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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 2024

2024 RESULTS HIGHLIGHTS

- For the year ended 31 December 2024, the Group's total revenue was approximately RMB377.3 million, representing an increase of approximately RMB35.9 million or about 10.5% as compared to approximately RMB341.4 million for the year ended 31 December 2023. For the year ended 31 December 2024, revenue generated from property management services, property developer related services and value-added services contributed 85.8%, 2.5% and 11.7% to the total revenue, respectively.
- The revenue generated from property management services segment increased by approximately RMB33.9 million, or about 11.7% as compared to that in 2023. The revenue-bearing GFA increased by approximately 0.3 million sq.m. to a total of 13.2 million sq.m..
- The revenue generated from property developer related services decreased slightly by approximately RMB0.3 million, or about 3.1% to approximately RMB9.4 million year on year.
- The revenue generated from value-added services increased slightly by approximately RMB2.2 million, or about 5.3% to approximately RMB44.1 million year on year.
- The loss and total comprehensive loss for the year amounted to approximately RMB21.6 million (2023: approximately RMB13.7 million).

The Board announces the audited consolidated results of the Group for the year ended 31 December 2024, with comparative figures for the year ended 31 December 2023. 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 2024

		2024	2023
	<i>NOTES</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	4	377,314	341,405
Cost of services		(296,015)	(279,712)
Gross profit		81,299	61,693
Other income	5(a)	1,486	2,137
Other losses, net	5(b)	(139)	(59)
Administrative expenses		(47,440)	(49,332)
Impairment loss of trade and other receivables, net		(20,278)	(5,775)
Impairment loss of amounts due from related parties		(38,635)	(18,893)
Selling expenses		(2,851)	(3,818)
Provision of onerous contract		(1,461)	–
Interests on lease liabilities		(6)	(8)
Loss before tax	7	(28,025)	(14,055)
Income tax credit	6	6,431	309
Loss and total comprehensive loss for the year		(21,594)	(13,746)
Loss and total comprehensive loss for the year attributable to:			
– Owners of the Company		(21,965)	(14,048)
– Non-controlling interests		371	302
		(21,594)	(13,746)
Loss per share (<i>RMB cent</i>)			
– Basic	8	(5.42)	(3.47)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	<i>NOTES</i>	2024 RMB'000	2023 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		33,722	37,238
Intangible assets		10,032	12,643
Deferred tax assets		34,354	19,298
Right-of-use assets		34,744	37,296
Goodwill		29,709	29,709
		142,561	136,184
CURRENT ASSETS			
Properties held for sale	10	7,363	5,338
Trade and other receivables	11	133,451	95,086
Amounts due from related parties	12	22,277	61,585
Tax recoverable		–	1,201
Bank balances and cash		116,694	140,090
		279,785	303,300
CURRENT LIABILITIES			
Trade and other payables	13(a)	115,082	115,645
Contract liabilities	13(b)	79,577	80,834
Lease liabilities		67	59
Provisions		1,461	–
Tax liabilities		9,599	3,965
		205,786	200,503
NET CURRENT ASSETS		73,999	102,797
TOTAL ASSETS LESS CURRENT LIABILITIES		216,560	238,981
NON-CURRENT LIABILITIES			
Lease liabilities		–	71
Deferred tax liabilities		2,508	3,036
		2,508	3,107
NET ASSETS		214,052	235,874
CAPITAL AND RESERVES			
Share capital		3,650	3,650
Reserves		209,217	231,268
Total equity attributable to owners of the Company		212,867	234,918
Non-controlling interests		1,185	956
TOTAL EQUITY		214,052	235,874

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 (which include all Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKAS") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

3. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

(i) Adoption of revised HKFRS Accounting Standards – effective from 1 January 2024

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements:

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

The application of the amendments to HKFRS Accounting Standards 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/revised HKFRS Accounting Standards that have been issued but are not yet effective

The Group has not applied the following new and revised HKFRS Accounting Standards, that have been issued but are not yet effective, in these consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability ¹
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendment to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-Dependent Electricity ²
Annual Improvements to HKFRS Accounting Standards 2024	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ²
HKFRS 18 and consequential amendments to other HKFRSs	Presentation and Disclosure in Financial Statements ³
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

⁴ Effective for annual periods beginning on or after a date to be determined

The Group is currently evaluating the potential impact of these standards on the 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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Type of services		
Property management services	323,809	289,885
Property developer related services	9,375	9,651
Value-added services	44,130	41,869
	<u>377,314</u>	<u>341,405</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 2024 and 2023.

