

**B** **INCORPORATED GROUP COMPANY LIMITED**  
**濱江服務集團有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(CAYMAN ISLANDS: 3316)**

	1 2022	2023	Year-on- year change
Revenue	1,228,118	2,809,206	28.0%
— Property management services	1,228,118	1,549,890	24.7%
— Value-added services to non-property owners	, 18	580,833	(2.7%)
— 5S value-added services	1,000	678,483	61.7%
Gross profit	8,8	695,887	20.0%
Gross profit margin	2.2%	24.8%	
Profit from operations	0,08	577,305	22.1%
Profit for the year attributable to equity shareholders of the Company	, 2	492,545	11.0%
Net profit margin	1.1%	17.9%	

	1 2022	31 December 2023	Year-on- year change
Deposits and bank wealth management <sup>(1)</sup>	,21,80	3,087,035	4.1%
Trade receivables	, 8	370,789	(7.2%)
Earnings per share (RMB)	1.8	1.78	11.2%
GFA <sup>(2)</sup> under management ('000 sq.m.)	,	54,847	23.9%
Contracted GFA ('000 sq.m.)	2,8	82,168	13.0%

— The Group has paid an interim dividend of HK\$0.630 per share for 2024 in October 2024, representing an interim payout ratio of approximately 60%; having considered the positive business development of the Group and returns to the shareholders of the Company (the “**■** ( )”), the Board recommended the payment of a final dividend of HK\$0.876 per share for 2024. The dividend ratio of the year is approximately 70%.

(1) Total of cash and cash equivalents, time deposits and financial assets at fair value through profit or loss (“**■** ”)











(2) Gross Floor Area

FOR THE YEAR ENDED 31 DECEMBER 2024  
(Expressed in Renminbi (“ ”))

	Note	2024 RMB'000	2023 RMB'000
Cost of sales	2(a)	(2,809,206)	(2,113,319)
Other revenue	3	8,800	695,887
Other net income/(loss)	3	1,100	(8,651)
Selling and marketing expenses		(2,000)	(18,037)
Administrative expenses		(100,000)	(76,357)
Impairment loss on trade receivables and contract assets		(10,000)	(24,279)
Other expenses		(2,210)	(2,037)
		0,080	577,305
Finance income		80,220	67,402
Finance costs		(122)	(647)
	4(a)	80,100	66,755
Share of profits less losses of associates		1,665	6,658
Share of profits less losses of joint ventures		( )	1,821
	4	8,880	652,539
Income tax	5	(2,288)	(149,508)
		0,020	503,031
Equity shareholders of the Company		2,492,545	492,545
Non-controlling interests		10,486	10,486
		0,020	0,010

	<b>2022</b>	2023
<i>Note</i>	,	<i>RMB'000</i>
■	<b>, 02</b>	503,031
■ (■)		
■ ■ ■ ■ ■ )		
Items that will not be reclassified to profit or loss:		
Exchange differences on translation of financial statements of the Company	<b>(1,01 )</b>	711
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of overseas subsidiaries	<u>(1 0)</u>	<u>(163)</u>
■ ■ ■ ■ ■	<u><b>2, 1</b></u>	<u>503,579</u>
■		
Equity shareholders of the Company	,	493,093
Non-controlling interests	<u>,</u>	<u>10,486</u>
■ ■ ■ ■ ■	<u><b>2, 1</b></u>	<u>503,579</u>
■ ■ ■ ■ ■		
Basic and diluted ( <i>RMB</i> )	<b>6</b> <u><b>1. 8</b></u>	<u>1.78</u>


  
**AT 31 DECEMBER 2024**
  
*(Expressed in Renminbi Yuan)*

	<i>Note</i>	<b>2024</b>	<i>2023</i>
		<i>RMB'000</i>	<i>RMB'000</i>
- 			
Property, plant and equipment		, 0	43,423
Intangible assets		,212	4,147
Investment in associates		, 0	10,590
Investment in joint ventures		2,	3,421
Deferred tax assets		, 82	33,926
Time deposits		<b>1,081, 2</b>	1,352,304
Prepayments		,	1,901
		<b>1,1 ,</b>	1,449,712
 			
Inventories	7	<b>2 0,0</b>	244,752
Contract assets			22,422
Trade and other receivables	8	<b>0,221</b>	545,346
Time deposits		<b>1,0</b>	279,347
Financial assets measured at fair value through profit or loss (“  ”)		<b>01, 2</b>	—
Restricted bank balances		<b>8, 2</b>	57,939
Cash and cash equivalents		<b>8 0, 8</b>	1,455,384
		<b>,081, 8</b>	2,605,190
 			
Contract liabilities	9	<b>1, ,</b>	1,555,798
Trade and other payables	10	<b>1,008,</b>	847,158
Lease liabilities		<b>1,</b>	2,368
Current taxation		<b>8 , 2</b>	86,340
		<b>2, 2, 1</b>	2,491,664
		<b>2 , 0</b>	113,526
  		<b>1, 0 ,0</b>	1,563,238

	<b>2022</b>	<i>2023</i> <i>RMB'000</i>
-		
Lease liabilities	<b>1,082</b>	1,655
Deferred tax liabilities	<b>1,100</b>	20,000
	<u><b>1,182</b></u>	<u>21,655</u>
	<u><b>1,182</b></u>	<u>1,541,583</u>
Share capital	<b>181</b>	181
Reserves	<b>1,280</b>	1,488,266
	<b>1,280</b>	1,488,447
-	<b>2,136</b>	53,136
	<u><b>1,182</b></u>	<u>1,541,583</u>

(Expressed in Renminbi Yuan unless otherwise indicated)

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These consolidated financial statements of Binjiang Service Group Co. Ltd. (the “ ”) and its subsidiaries (together referred to as the “ ”) have been prepared in accordance with all applicable IFRS Accounting Standards (“ ”), which collective term includes all applicable individual IFRS Accounting Standards, International Accounting Standards (“ ”) and Interpretations issued by the International Accounting Standards Board (“ ”). These financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The IASB has issued certain amendments to IFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting period reflected in these financial statements.

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The consolidated financial statements for the year ended 31 December 2024 comprise the Company and its subsidiaries and the Group’s interest in associates and joint ventures.

The Company was incorporated in the Cayman Islands on 6 July 2017 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company’s shares were listed on the Main Board on the Stock Exchange of Hong Kong Limited (the “ ”) on 15 March 2019 (the “ ”). The principal activities of the Group are the provision of property management services and related services in the PRC.

The consolidated financial statements are presented in RMB, rounded to the nearest thousand, which is the presentation currency. It is prepared on the historical cost basis except for financial assets measured as fair value through profit or loss which are stated at their fair value.

RMB is the functional currency for the Company's subsidiaries established in the mainland China. The functional currency of the Company and the Company's subsidiaries outside the mainland China are Hong Kong dollars.

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

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

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The Group has applied the following amended IFRSs issued by the IASB to these financial statements for the current accounting period:

- Amendments to IAS 1, *Presentation of financial statements — Classification of liabilities as current or non-current* (“2020”) and Amendments to IAS 1, *Presentation of financial statements — Non-current liabilities with covenants* (“2022”)
- Amendments to IFRS 16, *Leases: Lease liability in a sale and leaseback*
- Amendments to IAS 7, *Statement of cash flows* and IFRS 7, *Financial instruments: Disclosures — Supplier finance arrangements*

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.






The principal activities of the Group are property management services, value-added services to non-property owners and 5S value-added services.

Revenue represents income from property management services, value-added services to non-property owners and 5S value-added services.

