

浙江芯化蘭德科技股份有限公司
XINHUA LANDE SCITECH CO., LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 8106)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

**CHARACTERISTICS OF GEM (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED
(THE “STOCK EXCHANGE”)**

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher level of investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

*This announcement, for which the directors (the “**Directors**”) of Xinhua Lande Scitech Co., Limited* (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement herein or this announcement misleading.*

HIGHLIGHTS

- Achieved a revenue of approximately RMB230,248,000 for the year ended 31 December 2025, representing an increase of approximately 24.43% as compared with the revenue for the year ended 31 December 2024.
- Incurred a profit attributable to owners of the Company of approximately RMB1,087,000 for the year ended 31 December 2025, as compared with the loss attributable to owners of the Company of approximately RMB6,506,000 incurred for the year ended 31 December 2024.
- For the year ended 31 December 2025, the Group's earnings per share attributable to owners of the Company was approximately RMB0.21 cents (2024: loss per share attributable to owners of the Company of RMB1.28 cents).

CONSOLIDATED FINANCIAL INFORMATION

The board (the “**Board**”) of Directors is pleased to present the consolidated financial information of the Company and its subsidiaries (collectively, the “**Group**”, “**our Group**”, “**we**” or “**us**”) for the year ended 31 December 2025 (the “**Reporting Period**”), together with the comparative figures for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
Revenue	3	230,248	185,043
Cost of sales		(203,107)	(164,209)
Gross profit		27,141	20,834
Other operating (expenses) income, net gains or losses	4	(2,193)	(4,556)
Distribution and selling expenses		(7,685)	(6,216)
General and administrative expenses		(10,415)	(11,100)
Research and development expenditure		(2,486)	(4,446)
Finance costs		(919)	(680)
Profit/(loss) before tax		3,443	(6,164)
Income tax expenses	5	(2,356)	(342)
Profit/(loss) for the year	6	1,087	(6,506)
Other comprehensive income			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising from translation of foreign operations		46	—
Other comprehensive income for the year, net of tax		46	—
Total comprehensive income/(expense) for the year attributable to owners of the Company		1,133	(6,506)
Earnings/(loss) per share			
Basic and diluted (RMB)	8	0.21 cents	(1.28) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
Non-current assets			
Plant and equipment		1,356	1,926
Right-of-use assets		554	–
Deferred tax assets		241	285
		<u>2,151</u>	<u>2,211</u>
Current assets			
Inventories		13,427	6,146
Trade and bills receivables	9	71,582	78,344
Prepayments and other receivables		4,961	5,269
Contract assets		1,510	2,580
Cash and cash equivalents		25,234	15,594
		<u>116,714</u>	<u>107,933</u>
Current liabilities			
Trade and other payables	10	31,215	33,230
Contract liabilities		2,990	351
Lease liabilities		194	–
Bank borrowings		34,508	28,828
Income tax payables		763	–
		<u>69,670</u>	<u>62,409</u>
Net current assets		<u>47,044</u>	<u>45,524</u>
Total assets less current liabilities		<u>49,195</u>	<u>47,735</u>
Non-current liabilities			
Lease liabilities		327	–
Net assets		<u>48,868</u>	<u>47,735</u>
Capital and reserves			
Paid-in capital		50,655	50,655
Reserves		(1,787)	(2,920)
Total equity		<u>48,868</u>	<u>47,735</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Paid-in capital <i>RMB'000</i>	Share premium <i>RMB'000</i>	Translation reserve <i>RMB'000</i>	Statutory surplus reserve <i>RMB'000</i>	Accumulated losses <i>RMB'000</i>	Total equity <i>RMB'000</i>
At 1 January 2024	50,655	101,336	–	13,767	(111,517)	54,241
Loss for the year	–	–	–	–	(6,506)	(6,506)
Total comprehensive loss for the year	–	–	–	–	(6,506)	(6,506)
At 31 December 2024 and at 1 January 2025	50,655	101,336	–	13,767	(118,023)	47,735
Profit for the year	–	–	–	–	1,087	1,087
Exchange differences arising on translation of foreign operations	–	–	46	–	–	46
Total comprehensive income for the year	–	–	46	–	1,087	1,133
Transfer to statutory reserve	–	–	–	594	(594)	–
At 31 December 2025	<u>50,655</u>	<u>101,336</u>	<u>46</u>	<u>14,361</u>	<u>(117,530)</u>	<u>48,868</u>