5. OTHER INCOME AND OTHER LOSSES, NET**(a) Other income**

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Bank interest income	1,362	1,155
Value-add tax refund	124	982
	<u>1,486</u>	<u>2,137</u>

(b) Other losses, net

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Written-off of property, plant and equipment	(19)	–
Loss on disposal of property, plant and equipment	–	(2)
Government subsidy	67	82
Net exchange (loss)/gain	(124)	169
Others	(63)	(308)
	<u>(139)</u>	<u>(59)</u>

6. INCOME TAX CREDIT

	2024 RMB'000	2023 RMB'000
Current tax		
PRC Enterprise Income Tax (“EIT”)	9,153	6,498
Deferred tax	(15,584)	(6,807)
	<u>(6,431)</u>	<u>(309)</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% (2023: 20%) for small and micro enterprises with the first RMB1 million of annual taxable income eligible for 75% (2023: 75%) reduction and the income between RMB1 million and RMB3 million eligible for 75% (2023: 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 2024 and 2023.

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. LOSS BEFORE TAX

	2024 RMB'000	2023 RMB'000
Loss before tax has been arrived at after charging:		
Auditor’s remuneration		
– Audit services	1,600	1,600
– Other services	650	760
	<u>2,250</u>	<u>2,360</u>
Directors’ emoluments	2,555	2,821
Other staff’s salaries and other benefits	128,783	110,183
Other staff’s contributions to retirement benefit scheme	23,379	21,345
Other staff’s contributions to housing provident funds	4,225	3,680
Total staff costs	<u>158,942</u>	<u>138,029</u>
Depreciation for property, plant and equipment	6,594	5,991
Depreciation of right-of-use assets	2,552	448
Amortisation of intangible assets	<u>2,611</u>	<u>3,111</u>

8. LOSS PER SHARE

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Loss for the year attributable to owners of the Company for the purposes of basic loss per share	<u>(21,965)</u>	<u>(14,048)</u>
	<i>Number of shares</i>	<i>Number of shares</i>
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>405,310,000</u>	<u>405,310,000</u>

No diluted loss per share is presented for each of the years ended 31 December 2024 and 2023 as no potential ordinary shares were in issue during those years.

9. DIVIDENDS

No dividend was declared or paid by the Company for the years ended 31 December 2024 and 2023.

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

	Notes	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade receivables		150,300	91,826
Less: allowance for credit losses		<u>(33,590)</u>	<u>(13,466)</u>
		<u>116,710</u>	<u>78,360</u>
Other receivables:			
Deposits	(a)	3,538	1,079
Prepayments		4,844	6,591
Payments on behalf of residents	(b)	3,308	2,949
Advances to staff		4,740	4,107
Other tax recoverable		–	312
Others		593	1,816
Less: allowance for credit losses		<u>(282)</u>	<u>(128)</u>
		<u>16,741</u>	<u>16,726</u>
Total trade and other receivables		<u>133,451</u>	<u>95,086</u>

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:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
0 to 60 days	35,128	34,623
61 to 180 days	31,544	19,878
181 to 365 days	36,890	10,058
1 to 2 years	21,214	18,189
2 to 3 years	15,797	3,874
Over 3 years	9,727 [#]	5,204
	<u>150,300</u>	<u>91,826</u>

[#] Included an amount of RMB2,422,000 reclassified from amounts due from related parties due to change in ownership structure during the year.

