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Ye Xing Group Holdings Limited
燁星集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1941)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2025

2025 RESULTS HIGHLIGHTS

- For the year ended 31 December 2025, the Group's total revenue was approximately RMB362.4 million, representing a slight decrease of approximately RMB14.9 million or about 3.9% as compared to approximately RMB377.3 million for the year ended 31 December 2024. For the year ended 31 December 2025, revenue generated from property management services, property developer related services and value-added services contributed 89.5%, 1.8% and 8.7% to the total revenue, respectively.
- The revenue generated from property management services segment increased slightly by approximately RMB0.5 million or about 0.2% as compared to that in 2024. The total revenue-bearing GFA under management increased by approximately 0.1 million sq.m. to approximately 13.3 million sq.m..
- The revenue generated from property developer related services decreased by approximately RMB2.9 million or about 30.9% to approximately RMB6.5 million year on year.
- The revenue generated from value-added services decreased by approximately RMB12.4 million or about 28.1% to approximately RMB31.7 million year on year.
- The profit and total comprehensive income for the year amounted to approximately RMB11.1 million (2024: loss and total comprehensive loss of approximately RMB21.6 million).

The Board announces the audited consolidated results of the Group for the year ended 31 December 2025, with comparative figures for the year ended 31 December 2024. These final results have been reviewed by the Audit Committee.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

		2025	2024
	NOTES	RMB'000	RMB'000
Revenue	4	362,422	377,314
Cost of services		(279,908)	(296,015)
Gross profit		82,514	81,299
Other income	5(a)	1,116	1,486
Other gains/(losses), net	5(b)	1,667	(139)
Selling expenses		(2,330)	(2,851)
Administrative expenses		(41,564)	(47,440)
Impairment loss recognised on trade and other receivables, net		(19,453)	(20,278)
Impairment loss recognised on amounts due from related parties		(5,933)	(38,635)
Provision of onerous contract		–	(1,461)
Interests on lease liabilities		(1)	(6)
Profit/(loss) before tax	7	16,016	(28,025)
Income tax (expense)/credit	6	(4,925)	6,431
Profit/(loss) and total comprehensive income/ (loss) for the year		11,091	(21,594)
Profit/(loss) and total comprehensive income/ (loss) for the year attributable to:			
– Owners of the Company		11,218	(21,965)
– Non-controlling interests		(127)	371
		11,091	(21,594)
Earnings/(loss) per share (<i>RMB cent</i>)			
– Basic	8	2.77	(5.42)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	NOTES	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		29,667	33,722
Intangible assets		7,921	10,032
Deferred tax assets		40,057	34,354
Right-of-use assets		32,502	34,744
Interest in associates		255	–
Other receivable	11	500	–
Goodwill		29,709	29,709
		<u>140,611</u>	<u>142,561</u>
CURRENT ASSETS			
Properties held for sale	10	7,220	7,363
Trade and other receivables	11	147,142	133,451
Amounts due from related parties	12	14,092	22,277
Bank balances and cash		139,869	116,694
		<u>308,323</u>	<u>279,785</u>
CURRENT LIABILITIES			
Trade and other payables	13(a)	118,279	115,082
Contract liabilities	13(b)	84,312	79,577
Lease liabilities		–	67
Provisions		–	1,461
Tax liabilities		19,720	9,599
		<u>222,311</u>	<u>205,786</u>
NET CURRENT ASSETS		<u>86,012</u>	<u>73,999</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>226,623</u>	<u>216,560</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities		1,980	2,508
NET ASSETS		<u>224,643</u>	<u>214,052</u>
CAPITAL AND RESERVES			
Share capital		3,650	3,650
Reserves		220,476	209,217
Total equity attributable to owners of the Company		224,126	212,867
Non-controlling interests		517	1,185
TOTAL EQUITY		<u>224,643</u>	<u>214,052</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands under Chapter 22 of the Companies Act of the Cayman Islands (Law 3 of 1961, as consolidated and revised) on 26 March 2019.

The Company's holding company is Ascendor Futur Holding Limited, which was incorporated as an exempted company with limited liability in the British Virgin Islands (the "BVI").

The shares of the Company have been listed on Main Board of The Stock Exchange of Hong Kong Limited on 13 March 2020.

The consolidated financial statements are presented in RMB, which is the same as the functional currency of the Company, and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

2. BASIS OF PREPARATION AND PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKAS") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). They have been prepared under the historical cost convention.

3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

(i) Adoption of amendments to HKFRSs – effective from 1 January 2025

The Group has adopted the following amendments to HKFRSs for the first time for the current year's consolidated financial statements:

Amendments to HKAS 21 Lack of Exchangeability

The application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial position and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

(ii) **New and amendments to HKFRSs that have been issued but are not yet effective**

The Group has not applied the following new and amendments to HKFRSs, that have been issued but are not yet effective, in these consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ¹
Annual Improvements to HKFRSs – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ¹
HKFRS 18 and consequential amendments to other HKFRSs	Presentation and Disclosure in Financial Statements ²
HKFRS 19 and subsequent amendments	Subsidiaries without Public Accountability: Disclosures ²
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

³ Effective for annual periods beginning on or after a date to be determined

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments to HKFRS 9 clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met. An entity that elects to apply the derecognition option would be required to apply it to all settlements made through the same electronic payment system.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term “non-recourse” is enhanced and the characteristics of “contractually linked instruments” are clarified in the amendments.

The disclosure requirements in HKFRS 7 *Financial Instruments: Disclosures* in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The amendments are required to be applied retrospectively, with specific exceptions. As a result of the clarification made by the amendments on the derecognition of financial assets and liabilities, the Company can only derecognise financial assets and financial liabilities settled via cheques on the date the cheques have been cleared in the recipient's/creditor's bank account.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRSs, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

Revenue represents the net amounts received and receivable for (i) property management services, (ii) property developer related services, and (iii) value-added services.

