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Redco Healthy Living Company Limited
力高健康生活有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2370)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

- Revenue for the year ended 31 December 2025 was approximately RMB400.5 million, representing a decrease of approximately 4.6% as compared to approximately RMB419.6 million for the year ended 31 December 2024.
- Gross profit for the year ended 31 December 2025 was approximately RMB96.9 million, representing a decrease of approximately 14.6% as compared to approximately RMB113.4 million for the year ended 31 December 2024.
- Gross profit margin decreased to approximately 24.2% for the year ended 31 December 2025 from approximately 27.0% for the year ended 31 December 2024.
- Net loss of the Group for the year ended 31 December 2025 was approximately RMB9.3 million, representing a decrease of approximately 53.9%, as compared to the net loss of approximately RMB20.1 million for the year ended 31 December 2024.

- For the year ended 31 December 2025, the total contracted GFA of the Group was approximately 29.5 million sq.m., representing an increase of approximately 8.0% as compared to approximately 27.3 million sq.m. for the year ended 31 December 2024.
- For the year ended 31 December 2025, the GFA under management of the Group was approximately 23.7 million sq.m., representing an increase of approximately 12.4% as compared to approximately 21.1 million sq.m. for the year ended 31 December 2024.
- The Board has resolved not to declare the payment of a final dividend for the year ended 31 December 2025 (year ended 31 December 2024: Nil).

The board (the “**Board**”) of directors (the “**Directors**”) of Redco Healthy Living Company Limited (the “**Company**”) is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”, “**we**”, “**our**” or “**us**”) for the year ended 31 December 2025 with comparative figures for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	<i>Notes</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue	4	400,535	419,635
Cost of services		(303,628)	(306,206)
Gross profit		96,907	113,429
Other income, gains and losses, net	5	(1,134)	(1,920)
Selling and marketing expenses		(2,091)	(2,936)
General and administrative expenses		(70,396)	(56,188)
Impairment losses on financial assets, net of reversal	6	(21,508)	(40,981)
Impairment losses of goodwill and property, plant and equipment		(6,013)	(24,651)
Operating loss		(4,235)	(13,247)
Finance income		827	1,226
Finance costs		(966)	(992)
Finance income and costs, net		(139)	234
Share of results of investments accounted for using the equity method, net		179	1,759
Loss before income tax	7	(4,195)	(11,254)
Income tax expense	8	(5,058)	(8,836)
Loss for the year		(9,253)	(20,090)
(Loss) profit for the year attributable to:			
– Owners of the Company		(17,539)	(28,428)
– Non-controlling interests		8,286	8,338
		(9,253)	(20,090)
Loss per share		<i>RMB cents</i>	<i>RMB cents</i>
– Basic and diluted	10	(8.77)	(14.21)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Loss for the year	<u>(9,253)</u>	<u>(20,090)</u>
Other comprehensive (expense) income for the year, net of tax		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
– Currency translation differences	<u>(1,605)</u>	<u>161</u>
Total other comprehensive (expense) income for the year	<u>(1,605)</u>	<u>161</u>
Total comprehensive expense for the year	<u><u>(10,858)</u></u>	<u><u>(19,929)</u></u>
Total comprehensive (expense) income attributable to:		
– Owners of the Company	<u>(19,144)</u>	<u>(28,267)</u>
– Non-controlling interests	<u>8,286</u>	<u>8,338</u>
	<u><u>(10,858)</u></u>	<u><u>(19,929)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	11	36,403	44,863
Intangible assets	12	30,061	34,775
Investments accounted for using the equity method		3,161	3,564
Deferred income tax assets		46,061	42,552
		<u>115,686</u>	<u>125,754</u>
CURRENT ASSETS			
Inventories		7,578	13,412
Trade and other receivables and prepayments	13	333,127	286,015
Amounts due from related parties		26,604	26,803
Financial assets at fair value through profit or loss		—	2,025
Cash and cash equivalents		134,567	137,484
		<u>501,876</u>	<u>465,739</u>
CURRENT LIABILITIES			
Trade payables	14	49,244	20,698
Accruals and other payables	14	98,121	77,603
Contract liabilities		104,654	114,523
Amounts due to related parties		5,128	3,687
Income tax liabilities		58,628	51,799
Bank and other borrowings	15	9,353	8,626
Lease liabilities		739	147
		<u>325,867</u>	<u>277,083</u>
NET CURRENT ASSETS		<u>176,009</u>	<u>188,656</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>291,695</u>	<u>314,410</u>

	<i>Notes</i>	2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
NON-CURRENT LIABILITIES			
Bank and other borrowings	15	3,700	3,700
Lease liabilities		2,613	2,950
Deferred income tax liabilities		1,363	3,661
		<u>7,676</u>	<u>10,311</u>
NET ASSETS		<u>284,019</u>	<u>304,099</u>
CAPITAL AND RESERVES			
Share capital	16	16,220	16,220
Reserves		227,493	246,637
		<u>243,713</u>	<u>262,857</u>
Non-controlling interests		40,306	41,242
SHAREHOLDERS' EQUITY		<u>284,019</u>	<u>304,099</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1 General

Redco Healthy Living Company Limited (the “**Company**”) was incorporated in the Cayman Islands on 10 February 2021 as an exempted company with limited liability under the Companies Act of the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) since 31 March 2022. The addresses of the registered office and principal place of business of the Company are disclosed in the *Corporate Information* section to the annual report.

The Company is an investment holding company. The Company and its subsidiaries (together, the “**Group**”) are principally engaged in the provision of property management services, value-added services to non-property owners, community value-added services, development and maintenance services with respect to the information technology (“**IT**”) systems, healthcare management services and property agency services in the People’s Republic of China (the “**PRC**”).

The ultimate holding company of the Company is Redco Properties Group Limited (“**Redco Properties**” or the “**Controlling Party**”, together with its subsidiaries, the “**Redco Properties Group**”) whose shares are also listed on the Main Board (stock code: 1622). The Company’s immediate holding company is Top Glory International Holdings Ltd. (“**TGI**”, a company incorporated in the British Virgin Islands (“**BVI**”) with limited liability) which is wholly-owned by Redco Properties. The ultimate controlling shareholders of the Group are Mr. Wong Yeuk Hung and Mr. Huang Ruoqing (the “**Controlling Shareholders**”), who are parties acting in concert and have been collectively controlling the Group.

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is different from the Company’s functional currency of Hong Kong dollars (“**HK\$**”).