12. AMOUNTS DUE FROM RELATED PARTIES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade nature		
Fellow subsidiaries (<i>Note (a)</i>)	118,384	119,057
Less: allowance for credit losses (<i>Note (b)</i>)	<u>(96,107)</u>	<u>(57,472)</u>
Total	<u>22,277</u>	<u>61,585</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 (“ECL”) of receivables from related parties. Movement in the loss allowances are set out below:

Trade nature

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
At 1 January	57,472	38,162
Impairment loss provided	<u>38,635</u>	<u>19,310</u>
At 31 December	<u><u>96,107</u></u>	<u><u>57,472</u></u>

Non-trade nature

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
At 1 January	–	417
Impairment loss written back	<u>–</u>	<u>(417)</u>
At 31 December	<u><u>–</u></u>	<u><u>–</u></u>

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
0 to 60 days	13,266	4,703
61 to 180 days	1,384	1,654
181 to 365 days	9,655	4,004
1 to 2 years	9,216	28,851
2 to 3 years	23,746	47,482
Over 3 years	<u>61,117</u>	<u>32,363</u>
	<u><u>118,384</u></u>	<u><u>119,057</u></u>

13. TRADE AND OTHER PAYABLES

(a) Trade and other payables

	<i>Notes</i>	2024 RMB'000	2023 <i>RMB'000</i>
Trade payables		<u>38,667</u>	<u>37,792</u>
Other payables:			
Receipts on behalf of residents	(a)	11,768	9,782
Deposits received	(b)	32,317	35,780
Accrued staff costs		17,828	18,812
Accrued contribution to social insurance and housing provident funds		6,503	6,474
Other tax payables		6,202	3,457
Accrued expenses		729	2,507
Other payables		<u>1,068</u>	<u>1,041</u>
Total other payables		<u>76,415</u>	<u>77,853</u>
Total trade and other payables		<u>115,082</u>	<u>115,645</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:

	2024 RMB'000	2023 <i>RMB'000</i>
Within 1 year	31,457	28,621
1–2 years	2,032	6,351
2–3 years	3,162	2,685
Over 3 years	<u>2,016</u>	<u>135</u>
	<u>38,667</u>	<u>37,792</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 2024, the Group provided property management services to properties spanning across 17 cities in the Beijing-Tianjin-Hebei Region, Hainan Province, Hubei Province, Anhui Province, Jiangsu Province and Guangdong Province, managing a total revenue-bearing GFA of approximately 13.2 million sq.m., comprising 63 residential properties (with over 99,000 units in total) and 19 non-residential properties.

In 2024, the Company achieved a revenue of approximately RMB377.3 million, an increase of about 10.5% year on year; realized gross profit of approximately RMB81.3 million, an increase of about 31.8% year on year. The loss and total comprehensive loss for the year amounted to approximately RMB21.6 million. The gross profit margin in 2024 was 21.5%, representing an increase of 3.4 percentage points as compared with that of 2023.

As of the end of 2024, the Group's contracted GFA was approximately 15.8 million sq.m., and the total revenue-bearing GFA under management exceeded 13.2 million sq.m., which was consistent with that of 2023; the number of the Group's managed residential property projects was 63, with a total revenue-bearing GFA of approximately 12.3 million sq.m., accounting for 93.5% 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 0.9 million sq.m., accounting for 6.5% 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	
	2024	2023
Residential Properties		
Contracted GFA ('000 sq.m.) (Note)	13,661	13,746
Revenue-bearing GFA ('000 sq.m.)	12,354	12,013
Number of properties managed	63	59
Non-residential Properties		
Contracted GFA ('000 sq.m.) (Note)	2,109	2,109
Revenue-bearing GFA ('000 sq.m.)	859	859
Number of properties managed	19	17
Total		
Contracted GFA ('000 sq.m.) (Note)	15,770	15,855
Revenue-bearing GFA ('000 sq.m.)	13,213	12,872
Number of properties managed	82	76

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 2024, China's exports continued to grow, domestic demand continued to expand, and the overall economic situation began to stabilize and recover from a macro perspective. At the same time, the real estate market adjustment has entered a deep water zone, the property management industry has gradually moved towards marketization and standardization after the development in recent years, and the ecological system has gradually improved. In this context, our Group has not forgotten its original aspiration and has always adhered to the vision of "quality serving life". Based on service standards and guided by customer needs, it insists on refined services and standardized management and control, and moves forward firmly to promote our services to be integrated into the beautiful lives of our customers.

Keep the truth and innovate, move forward steadily

With an eye on future planning, our Group, while consolidating the existing market, continues to increase its market expansion efforts by relying on its own management scale and advantages in all business formats, pursues quality scale growth, actively lays out new tracks in segmented fields, and strives to build core advantages in residential properties, commercial office properties and other fields.