Information reported to the directors of the Company, being the chief operating decision maker (the "CODM") of the Group, for the purpose of resources allocation and assessment of segment performance focuses on the revenue analysis of each operating segment in the provision of property management services, property developer related services and value-added services of the Group. Other than the revenue analysis as set out below, no operating results and other discrete financial information including geographical location by operating segments relating to provision of property management services, property developer related services and value-added services is prepared regularly for internal reporting to the CODM for resources allocation and performance assessment.

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

Revenue from major services

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Type of services		
Property management services	324,285	323,809
Property developer related services	6,455	9,375
Value-added services	31,682	44,130
	<u>362,422</u>	<u>377,314</u>

Information about major customers

There was no revenue from customers individually contributing over 10% of total revenue of the Group for the years ended 31 December 2025 and 2024.

5. OTHER INCOME AND OTHER GAINS/(LOSSES), NET

(a) Other income

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Bank interest income	740	1,362
Value-add tax refund	376	124
	<u>1,116</u>	<u>1,486</u>

(b) Other gains/(losses), net

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Loss on written-off of property, plant and equipment	–	(19)
Government subsidy	427	67
Net exchange gain/(loss)	876	(124)
Others	364	(63)
	<u>1,667</u>	<u>(139)</u>

6. INCOME TAX EXPENSE/(CREDIT)

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
PRC Enterprise Income Tax (“EIT”)		
– Current income tax	11,077	9,037
– Under-provision in prior years	79	116
Deferred tax	<u>(6,231)</u>	<u>(15,584)</u>
	<u>4,925</u>	<u>(6,431)</u>

Under the Law of the People’s Republic of China on EIT (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%. During the year, certain subsidiaries of the Group was entitled to a preferential income tax rate of 20% (2024: 20%) for small and micro enterprises with the first RMB1 million of annual taxable income eligible for 75% (2024: 75%) reduction and the income between RMB1 million and RMB3 million eligible for 75% (2024: 75%) reduction.

No provision for taxation in Hong Kong has been made as the Group’s income neither arises in, nor is derived from, Hong Kong for the years ended 31 December 2025 and 2024.

The Company and the group entity incorporated in the BVI are not subject to income tax in the Cayman Islands or any other jurisdiction.

7. PROFIT/(LOSS) BEFORE TAX

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit/(loss) before tax has been arrived at after charging:		
Auditor’s remuneration		
– Audit services	1,600	1,600
– Other services	<u>650</u>	<u>650</u>
	<u>2,250</u>	<u>2,250</u>
Directors’ emoluments	2,591	2,555
Other staff’s salaries and other benefits	119,629	128,783
Other staff’s contributions to retirement benefit scheme	21,580	23,379
Other staff’s contributions to housing provident funds	<u>3,279</u>	<u>4,225</u>
Total staff costs	<u>147,079</u>	<u>158,942</u>
Depreciation for property, plant and equipment	5,447	6,594
Depreciation of right-of-use assets	2,242	2,552
Amortisation of intangible assets	<u>2,111</u>	<u>2,611</u>

8. EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/(loss) per share attributable to owners of the Company is based on the following data:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit/(loss) for the year attributable to owners of the Company for the purposes of basic earnings/(loss) per share	<u>11,218</u>	<u>(21,965)</u>
	<i>Number of shares</i>	<i>Number of shares</i>
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	<u>405,310,000</u>	<u>405,310,000</u>

No diluted earnings/(loss) per share is presented for each of the years ended 31 December 2025 and 2024 as there is no potential ordinary shares in issue during the years.

9. DIVIDENDS

No dividend was declared or paid by the Company for the years ended 31 December 2025 and 2024.

10. PROPERTIES HELD FOR SALE

Properties held for sale represent car parks acquired by the Group which are held for sale, they are initially stated at costs and subsequently carried at the lower of cost and net realisable value.

11. TRADE AND OTHER RECEIVABLES

	<i>Notes</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables		184,038	150,300
Less: allowance for credit losses		(52,949)	(33,590)
		131,089	116,710
Other receivables:			
Deposits	(a)	3,024	3,538
Prepayments		4,629	4,844
Payments on behalf of residents	(b)	3,161	3,308
Advances to staff		4,439	4,740
Financial assets at amortised cost		500	–
Others		1,176	593
Less: allowance for credit losses		(376)	(282)
		16,553	16,741
		147,642	133,451
Non-current portion		(500)	–
Current portion		147,142	133,451

Notes:

- (a) The amounts represented the deposits paid for staff quarters, point of sales machines and tendering activities. The deposits are refundable in the next twelve months at each of the end of the reporting period and therefore the amounts are classified as current assets.
- (b) The amounts represented the amounts paid on behalf of residents to the utilities service providers for the services provided.

Property management services income is generally required to be settled by property owners and property developers on the date upon issuance of demand note.

The Group generally grants a credit period of 30 days for its property developer related services and value-added services to its third parties.

The following is an ageing analysis of trade receivables, before the impairment allowances, presented based on the date of demand note issued:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
0 to 60 days	33,771	35,128
61 to 180 days	35,713	31,544
181 to 365 days	44,040	36,890
1 to 2 years	44,603	21,214
2 to 3 years	8,475	15,797
Over 3 years	17,436	9,727 [#]
	<u>184,038</u>	<u>150,300</u>

[#] During the year ended 31 December 2024, including an amount of RMB2,422,000 reclassified from amounts due from related parties due to change in ownership structure.

