group                                                                                             | —                                                                            | —                                                           | —                                                 | 47.6                                                                     | 47.6                                                                                 | 47.6                                                               | —                                                 | Not applicable                                         |
| Total                                                                                                                            | 100%                                                                         | 864.3                                                       | 47.6                                              | 864.3                                                                    | 47.6                                                                                 | 47.6                                                               | —                                                 |                                                        |

## DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: RMB0.205 per share), as the Company intends to retain more cash to support its future development.

## EVENTS AFTER THE REPORTING PERIOD

### (a) Disposal of 60% interest in Dalian Hua'an Property Management Co., Ltd.

In July 2025, the Group entered into an agreement with an independent third party, pursuant to which the Group would dispose of its entire 60% interest in Dalian Hua'an Property Management Co., Ltd. to the independent third party for a consideration of RMB62,856,000. The consideration will be received in thirteen installments, of which the first installment of RMB4,800,000 was received in July 2025 and the second installment of RMB6,000,000 was received in November 2025. As all the applicable ratios are less than 5%, the disposal does not constitute a notifiable transaction under Chapter 14 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

### (b) Disposal of 70% interest in Yantai Yongle Property Management Service Co., Ltd.

In March 2026, the Group entered into an agreement with an independent third party, pursuant to which, the Group would dispose of its entire 70% interest in Yantai Yongle Property Management Service Co., Ltd. to the independent third party for a consideration of RMB56,040,000. The consideration will be received in eleven installments, of which first installment of RMB2,540,000 was received in March 2026. As all the applicable ratios are less than 5%, the disposal does not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

### (c) Suspension of trading in the shares of the Company on the Stock Exchange

- (i) Trading in the shares of the Company on the Stock Exchange has been suspended since 1 April 2025, and remains suspended as at the date of this announcement.
- (ii) PricewaterhouseCoopers (“**PwC**”) resigned as the auditor of the Company with effect from 26 May 2025. For further details and the matters leading to the resignation of PwC, please refer to the announcement of the Company dated 27 May 2025.
- (iii) On 18 June 2025, the Company received a letter from the Stock Exchange setting out guidance for the resumption of trading in shares of the Company on the Stock Exchange (the “**Resumption Guidance**”). For details of the Resumption Guidance, please refer to the announcement of the Company dated 23 June 2025.



- (iv) In furtherance to the resignation of PwC, Grant Thornton Hong Kong Limited (**“Grant Thornton”**) was appointed as the new auditor of the Company to fill the casual vacancy. Grant Thornton shall hold office until the conclusion of the next annual general meeting of the Company. For further details, please refer to the announcement of the Company dated 14 July 2025.
- (v) Forvis Mazars Forensic Investigation Services Limited (the **“Independent Forensic Accountant”**) was engaged by the independent investigation committee established by the Board (comprising of all independent non-executive Directors) (the **“Independent Investigation Committee”**) to conduct an independent forensic investigation (the **“Independent Forensic Investigation”**) into the fund transfers (the **“Related Party Fund Transfers”**) between the Group and Shanghai Yuesong Industrial Development Co., Ltd. (上海悦崧實業發展有限公司) (**“Shanghai Yuesong”**), a subsidiary of Seazen Holdings Co., Ltd. (**“Seazen Holdings”**, a company listed on the Shanghai Stock Exchange, stock code: 601155), and produce a forensic investigation report for the Independent Investigation Committee. Details of the key findings of the Independent Forensic Investigation are set out in the Company’s announcement dated 30 September 2025.
- (vi) Forvis Mazars Risk Advisory Services Limited (the **“Internal Control Consultant”**) was engaged to conduct an internal control review on the Group (the **“Internal Control Review”**), with the primary objective of reviewing and implementing effective internal control measures to prevent the recurrence of similar incidents to the Related Party Fund Transfers. Details of the key findings of the Internal Control Review are set out in the Company’s announcement dated 31 December 2025.

**(d) Status of the Independent Forensic Investigation and dismissal of the Independent Investigation Committee**

Reference is made to the Company’s announcement dated 30 September 2025 in relation to, among other things, the key findings of the Independent Forensic Investigation (the **“Key Findings Announcement”**), and the announcements regarding quarterly updates on resumption progress dated 30 June 2025, 30 September 2025, 31 December 2025 and 30 March 2026 (the **“Quarterly Update Announcements”**).

Please refer to the Key Findings Announcement and the Quarterly Update Announcements for the key findings of the Independent Forensic Investigation, the observations and recommendations of the Independent Investigation Committee, the corresponding views and responses of the Board and the subsequent development.