In 2024, the Group successfully took over a number of large-scale projects, including the Tianjin Binhai Hanyuan (天津濱海晗園) and Xiyuan (曦園), the Beijing Xihongmen Ideal Home Phase VI, VII and VIII (北京西紅門理想家園六期、七期、八期), the Chengdu Metro (成都地鐵), the Beijing Shuanghe Pharmaceutical (北京雙鶴製藥), the Beijing Xinchun Technology Smart Industrial Park (北京新辰科技智慧產業園), and the national Xiaotangshan Villa (全國小湯山山莊), etc. By focusing on cities through a centralized strategy, we continuously increase the density of single-city projects and effectively reduce costs and increase efficiency.

At the same time, the Group continued to make efforts in the field of value-added services, including cleaning, landscaping, home-based elderly care, new community retail, convenient maintenance, space operation and other value-added services, and also newly developed the live streaming sales business. We always insist on innovation and are committed to using advanced technology, combining our own professional skills and scientific management concepts to improve service quality and create a new and better life for our customers.

Strengthen quality and reshape the core

Our Group practices the service philosophy of “creating an enjoyable living environment (讓人們住得開心)”, always adheres to the customer-centric approach, continuously promotes the service capabilities of “standardized operation + professional service + market-oriented development”, constantly builds a solid foundation for development, innovates service measures, forms a service closed loop through demand analysis, research and solution, innovative promotion, feedback and upgrade, and improves service standards and quality management and control system. We always insist on building our core competitiveness – excellent service capabilities, starting from customer’s entire living cycle, designs covering 16 major categories of services and a total of 101 service details, covering every aspect of life from prospective property owners, adaptation period, stable period and old property owners. We always take care of every member of the family with a cumulative, persistent attitude and caring approach.

We are committed to ensuring that every service staff has a new service concept, a good service attitude and high-quality service quality. We create happy feeling for our customers with caring, meticulous and humanized services, and ensure that we provide customers with just the right amount of detailed services through refined property management.

Committed to serving and creating value together

Our Group organically combines property management with value-added services, achieving equal importance to basic properties and value-added services. With the community operation center as the core and guided by the needs of property owners, the value-added services involve every aspect of the property owners’ lives, establishing a more harmonious and win-win relationship with the property owners, enhancing the Company’s development potential and brand strength, and further promoting the development of the socialized family service industry.

Looking ahead to 2025, in addition to ensuring operating profit, the Group will continue to strengthen value-added services, and develop new modules for value-added services to provide professional property training services to external property companies, establish mini-program sales business, and strengthen the established operating standard system. In conjunction with quality control, we will carry out business training for customer service butlers. On the basis of existing businesses, we will do a good job in extending diversified business services to fully meet customers' growing diversified living needs.

In 2025, all staff of the Group will continue to adhere to the market-oriented approach and customer demand-based approach to create a service of “love everywhere, life within the circle, and love at hand”, so that customers' living needs can be fully met in the community, and continue to focus on the core concept of “love life, love the environment, and love charity”, work together with same heart and mind, forge ahead, and complete the annual goals and tasks. At the same time, we continue to consolidate the quality of customer services, expand service boundaries, explore development paths and profit growth points from an innovative perspective, achieve high-quality services and rapid business development, and continue to create greater value for customers, society and Shareholders.

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 2024, the Group's total revenue was approximately RMB377.3 million, representing an increase of approximately RMB35.9 million or approximately 10.5% as compared to approximately RMB341.4 million for the year ended 31 December 2023. For the year ended 31 December 2024, the revenue generated from property management services, property developer related services and value-added services contributed 85.8%, 2.5% and 11.7% to the total revenue, respectively.

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

	Year ended 31 December			
	2024		2023	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Property management services	323,809	85.8	289,885	84.9
Property developer related services	9,375	2.5	9,651	2.8
Value-added services	44,130	11.7	41,869	12.3
Total	<u>377,314</u>	<u>100.0</u>	<u>341,405</u>	<u>100.0</u>

Property Management Services

The revenue generated from property management services increased by approximately RMB33.9 million, or about 11.7% year on year. Revenue generated from residential properties increased by approximately RMB21.8 million or approximately 9.1%, mainly due to (i) the fully reflected contribution of property management fees from those residential properties delivered in the second half of 2023; and (ii) 5 newly delivered residential properties during the year, which generated a total revenue of approximately RMB8.5 million. Revenue generated from non-residential properties increased by approximately RMB12.1 million or approximately 24.2%, primarily because 4 non-residential properties were newly acquired during the year, which generated a total revenue of approximately RMB10.0 million. The GFA under management increased from approximately 12.9 million sq.m. as at 31 December 2023 to approximately 13.2 million sq.m. as at 31 December 2024.