The English names of all the companies established in the PRC presented in these consolidated financial statements represent the best efforts made by the directors of the Company (the “**Directors**”) for the translation of the Chinese names of these companies to English names as they do not have official English names.

2. Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to an HKFRS Accounting Standard in the current year has 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.

3. New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³
Amendments to HKAS 21	Translation to Hyperinflationary Presentation Currency ³

¹ Effective for annual periods beginning on or after a date to be determined.

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

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

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

HKFRS 18 Presentation and Disclosure in Financial Statements (“HKFRS 18”)

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 (MPMs) 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 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to Basis of Preparation of Financial Statements upon effective of HKFRS 18) 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. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss. Additional disclosures required for the Group’s MPMs will be disclosed in a separate note to the consolidated financial statements.

4 Revenue and segment information

(i) Revenue

Revenue mainly comprises of proceeds from property management services, value-added services to non-property owners, community value-added services, community healthcare services and IT and intelligent construction services.

Disaggregation of revenue from contracts with customers

An analysis of the Group's revenue by category for the years ended 31 December 2025 and 31 December 2024 are as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue from contracts with customers within the scope of HKFRS 15		
<i>Recognised over time:</i>		
– Property management services	331,007	318,785
– Value-added services to non-property owners	9,464	34,695
– Community value-added services	45,240	47,252
– Community healthcare services	3,513	2,111
– IT and intelligent construction services	3,269	10,698
	<u>392,493</u>	<u>413,541</u>
<i>Recognised at a point in time:</i>		
– Valued-added services to non-property owners	1,664	1,813
– IT and intelligent construction services	6,378	4,281
	<u>8,042</u>	<u>6,094</u>
	<u><u>400,535</u></u>	<u><u>419,635</u></u>

(ii) Segment information

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

The CODM has identified three reportable operating segments, namely property management, healthcare services and others, as follows:

Property management – Provision of property management services, provision of value-added services to non-property owners and provision of community value-added services

Healthcare services – Provision of healthcare management services

Others – Development and maintenance of IT systems for property developers, provision of other IT-related services and other miscellaneous services

The CODM assesses the performance of the operating segments based on measures of adjusted profits before income tax. The measurement basis of segment results excludes the effects of depreciation, share of results of investments accounted for using the equity method, finance income/costs, net and income tax expense. Other information provided, except as noted below, to the CODM is measured in a manner consistent with that in the consolidated financial statements.

Segment revenue, results, assets and liabilities

	Property management RMB'000	Healthcare services RMB'000	Others RMB'000	Total RMB'000
Year ended 31 December 2025				
Segment revenue				
Revenue from contracts with customers				
– Recognised over time	385,711	3,513	4,570	393,794
– Recognised at a point in time	1,664	—	8,272	9,936
Less: Inter-segment revenue	—	—	(3,195)	(3,195)
	<u>387,375</u>	<u>3,513</u>	<u>9,647</u>	<u>400,535</u>
Segment results				
Segment results	6,111	(5,302)	2,206	3,015
Depreciation of property, plant and equipment	(3,604)	(2,860)	(786)	(7,250)
Operating profits (losses)	2,507	(8,162)	1,420	(4,235)
Share of results of investments accounted for using the equity method, net	249	(70)	—	179
Finance income and costs, net	(487)	477	(129)	(139)
Profit (loss) before income tax	<u>2,269</u>	<u>(7,755)</u>	<u>1,291</u>	<u>(4,195)</u>
Income tax expense				<u>(5,058)</u>
Loss for the year				<u>(9,253)</u>
Additions to:				
Property, plant and equipment				
– Reportable segment assets	<u>5,507</u>	<u>3,421</u>	<u>283</u>	<u>9,211</u>
Intangible assets				
– Reportable segment assets	<u>—</u>	<u>16</u>	<u>—</u>	<u>16</u>
At 31 December 2025				
Reportable segment assets	<u>477,008</u>	<u>79,540</u>	<u>34,555</u>	591,103
Other unallocated corporate assets				<u>26,459</u>
Total consolidated assets				<u>617,562</u>
<i>Including investments accounting for using the equity method</i>	<u>3,161</u>	<u>—</u>	<u>—</u>	<u>3,161</u>
Reportable segment liabilities	<u>271,270</u>	<u>18,817</u>	<u>27,904</u>	317,991
Other unallocated corporate liabilities				<u>15,552</u>
Total consolidated liabilities				<u>333,543</u>

	Property management <i>RMB'000</i>	Healthcare services <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
Year ended 31 December 2024				
Segment revenue				
Revenue from contracts with customers				
– Recognised over time	400,866	2,111	11,103	414,080
– Recognised at a point in time	1,813	—	9,340	11,153
Less: Inter-segment revenue	(134)	—	(5,464)	(5,598)
Consolidated revenue from external customers	<u>402,545</u>	<u>2,111</u>	<u>14,979</u>	<u>419,635</u>
Segment results				
Segment results	17,124	(25,463)	2,894	(5,445)
Depreciation of property, plant and equipment	(4,156)	(2,860)	(786)	(7,802)
Operating profits (losses)	12,968	(28,323)	2,108	(13,247)
Share of results of investments accounted for using the equity method, net	1,759	—	—	1,759
Finance income and costs, net	(382)	790	(174)	234
Profits (losses) before income tax	<u>14,345</u>	<u>(27,533)</u>	<u>1,934</u>	<u>(11,254)</u>
Income tax expense				<u>(8,836)</u>
Loss for the year				<u>(20,090)</u>
Additions to:				
Property, plant and equipment				
– Reportable segment assets	<u>5,450</u>	<u>207</u>	<u>385</u>	<u>6,042</u>
Intangible assets				
– Reportable segment assets	<u>1,415</u>	<u>—</u>	<u>552</u>	<u>1,967</u>
As at 31 December 2024				
Reportable segment assets	<u>434,462</u>	<u>91,713</u>	<u>35,777</u>	<u>561,952</u>
Other unallocated corporate assets				<u>29,541</u>
Total consolidated assets				<u>591,493</u>
<i>Including investments accounting for using the equity method</i>	<u>3,494</u>	<u>70</u>	<u>—</u>	<u>3,564</u>
Reportable segment liabilities	<u>227,546</u>	<u>21,023</u>	<u>29,579</u>	<u>278,148</u>
Other unallocated corporate liabilities				<u>9,246</u>
Total consolidated liabilities				<u>287,394</u>

Geographical information

Revenue by geographical location is determined on the basis of the location of the customers or services rendered. All of the Group's revenue were generated from the PRC.