The amount of each significant category of revenue are as follows:

	<b>202</b>	<i>2023</i>
		<i>RMB'000</i>
	<b>1</b>	
Property management services	<b>1, 2,28</b>	1,549,890
Value-added services to non-property owners	<b>, 18</b>	580,833
5S value-added services	<b>,</b>	564,924
	<b>, , 8</b>	2,695,647
5S value-added services ( <i>note</i> )	<b>120, 1</b>	112,924
	<b>, , 1</b>	2,808,571
5S value-added services		
— Rental income from investment properties		635
	<b>, , 1</b>	<b>2,809,206</b>

*Note:* For 5S value-added services that involve sale of goods, including sales of furniture, car parking spaces and storage rooms, and brokerage services for property sales and leasing, the Group recognises revenues at point in time when the property owners take possession of and accept the goods and services.

No revenue from transaction with single external customer amounts to 10% or more of the Group's total revenue for the year ended 31 December 2024 (2023: two, of which one is Hangzhou Binjiang Real Estate Group Co., Ltd (“   ”) and its subsidiaries, a related party of the Group).

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The Group manages its businesses by divisions, which are organised by a mixture of business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three operating and reportable segments:

- Property management services: this segment provides property management services to property owners, including security, cleaning, gardening, repair, maintenance, land management and ancillary services.
- Value-added services to non-property owners: this segment provides value-added services to non-property owners, including pre-delivery services, consulting services and community space services.
- 5S value-added services: this segment provides 5S value-added services to property owners, including housekeeping services, brokerages services, home decoration services, sales of furniture, car parking spaces and storage rooms and other community value-added services to property owners.

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment. Segment results represent the profit earned by each segment without allocation of central corporate expenses. Revenue and expenses are allocated to each segment with reference to sales generated by those segments and the expenses incurred by those segments. The measure used for reporting segment result is gross profit.

No analysis of segment assets and segment liabilities is presented as these information is not regularly provided to the Group's most senior executive management for review.

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



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	<b>2022</b>	2023
	1	RMB'000
Government grants ( <i>note (i)</i> )	<b>,08</b>	4,911
Value-added tax deductible ( <i>note (ii)</i> )		3,488
Others	<b>1,</b>	2,380
	<b>,0</b>	10,779

- (i) Government grants mainly represent unconditional discretionary financial support from local municipal government authorities.
- (ii) Value-added tax deductible mainly included additional deduction of input value-added tax applicable to certain subsidiaries of the Group. The policy was expired on 31 December 2023.

	<b>2022</b>	2023
	1	RMB'000
Net loss on disposal of property, plant and equipment	( )	(308)
Net realised and unrealised gains on FVPL	<b>1, 2</b>	—
Net realised loss on disposal of a subsidiary		(15)
Net foreign exchange losses	<b>(2)</b>	(8,328)
	<b>1,1</b>	(8,651)

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



	<b>2022</b>	2023
		<i>RMB'000</i>
Interest income on bank deposits	<b>(80,222)</b>	(67,402)
Interest expense on advance payments from customers		538
Interest expense on lease liabilities	<b>122</b>	109
Net finance income	<b><u>(80,100)</u></b>	<b><u>(66,755)</u></b>



	<b>2022</b>	2023
		<i>RMB'000</i>
Salaries and other benefits	<b>1,100,022</b>	942,901
Contributions to defined contribution scheme (note (i))	<b>2,200</b>	70,779
	<b><u>1,102,222</u></b>	<b><u>1,013,680</u></b>
Cost of sales	<b>1,120,200</b>	960,572
Administrative expenses	<b>200</b>	48,897
Selling and marketing expenses	<b>200</b>	4,211
	<b><u>1,122,400</u></b>	<b><u>1,013,680</u></b>

- (i) Employees of the Group's PRC subsidiaries are required to participate in a defined contribution scheme administered and operated by the local municipal governments. The Group's PRC subsidiaries contribute funds which are calculated on certain percentages of the employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

The Group has no other material obligation for the payment of retirement benefits associated with these schemes beyond the annual contributions described above.

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	<b>2022</b>	<i>2023</i> <i>RMB'000</i>
Depreciation		
— owned property, plant and equipment	<b>1 ,20</b>	11,577
— right-of-use assets	<b>1,</b>	1,610
— investment properties		425
	<b>1 ,1</b>	<b>13,612</b>
Expenses related to short-term leases	<b>1 ,110</b>	13,856
Auditors' remuneration		
— annual audit services	<b>2,100</b>	2,100
— review services	<b>00</b>	500
— other services	<b>1 2</b>	493
Cost of inventories	<b>,</b>	32,521



	<b>2024</b>	2023
		RMB'000
Profit before taxation	<b><u>8,88</u></b>	<u>652,539</u>
Notional tax on profit before taxation, calculated at the rates applicable to profits in the tax jurisdictions concerned ( <i>note (i)</i> )	<b>10,</b>	140,702
Tax effect of non-deductible expenses, net of non-taxable income	<b>2</b>	338
Tax effect of unused tax losses not recognised, net of utilisation	<b>88</b>	103
Under/(over)-provision in respect of prior years	<b>1,80</b>	(15)
Withholding tax on profits retained by PRC subsidiaries ( <i>note (ii)</i> )	<b><u>,00</u></b>	<u>8,380</u>
Actual tax expense	<b><u>2,288</u></b>	<u>149,508</u>

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

The income tax rate applicable to the Group's subsidiary incorporated in Hong Kong for the income subject to Hong Kong Profits Tax during the Reporting Period is 16.5%. A two-tiered profits tax rates regime was introduced in 2018 whereby the first HKD2 million in assessable profits earned by a company will be taxed at half of the current tax rate (8.25%) while the remaining profits will continue to be taxed at 16.5%. No provision for Hong Kong Profits Tax has been made as the Group did not earn any income subject to Hong Kong Profits Tax during the reporting period (2023: Nil).

The Group's PRC subsidiaries are subject to PRC income tax at 25%. For certain subsidiaries recognised as a small profit enterprise in 2024, the portion of annual taxable income amount, which does not exceed RMB3 million, shall be computed at a reduced rate of 25% (2023: 25%) as taxable income amount, and be subject to enterprise income tax at 20% (2023: 20%).

- (ii) According to the PRC corporate income tax laws and its implementation rules, dividends receivable by non-PRC corporate residents from PRC enterprises are subject to withholding tax at a rate of 10%, unless reduced by tax treaties or arrangements, for profits earned since 1 January 2008.

In 2023, the Company's Hong Kong subsidiary received the certificate of Hong Kong resident status. Pursuant to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income ("Tax Treaties") and the

Announcement of the State Taxation Administration in relation to “Beneficial Owner” in Tax Treaties (“Announcement No.9”), the Hong Kong subsidiary meets the requirement for enjoying the preferential rate and is subject to withholding tax at a rate of 5% for dividends received from PRC subsidiaries since 2023.

As at 31 December 2023, deferred tax liabilities of RMB20,000,000 were recognised in respect of the 5% PRC dividend withholding tax that would be payable on the distribution of the retained profits of the Group’s PRC subsidiaries. During the year ended 31 December 2024, deferred tax liabilities of RMB20,000,000 were transferred to tax payable and then paid by the Group in respect of the distribution of the Group’s PRC subsidiaries’ retained profits of RMB400,000,000 to the Group’s Hong Kong subsidiary in 2024.

During the year ended 31 December 2024, PRC dividend withholding tax of RMB46,500,000 has been recognised and paid by the Group in respect of the additional distribution of the Group’s PRC subsidiaries’ retained profits of RMB930,000,000 to the Group’s Hong Kong subsidiary after the director’s consideration of the Company’s future dividend plan and overall economic benefit to the Group.

As at 31 December 2024, deferred tax liabilities of RMB13,100,000 were fully recognised in respect of the 5% PRC dividend withholding tax that would be payable on the remaining retained profits of the Group’s PRC subsidiaries.



The calculation of basic and diluted earnings per share is based on the profit attributable to equity shareholders of the Company of RMB546,529,000 (2023: RMB492,545,000) and the weighted average number of 276,407,000 shares in issue during the year ended 31 December 2024 (2023: weighted average number of 276,407,000 shares).