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 periods indicated:

	As at/Year ended 31 December							
	2024				2023			
	Revenue-bearing GFA '000 sq.m.	%	Revenue RMB'000	%	Revenue-bearing GFA '000 sq.m.	%	Revenue RMB'000	%
Residential properties	12,354	93.5	261,850	80.9	12,013	93.3	240,028	82.8
Non-residential properties	859	6.5	61,959	19.1	859	6.7	49,857	17.2
	<u>13,213</u>	<u>100.0</u>	<u>323,809</u>	<u>100.0</u>	<u>12,872</u>	<u>100.0</u>	<u>289,885</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 periods indicated:

	As at/Year ended 31 December							
	2024				2023			
	Revenue-bearing GFA '000 sq.m.	%	Revenue RMB'000	%	Revenue-bearing GFA '000 sq.m.	%	Revenue RMB'000	%
Hongkun Group	10,301	78.0	274,633	84.8	10,195	79.2	259,931	89.7
Third party property developers	2,912	22.0	49,176	15.2	2,677	20.8	29,954	10.3
	<u>13,213</u>	<u>100.0</u>	<u>323,809</u>	<u>100.0</u>	<u>12,872</u>	<u>100.0</u>	<u>289,885</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 periods indicated:

	As at/Year ended 31 December							
	2024				2023			
	Revenue-bearing GFA '000 sq.m.	%	Revenue RMB'000	%	Revenue-bearing GFA '000 sq.m.	%	Revenue RMB'000	%
Beijing	2,721	20.6	101,667	31.4	2,552	19.9	93,164	32.1
Tianjin	1,981	15.0	62,786	19.4	1,767	13.7	52,807	18.2
Hebei Province	4,268	32.3	87,873	27.1	4,061	31.5	80,574	27.8
Beijing-Tianjin-Hebei Region	8,970	67.9	252,326	77.9	8,380	65.1	226,545	78.1
Hainan Province	676	5.1	10,056	3.1	596	4.6	9,424	3.3
Hubei Province	810	6.1	17,137	5.3	784	6.1	19,419	6.7
Anhui Province	–	–	96	–	379	2.9	2,899	1.0
Jiangsu Province	2,716	20.6	33,283	10.3	2,716	21.2	29,838	10.3
Shanghai	–	–	377	0.1	–	–	710	0.2
Guangdong Province	41	0.3	1,421	0.4	17	0.1	1,050	0.4
Sichuan Province	–	–	9,113	2.9	–	–	–	–
	<u>13,213</u>	<u>100.0</u>	<u>323,809</u>	<u>100.0</u>	<u>12,872</u>	<u>100.0</u>	<u>289,885</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 slightly by approximately RMB0.3 million or about 3.1% from approximately RMB9.7 million for the year ended 31 December 2023 to approximately RMB9.4 million for the year ended 31 December 2024.

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 periods indicated:

	As at/Year ended 31 December					
	2024			2023		
	Number of projects	Revenue		Number of projects	Revenue	
		<i>RMB'000</i>	<i>%</i>		<i>RMB'000</i>	<i>%</i>
Beijing	1	219	2.4	1	467	4.9
Tianjin	1	692	7.4	3	2,009	20.8
Hebei Province	5	6,565	69.9	8	5,293	54.8
Beijing-Tianjin-Hebei Region	7	7,476	79.7	12	7,769	80.5
Hainan Province	1	827	8.8	1	423	4.4
Hubei Province	1	175	1.9	1	360	3.7
Anhui Province	1	897	9.6	1	1,099	11.4
	10	9,375	100.0	15	9,651	100.0

Value-added Services

The revenue generated from value-added services increased slightly by approximately RMB2.2 million or about 5.3% from approximately RMB41.9 million for the year ended 31 December 2023 to approximately RMB44.1 million for the year ended 31 December 2024. The increase was mainly due to the increase in number of projects managed, and our Group has invested more resources including setting up a team to expand the value-added services.