Non-current assets, other than financial instruments, investments accounted for using the equity method and deferred income tax assets by geographical area are as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
PRC	40,574	51,924
Hong Kong	25,890	27,714
	<u>66,464</u>	<u>79,638</u>

Information about major customers

For the year ended 31 December 2025, revenue from Redco Properties Group, associates and joint ventures of Redco Properties and their subsidiaries contributed approximately 6% (2024: 14%) of the Group's revenue, no revenue from transactions with a single external customer accounted for over 10% of the Group's revenue for both years.

5 Other income, gains and losses, net

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Gain (loss) on disposal of an associate	813	(195)
Government grant (see note below)	476	1,937
Loss on disposal of debt settlement properties	(123)	(37)
Loss on lease termination	(1,240)	—
Write off of property, plant and equipment	(155)	—
Others	(905)	(3,625)
	<u>(1,134)</u>	<u>(1,920)</u>

Note: During the year ended 31 December 2025, governments grants of approximately RMB476,000 (2024: RMB1,937,000) was recognised as other income for the year as there was no unfulfilled condition or contingencies relating to these subsidies.

6 Impairment losses on financial assets, net of reversal

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Impairment losses recognised on:		
– Trade and other receivables (note 13)	21,508	32,918
– Amounts due from related parties and non-controlling interests	—	8,063
	<u>21,508</u>	<u>40,981</u>

7 Loss before income tax

Loss before income tax is arrived at after charging:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Staff costs (including Directors' and Chief Executive Officer's emoluments)		
– Salaries and allowances	109,307	117,759
– Staff bonuses	4,107	6,237
– Retirement benefit costs	17,778	19,410
– Other staff welfare costs	8,652	11,063
	<u>139,844</u>	<u>154,469</u>
Auditor's remuneration		
– Audit services	1,098	1,095
– Non-audit services	284	355
	<u>1,382</u>	<u>1,450</u>
Depreciation of property, plant and equipment (note 11)	7,250	7,802
Amortisation of intangible assets (note 12)	4,730	5,591
Cost of services	303,628	306,206
Operating lease payments	151	372

8 Income tax expense

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Current income tax		
– PRC corporate income tax	10,865	16,655
Deferred income tax	(5,807)	(7,819)
	<u>5,058</u>	<u>8,836</u>

The Company is exempted from the payment of Cayman Islands income tax. Subsidiaries incorporated in the BVI are exempted from BVI income tax (2024: same).

Subsidiaries established and operating in the PRC are subject to PRC enterprise income tax at the rate of 25% for the year ended 31 December 2025 (2024: 25%). For certain subsidiaries qualified as micro and small enterprises, the PRC enterprise income tax was charged at a preferential rate of 5% for the periods in which they were qualified.

No provision has been made for Hong Kong profits tax as the companies in Hong Kong did not generate any assessable profits for the year ended 31 December 2025 (2024: nil).

9 Dividends

(The Board did not recommend the payment of a final dividend for the years ended 31 December 2025 and 31 December 2024, nor has any dividend been proposed since the end of the reporting period.)

10 Loss per share

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Loss figures are calculated as follows:		
Loss for the year attributable to owners of the Company		
for the purpose of calculating basic and diluted loss		
for the year	<u>17,539</u>	<u>28,428</u>
	2025	2024
	<i>(thousands of shares)</i>	
Number of shares:		
Weighted average number of ordinary shares for the purpose of		
calculating basic and diluted loss per share	<u>200,000</u>	<u>200,000</u>

The basic loss per share is calculated by dividing the loss attributable to the owners of the Company by the weighted average number of shares in issue during the respective periods.

No diluted loss per share for both years were presented as there were no potential ordinary shares outstanding for both years.

11 Property, plant and equipment

	Leasehold improvement <i>RMB'000</i>	Furniture and office equipment <i>RMB'000</i>	Motor vehicles <i>RMB'000</i>	Buildings <i>RMB'000</i>	Right-of- use assets - properties <i>RMB'000</i>	Total <i>RMB'000</i>
At 1 January 2024						
Cost	20,355	16,480	3,457	30,563	15,009	85,864
Accumulated depreciation	(3,712)	(11,960)	(2,708)	(2,205)	(1,980)	(22,565)
Net book amount	<u>16,643</u>	<u>4,520</u>	<u>749</u>	<u>28,358</u>	<u>13,029</u>	<u>63,299</u>
Year ended 31 December 2024						
Opening net book amount	16,643	4,520	749	28,358	13,029	63,299
Additions	5,484	405	153	—	—	6,042
Disposals	—	(18)	(77)	—	—	(95)
Depreciation (note 7)	(3,711)	(1,973)	(279)	(1,214)	(625)	(7,802)
Impairment loss recognised	(7,826)	—	—	—	(8,553)	(16,379)
Exchange differences	—	—	—	(202)	—	(202)
Closing net book amount	<u>10,590</u>	<u>2,934</u>	<u>546</u>	<u>26,942</u>	<u>3,851</u>	<u>44,863</u>
At 31 December 2024						
Cost	25,739	16,809	3,429	30,312	15,009	91,298
Accumulated depreciation	(7,323)	(13,875)	(2,883)	(3,370)	(2,605)	(30,056)
Impairment loss recognised	(7,826)	—	—	—	(8,553)	(16,379)
Closing net book amount	<u>10,590</u>	<u>2,934</u>	<u>546</u>	<u>26,942</u>	<u>3,851</u>	<u>44,863</u>
Year ended 31 December 2025						
Opening net book amount	10,590	2,934	546	26,942	3,851	44,863
Additions	1,337	3,954	556	—	3,364	9,211
Write-off	(140)	(10)	(5)	—	—	(155)
Early termination of lease agreements	—	—	—	—	(3,639)	(3,639)
Depreciation (note 7)	(3,787)	(1,446)	(184)	(1,110)	(723)	(7,250)
Impairment loss recognised	(1,931)	(1,229)	—	—	(2,853)	(6,013)
Exchange differences	—	—	—	(614)	—	(614)
Closing net book amount	<u>6,069</u>	<u>4,203</u>	<u>913</u>	<u>25,218</u>	<u>—</u>	<u>36,403</u>
At 31 December 2025						
Cost	26,513	20,681	3,909	29,608	4,423	85,134
Accumulated depreciation	(10,864)	(15,249)	(2,996)	(4,390)	(1,102)	(34,601)
Impairment loss recognised	(9,580)	(1,229)	—	—	(3,321)	(14,130)
Closing net book amount	<u>6,069</u>	<u>4,203</u>	<u>913</u>	<u>25,218</u>	<u>—</u>	<u>36,403</u>

