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## Fineland Living Services Group Limited

### 方圓生活服務集團有限公司

(formerly known as Fineland Real Estate Services Group Limited 方圓房地產服務集團有限公司)  
(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9978)

## ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the “**Board**”) of directors (the “**Directors**”) of the Fineland Living Services Group Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2024, together with the comparative figures for the corresponding period in 2023 as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 RMB'000	2023 RMB'000
<b>Revenue</b>	4	<b>369,101</b>	426,784
Cost of services		<u>(309,835)</u>	<u>(339,750)</u>
Gross profit		<b>59,266</b>	87,034
Other income, losses and gains, net	5	<b>(1,828)</b>	7,422
Selling and marketing expenses		<b>(168)</b>	(933)
Administrative expenses		<b>(47,538)</b>	(58,474)
Impairment losses on financial assets, net		<b>(90,062)</b>	(101,062)
Impairment losses on goodwill		<b>(7,818)</b>	-
Finance costs		<u><b>(1,184)</b></u>	<u>(1,473)</u>

	<i>Notes</i>	<b>2024</b> <b><i>RMB'000</i></b>	<b>2023</b> <b><i>RMB'000</i></b>
<b>Loss before income tax</b>	<i>6</i>	<b>(89,332)</b>	(67,486)
Income tax	<i>7</i>	<u><b>10,007</b></u>	<u>10,374</u>
<b>Loss for the year</b>		<b>(79,325)</b>	(57,112)
<b>Other comprehensive expense</b>			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		<u>(1,779)</u>	<u>(471)</u>
<b>Total comprehensive expense for the year</b>		<u><b>(81,104)</b></u>	<u><b>(57,583)</b></u>
<b>(Loss)/profit attributable to:</b>			
Owners of the Company		(76,931)	(60,609)
Non-controlling interests		<u>(2,394)</u>	<u>3,497</u>
		<u><b>(79,325)</b></u>	<u><b>(57,112)</b></u>
<b>Total comprehensive (expense)/income attributable to:</b>			
Owners of the Company		(78,710)	(61,080)
Non-controlling interests		<u>(2,394)</u>	<u>3,497</u>
		<u><b>(81,104)</b></u>	<u><b>(57,583)</b></u>
		<b><i>RMB cents</i></b>	<b><i>RMB cents</i></b>
<b>Loss per share</b>			
- Basic and diluted	<i>8</i>	<u><b>(19.23)</b></u>	<u>(15.15)</u>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*At 31 December 2024*

	<i>Notes</i>	<b>2024</b> <b>RMB'000</b>	<b>2023</b> <i>RMB'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		<b>11,324</b>	13,083
Investment properties	<i>10</i>	<b>14,216</b>	-
Right-of-use assets		<b>912</b>	1,138
Financial assets at fair value through profit or loss		<b>5,407</b>	3,950
Goodwill		<b>39,828</b>	47,646
Other intangible assets		<b>17,793</b>	23,336
Deposit for acquisition of properties	<i>11</i>	<b>3,977</b>	3,888
Deferred tax assets		<b>28,107</b>	17,802
Total non-current assets		<b>121,564</b>	110,843
<b>Current assets</b>			
Trade receivables	<i>12</i>	<b>83,956</b>	103,948
Deposits, prepayments and other receivables		<b>53,870</b>	63,641
Amounts due from fellow subsidiaries	<i>13</i>	<b>16,907</b>	62,477
Amounts due from related companies	<i>13</i>	<b>21,439</b>	40,678
Amounts due from non-controlling interests	<i>13</i>	<b>1,440</b>	1,544
Financial assets at fair value through profit or loss		<b>1,016</b>	4,382
Restricted bank balances		<b>1,785</b>	2,644
Bank balances and cash		<b>64,765</b>	88,134
Total current assets		<b>245,178</b>	367,448
<b>Current liabilities</b>			
Trade payables	<i>14</i>	<b>74,466</b>	71,356
Contract liabilities		<b>52,978</b>	50,862
Accruals and other payables		<b>131,321</b>	139,508
Lease liabilities	<i>13</i>	<b>298</b>	321
Amounts due to fellow subsidiaries	<i>13</i>	<b>2,260</b>	1,940
Amounts due to related companies	<i>13</i>	<b>21</b>	-
Amounts due to non-controlling interests		<b>159</b>	259
Bank borrowings		-	19,366
Tax payable		<b>11,690</b>	12,511
Total current liabilities		<b>273,193</b>	296,123
<b>Net current (liabilities)/assets</b>		<b>(28,015)</b>	71,325
<b>Total assets less current liabilities</b>		<b>93,549</b>	182,168

	<i>Notes</i>	<b>2024</b> <b>RMB'000</b>	2023 <i>RMB'000</i>
<b>Non-current liabilities</b>			
Lease liabilities		<b>696</b>	880
Deferred tax liabilities		<b>7,129</b>	8,362
Total non-current liabilities		<b>7,825</b>	9,242
<b>Net assets</b>		<b>85,724</b>	172,926
<b>Capital and reserves</b>			
Share capital		<b>3,403</b>	3,403
Reserves		<b>30,652</b>	109,362
Equity attributable to owners of the Company		<b>34,055</b>	112,765
Non-controlling interests		<b>51,669</b>	60,161
<b>Total equity</b>		<b>85,724</b>	172,926

## NOTES TO THE CONSOLIDATION FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

Fineland Living Services Group Limited (the “**Company**”) was incorporated as an exempted company in the Cayman Islands with limited liability. The address of its registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1–1108, Cayman Islands. Its principal place of business is located at Unit B, 17/F., United Centre, 95 Queensway, Admiralty, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) are the provision of professional property management services and value-added services for residential and non-residential properties in the People’s Republic of China (the “**PRC**”).