There were no dilutive potential shares outstanding for the years ended 31 December 2024 and 2023 and therefore the diluted earnings per share are same as the basic earnings per share.

	<b>2024</b>	2023
		<i>RMB'000</i>
Properties held for re-sale ( <i>note</i> )	<b>28 , 8</b>	244,271
Consumables		481
	<b><u>2 0,0</u></b>	<b><u>244,752</u></b>

*Note:* Properties held for re-sale mainly represent right-of-use assets relating to car parking spaces and storage rooms purchased by the Group for re-sale.



	2022	2023
		<i>RMB'000</i>
Trade receivables		
— third parties	0, 2	377,771
— related parties	1, 2	68,401
	<u>21,</u>	<u>446,172</u>
Less: Allowance for impairment of trade receivables		
— third parties	( , 00)	(70,989)
— related parties	( , 28)	(4,394)
	<u>( , 28)</u>	<u>(75,383)</u>
Trade receivables, net of loss allowance	<u>, 8</u>	<u>370,789</u>
Other receivables from related parties	1,802	1,712
Prepayments to related parties for the purchase of car parking spaces		17,630
Deposits and prepayments	1 ,1	56,486
Payments on behalf of property owners	, 0	36,496
Advances to employees	,	3,508
Other receivables	, 8	58,725
	<u>0,221</u>	<u>545,346</u>

Trade receivables are primarily related to revenue recognised from the provision of property management services, value-added services to non-property owners and provision of home decoration services.

Trade and other receivables from related parties are unsecured and interest-free.



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

	<b>202</b>	2023
	,	<i>RMB'000</i>
Within 1 year	<b>0</b> ,	338,811
1 to 2 years	<b>,1</b>	31,978
	<b>, 8</b>	370,789



	<b>202</b>	2023
	,	<i>RMB'000</i>
Property management services	<b>2 ,8 1</b>	213,353
Value-added services to non-property owners	<b>82</b>	4,101
5S value-added services	<b>1,28 , 8</b>	1,338,344
	<b>1, ,</b>	1,555,798

The above Contract liabilities represent prepaid property management fees, consulting service fees, customised interior furnishing services fees and home decoration services fees received from third parties.

Movements in contract liabilities were as follows:

	<b>202</b>	<i>2023</i>
	' 8	<i>RMB'000</i>
Balance at 1 January	<b>1, , 8</b>	907,338
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the period	<b>(1,0 ,8 1)</b>	(364,983)
Increase in contract liabilities as a result of receipts in advances of provision of services	<b>1,0 ,</b>	<u>1,013,443</u>
Balance at 31 December	<b><u>1, ,</u></b>	<b><u>1,555,798</u></b>

The amount of receipts in advance of performance expected to be recognised as income after more than one year is RMB233,575,000 (2023: RMB737,185,000).

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	<b>202</b>	<i>2023</i>
	' 8	<i>RMB'000</i>
Trade payables	<b>2 ,0</b>	194,739
— third parties	<b>2 2,</b>	191,872
— related parties	<b>2, 0</b>	2,867
Other payables due to related parties	<b>1, 01</b>	47,909
Refundable deposits	<b>,2</b>	60,222
Other taxes and charges payable	<b>, 22</b>	145,466
Accrued payroll and other benefits	<b>2 8,221</b>	198,904
Cash collected on behalf of the property owners' associations	<b>1, 0</b>	50,896
Temporary receipts from property owners/ buyers	<b>1 8,0</b>	108,866
Other payables and accruals	<b>,</b>	<u>40,156</u>
	<b><u>1,008,</u></b>	<b><u>847,158</u></b>

As at the end of the reporting period, the ageing analysis of trade payables due to related parties and third parties, based on invoice date is as follows:

	<b>202</b>	<i>2023</i>
		<i>RMB'000</i>
Within 3 months	1 , 2	77,594
After 3 months but within 1 year	1 , 0	113,123
Over 1 year	10,	4,022
	<u>2 , 0</u>	<u>194,739</u>

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

	<b>202</b>	<i>2023</i>
		<i>RMB'000</i>
Interim dividend of HKD0.630 per share declared and paid after the interim period (Six months ended 30 June 2023: Nil)	1 , 08	—
Final dividend of HKD0.876 per share proposed after the consolidated statement of financial position date (2023: final dividend of HKD1.178 per share and special dividend of HKD0.196 per share proposed after the consolidated statement of financial position date)	<u>22 , 02</u>	<u>344,782</u>

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

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year:

	<b>202</b>	<i>2023</i>
		<i>RMB'000</i>
Final dividend of HKD1.178 per share in respect of the previous financial year and special dividend of HKD0.196 per share, approved and paid during the year (2023: final dividend of HKD1.001 per share)	<u>,</u>	<u>250,899</u>

To all Shareholders,

Thank you for your trust in and support to the Group. On behalf of the Board, I am pleased to present the annual results of the Group for the year ended 31 December 2024.

In 2024, the property management industry in China underwent an ongoing change and transformation, driven by macro-environmental restoration and policies. Against the background of ongoing urbanization deepening and economic stabilization with quality enhancement, residents' demand for high-quality living standards continues to grow. The property management industry is undergoing an industrial reformation, evolving from basic maintenance services to a quality-driven service model. In 2024, centering on customer value creation, following the path of high-quality development and taking lean operation and management as the starting point, the Group remained committed to reform and innovation, giving full play to the advantages of regional concentration, empowering flat control, expanding value-added service ecosystems, and consolidating its brand advantages. It has achieved a dual improvement in scale and reputation, stimulating the vitality and momentum of sustainable development. Upholding the corporate vision of becoming “The brand leader in the property management industry and the standard setter of premium service quality”, guided by the service concept of “Serving with heart and filling home with love”, the Group is striving to warm the hearts of all families with its sincere services, build an evergreen business with stable operations, and write a new chapter of the era by fulfilling our responsibilities.



In 2024, based on the Board's guidance to maintain brand leadership and build quality benchmarks, and under the leadership of the management, the Group reformed its regional organization structure, deepened management and service standardization to achieve the both objectives of cost reduction and quality enhancement. The Group improved its three-tier quality control system and enhanced its quality inspection and management tools, which has helped realize full-coverage and multi-dimensional professional quality control over the implementation of star management standards for projects, seven categories of hardware management and five categories of soft services, etc. Furthermore, it effectively enhanced the timeliness and completeness of the feedback and rectification through a better quality control appraisal mechanism and satisfaction survey mechanism. The Group's expert team offered multifaceted professional technical support and intervention assistance for all newly-delivered projects and weak projects, guiding project management to enter a virtuous circle of development and guaranteeing service quality.

In addition, attaching great importance to communication with owners, the Group launched a new customer service intelligent system in 2024 and ensured timely and accurate response to owners' concerns through multi-channel satisfaction surveys and customer feedback mechanisms. According to the survey and evaluation of Hangzhou residents' satisfaction by China Index Academy (the “CSI”), the Group has topped the list for 13 consecutive years, taking the lead in Hangzhou. With the increasing living experience of the owners served by the Group, enhanced value preservation and appreciation of second-hand houses and the value-added rate of second-hand houses served beyond the regional average level, the Group has won a high reputation and loyalty from our customers.



With the expansion strategy of “Focusing on Hangzhou, cultivating the Yangtze River Delta and radiating to the whole country” and the expansion tactics of “initiating a project in one year, developing the project in three years and optimizing it in five years”, the Group has expanded its presence in the regional market through branding and high-quality services, realizing both scale and reputation enhancement.

Thanks to its good brand image and high-quality services, the Group continued to expand its market through multiple channels such as strategic cooperation, direct expansion of existing property portfolios and the establishment of joint ventures. Currently, the Group's managed area in Hangzhou has exceeded 43 million square meters, accounting for approximately 63.7% of the total GFA under management. In addition, the combined total GFA under management in the top five cities accounted for about 88.5% of the total. Through the regional deep cultivation strategy, the Group has continued to effectively expand its high-quality market share and gain a firm foothold in the fierce market competition.