12 Intangible assets

	Customer relationship <i>RMB'000</i>	Property management contracts <i>RMB'000</i>	Service contracts <i>RMB'000</i>	Computer software <i>RMB'000</i>	Goodwill <i>RMB'000</i>	Total <i>RMB'000</i>
At 1 January 2024						
Cost	17,080	7,689	1,299	17,357	24,232	67,657
Accumulated amortisation	(7,421)	(7,689)	(1,299)	(4,577)	—	(20,986)
Closing net book amount	<u>9,659</u>	<u>—</u>	<u>—</u>	<u>12,780</u>	<u>24,232</u>	<u>46,671</u>
Year ended 31 December 2024						
Opening net book amount	9,659	—	—	12,780	24,232	46,671
Additions	—	—	—	1,967	—	1,967
Amortisation (note 7)	(2,441)	—	—	(3,150)	—	(5,591)
Impairment loss recognised	—	—	—	—	(8,272)	(8,272)
Net book amount	<u>7,218</u>	<u>—</u>	<u>—</u>	<u>11,597</u>	<u>15,960</u>	<u>34,775</u>
At 31 December 2024						
Cost	17,080	7,689	1,299	19,324	24,232	69,624
Accumulated amortisation	(9,862)	(7,689)	(1,299)	(7,727)	—	(26,577)
Impairment loss recognised	—	—	—	—	(8,272)	(8,272)
Closing net book amount	<u>7,218</u>	<u>—</u>	<u>—</u>	<u>11,597</u>	<u>15,960</u>	<u>34,775</u>
Year ended 31 December 2025						
Opening net book amount	7,218	—	—	11,597	15,960	34,775
Additions	—	—	—	16	—	16
Amortisation (note 7)	(2,441)	—	—	(2,289)	—	(4,730)
Impairment loss recognised	—	—	—	—	—	—
Net book amount	<u>4,777</u>	<u>—</u>	<u>—</u>	<u>9,324</u>	<u>15,960</u>	<u>30,061</u>
At 31 December 2025						
Cost	17,080	—	—	19,340	24,232	60,652
Accumulated amortisation	(12,303)	—	—	(10,016)	—	(22,319)
Impairment loss recognised	—	—	—	—	(8,272)	(8,272)
Closing net book amount	<u>4,777</u>	<u>—</u>	<u>—</u>	<u>9,324</u>	<u>15,960</u>	<u>30,061</u>

13 Trade and other receivables and prepayments

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
<i>Trade receivables comprise:</i>			
	(a)		
– Receivables from related parties		179,949	164,329
– Receivables from third parties		289,349	237,927
		469,298	402,256
Less: Impairments	(d)	(158,980)	(137,507)
		310,318	264,749
<i>Other receivables comprise:</i>			
	(b)		
– Receivables due from property owners	(c)	6,708	7,632
– Advances to employees		578	1,833
– Other receivables		7,217	4,866
– Other deposits		7,398	6,450
		21,901	20,781
Less: Impairments	(d)	(290)	(255)
		21,611	20,526
Prepayments		1,198	740
		333,127	286,015

Notes:

(a) Trade receivables

Trade receivables mainly arise from property management service income, value-added services as provided to non-property owners, community healthcare services and IT and intelligent construction services.

Property management services income is received in accordance with the terms of the relevant services agreements. Service income from property management service is due for payment by the residents upon the issuance of demand note.

Receivables from related parties mainly represented trade receivables from Redco Properties Group, associates and joint ventures of Redco Properties and its subsidiaries .

The following is an ageing analysis of trade receivables presented based on revenue recognition date:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0 - 30 days	311,117	258,490
31 - 60 days	3,344	3,260
61 - 90 days	1,753	2,080
91 - 180 days	16,856	17,180
181 - 365 days	29,514	30,089
Over 365 days	106,714	91,157
	<u>469,298</u>	<u>402,256</u>

The carrying amounts of the Group's trade receivables are denominated in RMB.

(b) Other receivables

The carrying amounts of other receivables approximate their fair values and are unsecured, interest-free and repayable on demand.

(c) Receivables due from property owners

Receivables due from property owners mainly represented utilities costs of properties paid on behalf of property owners.

The carrying amounts of the Group's other receivables are denominated in RMB.

(d) Impairments of trade and other receivables

The movements of provision for impairment of trade and other receivables are as follows:

	Trade receivables RMB'000	Other receivables RMB'000	Total RMB'000
Opening loss allowance as at 1 January 2024	104,673	171	104,844
Impairment loss recognised in profit or loss, net of reversal (note 6)	<u>32,834</u>	<u>84</u>	<u>32,918</u>
Closing loss allowance as at 31 December 2024	137,507	255	137,762
Impairment loss recognised in profit or loss, net of reversal (note 6)	<u>21,473</u>	<u>35</u>	<u>21,508</u>
Closing loss allowance as at 31 December 2025	<u><u>158,980</u></u>	<u><u>290</u></u>	<u><u>159,270</u></u>

Net provision for impairment losses of trade receivables has been included in net provision for impairment losses of financial assets of the consolidated statements of profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering the amount.

14 Trade payables, accruals and other payables

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	(a)	<u>49,244</u>	<u>20,698</u>
<i>Accruals and other payables comprise:</i>			
– Accruals and other payables		72,179	56,147
– Consideration payable	(b)	2,703	2,703
– Interest payable		75	—
– Other tax payables		16,986	12,398
– Accrued salaries and related expenses		<u>6,178</u>	<u>6,355</u>
		<u>98,121</u>	<u>77,603</u>

Notes:

(a) Trade payables

The ageing analysis of the trade payables based on invoice dates was as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0 - 30 days	23,380	13,164
31 - 60 days	7,046	1,519
61 - 90 days	4,648	2,100
Over 91 days	<u>14,170</u>	<u>3,915</u>
	<u>49,244</u>	<u>20,698</u>

The carrying amounts of the Group's trade payables approximate their fair values due to their short maturities.

(b) Accruals and other payables - consideration payable

The amount of approximately RMB2,703,000 (2024: RMB2,703,000) represents the outstanding consideration relating to the acquisition of Wuhu Senlin Property Management Co., Ltd. (“**Wuhu Senlin**”) in 2020.