The immediate holding company and ultimate holding company of the Company are Mansion Green Holdings Limited and Widethrive Investments Limited, respectively, companies incorporated in the British Virgin Islands with limited liability. As at 31 December 2024, the directors of the Company consider that the Company was ultimately controlled by Mr. Fong Ming, Ms. Tse Lai Wa and Mr. Huang Peng.

### 2. BASIS OF PREPARATION

#### (a) Statement of compliance

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations (hereinafter collectively referred to as the “**HKFRSs**”) and the disclosure requirements of the Hong Kong Companies Ordinance (the “**HKCO**”). In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

#### (b) Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis, except for financial assets at fair value through profit or loss and investment properties which have been measured at fair value.

#### (c) Functional and presentation currency

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is the functional currency of the Company’s subsidiaries established in the PRC. The functional currency of the Company is Hong Kong dollars (“**HK\$**”). All values are rounded to the nearest thousand (“**RMB’000**”) except when otherwise indicated.

**(d) Going concern assessment**

The Group recorded a net loss of approximately RMB79,325,000 for the year ended 31 December 2024 and as at 31 December 2024, the Group's current liabilities exceeded its current assets by approximately RMB28,015,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

The directors of the Company have taken the following measures to mitigate the liquidity pressure and to improve the financial position of the Group:

- (i) the immediate holding company and ultimate holding company of the Group have confirmed that they will provide continuing financial support to the Group to enable it to continue as a going concern and to settle its liabilities as and when they fall due in the foreseeable future;
- (ii) the Group is taking active steps to negotiate the repayment, subsequent to 31 December 2024, certain suppliers of the Group have agreed not to demand for repayment for the amounts due to them before 31 May 2026;
- (iii) implementing comprehensive policies to monitor cash flows through cutting costs and capital expenditure; and
- (iv) the directors of the Company anticipate that the Group will generate positive cash flows from its operations in the foreseeable future.

Provided that these measures can be successfully implemented by the Group to improve the liquidity of the Group, the directors of the Company are satisfied that the Group will be able to meet its financial obligations as and when they fall due for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis. Moreover, the eventual outcome of these measures cannot be estimated with reasonable certainty. Hence there exist a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and that the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

### 3. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS

#### (a) Adoption of revised HKFRSs - effective on 1 January 2024

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) that are relevant to and effective for the Group’s consolidated financial statements for the current accounting period:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

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

#### (b) New and revised HKFRSs that have been issued but are not yet effective

The following new and amendments to HKFRSs, potentially relevant to the Group’s consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group in the preparation of these consolidated financial statements. The Group’s current intention is to apply these changes on the date they become effective.

	Effective for accounting periods beginning on or after
Amendments to HKAS 21 – Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7 – Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18 - Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HKFRS 10 and HKAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The Group is in the process of making an assessment of what the impact of these new and amendments to HKFRS standards is expected to be in the period of initial application. So far it has concluded that, except for the new HKFRSs above, the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

## **HKFRS 18 Presentation and Disclosure in Financial Statements**

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

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



#### 4. REVENUE AND SEGMENT INFORMATION

##### (a) Revenue

Disaggregation of revenue by each significant category and timing of revenue recognition are as follows:

Reportable segment/ Type of goods or services	Revenue from customers and recognised	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Real estate agency services</b>			
Real estate agency services income	at a point in time	<u>6,753</u>	<u>29,364</u>
<b>Property management services</b>			
Property management services income	over time	303,733	324,118
Value-added services to non-property owners	over time	13,106	18,045
Community value-added services			
- Other value-added services	over time	44,441	54,356
- Sales of goods	at a point in time	<u>1,068</u>	<u>901</u>
		<u>362,348</u>	<u>397,420</u>
		<u>369,101</u>	<u>426,784</u>

##### *Unsatisfied performance obligations*

For property management services income, the Group recognises revenue in the amount that equals to the right to invoice which corresponds directly with the value to the customer of the Group's performance to date, on a monthly basis. The Group has elected the practical expedient for not to disclose the remaining performance obligations for these types of contracts. The majority of the property management service contracts do not have a fixed term. The term of the contracts is generally set to expire when the counterparties notify the Group that the services are no longer required.

Value-added services to non-property owners and community value-added services are rendered over a short period of time and there is no unsatisfied performance obligation at the end of respective periods.

##### (b) Segment information

The Group has determined its operating segments and prepared segmental information based on regular internal financial information that is used to report the operating results of business units to the chief operating decision makers ("CODM"), i.e. the executive directors of the Company, who are responsible for making strategic decisions. The CODM review the Group's internal reporting in order to assess the performance and allocate the resources and the Group has determined the operating segments based on these reports. The Group's reportable and operating segments are as follows:

- (i) provision of comprehensive real estate agency services; and
- (ii) provision of professional property management services

### **Reportable segments**

The CODM monitor the results of its service lines separately for the purpose of making decision about resources allocation and performance assessment. Segment performance is evaluated based on the results from the reportable segments as explained in the table below.

	Year ended 31 December 2024		
	Real estate agency services <i>RMB'000</i>	Property management services <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Segment revenue</b>			
External sales	<u>6,753</u>	<u>362,348</u>	<u>369,101</u>
Segment (loss)/profit	(46,015)	6,095	(39,920)
Reconciliation:			
Loss on derecognition of contingent consideration receivable			(3,855)
Unallocated corporate expenses			<u>(45,557)</u>
Loss before income tax			<u><u>(89,332)</u></u>

Unallocated corporate expenses mainly comprise legal and professional fees and certain salaries and allowances.