In 2024, the Group strictly controlled project entry thresholds, dynamically optimized resource allocation, and constructed an organic market expansion ecosystem through cross-departmental collaboration and full teamwork, so as to continuously enhance the value of projects. The Group has consecutively won a number of high-quality projects, such as Tianyu Bay (天譽灣) and Glorious City, with annual saturated revenue exceeding RMB10 million; signed projects such as Stream Garden (溪水園), which had saturated revenue of more than RMB14 million, and successfully developed new projects in Hangzhou Xiaoshan Airport, Shanghai, Zhoushan and Hainan. As of 31 December 2024, the Group had GFA under management of 67.9 million sq.m., representing a year-on-year growth of approximately 23.9%, and GFA under contract management of approximately 92.9 million sq.m., covering 21 cities and municipality across the country, including Zhejiang, Jiangsu, Shanghai, Hainan, Jiangxi and Guangdong, and serving more than 310,000 quality homeowners.



Relying on its strengths in brand, reputation, prestige, resources and services, the Group promoted strategic business synergies, stimulated team motivation and innovation, and built a value-added services system for owners with 5S as its core, aiming to providing a high-quality and high value-added services ecosystem that meets the multifaceted needs of owners in terms of their living and housing asset management and maintenance.

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Deep rooted in Hangzhou market, Binjiang Youjia’s agency service team accurately aligns with and satisfies the diversified needs of the target customer groups through the implementation of a high-standard and high-quality service strategy for new properties and second-hand properties, thus becoming an indispensable traffic portal and service supplement in the 5S value-added service system. In 2024, Binjiang Youjia and service centers coordinated to increase sales of parking spaces and storage units, achieving a revenue breakthrough. Meanwhile, through the organization of the activity namely “Joining Hands with Property Owners for the Binjiang Village Revitalization”, it has effectively promoted the growth of the second-hand real estate agency business in terms of reputation and regional influence.

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In 2024, thanks to the market’s recognition of Binjiang’s centralized furnishing services, the business scale of Binjiang Youju saw a faster growth. Relying on the strengths of our professional team and resources, it actively expanded the demand for customized soft furnishings, lifestyle services, high-end rough low-density residential renovation and second-hand residential renovation through synergy with the agency business of Binjiang Youjia. In addition, the Group integrated the resources of upstream and downstream suppliers in the decoration business to create the Binjiang Service Providers Alliance, which provides cost-effective facility and equipment upgrades, localized renovation of kitchens and balconies, and professional geothermal heating, air-conditioning, kitchen and electrical maintenance services for existing owners, thus improving the one-stop customized residence maintenance system.

Youxiang living services focus on the resources of the Group's high-end service team to offer caring and thoughtful home life services that are tailored to the service needs of homeowners in their living environments, thereby enhancing customer stickiness, experience and satisfaction. In addition, the Group reshaped its new retail platform, Binxiang Mall, this year to enhance the organization and promotion of quality and specialty goods sources and provide owners with high quality goods at a high price-performance ratio, in order to satisfy consumers' individual needs and further enhance customer experience and brand influence.



In accordance with the directives of the Board, the Group has continued to improve and deepen its management and service standardization and intelligent management and operation system through organization and management reforms and innovations, and optimize the talent team building, development and training system, so as to achieve optimal allocation of resources and enhance its operational efficiency and brand management advantages.

In 2024, leveraging the advantages of regional concentration and short radius management, the Group significantly enhanced its organizational effectiveness through the full implementation of organizational reform, breaking down management barriers, and realizing the effective integration of the management system, appraisal system and talent system. At the same time, Market Development Center, 5S Operation Center, Operation Department, Engineering Center, Housekeeping Center and Greening Maintenance Center were established to promote efficient and flat management, achieve precise cost control, convenient communication and optimize resources, and ensure the continuity and high standard of owner service experience.

Attaching importance to the construction of intelligence and informatization, the Group empowered the financial management system, human resources management system and procurement platform system to continuously enhance the effectiveness of corporate intelligence sharing, further strengthen the management of income and expenditure, budgetary control, asset management and accounts receivable management, set up a digitally-driven dynamic monitoring system to automate payroll accounting, improve the capability of internal control management, and enhance the effectiveness of management. Through the implementation of a supplier grading evaluation and centralized procurement mechanism, the Group enhanced the response speed of suppliers, and reduced procurement costs, ensuring the steady development of the enterprise.

The Group attaches great importance to its talent development strategy and adheres to an employee-oriented employment philosophy. It has revised and improved various human resources policies, constructed a talent cultivation and development system, enhanced the effectiveness of internal cultivation, expanded the pool of talents and strengthened the foundation of the talent echelon. The professional teams integrated operational practice and industry experience, independently developed adapted training course systems, launched specialized training for undertaking inspections and fire elevators, completed the third and fourth phases of the “Eagle Program” project manager training while deepening the construction of corporate culture, and organized special activities of skill competitions and speech contests such as the “Ignite the Fighting Power • Ignite the Power to Serve”, which helped to stimulate the potential of employees while demonstrating the style of the team, strengthen team cohesion and organizational centripetal force, promote standardized management, standardized operation, militarization of execution, humanized service, forge a professional team with combat effectiveness, and provide talent guarantee for the development of the Group.



The Group is committed to building a harmonious and inclusive relationship between the enterprise and the community. By actively organizing a wide range of community activities, the Group seeks to achieve social benefits at a higher level while enhancing the sense of belonging of the tenants. Upholding the traditional ethnic value of “respecting, caring and loving for the elderly”, the Group launched the “Ginkgo Service” elderly companionship program, providing a series of convenient services on a daily basis and launching a number of activities that are welcome and satisfied by elderly residents. In 2024, the Group launched a cumulative total of 1,334 services for the benefit of the public and organized a total of 2,199 community cultural activities during festivals and holidays, covering more than 210,000 people. In addition, the Group also participated in the management of affordable housing, social public infrastructure and sites, provided social services, and actively fulfilled social responsibilities.

Thanks to the continuously improving service quality, the Group has won wide recognition from the owners and the society.

In 2024, the Group was honored with a number of honorable awards by third-party organizations and governmental departments, including: ranking 12th among the Top 100 Property Management Service Brands, 2024 China Leading Enterprise in High-end Property Management Services, Top Ten Excellent Quality Enterprises in the Property Management Industry in China for 2024, Leading Service Enterprises in Zhejiang Province for 2024, Enterprises with Double AAA Credit Grade Among Property Management Service Enterprises in Zhejiang Province for 2024, 2023 Corporate Social Responsibility Benchmarking Enterprises in Zhejiang Province, 2024 Global Zheshang ESG Classic 100 Enterprises, etc.

The Group received a total of 124 awards for projects under its management, some of which are set out below: the “Beautiful Home (美好家園)” community at provincial level of Zhejiang (Xixi Star (西溪之星)) granted by Department of Housing and Urban-Rural Development of Zhejiang Province; water-saving communities in Zhejiang Province (Xixi Star, Thousand-islet Lake Oriental Coast (千島湖東方海岸), Yongchao Mansion (擁潮府)); Red Property in Zhejiang Province (Xixi Pearl (西溪明珠), Sunshine Coast, Phoenix Town); Provincial garden-style communities (Gucui Lanting (古翠藍庭)); high-standard domestic waste classification demonstration communities in Zhejiang Province granted by Office of the Leading Group of Classification of Domestic Garbage and Trash in Zhejiang Province (23 projects including Oriental Star City (東方星城), Yongtao Mansion (擁濤府), Yongchao Mansion (擁潮府)); Outstanding Residential Project in Hangzhou granted by Hangzhou Property Management Association (Gucui Lanting and Star of Vanguard (萬家之星)); and Outstanding Non-residential Projects (Creative Green Valley (創智綠穀) and AI industrial park).