12. AMOUNTS DUE FROM RELATED PARTIES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade nature		
Related parties (<i>Note (a)</i>)	115,115	118,384
Less: allowance for credit losses (<i>Note (b)</i>)	<u>(101,023)</u>	<u>(96,107)</u>
Total	<u>14,092</u>	<u>22,277</u>

Notes:

- (a) The Group generally grants a credit period of 30 days for its property developer related services and value-added services to its related parties and no credit term granted to related parties for its provision of property management services in which such income is generally required to be settled upon the date of issuance of demand note.
- (b) The Group individually assesses the expected credit loss of receivables from related parties. Movement in the loss allowances are set out below:

Trade nature

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At 1 January	96,107	57,472
Impairment loss recognised	5,933	38,635
Written-off	<u>(1,017)</u>	<u>–</u>
At 31 December	<u>101,023</u>	<u>96,107</u>

The following is an aging analysis of amounts due from related parties, before the impairment allowance, presented based on date of demand note issued:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
0 to 60 days	3,918	13,266
61 to 180 days	459	1,384
181 to 365 days	1,127	9,655
1 to 2 years	21,949	9,216
2 to 3 years	8,864	23,746
Over 3 years	78,798	61,117
	<u>115,115</u>	<u>118,384</u>

13. TRADE AND OTHER PAYABLES

(a) Trade and other payables

	<i>Notes</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables		<u>33,566</u>	<u>38,667</u>
Other payables:			
Receipts on behalf of residents	(a)	17,188	11,768
Deposits received	(b)	28,045	32,317
Accrued staff costs		19,741	17,828
Accrued contribution to social insurance and housing provident funds		6,721	6,503
Other tax payables		8,686	6,202
Accrued expenses		3,045	729
Other payables		<u>1,287</u>	<u>1,068</u>
Total other payables		<u>84,713</u>	<u>76,415</u>
Total trade and other payables		<u>118,279</u>	<u>115,082</u>

Notes:

- (a) The balances represented the receipts on behalf of community residents to settle the utilities bills from utilities suppliers.
- (b) The balances mainly represented by the utility deposits received from the property owners and residents. The deposits received are repayable on demand and accordingly the amounts are classified as current liabilities.

The following is an ageing analysis of trade payables presented based on the invoice date at the end of each reporting period:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	25,282	31,457
1–2 years	2,481	2,032
2–3 years	1,200	3,162
Over 3 years	4,603	2,016
	<u>33,566</u>	<u>38,667</u>

(b) Contract liabilities

The contract liabilities represent the advance from customers for property management services, property developer related services and value-added services. The payment terms vary and depend on the terms of the Group's property management services contracts.

When the Group receives advanced consideration from customers before the property management service activities commence, this will give rise to contract liabilities, until the revenue recognised on relevant contract upon provision of property management services.

All contract liabilities are expected to be recognised as revenue within one year.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Business Overview

The Group is a reputable property management service provider offering comprehensive property management and related services for residential and non-residential properties in the PRC. Its parent group, Hongkun Group, is a leading property developer in the Beijing-Tianjin-Hebei Region and has been ranked among the Top 100 Property Developers in the PRC* (中國房地產開發企業百強). The Group had been ranked one of the Top 100 Property Management Companies in the PRC* (中國物業服務百強企業) by China Index Academy* (中國指數研究院) for six consecutive years since 2016. Through upholding the Group's service philosophy of "creating an enjoyable living environment (讓人們住得開心)" and the dedication to the Group's core values of "friendliness, persistence, innovation and excellence" in delivering its services, the Group envisions to become an outstanding property management service provider in the PRC. As at 31 December 2025, the Group provided property management services to properties spanning across 17 cities in the Beijing-Tianjin-Hebei Region, Hainan Province, Hubei Province, Jiangsu Province and Guangdong Province, managing a total revenue-bearing GFA of approximately 13.3 million sq.m., comprising 65 residential properties (with over 100,000 units in total) and 19 non-residential properties.

In 2025, the Company achieved a total revenue of approximately RMB362.4 million, a slight decrease of about 3.9% year on year; realized gross profit of approximately RMB82.5 million, a slight increase of about 1.5% year on year. The profit and total comprehensive income for the year amounted to approximately RMB11.1 million. The gross profit margin in 2025 was 22.8%, representing an increase of 1.3 percentage points as compared with that of 2024.

As of the end of 2025, the Group's contracted GFA was approximately 15.8 million sq.m., and the total revenue-bearing GFA under management exceeded 13.3 million sq.m., which was consistent with that of 2024; the number of the Group's managed residential property projects was 65, with a total revenue-bearing GFA of approximately 12.5 million sq.m., accounting for 93.6% of the total revenue-bearing GFA; the number of the Group's managed non-residential property projects was 19, with a total revenue-bearing GFA of approximately 0.8 million sq.m., accounting for 6.4% of the total revenue-bearing GFA.

The table below sets forth our (i) contracted GFA; (ii) revenue-bearing GFA; and (iii) number of properties under our management in relation to the properties for which we had commenced our provision of property management services, as at the dates indicated:

	As at 31 December	
	2025	2024
Residential Properties		
Contracted GFA ('000 sq.m.) (Note)	13,747	13,661
Revenue-bearing GFA ('000 sq.m.)	12,484	12,354
Number of properties managed	65	63
Non-residential Properties		
Contracted GFA ('000 sq.m.) (Note)	2,052	2,109
Revenue-bearing GFA ('000 sq.m.)	848	859
Number of properties managed	19	19
Total		
Contracted GFA ('000 sq.m.) (Note)	15,799	15,770
Revenue-bearing GFA ('000 sq.m.)	13,332	13,213
Number of properties managed	84	82

Note: Contracted GFA refers to the total GFA managed and the total GFA to be managed by the Group under signed property management service agreements.

FUTURE OUTLOOK

In 2025, the property management industry has entered a new stage of high-quality development characterized by quality improvement, cost control through technology, and structure optimized. The concentration of industry will continue to increase, and the profit model will shift from scale-driven to value and efficiency-driven. The Company will adhere to long-termism, focusing on stable operations, superior services, strong technology, expanded value-added services and risk control as its core strategies. We will deepen our presence in core regions, optimize our business structure, continuously improve profitability and Shareholders' returns, and build a sustainable integrated property service platform.