	Year ended 31 December 2024		
	Real estate agency services <i>RMB'000</i>	Property management services <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Other segment information</b>			
<b>Amounts included in the measure of segment results</b>			
Capital expenditure	-	2,200	2,200
Impairment losses on financial assets, net	46,490	43,572	90,062
Depreciation of property, plant and equipment	89	3,974	4,063
Depreciation of right-of-use assets	-	320	320
Amortisation of other intangible assets	-	5,542	5,542
Finance costs	-	1,184	1,184
Fair value gain on financial assets at fair value through profit or loss	-	(591)	(591)
Fair value (gain)/loss on investment properties	(79)	1,023	944
Impairment loss of goodwill	<u>-</u>	<u>7,818</u>	<u>7,818</u>

	Year ended 31 December 2023		
	Real estate agency services <i>RMB'000</i>	Property management services <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Segment revenue</b>			
External sales	29,364	397,420	426,784
Segment (loss)/profit	(48,237)	32,383	(15,854)
Reconciliation:			
Fair value gain on contingent consideration payable			5,006
Unallocated corporate expenses			(56,638)
Loss before income tax			(67,486)

	Year ended 31 December 2023		
	Real estate agency services <i>RMB'000</i>	Property management services <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Other segment information</b>			
<b>Amounts included in the measure of segment results</b>			
Capital expenditure	2	6,917	6,919
Impairment losses on financial assets, net	48,410	52,652	101,062
Depreciation of property, plant and equipment	190	3,168	3,358
Depreciation of right-of-use assets	56	161	217
Amortisation of other intangible assets	-	5,542	5,542
Finance costs	4	1,469	1,473
Fair value loss on financial assets at fair value through profit or loss	-	1,018	1,018

#### ***Segment assets and liabilities***

As the Group's segment assets and liabilities are not regularly reviewed by the CODM, the measure of total assets and liabilities for each operating segment is therefore not presented.

#### ***Geographical information***

As the CODM consider the Group's revenue and results are all derived from provision of services in the PRC and no significant consolidated assets of the Group are located outside the PRC except bank balances in Hong Kong, geographical segment information is not considered necessary.

### *Information about major customers*

The revenue generated from each customer for the year ended 31 December 2023 and 31 December 2024 did not exceed 10% of the Group's total revenue of each of these years.

## **5. OTHER INCOME, LOSSES AND GAINS, NET**

	<b>2024</b> <b>RMB'000</b>	2023 <i>RMB'000</i>
Gain on lease reassessment	-	13
Gain on loan modifications	-	668
Fair value loss on investment properties	<b>(944)</b>	-
Government grants ( <i>Note</i> )	<b>364</b>	1,608
Interest income	<b>161</b>	272
Fair value gain on contingent consideration	-	5,006
Loss on derecognition of contingent consideration receivable	<b>(3,855)</b>	-
Exchange gains, net	<b>1,759</b>	462
Fair value gain/(loss) on financial assets at fair value through profit or loss	<b>591</b>	(1,018)
Others	<b>96</b>	411
	<b>(1,828)</b>	7,422

*Note:*

*The government grants mainly represent refunds of value-added tax and other taxes benefits from the PRC tax authorities. There were no unfulfilled conditions relating to the grants.*

## 6. LOSS BEFORE INCOME TAX

This is arrived at after charging/(crediting):

	<i>2024</i> <i>RMB'000</i>	2023 <i>RMB'000</i>
Auditor's remuneration		
- audit services	1,552	1,986
- non-audit services	-	429
Amortisation of other intangible assets (included in administrative expenses)	5,542	5,542
Depreciation of property, plant and equipment	4,063	3,358
Depreciation of right-of-use assets	320	217
Gain on disposal of property, plant and equipment	(5)	(34)
Interest expenses on lease liabilities	57	40
Interest expenses on bank borrowings	1,127	1,433
Employee benefit expenses	150,600	172,421
Short-term leases expenses	4,043	7,982
Impairment losses/(reversal of impairment losses) on financial assets, net, recognised on:		
- trade receivables:	43,617	24,156
- amounts due from fellow subsidiaries ( <i>Note</i> )	22,605	56,492
- amounts due from related companies	21,854	19,869
- amounts due from non-controlling interests	44	(384)
- deposits for acquisition of properties	(89)	100
- other receivables	2,031	829
	<b>90,062</b>	<b>101,062</b>

*Note:*

*Fineland Group Holdings Company Limited ("Fineland Group Holdings") and its subsidiaries (collectively the "Fineland Group", excluding the Group), Fineland Group Holdings' subsidiaries are the fellow subsidiaries of the Company.*

## 7. INCOME TAX

The amounts of income tax in the consolidated statement of comprehensive income represent:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current tax - PRC Enterprise Income Tax ("EIT")		
- provision for the year	1,530	2,978
- (over)/under provision in respect of prior year	-	(648)
	<u>1,530</u>	<u>2,330</u>
Deferred tax	<u>(11,537)</u>	<u>(12,704)</u>
	<u>(10,007)</u>	<u>(10,374)</u>

Notes:

- (i) No Hong Kong profits tax has been provided as the Group has no estimated assessable profits arising in Hong Kong for the current and prior years.
- (ii) Under the PRC EIT Law, the Group's PRC entities are subject to income tax at a rate of 25%, except for certain subsidiaries which qualified as small enterprises and micro businesses and enjoy preferential income tax rate of 5% (2023: 5%) respectively for the year ended 31 December 2024.