The opportunities for sustainable development of enterprise stem from society’s relentless pursuit of a high quality of life. Under the guidance of the quality policy of “sincerity, innovation, perfection, safety, health and green”, the Group attaches great importance to green, healthy and sustainable development, and has integrated this concept into all aspects of its corporate governance and business operations. By continuously listening to and deeply understanding the needs of our owners and other key stakeholders, we seek to create broader social value by significantly enhancing social and environmental benefits while improving economic efficiency.

Distinguished Shareholders, the Group, under the leadership of the Board, will stay true to its commitment to services. To do so, we will seize the opportunities and meet the challenges, respond to market changes with strategic strength, drive the internal dynamics with reform and innovation, refine the value paradigm with excellence, in order to repay the society’s high expectations with responsibility, and fulfill the development mission with sincerity!



*Chairman*

Hong Kong, the PRC, 25 March 2025

Looking back to 2024, the Group maintained steady growth and continued to develop and take root in the Yangtze River Delta region, further expanding its business scopes within the Yangtze River Delta. The Group has a total of 179 subsidiaries and branches across the Zhejiang Province, Shanghai, Jiangsu Province, Jiangxi Province, Hainan Province and Guangdong Province in China. Moreover, the Group has recorded a sizeable increase in both GFA under management and the contracted GFA. As of 31 December 2024, the GFA under management was approximately 67.9 million sq.m., representing a year-on-year increase of 23.9%. The contracted GFA was approximately 92.9 million sq.m., representing a year-on-year increase of 13.0%, which will provide favorable support for sustainable development of the business growth of the Group.

For the year ended 31 December 2024, the Group's revenue increased year-on-year of 28.0% to RMB3,594.7 million. The Group's gross profit increased by 20.0% from the corresponding period of 2023 to RMB835.4 million. The Group's gross profit margin was 23.2%. Among them, revenue generated from property management services, value-added services to non-property owners and 5S value-added services amounted to RMB1,932.3 million, RMB565.4 million and RMB1,097.0 million, respectively. In 2024, the average monthly property management fee of the Group was approximately RMB4.10 per sq.m. (2023: RMB4.21 per sq.m.), calculated by dividing the property management fee income for the Reporting Period by the average chargeable GFA at the beginning and the end of the Reporting Period. Leveraging its brand recognition and industry influence, the Group was able to charge relatively higher property management fees for its quality property management services. In 2024, the Group reached an upward adjustment of property management fees in 15 projects by its high-quality services, solidifying the advantageous route of brand development.

The Group provided high-quality property management services that are tailored to its customers' needs and maintained its brand recognition and awareness in property services. Its ranking increased to 12th among the top 100 property management service brands selected by CIA, and won the titles of "2024 High-end Property Service Leader in China" awarded by China Real Estate Information Corporation ("CREIA"), and "2024 Leading Growth Companies in Property Services in China". As the Group's quality services are highly recognised within the region, Binjiang Group, a leading property developer in China, has established close business relationship with the Group and continuously provided a large number of premium properties to the Group. In 2024, the total annual full-caliber sales of Binjiang Group amounted to RMB111.63 billion, ranking 9th in the list of national real estate enterprises of CRIC. In addition, Binjiang Group acquired 23 pieces of quality land in total and 6 agent construction projects, 22 of which were in Hangzhou.

In view of the rapid development of the overall property services industry in recent years, the Group shall strike a balance between quality, scale and profit in its operations. The Group will regard its service quality as its core competitiveness and will raise the standard of refined services and increase its investment in technologies to enhance the efficiency of its management and operation by leveraging its efficient management experience. Through strengthening staff management, monitoring facilities and equipment and upgrading internal office systems, the operation procedures will be streamlined and the quality assurance system will be optimized, and expense control and cost control will be strengthened while improving its service capabilities. The Group will be able to achieve synergetic development of quality, scale and profitability.

The management of the Group classified business segments into property management services, value-added services to non-property owners and 5S value-added services, forming an entire value chain of comprehensive services within property management.

■ ■ : The Group provides property owners with a series of high-quality property management services, including security, cleaning, gardening, repair, maintenance and ancillary services, and charges service fees from residents and property owners or real estate developers of such properties under our management for property management services. In addition, the Group provides land reserve management services, primarily including land management and maintenance, green planting and maintenance, wall and fence painting works, muck removal and transportation, installation and management of monitoring devices, and others.

■ ■ - ■ : The Group provides value-added services to non-property owners, mainly to property developers. These services refer to pre-delivery services, consulting services and community space services. Pre-delivery services include cleaning, assisting with quality checks and security services for completed properties and display units and providing property sales venue management services to property developers during the pre-delivery stage of property sales. Consulting services include advising property developers at the early and construction stages on project planning, design management and construction management to enhance functionality, comfort and convenience. Community space services include (i) assisting advertisement companies with regard to advertisement placements in the community spaces in the Group's managed properties, and (ii) managing community venues in the Group's managed properties.

■ -■ : The Group also provides 5S value-added services to property owners, including three major businesses, namely Youjia services, Youju services and Youxiang living services.

Youjia services currently include the primary and secondary property sales, leasing agency services, car parking spaces and storage rooms services. The Group is committed to providing attentive services for customers with its own resources.

Youju services include the home decoration services. It adheres to its “Living Home” interior services concept to provide customers with elegant, stylish, modern and customized furnishing services and interior design services, home decoration services and facility upgrade services and maintenance.

Youxiang living services include home living services and Binxiang Mall services. In view of the different functions in residential and non-residential properties, the Group provides additional services that are tailored to its customers’ needs.

It has been the strategic objective of the Group to expand its managed area with stability and quality. The Group seeks to maintain a steady increase in contracted GFA and GFA under management through various channels. The table below sets out the change of contracted GFA and GFA under management of the Group in 2024 and 2023:

	2024		2023	
	1	As of 31 December 2024	1	As of 31 December 2023
At the beginning of the year	82,188	69,058	82,188	41,970
Addition	1,111	15,076	1,111	14,760
Termination	(, 1)	(1,966)	(2,8)	(1,883)
At the end of the year	<u>2,8</u>	<u>82,168</u>	<u>,</u>	<u>54,847</u>

Note: As of 31 December 2024, the Group had a GFA under management of 67.9 million sq.m. and a contracted GFA of 92.9 million sq.m., with a ratio of contracted GFA to the GFA under management of approximately 1.37:1. Contracted GFA refers to the GFA managed currently or to be managed by the Group under signed property management contracts.

The table below sets forth the breakdown of the Group's total property management services revenue, GFA under management and number of projects by type of properties in 2024 and 2023:

	2024		2023		As of 31 December 2023	
	Revenue (RMB'000)	GFA under management ('000 sq.m.)	Revenue (RMB'000)	GFA under management ('000 sq.m.)	Revenue (RMB'000)	Number of projects
Residential	1,131,608	45,040	1,131,608	45,040	252	
Non-residential	404,298	9,807	404,298	9,807	106	
Land management	13,984	—	13,984	—	—	
<b>Total</b>	<b>1,549,890</b>	<b>54,847</b>	<b>1,549,890</b>	<b>54,847</b>	<b>358</b>	

The table below sets forth the breakdown of the Group's total revenue from property management services, GFA under management and number of projects by type of developers in 2024 and 2023:

	2024		2023		Number of projects
	Revenue (RMB'000)	GFA under management ('000 sq.m.)	Revenue (RMB'000)	GFA under management ('000 sq.m.)	
Properties developed by Binjiang Group	759,666	23,851	759,666	23,851	144
— early stage	366,009	13,408	366,009	13,408	87
— property owners' association stage	393,657	10,443	393,657	10,443	57
Properties developed by independent property developers	776,240	30,996	776,240	30,996	214
— early stage	468,004	19,316	468,004	19,316	156
— property owners' association stage	308,236	11,680	308,236	11,680	58
Land management	13,984	—	13,984	—	—
<b>Total</b>	<b>1,549,890</b>	<b>54,847</b>	<b>1,549,890</b>	<b>54,847</b>	<b>358</b>

The table below sets forth the breakdown of the Group’s total revenue from property management services, GFA under management and number of projects by geographic regions in 2024 and 2023:

	2024		2023		As of 31 December 2023		
	Revenue (RMB'000)	GFA under management ('000 sq.m.)	Revenue (RMB'000)	GFA under management ('000 sq.m.)	Revenue (RMB'000)	GFA under management ('000 sq.m.)	Number of projects
Hangzhou	1,111	34,879	1,102,000	34,879	1,102,000	34,879	250
Zhejiang province (excluding Hangzhou)	0,122	18,362	394,796	18,362	394,796	18,362	98
Outside Zhejiang Province	1,011	1,606	53,094	1,606	53,094	1,606	10
<b>Total</b>	<b>1,228</b>	<b>54,847</b>	<b>1,549,890</b>	<b>54,847</b>	<b>1,549,890</b>	<b>54,847</b>	<b>358</b>

The Group will continue to deepen standardization of management and services for further promotion of quality brand building.

The Group will continue to optimize the star service standard system, pre-property services and site services management standard system, and quality inspection system for the standardized service and management dedicated to property service quality, project cost control management, pre-property services and site services management for the further standardization of services. The Group strives to consolidate the interim goal of “top property management brand in China and a benchmark in Zhejiang”. Through providing effective and consistent service quality, the Group will gain higher brand value and sustainable market competitiveness. The Group will improve its regular quality inspections and strengthen and deepen the intensity and dimension of quality control supervision from the Group’s headquarters inspection and engineering safety inspection. In addition, the Group will focus on improving the quality of security service and safety management, customer service staff’s service quality and information feedback, timely and accurate engineering maintenance and other aspects of soft services, so as to ensure the long-lasting quality of projects under management with up-to-date service standards.



The property management service industry in China is increasingly concentrated. In the future, the Group will continue to expand its brand influence, expand the region mainly in the Yangtze River Delta, and strive to be in the middle and upper reaches of the industry with its quality and reputation being the first-class in China. The Group intends to leverage its success in the luxury market in the Yangtze River Delta and its existing service management systems and standards to expand its current market share and to further penetrate new markets. The Group utilizes a benchmark model where it takes root within the region once a benchmark property has been established within. Focusing on Hangzhou and taking root in the Yangtze River Delta, the Group will focus on the operation in the existing markets and strategically expand its business coverage across the country. The trend for the quality expansion and high-quality development of the Group has been basically formed. In future, the Group will strive to initiate a project in one year, develop the project in three years and optimize it in five years. The expansion of the Jinhua region has already achieved initial results, and the Group will develop Shanghai and Ningbo and other key regions in future.

In addition, the Group also actively expands its business into a wide range of urban services and other industries to strengthen its comprehensive service capabilities.



The Group strives to become a trustworthy property manager and caretaker for property owners, it will develop value-added service systems focusing on 5S and fully tap into and stretch its own edges to diversify value-added services for owners and customers, with a focus on owners' needs.

Stretching the edges of the Company in brand, customers and concentration, the Group takes a holistic approach to the real estate agency resources of Youjia (優家) and works on the sales of car parking spaces and storage rooms. The Group grows its market business by promoting and duplicating the successful cases of Youju (優居) home decoration. The Group improves the “Living Home” interior design service system, expands the sales scope, and pilots the local decoration and renovation business, such as the refurbishment and renovation of bathrooms, kitchens and balconies, and the updating service of facilities and equipment. The Group optimizes and expands the home entry service business of Youxiang living. The Group has launched the “Binxiang Life” application and an online shop to offer cost-effective quality products and services to owners and customers.



The Group puts great efforts in upgrading its internal management system and smart management platform, while adhering to its principles and maintaining a degree of flexibility to prepare for future development. The Group aims to boost its development through optimizing its management structure, setting up standardized operation procedures, developing human resources and strengthening the cost budget management and procurement control to refine its internal control mechanism. In addition, the Group strives to enhance its management efficiency by using smart approaches. The Group aims to provide property owners with comprehensive and convenient services in a timely and safe manner through integrating internal and external resources. Leveraging on its management experience, the Group intends to accelerate the application of smart technologies and the informatization of its platforms and ecosystems, creating a digital management system platform.



The Group will continue the work on its corporate management and internal control and risk management. The Group will strengthen the construction of corporate culture, make employees more belonging and cohesive and the enterprise more standardized, transparent, stable, efficient, sound and sustainable development, so as to enhance the value of the enterprise and protect the rights and interests of the Shareholders.

The Group's revenue was generated from three main business lines: (i) property management services; (ii) value-added services to non-property owners; and (iii) 5S value-added services. During the Reporting Period, (i) the property management services was the largest source of revenue and profit for the Group, accounting for 53.8% of total revenue; and (ii) 5S value-added services was the second largest source of revenue for the Group, accounting for 30.5% of total revenue.

	2022	2023	Year-on-year change
	RMB'000	RMB'000	%
			% of total revenue
Property management services for residential properties	1, 2,28	1, 1,131,608	24.7
Property management services for non-residential properties	1, 281	1, 404,298	30.5
Land management	1, 10	1, 13,984	11.1
Pre-delivery services	1, 18	1, 580,833	(56.3)
Consulting services	2, 21	2, 21,623	20.7
Community space services	1, 82	1, 13,120	19.4
Youjia services	1, 00	1, 678,483	0.8
Including: car parking spaces and storage rooms sales services	10, 88	10, 97,692	0.5
Youju services	2, 2	2, 40,582	3.5
Youxiang living services	2, 282	2, 531,526	1.4
	2, 80	2, 49,265	1.7
<b>Total</b>	<b>2, 1</b>	<b>2, 2,809,206</b>	<b>28.0</b>

■ ■ consist of security, cleaning, gardening, repair, maintenance, land management and ancillary services. Revenue generated from the services amounted to RMB1,932.3 million, representing a year-on-year increase of 24.7% as compared with RMB1,549.9 million in 2023. It was the Group's main source of revenue and accounted for approximately 53.8% of total revenue in 2024. The growth in revenue was mainly due to an increase in the number of projects as a result of business expansion. Revenue generated from the provision of property management services to properties solely developed by Binjiang Group or its associates or jointly developed with other parties was RMB947.5 million, and accounted for 49.0% of revenue from property management services in 2024. Leveraging on its leading position in traditional property business, the Group aggressively expanded business to cover properties developed by the independent third parties and properties outside Hangzhou. For the year ended 31 December 2024, the revenue from property management services for properties developed by the independent property developers amounted to RMB978.7 million, representing an increase of 26.1% as compared with 2023; and the revenue from property management services for properties outside Hangzhou amounted to RMB570.4 million, representing an increase of 27.3% as compared with 2023. In relation to the reserve land management service of the Group, for the year ended 31 December 2024, the revenue from land management services amounted to RMB6.1 million.

■ ■ - ■ mainly include pre-delivery services, consulting services and community space services. Revenue generated from the services amounted to RMB565.4 million, representing a decrease of 2.7% as compared with RMB580.8 million in 2023, and accounted for approximately 15.7% of the Group's total revenue in 2024. The decrease in revenue was primarily due to a decline in the business volume of value-added services to non-property owners.

■ ■ - ■ mainly composed of Youjia services, Youju services and Youxiang living services. Revenue generated from the services amounted to RMB1,097.0 million, representing an increase of 61.7% as compared with RMB678.5 million in 2023, and accounted for approximately 30.5% of the Group's total revenue in 2024. The increase in revenue was mainly due to the continued rapid growth in the scale of Youju services.