Following due and careful consideration and having exercised reasonable judgment, the Independent Investigation Committee has come to the view that the relevant investigative work has been completed, and that there are no further appropriate steps that can be taken. The Independent Forensic Investigation is therefore concluded, and the Independent Investigation Committee has properly discharged its duties and responsibilities. Following the conclusion of the Independent Forensic Investigation, the Independent Investigation Committee was therefore dismissed on 15 June 2026.

**(e) Changes in Directors**

On 8 May 2025, Mr. Jiang Xuzhi was appointed as an independent non-executive Director. On 15 May 2025, Mr. Xu Xinmin resigned as an independent non-executive Director due to his desire to devote more time to personal endeavors. For details, please refer to the announcements of the Company dated 8 May 2025 and 15 May 2025.

In light of the findings of the Independent Forensic Investigation, the Board has removed Mr. Yang Bo as an executive Director and the chief operating officer of the Company with effect from 30 September 2025. For details, please refer to the announcement of the Company dated 30 September 2025.

The nomination committee of the Company (the “**Nomination Committee**”) has considered the recommendations from the Independent Investigation Committee (as disclosed in the announcement of the Company dated 30 September 2025) and proposed to the Board for the restructure of the Board composition to enhance the overall independence and better handle conflicts of interest.

Mr. Wang Xiaosong, Mr. Lv Xiaoping and Mr. Lu Zhongming agreed with relevant proposals of the Nomination Committee and for the benefit of the Company and the Shareholders as a whole, they resigned as non-executive Directors with effect from 27 October 2025. For details, please refer to the announcement of the Company dated 27 October 2025.

## **CORPORATE GOVERNANCE CODE**

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) set out in Appendix C1 to the Listing Rules as its own code of corporate governance. Save as disclosed in this announcement, the Company has complied with all applicable code provisions as set out in the CG Code during the year ended 31 December 2024. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

### **Deviation from Code Provision C.2.1 of the CG Code**

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and performed by different individuals. Mr. Qi Xiaoming is the chairman and chief executive officer of the Company, being responsible for the overall management of the Group and guides the Group’s strategic development and business plans. Considering the Group’s current development status, the Board believes that the structure of the same person holding the two positions of chairman and chief executive officer can provide the Company with a strong and consistent leadership and benefit the implementation and execution of the Group’s business strategies. Nonetheless, we will review the structure from time to time based on the prevailing circumstances. The Board will continue to evaluate relevant situations and separate the two roles of chairman and chief executive officer in due course taking into account the Group’s overall status at that time.

### **Related Party Fund Transfers and the Relevant Non-Compliance with the Listing Rules**

As disclosed in the Key Findings Announcement, during the audit process for the annual results of the Company for the year ended 31 December 2024, the then auditor of the Company, PwC, discovered the Related Party Fund Transfers, which were not recorded in the journal entries and financial statements prepared by the Company. The Board subsequently established the Independent Investigation Committee to conduct the Independent Forensic Investigation.

According to the findings of the Independent Forensic Investigation, discrepancies were found in five bank accounts of the Company's subsidiaries, involving the Related Party Fund Transfers between such subsidiaries and Shanghai Yuesong. Shanghai Yuesong is a subsidiary of Seazen Holdings, which is in turn a subsidiary of Seazen Group Limited (a company whose shares are listed on the Stock Exchange (stock code: 1030) ("**Seazen**")). As Mr. Wang Zhenhua, the Company's controlling shareholder, is also the controlling shareholder of Seazen, Shanghai Yuesong is therefore an associate of Mr. Wang Zhenhua, and hence a connected person of the Company under the Listing Rules. Accordingly, the Related Party Fund Transfers constituted continuing connected transactions of the Company.

Pursuant to the findings of the Independent Forensic Investigation, the total amount of Related Party Fund Transfers made to Shanghai Yuesong was RMB1,800 million and RMB5,170 million for the years ended 31 December 2023 and 2024, respectively, whereas the highest outstanding balance of the Related Party Fund Transfers due from Shanghai Yuesong at the relevant time (the "**Highest Outstanding Amount**") amounted to RMB700 million and RMB800 million for the years ended 31 December 2023 and 2024, respectively.