As at 31 December 2025 and 31 December 2024, the carrying amounts of trade and other payables were mainly denominated in RMB.

15 Bank and other borrowings

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Bank and other borrowings	<u>13,053</u>	<u>12,326</u>
The carrying amounts of bank and other borrowings based on scheduled repayment dates set out in the loan agreements		
On demand or within one year	3,217	1,216
More than one year, but not more than two years	4,927	1,235
More than two years, but not more than five years	3,682	7,405
More than five years	<u>1,227</u>	<u>2,470</u>
	13,053	12,326
Less: Amounts shown under current liabilities	<u>(9,353)</u>	<u>(8,626)</u>
Amounts shown under non-current liabilities	<u>3,700</u>	<u>3,700</u>
Analysed as:		
– Variable-rates borrowings	7,363	8,626
– Fixed-rates borrowings	<u>5,690</u>	<u>3,700</u>
	<u>13,053</u>	<u>12,326</u>
Analysed as:		
– Secured	7,363	8,626
– Unsecured	<u>5,690</u>	<u>3,700</u>
	<u>13,053</u>	<u>12,326</u>

As at 31 December 2025, the effective interest rate of bank borrowing and other borrowings was approximately 5.74% (2024: 5.24%).

As at 31 December 2025, the Group's bank and other borrowing were charged with interest rate from 4.3% to 15.0% per annum (2024: 4.0% to 5.77%).

As at 31 December 2025, the Group's bank and other borrowings of RMB7,363,000 (2024: RMB8,626,000) were secured by the pledge of certain properties (note 11) with a carrying amount of RMB25,218,000 (2024: RMB26,942,000) and guaranteed by the Company. Besides, the Group's bank and other borrowings of RMB3,700,000 (2024: RMB3,700,000) were guaranteed by the management of certain subsidiaries of the Company. Other borrowings of RMB1,989,000 (2024: Nil) were unsecured and unguaranteed.

16 Share capital

	Number of shares	Share capital	
		HK\$'000	RMB'000
Ordinary shares of HK\$0.1 each			
Authorised:			
As at 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	<u>1,000,000,000</u>	<u>100,000</u>	<u>81,108</u>
Issued and fully paid:			
As at 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	<u>200,000,000</u>	<u>20,000</u>	<u>16,220</u>

There were no movements in the share capital of the Company for both years.

MANAGEMENT DISCUSSION AND ANALYSIS

Market Review

In 2025, the property service industry ushered in a development phase marked by heightened transformation and divergence. Such development was, on one hand, further influenced by the real estate sector and government policies and, on the other hand, driven by the rapid evolution of intelligent technologies such as AI and robotics. While basic property services remained the cornerstone of our stable business growth, the key opportunity for us to outperform in the profound industry divergence lies in that we apply technology-driven new governance models rather than merely seeking higher service quality like we always did before, and at the same time, capitalize on the opportunities brought about by market transformation.

Policies in Mainland China have fueled the property industry's positioning and reshaping its market order. In October 2025, the "Property Service Quality Improvement Initiative" was incorporated into the proposals for the 15th Five-Year Plan for the first time, marking property services as a key component of the national medium- to long-term strategy concerning "quality houses," residents' life quality, and urban governance. In August 2025, a central government document called for the improvement to community co-building and co-governance mechanism, and the exploration of a model featuring coordinated operation of neighborhood committees, owners associations, and property service enterprises under the leadership of community Party organizations, thereby facilitating the integration of property management into grassroots social governance. Meanwhile, China's governments and departments at all levels have launched special initiatives to enhance property service quality, driving continuous reshaping of industry order and service standards.

With the rapid development of smart technologies, AI and its applications are reshaping the future of the property service industry. Currently, practical application scenarios of large AI models are being explored. Therefore, property service enterprises must stay at the forefront of smart technologies by applying smart technologies to property service scenarios to optimize management, improve operational efficiency, strengthen customer engagement, and improve service satisfaction.

Overall, the industry has entered a new stage of high-quality development with opportunities and challenges coexisting. It has been shifting from “scale-driven growth” to “refined and intensive development” with high-quality development as the dominant trend. Intensified market competition and evolving customer demands have led to increasing industry divergence and a pronounced Matthew effect. Going forward, building comprehensive competitiveness based on core strengths will be key to success.

Business Review

The Company is a property management service provider with a leading position in Jiangxi Province, the People’s Republic of China (the “**PRC**”) and a service network strategically covering core regions such as the Yangtze River Delta Region, the Greater Bay Area, the Bohai Rim Region and the Central China Region. We have always been adhering to the brand concept of “striving for a healthy better life”, relying on the service concept of “lifestyle + healthcare” dual butlers, empowering our business with technology and serving our property owners with quality. We will keep up with the industry trend and implement the development strategy of the Company through scientific research and judgement, so as to achieve steady growth in business performance.

During the year ended 31 December 2025, the Group recorded revenue of approximately RMB400.5 million, representing a decrease of approximately 4.6%, as compared with that for the year ended 31 December 2024. Loss for the year ended 31 December 2025 was approximately RMB9.3 million, representing a decrease of approximately 53.9%, as compared with that for the year ended 31 December 2024. Loss and other comprehensive expense for the year ended 31 December 2025 was approximately RMB10.9 million, representing a decrease of 45.5% as compared with that for the year ended 31 December 2024. As at 31 December 2025, the aggregate gross floor area (“**GFA**”) under management of the Group reached approximately 23.7 million square meter(s) (“**sq.m.**”), representing an increase of approximately 12.4% as compared to approximately 21.1 million sq.m. for the year ended 31 December 2024.

The total contracted GFA of the Group as at 31 December 2025 was approximately 29.5 million sq.m., representing an increase of approximately 8.0% as compared to approximately 27.3 million sq.m. for the year ended 31 December 2024.

Outlook

Redco Healthy is committed to advocating and practising the concept of healthy living, and to being a caring guardian and intelligent partner of the community and its customers. Guided by our mission to “strive for a healthy better life” and underpinned by our “life + healthcare” service system, we deliver all-around quality services to create harmonious, healthy, and sustainable community ecosystem.

For its development in 2026, Redco Health will leverage its core competencies to consolidate its market position in developed regions, integrate emerging technologies and sustainable development trends, and expand project dimensions while deepening service innovation through organic growth and resource consolidation.