Business Development and Market Expansion

The Company adheres to a balanced approach of high-quality expansion and in-depth cultivation of existing projects, focusing on first-tier and second-tier core cities and advantageous urban clusters, prioritizing the expansion of residential and commercial office projects. In 2025, the Company successfully renewed (i) the equipment operation and maintenance contract of the Sinopec Conference Center project; (ii) the cleaning contract of the Xiaotangshan Villa at the National People's Congress Conference Center project; (iii) the cleaning and conference service contract of the Beijing Industrial Park of China Resources Shuanghe Pharmaceutical project; and (iv) the equipment operation and maintenance contract

of the Shihua Hotel project. It also successfully signed a new cleaning contract of the B2 stadium building in Phase III of the Optical Science and Technology Museum project. The Company optimized the structure of its managed projects, proactively exited inefficient and loss-making projects, improved the quality of contracted area and the efficiency per square meter, and ensured steady growth in revenue, profit and cash flow.

Service Quality and Customer Value

The Company focuses on the satisfaction rate of residents and collection rate of property management fees, we have comprehensively upgraded the standardization system of basic services and improved the service loop and quality supervision mechanism; promoted service transparency and tiered management to enhance service premium and renewal rates; and deeply participated in community governance to build trust-based customer relationships and solidify brand reputation and long-term competitiveness. In 2025, our projects held different events such as popular photo spots and large-scale Mid-Autumn Festival galas, upholding the service philosophy of “creating an enjoyable living environment”.

Smart Property Management and Digital Operations

The Company accelerates the implementation of technology empowerment, and deepens the construction of smart security, equipment operation and maintenance, energy consumption management, and online service platforms. Digital tools are used to improve response efficiency and reduce labor and energy costs. Data-driven operation analysis is being promoted to achieve refined project management and scientific decision-making, and to build a highly efficient operation system with human-machine collaboration. In 2025, we have achieved the intelligent meter recording and management of energy consumption to control costs, and multiple departments have used AI technology to improve management efficiency.

Value-added Services and the Second Growth Curve

The Company deepens its “property+” ecosystem layout, continuing to develop high value-added services such as community commerce, food ordering services and asset operation, and increasing the proportion of revenue from non-property owner value-added services and community value-added services; it also explores the value of existing assets, creates a diversified profit structure, and enhances profitability resilience and counter-cyclical capabilities.

Cost Control and Risk Compliance

The Company strengthens the refined management of the entire chain of human resources, procurement and energy consumption, strictly controls expenses, and improves net profit margin; improves project contract management and accounts receivable control, and strictly adheres to the bottom line of compliant operation, safe production and public opinion risk; optimizes organizational structure and talent system to improve overall operational efficiency.

Brand and Social Responsibility

The Company adheres to honest operation and transparent service to enhance its brand reputation; it actively participates in community governance, urban services and green and low-carbon construction, fulfills its social responsibility, and achieves synergy between corporate value and social value.

Looking ahead to 2026, the Company will adhere to the philosophy of “consolidating the foundation and expanding the business”, strengthening existing projects and enhancing its ability to maintain operations. It will also delve deeper into the surrounding markets of all re-managed areas; cultivate property owners’ needs and expand service boundaries; build a foundation on quality, improve efficiency through technology, and increase revenue through value-added services; reshape its diversified business strategy by launching new neighborhood center catering and convenience services, as well as newly launched renovation business and home delivery services; and continuously enhance its core competitiveness and market position to create long-term stable value for Shareholders, customers and society.

FINANCIAL REVIEW

Results of Operations

The Group’s revenue was mainly derived from property management services, property developer related services and value-added services. For the year ended 31 December 2025, the Group’s total revenue was approximately RMB362.4 million, representing a slight decrease of approximately RMB14.9 million or approximately 3.9% as compared to approximately RMB377.3 million for the year ended 31 December 2024. For the year ended 31 December 2025, the revenue generated from property management services, property developer related services and value-added services contributed 89.5%, 1.8% and 8.7% to the total revenue, respectively.

The following table sets forth a breakdown of our revenue by type of services for the years indicated:

	Year ended 31 December			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Property management services	324,285	89.5	323,809	85.8
Property developer related services	6,455	1.8	9,375	2.5
Value-added services	31,682	8.7	44,130	11.7
Total	362,422	100.0	377,314	100.0

Property Management Services

The revenue generated from property management services increased slightly by approximately RMB0.5 million or about 0.2% year on year. Revenue generated from residential properties increased slightly by approximately RMB4.2 million or approximately 1.6%, mainly due to (i) the fully reflected contribution of property management fees from those residential properties delivered in the second half of 2024; and (ii) 2 newly delivered residential properties during the year, which generated a total revenue of approximately RMB1.4 million. Revenue generated from non-residential properties decreased slightly by approximately RMB3.8 million or approximately 6.1%, primarily because the Group did not renew the service agreement of 1 non-residential property which expired during the year. The total revenue-bearing GFA under management increased from approximately 13.2 million sq.m. as at 31 December 2024 to approximately 13.3 million sq.m. as at 31 December 2025.

The following table sets forth a breakdown of our total revenue-bearing GFA and our revenue derived from the property management services by type of properties as at the dates indicated and for the years indicated:

	As at/Year ended 31 December							
	2025				2024			
	Revenue-bearing GFA		Revenue		Revenue-bearing GFA		Revenue	
	'000 sq.m.	%	RMB'000	%	'000 sq.m.	%	RMB'000	%
Residential properties	12,484	93.6	266,126	82.1	12,354	93.5	261,850	80.9
Non-residential properties	848	6.4	58,159	17.9	859	6.5	61,959	19.1
	<u>13,332</u>	<u>100.0</u>	<u>324,285</u>	<u>100.0</u>	<u>13,213</u>	<u>100.0</u>	<u>323,809</u>	<u>100.0</u>

The following table sets forth a breakdown of our total revenue-bearing GFA and our revenue derived from property management services by type of property developers as at the dates indicated and for the years indicated:

	As at/Year ended 31 December							
	2025				2024			
	Revenue-bearing GFA		Revenue		Revenue-bearing GFA		Revenue	
	'000 sq.m.	%	RMB'000	%	'000 sq.m.	%	RMB'000	%
Hongkun Group	10,390	77.9	273,330	84.3	10,301	78.0	274,633	84.8
Third-party property developers	2,942	22.1	50,955	15.7	2,912	22.0	49,176	15.2
	<u>13,332</u>	<u>100.0</u>	<u>324,285</u>	<u>100.0</u>	<u>13,213</u>	<u>100.0</u>	<u>323,809</u>	<u>100.0</u>

The following table sets forth a breakdown of our total revenue-bearing GFA and our revenue derived from property management services by geographic coverage as at the dates indicated and for the years indicated:

	As at/Year ended 31 December							
	2025				2024			
	Revenue-bearing GFA		Revenue		Revenue-bearing GFA		Revenue	
	'000 sq.m.	%	RMB'000	%	'000 sq.m.	%	RMB'000	%
Beijing	2,735	20.5	101,800	31.4	2,721	20.6	101,667	31.4
Tianjin	2,020	15.2	63,705	19.6	1,981	15.0	62,786	19.4
Hebei Province	4,531	34.0	94,236	29.1	4,268	32.3	87,873	27.1
Beijing-Tianjin-Hebei Region	9,286	69.7	259,741	80.1	8,970	67.9	252,326	77.9
Hainan Province	676	5.1	10,676	3.3	676	5.1	10,056	3.1
Hubei Province	613	4.6	10,759	3.3	810	6.1	17,137	5.3
Anhui Province	-	-	-	-	-	-	96	-
Jiangsu Province	2,716	20.3	33,343	10.3	2,716	20.6	33,283	10.3
Shanghai	-	-	-	-	-	-	377	0.1
Guangdong Province	41	0.3	2,136	0.7	41	0.3	1,421	0.4
Sichuan Province	-	-	7,630	2.3	-	-	9,113	2.9
	<u>13,332</u>	<u>100.0</u>	<u>324,285</u>	<u>100.0</u>	<u>13,213</u>	<u>100.0</u>	<u>323,809</u>	<u>100.0</u>

Property Developer Related Services

Due to the downturn of China's real estate market, the revenue generated from property developer related services decreased by approximately RMB2.9 million or about 30.9% from approximately RMB9.4 million for the year ended 31 December 2024 to approximately RMB6.5 million for the year ended 31 December 2025.

The following table sets forth a breakdown of the number of property developer related services projects and our revenue derived from property developer related services by geographic coverage as at the dates indicated and for the years indicated:

	As at/Year ended 31 December					
	2025			2024		
	Number of projects	Revenue		Number of projects	Revenue	
		RMB'000	%		RMB'000	%
Beijing	–	27	0.5	1	219	2.4
Tianjin	2	1,072	16.6	1	692	7.4
Hebei Province	3	5,216	80.7	5	6,565	69.9
Beijing-Tianjin-Hebei Region	5	6,315	97.8	7	7,476	79.7
Hainan Province	1	140	2.2	1	827	8.8
Hubei Province	–	–	–	1	175	1.9
Anhui Province	–	–	–	1	897	9.6
	6	6,455	100.0	10	9,375	100.0

Value-added Services

The revenue generated from value-added services decreased by approximately RMB12.4 million or about 28.1% from approximately RMB44.1 million for the year ended 31 December 2024 to approximately RMB31.7 million for the year ended 31 December 2025. The decrease was mainly due to the effect of economic environment, residents' demand for value-added services has been reduced significantly, which has also affected the leasing of common areas of our managed properties by third-party service providers.

The following table sets forth a breakdown of our revenue derived from our value-added services for the years indicated:

	Year ended 31 December			
	2025		2024	
	Revenue		Revenue	
	RMB'000	%	RMB'000	%
Home living services (Note 1)	17,960	56.7	19,333	43.8
Leasing of common areas (Note 2)	12,794	40.4	20,187	45.7
Others	928	2.9	4,610	10.5
	31,682	100.0	44,130	100.0

Notes:

- (1) Our home living services primarily included our collection of electricity, air-conditioning and heating fees, household repair and maintenance services provided to property owners and residents of our managed residential or non-residential properties.
- (2) Our leasing of common areas primarily represented the leasing of certain common areas of our managed residential or non-residential properties to third-party service providers for setting up advertisement lightboxes, distilled water vending machines, screens in lifts and other facilities.

Cost of Services

Our cost of services primarily consist of (i) labour costs which arise mainly from the security, cleaning and gardening services; (ii) subcontracting costs; (iii) utility expenses; (iv) office expenses; and (v) maintenance costs.

Our cost of services decreased slightly by approximately 5.4% from approximately RMB296.0 million for the year ended 31 December 2024 to approximately RMB279.9 million for the year ended 31 December 2025. The decrease was primarily (i) benefited from the Company's cost control measures, the labor costs decreased by approximately RMB5.7 million year on year, and outsourcing costs decreased by approximately RMB5.2 million year on year; and (ii) due to the decrease in value-added services' revenue, the corresponding cost decreased by approximately RMB9.3 million year on year.

To maximise our cost and operational efficiency, we outsource our cleaning, gardening, equipment maintenance, site security services and car park management to subcontractors who are Independent Third Parties. We believe that the subcontracting arrangement allows us to leverage the resources and expertise of the subcontractors, reduce our operating costs, and enhance overall efficiency and profitability.

Gross Profit and Gross Profit Margin

For the year ended 31 December 2025, the gross profit of the Group was approximately RMB82.5 million, representing a slight increase of approximately RMB1.2 million or approximately 1.5% as compared to approximately RMB81.3 million for the year ended 31 December 2024. The gross profit margin was 22.8% for the year ended 31 December 2025 and 21.5% for the year ended 31 December 2024. The increase in gross profit margin was mainly because the Company has implemented cost control measures to reduce costs of services.

Selling Expenses and Administrative Expenses

Our selling expenses primarily consist of (i) promotional expenses; (ii) salaries and allowances for our sales personnel; and (iii) travelling and entertainment expenses. The total selling expenses of the Group for the year ended 31 December 2025 were approximately RMB2.3 million, representing a decrease of approximately RMB0.6 million or approximately 20.7% as compared with approximately RMB2.9 million for the year ended 31 December 2024. The decrease was primarily because the Group reduced the salaries and allowances for our sales personnel by approximately RMB1.2 million during the year.