As the highest applicable percentage ratio for the Highest Outstanding Amount has exceeded 25%, the Related Party Fund Transfers constituted continuing connected transactions and major transactions of the Company which were subject to (i) the reporting, announcement, circular (including independent financial advice), annual review and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules; and (ii) the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules. Further, as the assets ratio with respect to the Highest Outstanding Amount exceeded 8%, the Related Party Fund Transfers were subject to the disclosure obligations under Rules 13.13 and 13.15 of the Listing Rules.

During the years ended 31 December 2023 and 2024, as the Related Party Fund Transfers were conducted without the knowledge and consent of the Board, the Company had not complied with the aforesaid requirements under the Listing Rules prior to and/or after conducting the Related Party Fund Transfers, and hence the Related Party Fund Transfers and the subsequent failure to disclose and to obtain independent Shareholders' approval constituted breaches of the rules under Chapters 14, 14A and 13 of the Listing Rules.

Please refer to the Key Findings Announcement for details of the Related Party Fund Transfers and the Independent Forensic Investigation.

## **ANNUAL GENERAL MEETING**

A notice convening the forthcoming annual general meeting of the Company (the “AGM”) will be published as soon as practicable in accordance with the third amended and restated memorandum and articles of association of the Company and the Listing Rules. The record date and closure of register of members for the purpose of ascertaining the Shareholders’ entitlement to attend and vote at the AGM will be announced in due course.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as a code of conduct regarding the Directors’ securities transactions. Having made specific inquiries with all the Directors, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code throughout the year ended 31 December 2024.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

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

## SHARE OPTION SCHEME

In order to provide incentives or rewards to the Directors and certain employees of the Company for their contributions to the Group, the Company adopted a share option scheme (the “**Share Option Scheme**”) on 20 October 2018. The Share Option Scheme expired on 19 October 2024, being the 6th anniversary of its adoption date. During the year ended 31 December 2024, the Company did not grant any share options under the Share Option Scheme.

## SHARE AWARD SCHEME

The Company adopted a share award scheme with effect from 15 November 2019 (the “**Share Award Scheme**”), to recognise the contribution of certain employees and to provide incentives for them to continuously make greater contributions for the Group’s long-term growth in the future, details of which are set out in the announcement of the Company dated 15 November 2019. Accordingly, the Company entrusted the trustee of the Share Award Scheme to purchase existing shares in the open market based on the overall remuneration incentive plan. The said trustee will hold such shares on behalf of certain employees on trust, until such shares are vested in them. The aggregated maximum number of shares underlying all grants made pursuant to the Share Award Scheme (excluding award shares that have been forfeited in accordance with the Share Award Scheme) must not exceed 1.25% of the total issued share capital of the Company as at 15 November 2019. The Share Award Scheme was amended on 1 July 2021 and 23 August 2021, and an adjustment was made so that the aggregated maximum number of shares underlying all grants made pursuant to the Share Award Scheme (excluding award shares that have been forfeited in accordance with the Share Award Scheme) must not exceed 5.0% of the total issued share capital of the Company as at 23 August 2021.

During the year ended 31 December 2024, the Company did not grant any award shares under the Share Award Scheme.

## AUDIT COMMITTEE

The Board has set up an audit committee (the “**Audit Committee**”) with members including Ms. Zhang Yan, Mr. Zhu Wei and Mr. Jiang Xuzhi, three independent non-executive Directors. Ms. Zhang Yan is the chairperson of the Audit Committee. The primary responsibility of the Audit Committee is to review and oversee the financial reporting system, risk management and internal control of the Company.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group with the management, and has reviewed the annual results for the year ended 31 December 2024.

## **PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND 2024 ANNUAL REPORT**

This annual results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.xinchengyue.com](http://www.xinchengyue.com)), and the 2024 annual report of the Company containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended at 9:00 a.m. on Tuesday, 1 April 2025 and will remain suspended until further notice.

The Company wishes to emphasise that the operations of the Group remain stable and unaffected.

By order of the Board  
**S-Enjoy Service Group Co., Limited**  
**Qi Xiaoming**  
*Chairman*  
*Executive Director*  
*Chief Executive Officer*

The PRC, 29 June 2026

*For ease of reference, the names of the PRC laws and regulations, governmental authorities, institutions, natural persons or other entities have been included in this announcement in both the Chinese and English languages and in the event of any inconsistency, the Chinese version shall prevail. English translation of official Chinese names is for identification purpose only.*

*As at the date of this announcement, the Board comprises Mr. Qi Xiaoming and Ms. Wu Qianqian as executive Directors; and Ms. Zhang Yan, Mr. Zhu Wei and Mr. Jiang Xuzhi as independent non-executive Directors.*