Notes:

1. BASIS OF PRESENTATION

The Company was established in the People's Republic of China (the "PRC") as a joint stock company with limited liability and its H shares (the "H Shares") are listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS(s)") issued by the International Accounting Standards Board ("IASB"). In addition, the consolidated financial statements included applicable disclosures required by the GEM Listing Rules and the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis.

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

Amendments to an IFRS Accounting Standard that is mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an IFRS accounting standard as issued by IASB for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability
----------------------	-------------------------

The application of the amendments to an IFRS Accounting Standard in the current year has had no material effect on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

New and amendments to IFRSs Accounting Standards in issue but not yet effective

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

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

The Directors anticipate that the application of all new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

3. REVENUE AND SEGMENT INFORMATION

For the years ended 31 December 2025 and 2024, revenue comprised income from trading of hardware and computer software and provision of smart city solutions.

The Group's operating segments, based on information reported to the chief operating decision maker (the "CODM"), being the executive Directors, were for the purpose of resource allocation and performance assessment. The Directors have chosen to organise the Group around differences in products and services. No operating segments identified by the CODM have been aggregated in arriving at the reportable segment of the Group.

Specifically, the Group's reportable segments were as follows:

1. Provision of smart city solutions
2. Trading of hardware and computer software
3. Provision of e-commerce operation solution services

(a) Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments:

	Provision of smart city solutions		Trading of hardware and computer software		Provision of e-commerce operation solution services		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the year ended 31 December								
Segment revenue – external customers	<u>22,483</u>	<u>19,747</u>	<u>207,765</u>	<u>165,296</u>	<u>-</u>	<u>-</u>	<u>230,248</u>	<u>185,043</u>
Segment (loss) profits	<u>(1,579)</u>	<u>(9,637)</u>	<u>9,839</u>	<u>8,824</u>	<u>-</u>	<u>-</u>	<u>8,260</u>	<u>(813)</u>
Unallocated other operating (expenses) income, net gains or losses							<u>366</u>	<u>(1,274)</u>
Unallocated expenses							<u>(5,183)</u>	<u>(4,077)</u>
Profit (loss) before tax							<u>3,443</u>	<u>(6,164)</u>

The accounting policies of the reportable segments were the same as the Group's accounting policies.

Segment results represented the result from each segment without allocation of central administration costs, Directors' emoluments and certain other operating (expenses) income, net gains or losses. This was the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments:

	Provision of smart city solutions		Trading of hardware and computer software		Provision of e-commerce operation solution services		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December								
Segment assets	<u>24,655</u>	<u>15,651</u>	<u>85,683</u>	<u>72,592</u>	<u>-</u>	<u>-</u>	<u>110,338</u>	<u>88,243</u>
Unallocated assets							<u>8,527</u>	<u>21,901</u>
Total assets							<u>118,865</u>	<u>110,144</u>
Segment liabilities	<u>12,976</u>	<u>8,781</u>	<u>55,834</u>	<u>53,628</u>	<u>-</u>	<u>-</u>	<u>68,810</u>	<u>62,409</u>
Unallocated liabilities							<u>1,187</u>	<u>-</u>
Total liabilities							<u>69,997</u>	<u>62,409</u>

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets were allocated to reportable segments other than certain plant and equipment, certain bank balances and cash, certain prepayments and other receivables and deferred tax assets which were unable to allocate to reportable segments.
- all liabilities are allocated to reportable segments other than certain other payables and income tax payables which are unable to be allocated to reportable segments.