Our administrative expenses primarily consist of (i) salaries and allowances for administrative and management personnel in headquarters; (ii) travelling expenses; (iii) professional fees; (iv) lease-related expenses; and (v) bank charges.

For the year ended 31 December 2025, the administrative expenses of the Group were approximately RMB41.6 million, representing a decrease of approximately RMB5.8 million or approximately 12.2% as compared to approximately RMB47.4 million for the year ended 31 December 2024. The decrease was mainly because (i) the salaries and allowances for administrative and management personnel in headquarters decreased by approximately RMB4.6 million year on year; and (ii) the professional fees decreased by approximately RMB1.1 million year on year.

Other Income

For the year ended 31 December 2025, other income of the Group amounted to approximately RMB1.1 million, representing a decrease of approximately RMB0.4 million or about 26.7% as compared to approximately RMB1.5 million for the year ended 31 December 2024. The decrease was mainly because the bank interest income decreased by approximately RMB0.7 million or about 50.0% in 2025.

Impairment Loss Recognised on Trade and Other Receivables

For the year ended 31 December 2025, the impairment loss recognised on trade and other receivables through profit or loss was approximately RMB19.5 million (2024: approximately RMB20.3 million) which was similar to that of 2024. The trade receivables before the impairment allowances increased by approximately RMB33.7 million or about 22.4% from approximately RMB150.3 million as at 31 December 2024 to approximately RMB184.0 million as at 31 December 2025.

Impairment Loss Recognised on Amounts due from Related Parties

For the year ended 31 December 2025, the impairment loss recognised on amounts due from related parties was approximately RMB5.9 million (2024: approximately RMB38.6 million), which was mainly due to a reduction in the gross balance of amount due from related parties during 2025.

Income Tax (Expense)/Credit

For the year ended 31 December 2025, the income tax expense of the Group was approximately RMB4.9 million (2024: income tax credit of approximately RMB6.4 million), which was mainly due to the significant decrease in the impairment losses of amounts due from related parties, resulting in the reduction in deferred tax during the year.

Profit/(Loss) for the Year

For the year ended 31 December 2025, the profit and total comprehensive income for the year of the Group was approximately RMB11.1 million (2024: loss and total comprehensive loss of approximately RMB21.6 million). The turnaround from loss and total comprehensive loss to profit and total comprehensive income for the year was mainly due to the decrease in impairment loss of trade and other receivables and impairment loss of amounts due from related parties by approximately RMB33.5 million in total.

FINANCIAL POSITION

As at 31 December 2025, the total assets of the Group were approximately RMB448.9 million (as at 31 December 2024: approximately RMB422.3 million), and the total liabilities were approximately RMB224.3 million (as at 31 December 2024: approximately RMB208.3 million). As at 31 December 2025, the current ratio was 1.4 (as at 31 December 2024: 1.4).

As at 31 December 2025 and 31 December 2024, the Group had no outstanding bank borrowings and undrawn banking facilities.

The Board will continue to follow a prudent policy in managing the Group's cash and cash equivalents and maintain a strong liquidity position to ensure that the Group is able to take full advantage of future growth opportunities.

Property, Plant and Equipment

Our property, plant and equipment included (i) building for staff quarters; and (ii) furniture, fixtures and equipment in office premises and management offices and sites. Our property, plant and equipment were approximately RMB29.7 million as at 31 December 2025, representing a decrease of approximately RMB4.0 million or approximately 11.9% as compared with approximately RMB33.7 million as at 31 December 2024. It was primarily attributable to the provision for depreciation for the year ended 31 December 2025.

Intangible Assets

Our intangible assets were approximately RMB7.9 million as at 31 December 2025, representing a decrease of approximately RMB2.1 million or approximately 21.0% as compared with approximately RMB10.0 million as at 31 December 2024. The decrease was mainly due to the amortisation of intangible assets during the year.

Right-of-use Assets

Our right-of-use assets represented our right to use our leased assets (i.e. office premises and staff quarters) with lease terms of over one year, which was initially measured at cost and subsequently measured at cost less accumulated depreciation and impairment losses under HKFRS 16.

Our right-of-use assets decreased by approximately RMB2.2 million or about 6.3% from approximately RMB34.7 million as at 31 December 2024 to approximately RMB32.5 million as at 31 December 2025.

On 26 September 2023, Beijing Hongkun Ruibang Property Management Company Limited (“**Beijing Hongkun**” or “**Hongkun Ruibang**”) (an indirect wholly-owned subsidiary of the Company) entered into the transfer agreement with Beijing Ruihongda Enterprise Consulting Co., Ltd. (“**Beijing Ruihongda**”), pursuant to which Beijing Ruihongda agreed to transfer and Hongkun Ruibang agreed to acquire the right-of-use of a property at a consideration of approximately RMB36.8 million. The property has a lease term until 30 June 2041. Please refer to the announcement of the Company dated 26 September 2023 and the circular of the Company dated 21 November 2023 for further details of the acquisition of the right-of-use of the property.

Goodwill

As at 31 December 2024 and 2025, our goodwill was approximately RMB29.7 million.

Trade and Other Receivables

Our trade and other receivables increased by approximately RMB13.6 million or about 10.2% from approximately RMB133.5 million as at 31 December 2024 to approximately RMB147.1 million as at 31 December 2025. Our trade receivables increased by approximately RMB14.4 million or about 12.3% from approximately RMB116.7 million as at 31 December 2024 to approximately RMB131.1 million as at 31 December 2025, mainly due to the continuous growth in our business.

Amounts due from Related Parties

Trade nature amounts due from related parties

Our trade nature amounts due from related parties mainly represented the outstanding balances to be received from the Parent Group mainly in respect of the provisions of our property management services and property developer related services.