We will focus our resources on strengthening competence, and establish a standardized and modular service product system and an efficient and transparent cost accounting mechanism, to earn customer trust. At the same time, we will pursue community-based value co-creation, actively implement government policy requirements, secure a brand leadership position amid industry transformation, and fulfill grassroots service responsibilities.

We will also focus on deep integration of multi-dimensional service scenarios in the application of smart technologies. By leveraging smart technologies, we aim to reshape service standards in three core scenarios, i.e., customer service, facility operations and maintenance, and spatial management, so as to achieve intelligent interaction, smart operations and maintenance, and refined management.

Overall, the Company will strengthen and expand its core business sectors, pursue in-depth market expansion, intensify cost reduction and efficiency improvement initiatives, promote joint empowerment from value-added services and community value co-creation, deepen service quality in both non-residential and residential segments, and focus on smart technology empowerment, to drive the transition from stable growth to high-quality development.

FINANCIAL REVIEW

Revenue

The revenue of the Group was derived from three business segments: (i) property management services; (ii) value-added services to non-property owners; and (iii) community value-added services in the PRC. The revenue of the Group decreased by approximately 4.6% from approximately RMB419.6 million for the year ended 31 December 2024 to approximately RMB400.5 million for the year ended 31 December 2025.

The following table sets forth the details of the Group's revenue by business segments for the years indicated:

	Year ended 31 December					
	2025		2024		Changes	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Property management services	331,007	82.6	318,785	76.0	12,222	3.8
Value-added services to non-property owners	20,775	5.2	51,487	12.3	(30,712)	(59.7)
Community value-added services	48,753	12.2	49,363	11.7	(610)	(1.2)
	<u>400,535</u>	<u>100.0</u>	<u>419,635</u>	<u>100.0</u>	<u>(19,100)</u>	<u>(4.6)</u>

Property management services

Revenue from property management services increased by approximately 3.8% from approximately RMB318.8 million for the year ended 31 December 2024 to approximately RMB331.0 million for the year ended 31 December 2025, primarily attributable to the (i) increase in the GFA under management of the Group in 2025; and (ii) increase in average property management fee charged by the Group.

Value-added services to non-property owners

Revenue from value-added services to non-property owners decreased by approximately 59.7% from approximately RMB51.5 million for the year ended 31 December 2024 to approximately RMB20.8 million for the year ended 31 December 2025, primarily attributable to the significant decrease in revenue from the sales offices management services and pre-delivery inspection and maintenance services provided to Redco Properties Group Limited, a company listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (stock code: 1622) (“**Redco Properties**”) and its subsidiaries (“**Redco Properties Group**”) as a result of the decrease in the number of projects delivered by Redco Properties Group for the year ended 31 December 2025.

Community value-added services

Revenue from community value-added services decreased by approximately 1.2% from approximately RMB49.4 million for the year ended 31 December 2024 to approximately RMB48.8 million for the year ended 31 December 2025. No significant fluctuation was noted between the years ended 31 December 2025 and 2024.

Cost of sales

The cost of services primarily consists of (i) employee benefit expenses; (ii) greening and cleaning expenses; (iii) maintenance expenses; (iv) utility and security charges; and (v) other expenses such as depreciation of property, plant and equipment and amortization of intangible asset.

Cost of services decreased by approximately 0.8% from approximately RMB306.2 million for the year ended 31 December 2024 to approximately RMB303.6 million for the year ended 31 December 2025. The decrease in costs of services was line with the decrease in revenue during the year ended 31 December 2025.

Gross profit and gross profit margin

The following table sets forth the details of the Group's gross profit and gross profit margin by types of services for the years indicated:

	Year ended 31 December			
	2025		2024	
	Gross profit		Gross profit	
	Gross profit	Margin	Gross profit	Margin
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Property management services	76,132	23.0	78,421	24.6
Value-added services to non-property owners	5,630	27.1	17,454	33.9
Community value-added services	15,145	31.1	17,554	35.6
	<u>96,907</u>	<u>24.2</u>	<u>113,429</u>	<u>27.0</u>

The gross profit of the Group decreased by approximately 14.6% from approximately RMB113.4 million for the year ended 31 December 2024 to approximately RMB96.9 million for the year ended 31 December 2025, due to the reasons as indicated below:

Property management services

The gross profit margin for property management services decreased from approximately 24.6% for the year ended 31 December 2024 to approximately 23.0% for the year ended 31 December 2025, primarily due to the increase in outsourcing costs as well as the increasing maintenance costs incurred for old property management projects and replacement costs of material and parts of facilities and equipment of the Group for the year ended 31 December 2025.

Value-added services to non-property owners

The gross profit margin for value-added services to non-property owners decreased from approximately 33.9% for the year ended 31 December 2024 to approximately 27.1% for the year ended 31 December 2025, primarily due to the significant decrease in sales offices management services under pre-sale management services during the year ended 31 December 2025, which had relatively higher gross profit margin than that of other pre-sale management services such as pre-delivery inspection and cleaning services as a result of the decrease in the number of projects delivered by Redco Properties Group for the year ended 31 December 2025.

Community value-added services

The gross profit margin for community value-added services decreased from approximately 35.6% for the year ended 31 December 2024 to approximately 31.1% for the year ended 31 December 2025, because the Group stopped providing the home renovation and decoration services to property owners for the year ended 31 December 2025 in view of the decrease in properties delivered by Redco Properties Group during the year ended 31 December 2025. Such service typically has relatively higher gross profit margin than that of other community value-added services.

Other income, gains and losses, net

Other losses (net) decreased from approximately RMB1.9 million for the year ended 31 December 2024 to other losses (net) of approximately RMB1.1 million for the year ended 31 December 2025 primarily due to the one-off compensation of approximately RMB2.7 million made by the Group due to an accident occurred during the year ended 31 December 2024.

Selling and marketing expenses

Selling and marketing expenses decreased to approximately RMB2.1 million for the year ended 31 December 2025 from approximately RMB2.9 million for the year ended 31 December 2024, primarily due to the decrease in selling and marketing staff's employee benefit expenses as a result of the decrease in sales promotional events or booths relating to sales and marketing activities during the year ended 31 December 2025.

General and administrative expenses

General and administrative expenses primarily consist of administrative staff's employee benefit expenses and bonuses, travel and entertainment, office expenses, depreciation and amortization and other expenses relating to administration activities, bank charges and tax and surcharges.