4. OTHER OPERATING (EXPENSES) INCOME, NET GAINS OR LOSSES

	2025	2024
	RMB'000	RMB'000
Government grants (<i>note</i>)	306	425
Foreign exchange losses, net	(56)	(13)
Bank interest income	90	112
Reversal of impairment loss of inventories	19	62
Impairment loss of trade and bills receivables	(2,619)	(3,617)
Impairment loss of loan receivable	-	(1,594)
Impairment loss of other receivables, net	(1)	(105)
Gain/(loss) on disposal of plant and equipment	25	(11)
Written off of trade and other payables	-	229
Reversal on (impairment loss) of contract assets	43	(44)
	<u>(2,193)</u>	<u>(4,556)</u>

Note: Government grants received during the years ended 31 December 2025 and 2024 related to rebate of value-added tax and government subsidies. There were no unfulfilled conditions or contingencies relating to those grants.

5. INCOME TAX EXPENSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current tax expense		
PRC Enterprise Income Tax (“EIT”)	2,312	368
Deferred tax	44	(26)
	<u>2,356</u>	<u>342</u>

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC enterprises was 25% for the years ended 31 December 2025 and 2024. One of the subsidiaries was subject to EIT at a rate of 15% for the years ended 31 December 2025 and 2024 as it was classified as a High and New Technology Enterprise* (高新技術企業). One of the subsidiaries was subject to EIT at a rate of 5% for below RMB3 million taxable income for the year ended 31 December 2024, as it was qualified as a Small and Low Profit Enterprise* (小型微利企業).

No provision for Hong Kong Profits Tax has been made for the subsidiary established in Hong Kong as the subsidiary did not have any assessable profits subject to Hong Kong Profits Tax during the years ended 31 December 2025 and 2024.

6. PROFIT/(LOSS) FOR THE YEAR

Profit/(loss) for the year has been arrived at after charging:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Salaries and other benefits	17,628	18,253
Contributions to retirement benefits scheme	1,949	2,463
Total staff costs (including Directors’, chief executive’s and supervisors’ emoluments)	<u>19,577</u>	<u>20,716</u>
Auditors’ remuneration	596	467
Depreciation of plant and equipment	562	715
Depreciation of right-of-use assets	32	–
Expenses relating to short-term leases	1,080	1,546
Cost of inventories recognised as an expense	<u>186,402</u>	<u>151,683</u>

7. DIVIDEND

No dividend was paid or proposed during the year ended 31 December 2025, nor has any dividend been proposed since the end of the reporting period (2024: nil).

8. EARNINGS/(LOSS) PER SHARE

The computations of basic and diluted earnings/(loss) per share attributable to owners of the Company are based on the following data:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit/(loss) for the year attributable to owners of the Company	<u>1,087</u>	<u>(6,506)</u>
	2025 '000	2024 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings/(loss) per share	<u>506,546</u>	<u>506,546</u>

Diluted earnings/(loss) per share were same as the basic earnings/(loss) per share for both years as there were no potential dilutive ordinary shares in issue.

9. TRADE AND BILLS RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade and bills receivables at amortised cost	84,471	88,614
Less: allowance for impairment loss	<u>(12,889)</u>	<u>(10,270)</u>
	<u>71,582</u>	<u>78,344</u>

As at 31 December 2025, the gross amount of trade and bills receivable arising from contracts with customers amounted to approximately RMB84,471,000 (2024: RMB88,614,000). Bills receivable of approximately RMB24,508,000 (2024: RMB18,828,000) were pledged to secure bank borrowings of approximately RMB24,508,000 (2024: RMB18,828,000) as at 31 December 2025.

There was no specific credit period granted to customers except for an average credit period of 30 – 90 days (2024: 30 – 90 days) to its trade customers under trading of hardware and computer software segment. Ageing analysis of the trade and bills receivables, net of allowance for impairment loss, as at the end of reporting period, presented based on the invoice date, which approximate to revenue recognition date is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
0 to 90 days	69,217	70,159
91 to 180 days	994	–
Over 180 days	<u>1,371</u>	<u>8,185</u>
	<u>71,582</u>	<u>78,344</u>

The Group did not hold any collateral over its trade receivables. Based on past experience, management considered the unimpaired balances would be fully recoverable as relevant customers had a good track record and were of good credit standing.