## 8. LOSS PER SHARE

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Loss for the year attributable to the owners of the Company ( <i>RMB'000</i> )	<u>(76,931)</u>	<u>(60,609)</u>
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>400,000,000</u>	<u>400,000,000</u>

Diluted loss per share are the same as basic loss per share as there were no dilutive potential ordinary shares outstanding for the years ended 31 December 2024 and 2023.

## 9. DIVIDENDS

No dividend was paid or declared by the Company during the year (2023: Nil), nor has any dividend been proposed since the end of the current reporting period.

## 10. INVESTMENT PROPERTIES

The Group has the intention to hold investment properties to earn rentals or for capital appreciation. As at 31 December 2024, the Group leases out one investment property which is a shop, and the Group has the intention to hold remaining investment properties to earn rentals or for capital appreciation.

Investment properties were revalued at 31 December 2024 on the open market value basis by reference to market evidence of recent transactions for similar properties by Cushman & Wakefield Limited, an independent firm of chartered surveyors.

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
As at 1 January	-	-
Additions	14,835	-
Reclassification from property, plant and equipment	426	-
Disposal	(101)	-
Fair value loss	(944)	-
As at 31 December	<u>14,216</u>	<u>-</u>

## 11. DEPOSIT FOR ACQUISITION OF PROPERTIES

On 21 June 2023, Guangzhou Fineland Living Services Limited (“**Fineland Living Services**”) (as the purchaser), an indirectly wholly-owned subsidiary of the Company, and an independent third party which is also a customer of the Group (as the vendor) entered into a settlement agreement, pursuant to which, Fineland Living Services has conditionally agreed to procure Fineland Living Services or its nominated subsidiary(ies) to pay a cash deposit of RMB3,988,000 and set-off the outstanding trade receivables of RMB15,951,000 owed to the Group by the vendor, by way of accepting the transfer of the properties with total market value of RMB20,000,000 from the vendor to the Group.

During the year ended 31 December 2024, the Group provided ECL allowance of RMB11,000 (2023: RMB100,000) on the deposit.

As at 31 December 2024 and the date of issuance of these consolidated financial statements, the conditions precedent set out in the agreement have not been fulfilled.

## 12. TRADE RECEIVABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade receivables	166,224	142,599
Less: impairment losses	<u>(82,268)</u>	<u>(38,651)</u>
	<u>83,956</u>	<u>103,948</u>

Trade receivables are mainly receivables of property management services income and real estate agency services income and no credit terms are granted generally. For property management services income, the customers are required to settle the invoices which are due on presentation. For real estate agency services income, the customers are required to settle the amounts due upon completion of services provided or pursuant to the terms and conditions of the relevant agreements. The ageing analysis of trade receivables (net of impairment losses) based on invoice date (which is also the due date) as at the end of the reporting period is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 1 year	61,946	64,456
1 to 2 years	17,975	32,977
Over 2 years	<u>4,035</u>	<u>6,515</u>
	<u>83,956</u>	<u>103,948</u>

## 13. AMOUNTS DUE FROM/TO FELLOW SUBSIDIARIES, RELATED COMPANIES AND NON-CONTROLLING INTERESTS

The amounts due from/to fellow subsidiaries, related companies and non-controlling interests as at 31 December 2023 and 2024 are trade in nature, unsecured, interest-free and they are obliged to settle the amounts due upon completion of services provided or pursuant to the terms and conditions of the relevant agreements. The related companies are investee companies of the Fineland Group and there are common directors between Fineland Group Holdings and the investee companies.

Included in the amounts due from fellow subsidiaries at the reporting date are earnest money of RMB5,523,000, after impairment losses of RMB24,294,000 (2023: RMB17,411,000) paid by the Group to the property developers enabling the Group to entitle to an exclusive agency right to sell properties in the primary market projects during an agreed period (“**Exclusivity Period**”).

The ageing analysis of amounts due from fellow subsidiaries, related companies and non-controlling interests, based on invoice date (which is also the due date), is as follows:



	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Amounts due from fellow subsidiaries</b>	<b>97,727</b>	120,692
Less: impairment losses	<u>(80,820)</u>	<u>(58,215)</u>
	<b><u>16,907</u></b>	<b><u>62,477</u></b>
Within 1 year	846	8,323
1 to 2 years	962	40,676
Over two years	<u>15,099</u>	<u>13,478</u>
	<b><u>16,907</u></b>	<b><u>62,477</u></b>

Movements in the loss allowance account in respect of amounts due from fellow subsidiaries during the year are as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
As at 1 January	58,215	1,723
Impairment losses recognised during the year	<u>22,605</u>	<u>56,492</u>
As at 31 December	<b><u>80,820</u></b>	<b><u>58,215</u></b>

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Amounts due from related companies</b>	<b>63,802</b>	61,187
Less: impairment losses	<u>(42,363)</u>	<u>(20,509)</u>
	<b><u>21,439</u></b>	<b><u>40,678</u></b>
Within 1 year	2,905	2,961
Over 1 year	<u>18,534</u>	<u>37,717</u>
	<b><u>21,439</u></b>	<b><u>40,678</u></b>

Movements in the loss allowance account in respect of amounts due from related companies during the year are as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
As at 1 January	20,509	640
Impairment losses recognised during the year	<u>21,854</u>	<u>19,869</u>
As at 31 December	<u><u>42,363</u></u>	<u><u>20,509</u></u>