Administrative expenses increased by approximately 25.3% from approximately RMB56.2 million for the year ended 31 December 2024 to approximately RMB70.4 million for the year ended 31 December 2025, mainly due to the increase in professional expenses incurred for the acquisition of assets for settlement of receivables and renewal of continuing connected transactions with Redco Properties during the year ended 31 December 2025, as disclosed in the announcement of the Company dated 16 January 2026.

Impairment losses on financial assets, net of reversal

The impairment losses on financial assets, net of reversal, amounted to approximately RMB21.5 million for the year ended 31 December 2025 (31 December 2024: approximately RMB41.0 million). The provision for impairment losses on trade and other receivables and amounts due from related parties and non-controlling interests during the years ended 31 December 2024 and 2025 were made based on the Company's assessment on the credit risks and financial conditions of the related parties and third parties in the real estate industry in the PRC.

Finance income

Finance income represented the interest income from bank deposits. Finance income decreased from approximately RMB1.2 million for the year ended 31 December 2024 to approximately RMB0.8 million for the year ended 31 December 2025 due to the decrease in interest income from bank deposits as a result of the decrease in interest rates from banks.

Finance costs

Finance costs decreased from approximately RMB1.0 million for the year ended 31 December 2024 to approximately RMB0.97 million for the year ended 31 December 2025, primarily due to the decrease in interest rates from banks for the year ended 31 December 2025.

Income tax expenses

Income tax expenses decreased to approximately RMB5.1 million for the year ended 31 December 2025 from approximately RMB8.8 million for the year ended 31 December 2024.

Loss and total comprehensive expense for the year

The loss and total comprehensive expense for the year decreased from approximately RMB19.9 million for the year ended 31 December 2024 to approximately RMB10.9 million for the year ended 31 December 2025.

Property, plant and equipment

The property, plant and equipment of the Group mainly consist of an office, car parking spaces, office equipments, machineries, vehicles, leasehold improvements and right-of-use assets. The decrease in balance from approximately RMB44.9 million as at 31 December 2024 to approximately RMB36.4 million as at 31 December 2025 was mainly due to the impairment losses of leasehold improvement, furniture and office equipment and right-of-use assets with a total of approximately RMB6.0 million and the depreciation charge of approximately RMB7.3 million incurred during the year ended 31 December 2025. The effect was partially offset by the additions of leasehold improvement, furniture and office equipment and right-of-use assets with a total of approximately RMB8.7 million during the year ended 31 December 2025.

Intangible assets

The intangible assets of the Group mainly comprise property management contracts, customer relationship, computer software and goodwill resulted from the acquisitions of Wuhu Senlin Property Management Co., Ltd., Zhongtian Yunlian Technology Development Co., Ltd. and Weiye International Investments Company Limited (“**Weiye International Group**”) by the Group in December 2020. The intangible assets of the Group decreased from approximately RMB34.8 million as at 31 December 2024 to approximately RMB30.1 million as at 31 December 2025 mainly due to the amortization of customer relationship and computer software amounted to approximately RMB4.7 million during the year ended 31 December 2025.

Inventories

Inventories mainly consist of car parking spaces and commercial properties acquired in relation to debts settlement arrangement made during the year ended 31 December 2024. Inventories decreased from approximately RMB13.4 million as at 31 December 2024 to approximately RMB7.6 million as at 31 December 2025 because the Company sold properties amounted to approximately RMB6.0 million during the year ended 31 December 2025.

Trade and other receivables and prepayments

Trade receivables mainly arise from provision of property management services, value-added services to non-property owners and community value-added services.

Trade receivables of the Group, net of allowance for impairment, increased from approximately RMB264.7 million as at 31 December 2024 to approximately RMB310.3 million as at 31 December 2025, primarily because of the increase in the number of projects as well as the GFA under management under the property management service segment of the Group during the year ended 31 December 2025.

Other receivables mainly consist of deposits, and payments made on behalf of property owners and.

Other receivables and prepayments, net of allowance for impairment increased from approximately RMB21.3 million as at 31 December 2024 to approximately RMB22.8 million as at 31 December 2025.

Trade payables

Trade payables increased from approximately RMB20.7 million as at 31 December 2024 to approximately RMB49.2 million as at 31 December 2025, primarily due to the longer credit terms of payment to suppliers for outsourcing cost and greening and cleaning expenses during the year ended 31 December 2025.

Accruals and other payables

Accruals and other payables increased from approximately RMB77.6 million as at 31 December 2024 to approximately RMB98.1 million as at 31 December 2025, due to the increase in payment and receipts made on behalf of property owners such as utilities fee and other tax payables during the year ended 31 December 2025.

Contract liabilities

Contract liabilities primarily consist of advances of property management fees and other service fees. Contract liabilities decreased from approximately RMB114.5 million as at 31 December 2024 to approximately RMB104.7 million as at 31 December 2025.

Lease liabilities

As at 31 December 2024 and 2025, the lease liabilities amounted to approximately RMB3.1 million and RMB3.4 million, respectively.

Bank and other borrowings

Borrowings represented the bank and other borrowings granted to the Group. Borrowings increased from approximately RMB12.3 million as at 31 December 2024 to approximately RMB13.1 million as at 31 December 2025 because of the new other borrowings drawn by the Group during the year ended 31 December 2025. As at 31 December 2025, bank borrowings denominated in Hong Kong dollars (“**HK\$**”) amounted to approximately HK\$10.3 million (31 December 2024: HK\$9.3 million) and were charged with interest rate ranged from 1-month HIBOR plus 1.3% to 15.0% per annum (31 December 2024: 1-month HIBOR plus 1.3% per annum), while bank and other borrowings denominated in RMB amounted to approximately RMB3.7 million (31 December 2024: RMB3.7 million); and the effective interest rate of bank borrowing and other borrowings was approximately 5.74% (31 December 2024: 5.24%). As at 31 December 2025, the Group’s bank and other borrowing was charged with interest rate from 4.3% to 15.0% per annum (31 December 2024: 4.0% to 5.77%). Other borrowings of approximately RMB2.0 million (2024: nil) were unsecured and unguaranteed.

Liquidity and Financial Resources

As at 31 December 2025, the cash and cash equivalents of the Group amounted to approximately RMB134.6 million (31 December 2024: RMB137.5 million). As at 31 December 2025 and 31 December 2024, respectively, the Group's cash and cash equivalents were denominated in HK\$, RMB and United States Dollars (“US\$”).

The Group maintained a sound financial position. As at 31 December 2025, the Group's net current assets amounted to approximately RMB176.0 million (31 December 2024: RMB188.7 million). As at 31 December 2025, the Group's current ratio (current assets/current liabilities) was approximately 1.54 (31 December 2024: 1.68).