All bills receivables by the Group are with a maturity period of less than one year. The Group considers the credit risk of bills receivables is limited because counterparties are with good credit standing and are highly likely to be paid, and the ECL are considered as insignificant.

10. TRADE AND OTHER PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables	22,707	25,962
Other tax payables	2,856	3,551
Accrued wages and salaries	2,828	1,429
Accrued expenses and other payables	2,824	2,288
	<hr/>	<hr/>
	31,215	33,230
	<hr/> <hr/>	<hr/> <hr/>

Ageing analysis of the trade payables presented based on the invoice date is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Less than 1 year	18,218	21,304
Over 1 year but less than 2 years	1,490	2,337
Over 2 years but less than 3 years	1,887	1,391
More than 3 years	1,112	930
	<hr/>	<hr/>
	22,707	25,962
	<hr/> <hr/>	<hr/> <hr/>

There was no specific credit period for payment granted by suppliers.

FINAL DIVIDEND

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

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATIONS

1. Review of operating results for the year

(i) Overview

The Group has been principally engaged in (i) the trading of hardware and computer software; (ii) the provision of smart city solutions; and (iii) the provision of e-commerce operation solution services (this business segment has suspended the original traditional provision of e-commerce supply chain services business and is seeking other suitable business opportunities).

There were no particular seasonal fluctuations in the Group's revenue. However, the characteristics of the provision of smart city solutions business of the Group were project based. Currently the main revenue of the business has come from specific projects and the income depended on the obtaining of project orders, contract amounts of orders obtained and progress of projects and, therefore, there would be fluctuations.

In line with industry performance, the Group's hardware and computer software sales and e-commerce trading normally had relatively low gross profit margins. With the continuous optimisation of product structure and sales strategies and the improvement of service levels, the gross profit margins would increase accordingly. On the other hand, the Group's provision of software development, technical support and various value-added services normally enjoyed relatively higher gross profit margins, which varied among different projects and/or products.

(ii) Revenue

During the Reporting Period, (i) the trading of hardware and computer software business generated revenue of approximately RMB207,765,000 (2024: RMB165,296,000), representing approximately 25.69% increase when compared to last year. During the Reporting Period, the business maintained a good momentum, with orders from major old customers increasing significantly compared with the previous year. The delivery orders also increased in the year, which contributed to a substantial increase in the revenue of the business (ii) the provision of smart city solutions business generated revenue of approximately RMB22,483,000 (2024: RMB19,747,000), representing approximately 13.86% increase when compared to last year. The business is focused on construction projects currently. Due to the differences in the contract amounts for the projects under construction and progress of the projects in each reporting year, there would be certain fluctuations in the amount of revenue recognised in the respective reporting years. The Group has been actively expanding operation services to enhance the stable income capability of the business. During the Reporting Period, the Group faced tremendous pressure due to the impact of the macroeconomic situation and the continued intensification of market competition. The Group actively expanded the customer market and improved project delivery efficiency. As a result, the business revenue achieved a certain growth compared to last year. However, due to the low base of the previous year, the revenue scale of this year is still not ideal; and (iii) the provision of e-commerce operation solution services business did not generate revenue (2024: nil). The business suspended its original traditional business and is currently looking for other suitable e-commerce service business opportunities to support the output of operation services of the provision of smart city solutions business.

During the Reporting Period, the revenue of the Group was approximately RMB230,248,000 (2024: RMB185,043,000), representing an increase of approximately RMB45,205,000, or approximately 24.43%, as compared with that of the year ended 31 December 2024.