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

	Year ended 31 December			
	2024		2023	
	Revenue		Revenue	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Home living services (Note 1)	19,333	43.8	19,407	46.4
Leasing of common areas (Note 2)	20,187	45.7	21,243	50.6
Others	4,610	10.5	1,219	3.0
	44,130	100.0	41,869	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 services 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 increased by approximately 5.8% from approximately RMB279.7 million for the year ended 31 December 2023 to approximately RMB296.0 million for the year ended 31 December 2024. The increase was primarily attributable to (i) the continuous increase in number of our projects under management and total revenue-bearing GFA; and (ii) the increase in resource investment including setting up a team to develop the business of value-added services.

To maximise our cost and operational efficiency, we outsourced our cleaning, gardening, equipment maintenance, site security services and car park management to Independent Third Party subcontractors. 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 2024, the gross profit of the Group was approximately RMB81.3 million, representing an increase of approximately RMB19.6 million or approximately 31.8% as compared to approximately RMB61.7 million for the year ended 31 December 2023. The gross profit margin was 21.5% for the year ended 31 December 2024 and 18.1% for the year ended 31 December 2023. The increase in gross profit margin was mainly due to the significant increase in revenue from non-residential properties which had relatively high gross profit margin.

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 2024 were approximately RMB2.9 million, representing a decrease of approximately RMB0.9 million or approximately 23.7% as compared with approximately RMB3.8 million for the year ended 31 December 2023. The decrease was primarily because the Group reduced the advertising and promotional expenses by approximately RMB0.8 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 2024, the administrative expenses of the Group were approximately RMB47.4 million, representing a slight decrease of approximately RMB1.9 million or approximately 3.9% as compared to approximately RMB49.3 million for the year ended 31 December 2023. The decrease was mainly because the professional service fees decreased by approximately RMB2.1 million during the year.

Other Income

For the year ended 31 December 2024, other income of the Group amounted to approximately RMB1.5 million, representing a decrease of approximately RMB0.6 million or about 28.6% as compared to approximately RMB2.1 million for the year ended 31 December 2023. The decrease was mainly because the value-add tax refund income decreased by approximately RMB0.9 million or about 90.9% in 2024.

Impairment Loss of Trade and Other Receivables

For the year ended 31 December 2024, the impairment loss of trade and other receivables through profit or loss was approximately RMB20.3 million (2023: approximately RMB5.8 million). The increase mainly because the trade receivables before the impairment allowances increased significantly by approximately RMB58.5 million or about 63.7% from approximately RMB91.8 million as at 31 December 2023 to approximately RMB150.3 million as at 31 December 2024.

Impairment Loss of Amounts due from Related Parties

For the year ended 31 December 2024, the impairment loss of amounts due from related parties was approximately RMB38.6 million (2023: approximately RMB18.9 million). The increase was mainly due to the significant increase in credit risk.

Income Tax Credit

For the year ended 31 December 2024, the income tax credit of the Group was approximately RMB6.4 million (2023: approximately RMB0.3 million). The increase in income tax credit was mainly due to the increase in deferred tax arising from the impairment losses recognised during the year.

Loss for the Year

For the year ended 31 December 2024, the loss and total comprehensive loss for the year of the Group was approximately RMB21.6 million (2023: approximately RMB13.7 million). The loss for the year was mainly due to the impairment loss of trade and other receivables and impairment loss of amounts due from related parties of approximately RMB58.9 million in total.

FINANCIAL POSITION

As at 31 December 2024, the total assets of the Group were approximately RMB422.3 million (as at 31 December 2023: approximately RMB439.5 million), and the total liabilities were approximately RMB208.3 million (as at 31 December 2023: approximately RMB203.6 million). As at 31 December 2024, the current ratio was 1.4 (as at 31 December 2023: 1.5).

As at 31 December 2024 and 31 December 2023, 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 was approximately RMB33.7 million as at 31 December 2024, representing a decrease of approximately RMB3.5 million or approximately 9.4% as compared with approximately RMB37.2 million as at 31 December 2023. It was primarily attributable to the depreciation charged for the year ended 31 December 2024.