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Amounts due from non-controlling interests</b>	<b>1,600</b>	<b>1,660</b>
Less: impairment losses	<u>(160)</u>	<u>(116)</u>
	<u><u>1,440</u></u>	<u><u>1,544</u></u>
Within 1 year	-	950
Over 1 year	<u>1,440</u>	<u>594</u>
	<u><u>1,440</u></u>	<u><u>1,544</u></u>

Movements in the loss allowance account in respect of amounts due from non-controlling interests during the year are as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
As at 1 January	116	500
Impairment losses recognised during the year	44	-
Impairment losses reversed during the year	<u>-</u>	<u>(384)</u>
As at 31 December	<u><u>160</u></u>	<u><u>116</u></u>

The ageing analysis of amounts due to fellow subsidiaries, related companies and non-controlling interests based on invoice date as at the end of the reporting period is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Amounts due to fellow subsidiaries</b>		
Within 1 year	2,260	1,491
Over 1 year	-	449
	<u>2,260</u>	<u>1,940</u>

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Amounts due to related companies</b>		
Within 1 year	<u>21</u>	<u>-</u>

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Amounts due to non-controlling interests</b>		
Within 1 year	<u>159</u>	<u>259</u>

#### 14. TRADE PAYABLES

The amounts mainly represented the commissions payable to co-operative real estate agents and payable to the property management service providers. The ageing analysis of trade payables based on invoice date (which is also the due date) as at the end of the reporting period is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 1 year	62,696	58,256
Over 1 year	<u>11,770</u>	<u>13,100</u>
	<u>74,466</u>	<u>71,356</u>

The directors of the Company consider that the carrying amounts of trade payables approximate their fair values as at the end of the reporting period. Trade payables are interest-free and the normal trade credit terms granted to the Group range from 30 days to 180 days from the date of invoice.

## 15. EVENTS AFTER THE REPORTING PERIOD

On 26 February 2025, the Group entered into a share transfer agreement with Hengyuang Taiye (Huizhou) Real estate Co., Ltd.\* (恒源泰业(惠州)置业有限公司), a limited company established under the laws of PRC, ultimately owned by independent third parties, to dispose of 51% of the equity interest in Huizhou Fangxian Jiahe Property Service Co., Ltd.\* (惠州方現嘉合物業服務有限公司) (“**Fangxian Jiahe**”) at a cash consideration of RMB255,000. The cash consideration was settled on 13 March 2025. The disposal is expected to be completed by 30 June 2025. Upon completion, the Company will no longer hold any interest in Fangxian Jiahe and Fangxian Jiahe will cease to be a subsidiary of the Company.

On 25 October 2021, the Group, as purchaser (the “**Purchaser**”), entered into a share purchase agreement (the “**Share Purchase Agreement**”) with Shanghai Lvbaoyuan Business Management Partnership (Limited Partnership)\* (上海綠保源企業管理合夥企業(有限合夥)) as vendor (the “**Vendor**”) in relation to the acquisition of 60% of the equity interests in Guangdong Yikang Property Service Co., Ltd.\* (廣東益康物業服務有限公司) (“**Yikang**”) at a cash consideration payable by instalments (the “Yikang Acquisition”), which is subject to adjustments based on the achievement of net profit targets (after deducting non-recurring profit and loss combined tax) of Yikang for each of the three years ended 31 December 2023 could be met respectively. On 26 March 2025, the Purchaser and the Vendor have mutually agreed on the settlement arrangement for the outstanding balance in relation to the last payment installment of the consideration for the Yikang Acquisition. The Board is of the view that such settlement arrangement is fair and reasonable and in the interests of the Shareholders as a whole and that the Vendor has fulfilled all of its profit guarantee obligations under the Share Purchase Agreement. Please refer to the announcement of the Company in relation to the profit guarantee arrangement for Yikang Acquisition dated 26 March 2025 for further information.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

Over the past years, the Company has continued to optimize its business structure, further focusing on the development of property management services and complementary value-added services. In response to evolving market conditions and strategic adjustments, we have gradually reallocated resources to strengthen our presence in the property management sector, which has become the core stream of the Group's revenue.

Moving forward, the Group remains committed to a strategy of steady growth, actively addressing market challenges while seizing opportunities in the property management industry. We will continue to deliver high-quality services to our customers and create greater value for shareholders of the Company (the **"Shareholders"**).

The Group's total revenue amounted to approximately RMB369.1 million for the year ended 31 December 2024, representing a decrease of approximately 13.5%, from RMB426.8 million in the corresponding period of 2023, which was mainly due to the decline in revenue generated from real estate agency services and property management services.

#### **Comprehensive Real Estate Agency Services Segment**

Revenue recorded from real estate agency services was approximately RMB6.8 million for the year ended 31 December 2024, representing a decrease of 76.9% from RMB29.4 million for the year ended 31 December 2023.

Property developers in China, including Fineland Group, our largest revenue source in the real estate agency services segment, continue to face financial difficulties. This has significantly constrained supply, compounded by sluggish demand. In response, we have taken proactive measures to adapt to the changing market environment. Specifically, we have largely tightened related investments, adopted a more cautious approach to project development, and actively addressed underperforming projects. These actions are aimed at enhancing operational efficiency and mitigating risks in the current market climate. Moving forward, we will continue to closely monitor industry trends and policy developments, adjusting our strategies as needed to navigate the evolving landscape.

#### **Professional Property Management Services Segment**

Property management services segment consists of (i) property management services, (ii) value-added services to non-property owners, and (iii) community value-added services. Revenue recorded from

professional property management services segment was approximately RMB362.3 million for the year ended 31 December 2024, representing a decrease of 8.8%, from approximately RMB397.4 million for the year ended 31 December 2023, which was mainly due to the decrease of approximately RMB20.4 million from property management services and the decrease of approximately RMB9.7 million community value-added services.