(iii) Gross profit margin

During the Reporting Period, (i) the gross profit margin of the trading of hardware and computer software business was approximately 7.89% (2024: 8.73%). During the Reporting Period, the Group continued to implement the sales strategy for the business, improving the sales structure, increasing sales of brands and products with higher gross profit margins, controlling sales of brands and products with lower gross profit margins, and developing sales to high-quality customers with high gross profit margins to improve gross profit margin. However, due to factors such as the increase in procurement costs for some business orders and growth in orders from major customers with relatively lower gross profit margins during the Reporting Period, the overall gross profit margin of the business decreased slightly; (ii) the gross profit margin of the provision of smart city solutions business was approximately 47.79% (2024: 32.41%). The gross profit margin of the business was affected by the gross profit margins of related projects carried out during the respective reporting years, and there would be certain fluctuations. During the Reporting Period, the Group benefited from reducing the number of technical personnel responsible for the implementation of the business projects, thereby effectively reducing project cost investment. While the revenue from the business increased slightly, it achieved an increase in gross profit margin. In addition, the Group has been actively expanding operation services to enhance the stable profitability of the business; and (iii) the provision of e-commerce operation solution services business did not generate revenue and gross profit (2024: nil). The business suspended its original traditional business and is seeking other suitable business opportunities.

The gross profit margin of the Group for the year ended 31 December 2025 was approximately 11.79% (2024: 11.26%).

(iv) Profit for the year attributable to owners of the Company

During the Reporting Period, (i) the trading of hardware and computer software business reported a segment profit of approximately RMB9,839,000 (2024: RMB8,824,000). During the Reporting Period, the Group's revenue from hardware and computer software sales significantly increased compared with last year. However, the increase in segment profit has not kept pace with the revenue growth as the segment overall gross profit margin has fallen slightly; (ii) the provision of smart city solutions business reported a segment loss of approximately RMB1,579,000 (2024: RMB9,637,000). During the Reporting Period, the Group's revenue from the provision of smart city solutions business achieved steady growth, while the segment loss decreased significantly. This was primarily attributable to the Group's optimisation of staffing arrangements and reduction in the number of project implementation technical staff, which effectively lowered project costs, reduced research and development expenses and improved the gross profit margin, thereby significantly narrowing the loss; and (iii) the provision of e-commerce operation solution services business suspended its original traditional business and did not record segment results (2024: nil).

For the year ended 31 December 2025, the net unallocated expenses of the Group were approximately RMB4,817,000 (2024: RMB5,351,000), including the net unallocated other operating (expenses) income, gains or losses. For the year ended 31 December 2024, the net unallocated expenses of the Group included an impairment loss of loan receivable of approximately RMB1,594,000. The loan receivable represented a loan advanced by the Group to Zhejiang Dianshi Technology Co., Ltd.* (浙江典石科技有限公司) (“**Zhejiang Dianshi**”), its former subsidiary, with a gross amount of RMB11,000,000. The loan was granted previously by the Group to Zhejiang Dianshi in 2021, when Zhejiang Dianshi and its subsidiaries (together referred to as the “**Disposal Group**”) was held by the Group, for the Disposal Group’s ordinary working capital purposes, and was not settled after the completion (the “**Completion**”) of the disposal (the “**Disposal**”) of all of the Group’s equity interests in Zhejiang Dianshi in 2022. Since Zhejiang Dianshi ceased to be a subsidiary of the Group after the Completion, the loan was constituted as a financial assistance to an independent third party. Details of the loan were set out in the announcement and circular of the Company dated 6 September 2022 and 25 November 2022, respectively. At the end of the reporting year, in accordance with IFRSs and the accounting policies of the Group, adhering to the principle of prudence, the Group conducted an impairment test on the loan receivable with reference to the results of an external assessment. ECL model using the credit risk methodology has been adopted for estimating the impairment loss of loan receivable. The Group measured the impairment loss allowance for the loan receivable at an amount equal to lifetime ECL of approximately RMB11,000,000 as at 31 December 2024, as it has a significant increase in credit risk since initial recognition. Further information on the loan receivable and provision of ECL for loan receivable was set out in the notes to the consolidated financial statements. No such impairment loss of loan receivable was reported for the year ended 31 December 2025.

As a result of the cumulative effect of the principal factors described above, for the year ended 31 December 2025, the Group reported a profit and earnings per share attributable to owners of the Company of approximately RMB1,087,000 (2024: loss attributable to owners of the Company of approximately RMB6,506,000) and RMB0.21 cents (2024: loss per share attributable to owners of the Company of RMB1.28 cents), respectively.