Among Youju services, revenue generated from provision of home decoration service in relation to certain commercial apartments sold by Binjiang Group and an associate of Binjiang Group was RMB922.8 million, representing an increase of 83.5% as compared with RMB503.0 million in 2023, and accounted for approximately 25.7% of the Group's total revenue in 2024. The Group entered into home decoration service agreements with the individual property purchasers and entered into a decoration project contracting agreement with a third party to provide home decoration services in relation to those commercial apartments.

Based on the above factors, the Group's gross profit for the year increased by 20.0% from RMB695.9 million in 2023 to RMB835.4 million in 2024. The Group's gross profit margin decreased by 1.6 percentage points from 24.8% in 2023 to 23.2% in 2024.

	2024	2023	Gross profit margin %
		Gross profit RMB'000	
Property management services	<b>355.1</b>	284,080	18.3
Value-added services to non-property owners	<b>218.1</b>	192,554	33.2
5S value-added services	<b>262.1</b>	219,253	32.3
<b>Total</b>	<b>835.4</b>	<b>695,887</b>	<b>24.8</b>

Gross profit of property management services increased by 25.0% from RMB284.1 million in 2023 to RMB355.1 million in 2024, and gross profit margin was 18.4% in 2024, which was basically the same as that in 2023, mainly due to the Group continues to improve the management and control level of projects.

Gross profit of value-added services to non-property owners increased by 13.3% from RMB192.6 million in 2023 to RMB218.2 million in 2024, and gross profit margin was 38.6% in 2024, representing an increase of 5.4 percentage points from 2023, mainly due to the Group strengthened the management and control for cost on value-added services to non-property owners, resulting in a slight increase in gross profit and gross profit margin.

Gross profit of 5S value-added services increased by 19.5% from RMB219.3 million in 2023 to RMB262.1 million in 2024, and gross profit margin decreased from 32.3% in 2023 to 23.9% in 2024. The increase in gross profit was mainly attributable to the continuous growth of Youju services business.



During the Reporting Period, the Group's cost of sales increased by 30.6% from RMB2,113.3 million in 2023 to RMB2,759.3 million in 2024, mainly due to the year-on-year increase in cost of sales as a result of the growth in business scale.



During the Reporting Period, the Group's selling and marketing expenses increased from RMB18.0 million in 2023 to RMB24.0 million in 2024, mainly due to the increase in commissions corresponding to the sales of car parking spaces and storerooms, as well as the increase in business expansion expenses of the Group and the number of staff.



During the Reporting Period, the Group's administrative expenses increased by 31.6% from RMB76.4 million in 2023 to RMB100.5 million in 2024, and the management expense ratio of the Group increased from 2.7% in 2023 to 2.8% in 2024, remaining relatively stable, mainly due to the Group's commitment to balancing scale growth and expense control, which keeps the management expense ratio at a low level.



During the Reporting Period, the Group's impairment losses on trade receivables and contract assets decreased from RMB24.3 million in 2023 to RMB10.8 million in 2024, mainly due to the Group was committed to the collection of accounts receivable during the Reporting Period.



During the Reporting Period, the finance income of the Group represented interest income on bank deposits. Finance income increased from RMB67.4 million in 2023 to RMB80.3 million in 2024, mainly due to the increase in interest income arising from the higher-yield deposit products as a result of the Group's centralized management of its own funds.



During the Reporting Period, the Group’s share of profits less losses of two associates and two joint ventures decreased from a profit of RMB8.5 million in 2023 to a profit of RMB1.2 million in 2024, mainly due to the losses in certain joint ventures.



During the Reporting Period, the Group’s profit before taxation was RMB786.4 million, representing an increase of 20.5% as compared with RMB652.5 million in 2023, mainly due to the increase in the operation gross profit during the Reporting Period.



During the Reporting Period, income tax expenses of the Group increased by 55.8% from RMB149.5 million in 2023 to RMB232.9 million in 2024, mainly due to the growth of the Company’s business scale and withholding tax. The withholding tax in 2024 increased by RMB50.5 million as compared with 2023, mainly due to the increased dividends received from PRC subsidiaries in 2024 by the Company’s Hong Kong subsidiary after the Director’s consideration of the Company’s future dividend plan and overall economic benefit to the Group.

In 2023, the Company’s Hong Kong subsidiary received the certificate of Hong Kong resident status. Pursuant to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (“ ”) and the Announcement of the State Taxation Administration in relation to “Beneficial Owner” in Tax Treaties (“ . ”), the Hong Kong subsidiary meets the requirement for enjoying the preferential rate and is subject to withholding tax at a rate of 5% for dividends received from PRC subsidiaries since 2023.



The Group’s profit for the year was RMB553.5 million, representing an increase of 10.0% as compared with RMB503.0 million in 2023, mainly due to the growth in the operation gross profit. Profit for the year attributable to equity shareholders of the Company was RMB546.5 million, representing an increase of 11.0% as compared with RMB492.5 million in 2023. Net profit margin was 15.4%, representing a decrease of 2.5 percentage points as compared with 17.9% for the corresponding period of last year.



The Group maintained a well financial performance in 2024. As at 31 December 2024, current assets were RMB3,082.0 million, representing an increase of 18.3% as compared with RMB2,605.2 million as at 31 December 2023.

As at 31 December 2024, the Group's cash and cash equivalents were RMB890.7 million, representing a year-on-year decrease of 38.8% as compared with RMB1,455.4 million as at 31 December 2023. This was mainly due to the payment of dividend and the increase of bank deposits with maturity over three months for higher interest income. The Group's cash and equivalents of approximately RMB880.4 million were held in RMB, approximately RMB10.1 million in HKD and approximately RMB0.2 million in USD. As at 31 December 2024, current ratio was 1.2, representing an increase as compared with 1.0 as at 31 December 2023.

As at 31 December 2024, the Group did not have any loans or borrowings (31 December 2023: Nil).

As at 31 December 2024, the total equity of the Group was RMB1,591.9 million, representing an increase of 3.3% as compared with RMB1,541.6 million as at 31 December 2023. This was mainly due to the growth of business scale.



For the year ended 31 December 2024, the Group has adopted a prudent financial management approach towards its treasury policies to ensure the liquidity requirements from daily operation as well as capital expenditures were met. The Board closely monitors the Group's liquidity positions, while surplus cash are invested appropriately with the consideration of the credit risks, liquidity risks and market risks of the financial instruments, for example, the Group placed a certain amount of cash as bank deposits with maturity over three months for higher interest income to secure liquidity mentioned above.

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As at 31 December 2024, the property, plant and equipment of the Group amounted to RMB43.4 million, remain unchanged from RMB43.4 million as at 31 December 2023, mainly due to the Group actively controls various assets to maintain a stable level.

As at 31 December 2024, the Group's inventories amounted to RMB290.1 million, representing an increase of 18.5% from RMB244.8 million as at 31 December 2023, mainly due to the acquisition of car parking spaces to increase inventories during the Reporting Period.

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The Group did not have any contingent liabilities as at 31 December 2024 and 2023.

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As at 31 December 2024, the contract liabilities of the Group remained largely unchanged compared with the same period last year, mainly due to the Group's business management and control were relatively stable, and the level of prepayment from basic property management and Youju services remained consistent.

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The Group did not have any pledged assets as at 31 December 2024 and 2023.

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As at 31 December 2024, trade and other receivables amounted to RMB590.2 million, representing an increase of RMB44.9 million and 8.2% as compared with RMB545.3 million in 2023, mainly due to the expansion of the Group's business scale has led to an increase in accounts receivable.

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As at 31 December 2024, trade and other payables amounted to RMB1,009.0 million, representing an increase of RMB161.8 million and 19.1% as compared with RMB847.2 million in 2023, mainly due to the expansion of the Group's business scale.