### ***Property management services***

Property management services are mainly for real estate developers and property owners. Services provided include standard property management services and ancillary services such as cleaning, gardening, security, repair and maintenance and butler services. The Group provides services for residential and non-residential properties, including public facilities, office buildings, industry parks, schools, etc. Revenue recorded for property management services was approximately RMB303.7 million for the year ended 31 December 2024, representing a decrease of 6.3% from approximately RMB324.1 million for the year ended 31 December 2023.

Contracted gross floor areas ("GFA") as at 31 December 2024 is approximately 18.7 million square meters, representing a decrease of 2.9% compared with approximately 19.3 million square meters as at 31 December 2023, and GFA under management was approximately 15.1 million square meters, representing an increase of 6.0% compared with approximately 14.2 million square meters as at 31 December 2023.

### ***Value-added services to non-property owners***

Value-added services to non-property owners are mainly for real estate developers. Services include cleaning, security and maintenance services for pre-sale display units and sales offices, etc. Revenue recorded for value-added services to non-property owners was approximately RMB13.1 million for the year ended 31 December 2024, representing a decrease of 27.2% from RMB18.0 million for the year ended 31 December 2023. This was mainly due to the continuing financing difficulties the real estate developers faced and their capability to develop and launch new projects.

### ***Community value-added services***

Community value-added services include common area value-added services, community retail, community media, furnishing services, and other community convenience services to property owners. Revenue recorded for community value-added services was approximately RMB45.5 million for the year ended 31 December 2024, representing a decrease of 17.7% from approximately RMB55.3 million for the year ended 31 December 2023. This was mainly due to the decrease in demand for such services from the property owners.

## **FINANCIAL REVIEW**

### **Revenue**

Revenue for the year ended 31 December 2024 was approximately RMB369.1 million, representing a decrease of approximately RMB57.7 million as compared to RMB426.8 million for the year ended 31 December 2023. Such decrease was primarily attributable to the decrease in revenue generated from comprehensive real estate agency services of approximately RMB22.6 million and professional property management services of approximately RMB35.1 million.

### **Cost of Services**

For the year ended 31 December 2024, the cost of services of the Group amounted to approximately RMB309.8 million, representing a decrease of approximately 8.8% as compared to RMB339.8 million for the year ended 31 December 2023. The decrease was mainly due to the decrease in numbers of frontline employees in both real estate agency segment and property management segment.

### **Selling and Marketing Expenses**

For the year ended 31 December 2024, the selling and marketing expenses of the Group were approximately RMB0.2 million, representing a decrease of approximately 77.8% as compared to approximately RMB0.9 million for the year ended 31 December 2023, which was mainly due to the effective cost control measures by cutting back major promotion events.

### **Administrative Expenses**

For the year ended 31 December 2024, the administrative expenses of the Group were approximately RMB47.5 million, representing a decrease of approximately 18.8% as compared to approximately RMB58.5 million for the year ended 31 December 2023. Such decrease was primarily due to the Company's enduring cost control measures.

### **Other Income, Losses and Gains**

For the year ended 31 December 2024, the Group recorded losses of approximately RMB1.8 million as compared to approximately RMB7.4 million for the year ended 31 December 2023. This was mainly due to (i) the loss on derecognition of contingent consideration receivable in relation to the Yikang Acquisition of approximately RMB3.9 million, compared with fair value gain on contingent consideration of approximately RMB5.0 million for the year ended 31 December 2023. For further information, please refer to the announcement of the Company in relation to the profit guarantee arrangement for Yikang

Acquisition dated 26 March 2025; and (ii) the fair value loss on investment properties we acquired in previous years of approximately RMB0.9 million.

### **Net Impairment Losses on Financial Assets**

For the year ended 31 December 2024, the net impairment losses on financial assets of the Group were approximately RMB90.1 million, representing a decrease of approximately 10.9% as compared to approximately RMB101.1 million for the year ended 31 December 2023. The net impairment losses on financial assets were primarily attributed to the provision for impairment loss on trade receivables, amounts due from fellow subsidiaries and amounts due from related parties of approximately RMB43.6 million, RMB22.6 million and RMB21.9 million, respectively, which were mainly due to (i) the downturn in the real estate industry, challenging economic conditions, and lower occupancy rates of newly delivered projects; and (ii) the fact that trade receivables collections and amounts due from related parties and fellow subsidiaries have fallen short of expectations. In light of these factors and out of prudent financial management, the Group has made corresponding impairment provisions.

### **Net Impairment Losses on Goodwill**

During the year ended 31 December 2024, the Group recorded an impairment of goodwill of approximately RMB7.8 million, which was primarily due to the fact that the business of some of the subsidiaries acquired in previous years did not have an anticipated growth, resulting in a decrease in its revenue and profit and a lower expectation of future growth. As at 31 December 2024, the Group's goodwill was RMB39.8 million after the aforesaid impairment, representing a decrease of 16.4% as compared with RMB47.6 million as at 31 December 2023.

### **Net Profit Margin**

The net profit margin decreased to -21.5% for the year ended 31 December 2024 as compared to -13.4% for the year ended 31 December 2023. This decrease was mainly because (i) the decrease in cost of services did not commensurate with the decline in revenue generated, as there is a time lag between the decrease in contracted GFA in the intensified market competition during the industry downturn and implementation of cost adjustments, and (ii) the further impairment losses were recognised on financial assets and non-financial assets.