Gearing ratio

Gearing ratio is calculated based on the total interest-bearing borrowings divided by the total equity. As at 31 December 2025, the gearing ratio was 4.6% (31 December 2024: 4.1%).

Capital commitments

As at 31 December 2025, the Group did not have any material capital commitments (31 December 2024: Nil).

Contingent liabilities

As at 31 December 2025, the Group did not have any material contingent liabilities (31 December 2024: Nil).

Pledge of assets

As at 31 December 2025, the Group's bank and other borrowings of RMB7,363,000 (2024: RMB8,626,000) was secured by the pledge of certain properties (note 11) with a carrying amount of RMB25,218,000 (2024: RMB26,942,000) and guaranteed by the Company.

Foreign exchange risks

Almost all of the Group's operating activities are carried out in the PRC with most of the transactions denominated in RMB. The major foreign currency source of the Group is the net proceeds received following the successful listing of the shares of the Company on 31 March 2022, which were denominated in HK\$. The Directors expected that the fluctuations in RMB exchange rate would not have a material adverse effect on the operations of the Group. The Group will closely monitor the fluctuations of the RMB exchange rate and adopt prudent measures to reduce potential foreign exchange risk. As at 31 December 2025, the Group did not engage in hedging activities for managing the foreign exchange risk.

Interest rate risks

As at 31 December 2025 and 31 December 2024, except for bank balances and bank and other borrowings at variable interest rate, the Group does not have other significant interest-bearing assets or liabilities. The interest rates of bank balances and bank and other borrowings are not expected to change significantly, and the relevant interest rate risk is considered immaterial.

SIGNIFICANT INVESTMENT HELD

The Group had no significant investment held during the year ended 31 December 2025.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group had no material acquisitions and disposals of subsidiaries, associates and joint ventures during the year ended 31 December 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 31 December 2025, save as disclosed in the prospectus of the Company dated 22 March 2022 (the "Prospectus") and the announcements of the Company dated 26 June 2025 and 14 August 2025 in relation to the change in use of proceeds from the initial public offering of the Company, the Group did not have other future plans for material investments and capital assets.

EMPLOYEES AND REMUNERATION POLICY

The Group had 1,584 full-time employees as at 31 December 2025 (31 December 2024: 1,883). The total staff costs for the year ended 31 December 2025 were approximately RMB139.8 million (31 December 2024: RMB154.5 million). Employees' remuneration package includes salary, performance bonus and other welfare subsidies. The remuneration of employees is determined in accordance with the Group's remuneration and welfare policies, the employees' positions, performance, company profitability, industry level and market environment.

EVENTS AFTER THE END OF THE REPORTING PERIOD

Acquisition of assets for settlement of receivables and renewal of continuing connected transactions

As disclosed in the announcement of the Company dated 16 January 2026, the Company entered into the Debts Settlement Framework Agreement to acquire certain assets from Redco Properties for settlement of receivables and also renewed certain continuing connected transactions, including the (i) the New Property Management Services Framework Agreement; (ii) the New Healthcare Services Framework Agreement; (iii) the New Information Technology Services Framework Agreement; and (iv) the New Carpark Sales Agency Services Framework Agreement with Redco Properties for a term commencing from 1 January 2025 to 31 December 2027 (both days inclusive) with Redco Group.

According to the Debts Settlement Framework Agreement, the Company was conditionally agreed that the Group shall acquire the Assets from Redco Group (the "**Assets Transfer**") at an aggregate consideration of RMB159,123,000. The Assets Transfer comprise parking spaces, residential units and retail units in the PRC. The consideration for the Assets Transfer payable by the Group shall be offset against the outstanding Refundable Deposits in the amount of approximately RMB68 million and service fees receivable from Redco Group, up to aggregate amount of RMB159,123,000 on a dollar-to-dollar basis, and thus no cash payment will be made by the Group to the Redco Group for the purpose of the Assets Transfer.

Details of the above are set out in the Company's announcement dated 16 January 2026.

FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 December 2025 (for the year ended 31 December 2024: Nil).

There is no arrangement that a shareholder of the Company (the “**Shareholder(s)**”) has waived or agreed to waive any dividend.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2025. The Company does not hold any treasury shares as at 31 December 2025.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) as contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as its own code of corporate governance.

During the year ended 31 December 2025, the Company has applied the principles of good corporate governance and complied with all applicable code provisions set out in Part 2 of the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as contained in Appendix C3 to the Listing Rules as the Company’s code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Directors have confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the year ended 31 December 2025.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) had, together with the management and external auditor of the Company, ZSZH (HK) Fuson CPA Limited (“**ZSZH**”, formerly known as SFAI (Hong Kong) CPA Limited), reviewed the accounting principles and policies adopted by the Group and the consolidated financial statements for the year ended 31 December 2025.

SCOPE OF WORK OF ZSZH

The figures in respect of the Group’s consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by ZSZH to the amounts set out in the Group’s audited consolidated financial statements for the ended 31 December 2025. The work performed by ZSZH 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 ZSZH on this announcement.

ANNUAL GENERAL MEETING

The 2025 annual general meeting of the Company for the year ended 31 December 2025 (the “**AGM**”) will be convened and held on Friday, 26 June 2026. Notices convening the AGM will be published on the Company’s website and the Stock Exchange’s website and despatched to the Shareholders (if requested) in due course. For the purpose of determining the Shareholders’ eligibility to attend, speak and vote at the AGM, the register of members of the Company will be closed during the periods described below.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 23 June 2026 to Friday, 26 June 2026, both days inclusive, in order to determine the eligibility of Shareholders to attend the AGM to be held on Friday, 26 June 2026, during which period no share transfers will be registered. In order to be eligible to attend and vote at the AGM, all completed transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 22 June 2026.

PUBLICATION OF FINAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement has been published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.redcohealthy.com.

The annual report of the Company for the year ended 31 December 2025 will be despatched to the Shareholders (if requested) and made available on the above websites in due course.

By order of the Board
Redco Healthy Living Company Limited
Huang Ruoqing
Chairman

Hong Kong, 30 March 2026

As at the date of this announcement, the executive Directors are Mr. Tang Chengyong, Ms. Wong Yin Man and Ms. Huang Yanqi, the non-executive Director is Mr. Huang Ruoqing, and the independent non-executive Directors are Mr. Lau Yu Leung, Mr. Sze Irons and Mr. Chow Ming Sang.