Our trade nature amounts due from related parties decreased by approximately RMB8.2 million or about 36.8% from approximately RMB22.3 million as at 31 December 2024 to approximately RMB14.1 million as at 31 December 2025, mainly due to (i) the decrease in transaction amounts of related parties during the year; and (ii) the further impairment loss made during the year.

Trade and Other Payables

As at 31 December 2025, our trade and other payables were approximately RMB118.3 million, representing a slight increase of approximately RMB3.2 million or about 2.8% as compared to approximately RMB115.1 million as at 31 December 2024. Of which, our account payables were approximately RMB33.6 million, representing a decrease of approximately RMB5.1 million or about 13.2% as compared to approximately RMB38.7 million as at 31 December 2024. In view of the increasing weighting of subcontracting cost, we have accelerated the settlement of payables due to suppliers, in order to maintain the relationship with suppliers and bargain better prices.

Contract Liabilities

Our contract liabilities primarily represented the payments in advance from our customers for the provision of our property management services. Pursuant to the signed property management service agreements, we usually charge a fixed amount of fees by issuing demand notes to property owners and residents, which are generally required to be paid in advance on an annual basis for residential properties and on a monthly or quarterly basis for non-residential properties. Our contract liabilities increased slightly by approximately RMB4.7 million or about 5.9% to approximately RMB84.3 million as at 31 December 2025 (as at 31 December 2024: approximately RMB79.6 million).

Asset Pledged

As at 31 December 2025, none of the assets of the Group was pledged.

Proceeds from the Listing

The Shares were listed on the Main Board of the Stock Exchange on 13 March 2020 and 100,000,000 new Shares were issued. The over-allotment option was partially exercised and 5,310,000 new Shares were issued on 3 April 2020. After deducting the underwriting fees and relevant expenses, net proceeds from the Listing amounted to approximately HK\$129.4 million (equivalent to approximately RMB116.2 million). The net proceeds from the Listing were higher than that stated in the Prospectus, due to a higher final issue price than the median

of the range of offer prices stated in the Prospectus and lower-than-expected underwriting fees. Such proceeds will be applied in the manner consistent with that as set out in the Prospectus which is detailed as follows:

Intended usage	Disclosure in the Prospectus			
	Approximate net proceeds utilized <i>HK\$ million</i>	Approximate percentage	Proceeds planned to be utilized in 2020 <i>HK\$ million</i>	Proceeds planned to be utilized in 2021 <i>HK\$ million</i>
Expansion of geographic presence and scale of operations in the PRC	64.4	65.0%	61.3	3.1
Development and enhancement of our information system and technological initiatives	12.9	13.0%	12.9	–
Expansion of our value-added services	9.9	10.0%	4.7	5.2
Staff development	2.0	2.0%	2.0	–
General working capital	9.8	10.0%	–	–
Total	99.0	100.0%	80.9	8.3

Due to the abovementioned reasons, the net proceeds from the Listing increased to HK\$129.4 million and therefore our expected usage increased proportionately as follows:

Intended usage	As at 31 December 2025				
	Actual amount of net proceeds <i>HK\$ million</i>	Approximate percentage	Proceeds utilized <i>HK\$ million</i>	Proceeds not yet utilized <i>HK\$ million</i>	Proceeds planned to be utilized in 2026 <i>HK\$ million</i>
Expansion of geographic presence and scale of operations in the PRC	84.1	65.0%	47.1	37.0	37.0
Development and enhancement of our information system and technological initiatives	16.9	13.0%	8.7	8.2	8.2
Expansion of our value-added services	12.9	10.0%	8.7	4.2	4.2
Staff development	2.6	2.0%	1.6	1.0	1.0
General working capital	12.9	10.0%	6.4	6.5	6.5
Total	129.4	100.0%	72.5	56.9	56.9

As at 31 December 2025, the Company has utilized part of such proceeds according to the use as set out in the Prospectus. Approximately HK\$47.1 million, representing approximately 36.4% of the actual amount of net proceeds, was utilized for expansion of geographic presence and scale of operations in the PRC, including acquiring Jiangsu Wanhao; approximately HK\$8.7 million, representing approximately 6.7% of the actual amount of net proceeds, was utilized for development and enhancement of our information system and technological initiatives, including building up a resident communication database and upgrading the management fee collection system; approximately HK\$8.7 million, representing approximately 6.7% of the actual amount of net proceeds, was utilized for expansion of our value-added services, including setting up a business development team; approximately HK\$1.6 million, representing approximately 1.2% of the actual amount of net proceeds, was utilized for staff development, including strengthening staff learning, development and promotion of systems; and approximately HK\$6.4 million, representing approximately 4.9% of the actual amount of net proceeds, was utilized for general working capital.

Due to the continuous downtrend of the real estate industry, the supply of new property projects in the market decreases, the uncertainty of acquisition pricing raised, we adopt a more cautious attitude towards the evaluation of the targets for mergers and acquisitions. Therefore, our progress in utilizing the proceeds from the Listing was delayed comparing with the plan. The expected timeline for utilizing the unutilized proceeds will be one year, which is based on our best estimation and will be subject to change according to market conditions. The unutilized proceeds as at 31 December 2025 were deposited in the bank accounts.

Significant Acquisitions and Disposals

Save as disclosed in this announcement, during the year ended 31 December 2025, the Group did not have any significant acquisitions and disposals of subsidiaries, associates or joint ventures.

Significant Investments

As at 31 December 2025, the Group did not have any significant investments.

ANNUAL GENERAL MEETING

The AGM will be held on 30 June 2026 and the notice of the AGM will be published and sent to the Shareholders in the manner as required by the Listing Rules in due course.

DIVIDEND

No final dividend was recommended by the Board for the year ended 31 December 2025.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events affecting the Group after 31 December 2025 and up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group had a total of 1,140 employees. Staff costs for the year ended 31 December 2025 amounted to approximately RMB147.1 million.