### **Loss for the Year**

As a result of the factors discussed above, the Group made a net loss for the year ended 31 December 2024 of approximately RMB79.3 million, representing an increase of 38.9% compared to a net loss of approximately RMB57.1 million for the year ended 31 December 2023.



## **Investment Properties**

The investment properties consist of car parking spaces and commercial properties. As at 31 December 2024, the Group's investment properties amounted to approximately RMB14.2 million, which was mainly due to the settlement transactions entered into by the Company on 6 December 2023 to set-off outstanding receivables owed to the Group by Guangzhou Fineland Real Estate Development Limited\* (廣州市方圓房地產發展有限公司)'s subsidiaries and Guangzhou Zengcheng Fangyuan Mingsheng Real Estate Limited\* (廣州市增城區方圓明盛房地產有限公司). For details of the settlement transactions, please refer to the announcement of the Company dated 6 December 2023 and the circular of the Company dated 22 December 2023.

## **Liquidity and Financial Resources**

In 2024 and 2023, the Group's main source of funds was cash generated from operating activities.

As at 31 December 2024, the Group had net current liabilities of approximately RMB28.0 million (as at 31 December 2023: net current assets of approximately RMB71.3 million), total assets of approximately RMB366.7 million (as at 31 December 2023: approximately RMB478.3 million) and equity attributable to owners of the Company of approximately RMB34.1 million (as at 31 December 2023: approximately RMB112.8 million).

As at 31 December 2024, the total bank balances and cash (restricted bank balances: approximately RMB1.8 million) of the Group amounted to approximately RMB66.6 million (as at 31 December 2023: approximately RMB90.8 million).

## **Trade Receivables, Amounts Due from Fellow Subsidiaries and Related Companies**

Trade receivables, amounts due from fellow subsidiaries and related companies are mainly receivables attributable to the provision of the Group's property management services, real estate agency services and earnest money paid to the property developers to entitle to an exclusive agency right to sell properties in the primary market projects during an agreed period. Trade receivables, amounts due from fellow subsidiaries and related companies decreased, from approximately RMB103.9 million, RMB62.5 million and RMB40.7 million, respectively, as at 31 December 2023 to approximately RMB84.0 million, RMB16.9 million and RMB21.4 million, respectively, as at 31 December 2024, which are primarily due to the increase in the provision of impairment losses based on the principle of prudence, as a result of continued weakness and uncertainty in the real estate industry in the PRC.

## **Contingent Liabilities**

The Group had no material contingent liabilities as at 31 December 2024 (2023: Nil).

## **Significant Investments**

For the year ended 31 December 2024, no significant investment was held by the Group.

## **Material Acquisition and Disposals**

The Group had no material acquisition or disposal of subsidiaries, associates or jointly controlled entities for the year ended 31 December 2024.

## **Pledged Assets of the Group**

The subsidiary of the Company and Agricultural Bank of China Limited Guangzhou Beixiu branch mutually agreed to extend the bank loan of approximately RMB19,930,000 on 14 November 2023, with a term of one year, carrying a fixed rate of 4% per annum, which is secured, among others, by certain trade receivables of Fineland E-Life Service Co., Ltd.\* (廣州方圓現代生活服務股份有限公司 (“**Fineland E-life**”)) of a maximum amount of approximately RMB28,152,000. The subsidiary of the Company pledged approximately 68.9% equity interests in Fineland E-life to Agricultural Bank of China Limited Guangzhou Beixiu branch.

As at 31 December 2024, the bank loan has been fully repaid by end of the term, but the procedures for the release of the equity pledge have not yet been completed.

## **PROSPECTS**

As we look ahead into 2025, the Group remains committed to transforming its business strategies with a focus on long-term value creation and sustainable growth. Building on the strategic shifts initiated in 2024, we will continue to prioritize ethical practices, quality service, and operational efficiency to strengthen our market position and deliver value to stakeholders. Our tiered project management system will remain a cornerstone of our strategy, with flagship projects enhancing brand recognition, secondary projects maintaining scale, and tertiary projects serving as platforms for talent development. Underperforming projects will be addressed with targeted solutions to optimize resource allocation and improve overall efficiency.

In line with our commitment to organic growth, we will focus on leveraging existing resources from property owners, government entities, and real estate developers to identify new opportunities, rather than pursuing acquisitions. This approach aligns with our philosophy of building sustainable, long-term partnerships and creating value through innovation and collaboration.

At the heart of our operations, we will continue to return to the essence of service excellence. By responding promptly to customer needs and proactively addressing their concerns, we aim to further enhance customer satisfaction and solidify our reputation. Our customer-centric approach, combined with a focus on quality and integrity, will drive our efforts to capture market share and deliver consistent value.

Looking forward, the Group is poised to embrace the challenges and opportunities of 2025 with confidence. By staying true to our core values of long-termism, ethical practices, and service excellence, we will continue to build a resilient and innovative organization, well-positioned to thrive in an evolving market landscape.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including treasury shares, as defined under the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) during the year ended 31 December 2024 and thereafter until the date of this announcement. As at 31 December 2024, the Company did not hold any treasury shares.

## **CORPORATE GOVERNANCE**

The Company has complied with the applicable code provisions as set out in the Corporate Governance Code (the "**Code**") as contained in Appendix C1 to the Listing Rules in force during the year ended 31 December 2024. Details of the corporate governance of the Group will be set out in the section headed "Corporate Governance Report" in the annual report of the Company.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as the code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following specific enquiries by the Company, that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2024.