Intangible Assets

Our intangible assets were approximately RMB10.0 million as at 31 December 2024, representing a decrease of approximately RMB2.6 million or approximately 20.6% as compared with approximately RMB12.6 million as at 31 December 2023. The decrease was mainly due to the amortisation charge 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 RMB2.6 million or about 7.0% from approximately RMB37.3 million as at 31 December 2023 to approximately RMB34.7 million as at 31 December 2024.

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 2023 and 2024, our goodwill was approximately RMB29.7 million.

Trade and Other Receivables

Our trade and other receivables increased by approximately RMB38.4 million or about 40.4% from approximately RMB95.1 million as at 31 December 2023 to approximately RMB133.5 million as at 31 December 2024. Our trade receivables increased by approximately RMB38.3 million or about 48.9% from approximately RMB78.4 million as at 31 December 2023 to approximately RMB116.7 million as at 31 December 2024, mainly due to the continuous growth in our business. Approximately RMB35.4 million of our trade receivables as at 31 December 2024 had been recovered as at the date of this announcement.

Amounts due from Related Parties and Fellow Subsidiaries

Trade nature amounts due from fellow subsidiaries

Our trade nature amounts due from fellow subsidiaries 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 fellow subsidiaries decreased by approximately RMB39.3 million or about 63.8% from approximately RMB61.6 million as at 31 December 2023 to approximately RMB22.3 million as at 31 December 2024, mainly due to the further impairment loss made during the year.

Trade and Other Payables

As at 31 December 2024, the trade and other payables were approximately RMB115.1 million, representing a slight decrease of approximately RMB0.5 million or about 0.4% as compared to approximately RMB115.6 million as at 31 December 2023. Of which, our account payables were approximately RMB38.7 million, representing a slight increase of approximately RMB0.9 million or about 2.4% as compared to approximately RMB37.8 million as at 31 December 2023. 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 because pursuant to the 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 decreased by approximately RMB1.2 million or about 1.5% to approximately RMB79.6 million as at 31 December 2024 (as at 31 December 2023: approximately RMB80.8 million).

Asset Pledged

As at 31 December 2024, 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	<u>99.0</u>	<u>100.0%</u>	<u>80.9</u>	<u>8.3</u>

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 2024				
	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 2025 <i>HK\$ million</i>
Expansion of geographic presence and scale of operations in the PRC	84.1	65.0%	47.0	37.1	37.1
Development and enhancement of our information system and technological initiatives	16.9	13.0%	6.8	10.1	10.1
Expansion of our value-added services	12.9	10.0%	6.7	6.2	6.2
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	<u>129.4</u>	<u>100.0%</u>	<u>68.5</u>	<u>60.9</u>	<u>60.9</u>

As at 31 December 2024, the Company has utilized part of such proceeds according to the use as set out in the Prospectus. Approximately RMB47.0 million, representing approximately 36.3% 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 RMB6.8 million, representing approximately 5.3% 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; approximately RMB6.7 million, representing approximately 5.2% of the actual amount of net proceeds, was utilized for expansion of our value-added services, including setting up a business development team; approximately RMB1.6 million, representing approximately 1.2% of the actual amount of net proceeds, was utilized for staff development, including providing training to sales team; and approximately RMB6.4 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 2024 had been deposited in the bank accounts.

Significant Acquisitions and Disposals

Save as disclosed in this announcement, during the year ended 31 December 2024, the Group did not have any significant acquisitions and disposals of subsidiaries, associates or joint ventures.

Significant Investments

As at 31 December 2024, the Group did not have any significant investments.

ANNUAL GENERAL MEETING

The 2024 AGM will be held on 30 May 2025 and the notice of the 2024 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 2024.

EVENTS AFTER THE REPORTING PERIOD

There were no other significant events affecting the Group after 31 December 2024 and up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2024, the Group had a total of 1,226 employees. Staff costs for the year ended 31 December 2024 amounted to approximately RMB158.9 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 2024, 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. Code provision C.2.1 of the Corporate Governance Code requires that the roles of the chairman of the board and the chief executive officer 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 2024.

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 2024. As at 31 December 2024, the Company did not hold any treasury Shares.

AUDIT COMMITTEE

The Audit Committee, comprising Mr. Chan Cheong Tat as 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 2024.

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 2024 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 2024 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”	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 audits of 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, 27 March 2025

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*