The Company's policy for determining the remuneration payable to Directors is based on the skills, knowledge, involvement in the Company's affairs and performance of individual Directors, with reference to the Company's profitability, the level of remuneration in the industry and prevailing market conditions. To ensure that the remuneration committee of the Company can better advise on the Group's future remuneration policies and related strategies, the remuneration committee of the Company is informed of the Group's existing remuneration policies and succession plans (e.g. guidelines for determining staff remuneration packages and relevant market trends and information).

In accordance with the relevant PRC laws and regulations, the Group contributes to the PRC social security fund (including pension insurance, medical insurance, unemployment insurance, maternity insurance and work injury insurance) and housing provident fund for its PRC employees. The Group's full-time employees in the PRC participate in a number of government-sponsored defined contribution retirement schemes under which employees are entitled to a monthly pension calculated according to certain formulas. The relevant government agencies assume the responsibility of pension payments to these retired employees. The Group makes monthly contributions to these pension schemes. Under these schemes, the Group has no obligation for post-retirement benefits other than the contributions made. Contributions to these schemes are expensed as incurred and contributions made to these defined contribution pension schemes on behalf of an employee cannot be used to reduce the Group's future obligations under these defined contribution pension schemes even if the employee leaves the Group.

CORPORATE GOVERNANCE CODE

The Board is committed to achieving high standards of corporate governance.

The Board believes that high standards of corporate governance are key to the Group's ability to protect Shareholders' interests, enhance corporate value, develop business strategies and policies, and improve transparency and accountability.

The Company has adopted the principles and code provisions of the Corporate Governance Code as the basis for the Company's corporate governance practices. The Company has also established a corporate governance framework and has developed a set of policies and procedures in accordance with the Corporate Governance Code. These policies and procedures provide the basis for strengthening the Board's ability to exercise governance and provide appropriate oversight of the business conduct and affairs of the Company.

During the year ended 31 December 2025, the Company has complied with all applicable code provisions set out in the Corporate Governance Code, except for the deviation from code provision C.2.1 of the Corporate Governance Code which requires that the roles of the chairman and the chief executive should be separate and should not be performed by the same individual.

Ms. Wu Guoqing is the general manager of Beijing Hongkun and is involved in the day-to-day management of our business. Although she does not hold the title of chief executive officer, she can be regarded as the *de facto* chief executive officer of the Group (the “**Chief Executive Officer**”). She is also the chairman of the Board (the “**Chairman**”). Ms. Wu has been responsible for the overall management, strategic planning and day-to-day business operations of the Group. The Board believes that at this stage of the Group’s development, having the roles of both the Chairman and the Chief Executive Officer in the same person brings strong and consistent leadership to the Company for effective and efficient planning and implementation of business decisions and strategies. Accordingly, the Directors consider it is appropriate and reasonable to deviate from code provision C.2.1 of the Corporate Governance Code. However, it is the Company’s long term objective to have different individuals in the two roles when suitable candidates are identified.

The Group will continue to review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct for dealings in securities of the Company by the Directors. Having made specific enquiries of all Directors and all Directors confirmed that they have complied with the Model Code during the year ended 31 December 2025.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury Shares (as defined under the Listing Rules), if any) during the year ended 31 December 2025. As at 31 December 2025, the Company did not hold any treasury Shares.

AUDIT COMMITTEE

The Audit Committee, comprising Mr. Chan Cheong Tat as the chairman as well as Mr. Cheung Wai Hung, Ms. Chen Weijie and Mr. Leung Ka Wo as members, has reviewed, together with the management, the accounting principles and practices adopted by the Group and discussed risk management, internal control, auditing and financial reporting matters of the Group including the review of the audited financial statements of the Group for the year ended 31 December 2025.

SCOPE OF WORK OF CROWE (HK) CPA LIMITED

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by the Group’s auditor, Crowe (HK) CPA Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Crowe (HK) CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Crowe (HK) CPA Limited on this announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hongkunjwuye.com). The annual report of the Company for the year ended 31 December 2025 containing all the information required by the Listing Rules will be sent to the Shareholders and available on the above websites in due course.

DEFINITIONS

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

“AGM”	the forthcoming annual general meeting of the Company
“Audit Committee”	the audit committee established by the Board for the purpose of supervising the accounting and financial reporting procedures of the Company and reviewing the financial statements of the Company
“Board”	the board of Directors of the Company
“Company”	Ye Xing Group Holdings Limited (燁星集團控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 26 March 2019
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Director(s)”	the director(s) of the Company
“GFA”	gross floor area

“Group”, “we”, “us” or “our”	the Company, its subsidiaries and entities under the Company’s control through contractual arrangements in the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hongkun Group”	Hongkun Jituan Company Limited* (鴻坤集團有限公司) and its subsidiaries, associated companies and joint ventures
“Independent Third Party”	third party who is not connected with any of our Directors or controlling Shareholders or any of our subsidiaries or any of our respective associates (within the meaning of the Listing Rules)
“Jiangsu Wanhao”	Jiangsu Wanhao Property Management Co., Ltd.* (江蘇萬豪物業服務有限公司), a limited liability company incorporated in the PRC on 24 September 2003
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange on 13 March 2020
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“Parent Group”	Beijing Herun Asset Management Company Limited* (北京合潤資產管理有限公司) and its subsidiaries, associated companies and joint ventures
“PRC” or “China”	the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus dated 28 February 2020 issued by the Company in relation to the Listing

“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of HK\$0.01 each
“Shareholder(s)”	holder(s) of the Share(s)
“sq.m.”	square meter
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Ye Xing Group Holdings Limited
Wu Guoqing
Chairman and executive Director

Hong Kong, 26 March 2026

As at the date of this announcement, the Board comprises Ms. Wu Guoqing, Mr. Zhao Weihao, Ms. Li Yin Ping and Ms. Zhang Chunying as executive Directors; Mr. Li Yifan as non-executive Director; and Mr. Cheung Wai Hung, Mr. Chan Cheong Tat, Ms. Chen Weijie and Mr. Leung Ka Wo as independent non-executive Directors.

* *For identification purposes only*