## **REVIEW OF THE ANNUAL RESULTS BY AUDIT COMMITTEE**

The Audit Committee has reviewed the Group's consolidated financial statements for the year ended 31 December 2024. It meets regularly with the management, the external auditors of the Company and the internal audit personnel to discuss the accounting principles and practices adopted by the Group, the risk management and internal control systems, and the financial reporting matters.

## **SCOPE OF WORK OF KTC PARTNERS CPA LIMITED**

The financial figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the annual results announcement have been agreed by the Company's external auditors, KTC Partners CPA Limited ("**KTC**"), to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2024. The work performed by KTC in this respect did not constitute an 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 KTC on this annual results announcement.

## **EXTRACT OF INDEPENDENT AUDITOR'S REPORT**

The following is an extract of the independent auditor's report on the Group's consolidated financial statements for the year ended 31 December 2024 which has included an emphasis of matter paragraph, but without modification of opinion.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## **MATERIAL UNCERTAINTY RELATED TO GOING CONCERN**

We draw attention to Note 3 to the consolidated financial statements which indicates that the Group incurred a net loss of approximately RMB79,325,000 for the year ended 31 December 2024 and as at 31 December 2024, the Group's current liabilities exceeded its current assets by approximately RMB28,015,000. These conditions, along with other matters as set forth in Note 3, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## ANNUAL GENERAL MEETING

The annual general meeting of the Company (the “**AGM**”) will be held on Friday, 20 June 2025. The notice of the AGM will be published on the Company’s website at <http://www.finelandassets.com> and the website of Hong Kong Exchanges and Clearing Limited (the “**Stock Exchange**”) at <http://www.hkexnews.hk>.

## CLOSURE OF THE REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 17 June 2025 to Friday, 20 June 2025, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all share transfer documents accompanied by 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, 17/F., Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 16 June 2025.

## FINAL DIVIDEND

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: Nil).

## EVENTS AFTER THE REPORTING PERIOD

On 26 February 2025, the Group entered into a share transfer agreement with Hengyuang Taiye (Huizhou) Real estate Co., Ltd.\* (恒源泰业(惠州)置业有限公司), a limited company established under the laws of PRC, ultimately owned by independent third parties, to dispose of 51% of the equity interest in Huizhou Fangxian Jiahe Property Service Co., Ltd.\* (惠州方現嘉合物業服務有限公司) (“**Fangxian Jiahe**”) at a cash consideration of RMB255,000. The cash consideration was settled on 13 March 2025. The disposal is expected to be completed by 30 June 2025. Upon completion, the Company will no longer hold any interest in Fangxian Jiahe and Fangxian Jiahe will cease to be a subsidiary of the Company.

On 25 October 2021, the Group, as purchaser (the “**Purchaser**”), entered into a share purchase agreement (the “**Share Purchase Agreement**”) with Shanghai Lvbaoyuan Business Management Partnership (Limited Partnership)\* (上海綠保源企業管理合夥企業(有限合夥)) as vendor (the “**Vendor**”) in relation to the acquisition of 60% of the equity interests in Guangdong Yikang Property Service Co., Ltd.\* (廣東益康物業服務有限公司) (“**Yikang**”) at a cash consideration payable by instalments (the “**Yikang Acquisition**”), which is subject to adjustments based on the achievement of net profit targets (after deducting non-recurring profit and loss combined tax) of Yikang for each of the three years ended 31 December 2023 could be met respectively. On 26 March 2025, the Purchaser and the Vendor have mutually agreed on the settlement arrangement for the outstanding balance in relation to the last

payment installment of the consideration for the Yikang Acquisition. The Board is of the view that such settlement arrangement is fair and reasonable and in the interests of the Shareholders as a whole and that the Vendor has fulfilled all of its profit guarantee obligations under the Share Purchase Agreement. Please refer to the announcement of the Company in relation to the profit guarantee arrangement for Yikang Acquisition dated 26 March 2025 for further information.

## **CHANGE OF DIRECTORS AND OFFICERS**

### **Change of Company Secretary and Authorized Representative**

With effect from 1 January 2025, Ms. Chan Charmayne has replaced Mr. Tso Ping Cheong Brain as the company secretary of the Company, an authorized representative under Rule 3.05 of the Listing Rules, an authorized representative for accepting service of process and notice on behalf of the Company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the person authorized to accept service of process and notices on the Company's behalf in Hong Kong under Rule 19.05(2) of the Listing Rules.

### **Appointment and Re-designation of Directors**

With effect from 17 March 2025, (i) Mr. Fong Ming has been re-designated from a non-executive Director to an executive Director and he continues to serve as the chairman of the Board; (ii) Mr. Han Shuguang has ceased to act as the chief executive officer of the Company (the “**Chief Executive Officer**”) and continues to serve as an executive Director; (iii) Mr. Sun Ligong has been appointed as an executive Director and the Chief Executive Officer.

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

This annual results announcement is published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and on the website of the Company (<http://www.finelandassets.com>). The annual report of the Group for the year ended 31 December 2024, which contains all the information required under the Listing Rules, will be despatched to Shareholders and be available on the above websites in due course.

By Order of the Board  
**Fineland Living Services Group Limited**  
**FONG Ming**  
*Chairman*

Hong Kong, 26 March 2025

*As at the date of this announcement, the Executive Directors are Mr. FONG Ming, Mr. SUN Ligong, Mr. HAN Shuguang and Ms. TSE Lai Wa; and the Independent Non-Executive Directors are Mr. LEUNG Wai Hung, Mr. TIAN Qiusheng and Mr. DU Chenhua.*