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As at 31 December 2024, financial assets at FVPL represented treasury products (wealth management products of banks) issued by various financial institutions and purchased by the Group during the year.

As at 31 December 2024, the wealth management product(s) newly purchased by the Group during the year from the same financial institution accounted for less than 5% of the Group's total assets.

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As at 31 December 2024, the Group had a total of 14,022 employees (as at 31 December 2023: 11,647 employees). The staff cost of the Group during the Reporting Period was RMB1,199.4 million (2023: RMB1,013.7 million).

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The Company did not have any significant investments (including significant investments which accounted for 5% or more of the total assets of the Group) during the Reporting Period.

During the Reporting Period, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures.

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The Group is exposed to currency risk primarily through sales and purchases that are denominated in a currency other than the respective functional currencies of the Group entities.

The Company, the British Virgin Islands subsidiary and the Hong Kong subsidiary's functional currency is HKD. Their businesses are principally conducted in HKD. In addition, as the HKD is pegged to the USD, the Group considers the risk of movements in exchange rates between the HKD and the USD to be insignificant.

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

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Having considered the needs of business development of the Group and returns of the Shareholders, the Board recommends the payment of a final dividend for 2024 of HK\$0.876 per share. The dividend ratio of the year is approximately 70%. The proposed final dividend amounted to approximately HK\$242.1 million in total, and shall be subject to approval by the Shareholders at the forthcoming annual general meeting of the Company (the “ ”). The final dividend is expected to be paid to the Shareholders on Thursday, 7 August 2025. The Company does not hold any treasury shares (including any treasury shares held or deposited with Central Clearing and Settlement System) and treasury shares, if any, would not receive the dividends or distributions.

For the purpose of determining the Shareholders who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 2 June 2025 to Thursday, 5 June 2025 (both days inclusive). To be eligible to attend and vote at the AGM, all transfer documents together with the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration, no later than 4:30 p.m. on Friday, 30 May 2025.

For the purpose of determining the Shareholders who are entitled to the right of the final dividend, the register of members of the Company will be closed from Wednesday, 25 June 2025 to Monday, 30 June 2025 (both days inclusive). Only those Shareholders whose names appear on the register of members of the Company on Monday, 30 June 2025 will be entitled to the right of the final dividend. To be eligible to receive the final dividend, which shall be subjected to approval by the Shareholders in the AGM, all completed transfer documents together with the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration, no later than 4:30 p.m. on Tuesday, 24 June 2025.

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability of the Company. During the Reporting Period, the Company has adopted and complied with all applicable code provisions under the Corporate Governance Code (the “CG Code”) in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities of the Stock Exchange (the “SEHK Listing Rules”), except for the following deviations:

Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. However, the Company does not have a separate chairman and chief executive officer and the responsibility of both chairman and chief executive officer vest in Mr. Yu Zhongxiang. The Board believes that vesting the responsibilities of both chairman and chief executive officer in the same person has the benefit of ensuring the consistent leadership within the Group and enables more effective and efficient overall strategic planning of the Group. Besides, with three independent non-executive Directors out of a total of eight Directors in the Board, there will be sufficient independent voice within the Board to protect the interests of the Company and the Shareholders as a whole. In addition, all decisions of the Board shall be passed by majority vote. Therefore, the Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The

Board will continue to review and consider splitting the roles of chairman of the Board and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

Save as disclosed above, the Company complied with the Corporate Governance Code during the Reporting Period. The Company will continue to strictly abide by the corporate governance requirements under the Corporate Governance Code and the Listing Rules.

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The Company has established the Audit Committee in compliance with the Listing Rules to perform the functions of reviewing and monitoring the financial reporting and internal control of the Company. The Audit Committee currently consists of three independent non-executive Directors, namely, Ms. Cai Haijing, Mr. Ding Jiangang and Mr. Li Kunjun. Ms. Cai Haijing is the chairperson of the Audit Committee.

The Audit Committee has reviewed with the management of the Company this annual results and the accounting principles and practices adopted by the Group and discussed auditing, risk management, internal control and financial statements matters, including the review of the consolidated financial statements of the Group for the year ended 31 December 2024.

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The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**•**”) as set forth in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions of the Directors and relevant employees (the “**☒ ☒ •**”). The Company had made specific enquiry with all Directors whether they have complied with the required standard set out in the Model Code and all Directors confirmed that they have complied with the Model Code and the Securities Dealing Code throughout the year ended 31 December 2024.

The Company’s employees, who are likely to be in possession of inside information of the Company, have also been subject to the Securities Transactions Code. No incident of non-compliance of the Securities Transactions Code by the Company’s relevant employees was noted by the Company during the year ended 31 December 2024.

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

Based on the information publicly available to the Company and to the knowledge of the Directors, the Company has maintained sufficient public float as required by the Listing Rules during the Reporting Period and up to the date of this announcement. The Company maintained the minimum level of public float of 25% of its total issued share capital.

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Subsequent to the end of the Reporting Period, the Board proposed a final dividend. Further details are disclosed in note 11 to the consolidated financial statements of this announcement.

Save as disclosed above, subsequent to the Reporting Period and up to the date of this announcement, there are no matters that have a significant impact on the Group that need to be disclosed.

The gross proceeds from the Company's Global Offering (the "Offering") and the exercise of the over-allotment option amounted to HK\$455.3 million. As at 1 January 2024, the unutilised net proceeds amounted to approximately HK\$161.9 million. During the Reporting Period, the Group had utilized approximately HK\$161.9 million of the net proceeds (i.e. all net proceeds had been utilized as at 31 December 2024).

Please refer to the announcements of the Company dated 29 May 2023 and 28 June 2023 for reasons and details of the Company's change in the use of proceeds from the Global Offering.

During the Reporting Period, the net proceeds had been utilised as follows:

	2023	2022	2021	2020	2019
	(HK\$ million)	(HK\$ million)	(HK\$ million)	(HK\$ million)	(HK\$ million)
Acquisition of property management companies located in major cities in the Yangtze River Delta to further increase the Group's market share in the existing market, and also in new cities such as Shenzhen to expand the Group's geographical coverage	159.4	—	—	—	—
Updating the Group's management service systems and recruiting and nurturing talents	113.8	125.3	97.2	97.2	—
Investment in the asset management platform to engage in the operation of industrial parks	91.1	—	—	—	—
Establishing joint venture companies or platforms through the cooperation with local governments and property developers <sup>1</sup>	45.5	75.2	31.4	31.4	—
As working capital and for other general corporate purposes	45.5	50	33.3	33.3	—
	<u>0</u>	<u>20</u>	<u>11</u>	<u>11</u>	<u>0</u>

1. As of 31 December 2024, 31 cooperation companies platforms had been established.

The financial 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 the preliminary announcement have been compared by the Group’s auditor, KPMG, Certified Public Accountants (“ ”), to the amounts set out in the Group’s audited consolidated financial statements for the year and the amounts were found to be in agreement. The work performed by KPMG in this respect did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the auditor.

The annual results announcement has been published on the websites of the Stock Exchange at \_\_\_\_\_ and the Company at \_\_\_\_\_. The annual report of the Company for the Reporting Period, which contains all information required by the Listing Rules, will be published on the websites of the Stock Exchange and the Company in due course.

The AGM will be held on Thursday, 5 June 2025, while the notice and circular convening the AGM will be published in due course.

By order of the Board



*Chairman and Executive Director*

Hong Kong, the PRC  
25 March 2025

*As at the date of this announcement, the Board comprises Mr. Yu Zhongxiang, Mr. Qi Jiaqi and Ms. Zhong Ruoqin as executive Directors; Mr. Mo Jianhua and Mr. Cai Xin as non-executive Directors; and Mr. Ding Jiangang, Mr. Li Kunjun and Ms. Cai Haijing as independent non-executive Directors.*