2. Business and product development

During the Reporting Period, the Group (i) performed well on the prevention and control of inventory and trade receivable risks in the trading of hardware and computer software business, focused internal resources, continuously implemented the market strategy and improved sales structure, maintained the key customer groups, developed new end customers, increased the proportion of end customer sales revenue with higher gross profit margin and actively expanded the system integration services business inside and outside the province. The revenue volume of the business segment has grown significantly and achieved good results; (ii) actively grasped the opportunities of domestic smart cities construction and development in the provision of smart city solutions business, strengthened the construction of the marketing system, seized market opportunities such as the domestic promotion of “digital governance (數字治理)”, accelerated construction of “digital government (數字政府)” and promoted the development of the “Resident Service Card* (居民服務一卡通)”, continued to provide software system development services

and value-added services for the “Digital Citizen and Citizen Card Service Platform* (數字市民及市民卡服務平台)” in local cities where good relationships with customers have been maintained, and strived to open up new customers and new market demands. During the year, the business actively explored new markets outside the province such as Jiangxi Province and Jiangsu Province, conducted market research and analysis, sought to leverage cooperation for development, focused on cooperation and innovation, and jointly promoted the development of markets outside the province to secure more service contracts and orders, while actively consolidating the development and delivery of projects for existing customers inside and outside Zhejiang Province. The business also leveraged the innovative application of technologies such as AIoT and big data, especially the integrated application of artificial intelligence technology, to conduct beneficial exploration and empower business development. It expanded product directions around eight key areas of the business, including smart unions, smart parks, smart elderly care, smart communities and smart party building, and researched smart city solution services that met new market demands and new solution services in other sub-segments; and (iii) suspended the operation of the original traditional provision of e-commerce supply chain services business in the provision of e-commerce operation solution services business, and sought new business opportunities that would generate revenue for the Group. However, no substantial progress was made.

3. Business investments and cooperation

During the Reporting Period, the Company had established two subsidiaries for business expansion, and the Group did not hold any material business investments and collaborations.

The Group will continue to seek investment and cooperation opportunities that align with its core business, and will pursue potential high-quality target businesses and assets that can bring synergies to the Group.

During the Reporting Period, the Group also maintained good strategic cooperative relationships with hardware and computer software manufacturers, local citizen card management companies, e-commerce platforms and other industry partners to jointly promote market expansion, technological innovation and scenario implementation, laying a foundation for the Group’s long-term sustainable development.

4. Principal risks and uncertainties

The Group has been operating in the domestic information and trading markets in the PRC. There was market uncertainty on whether the PRC economy growth will persist in the coming years. The Group’s financial performance may be adversely affected if the domestic consumer market downturn occurred and the competition in the market continued to be intensified. The Group endeavoured to develop and transform its business towards mobile Internet industry application and services, aiming to diversify the risk of over reliance on one single business segment or product and cultivate new business and new products with more market competitiveness in order to replace the traditional uncompetitive business.

Other risks and uncertainties were set out in the notes to the consolidated financial statements.

5. Employees information

As at 31 December 2025, the Group had 76 (2024: 83) employees in total. The staff costs of the Group for the reporting year amounted to approximately RMB19,577,000 (2024: RMB20,716,000).

The Group's human resources management strategy was formulated in accordance with the Group's development strategy as guideline on the one hand and with the goals stipulated in the long-term vision planning as direction on the other. At the same time, incentive schemes have been linked with other aspects of human resources management and promoted each other. The Group opened wide for recruitment channels, set up mechanisms for attracting talents, focused on practical talent development and formulated a good system in people deployment and incubation. The Group implemented a salary management system which linked up staff performance appraisal with a compensation system. Salary was fixed and released in accordance with performance appraisal results. After a total assessment of an employee's job performance, capability and work attitude, a comprehensive evaluation could be established for the employee which would be used as referencing standard. Through the integration of the two systems, the employees were effectively motivated, and at the same time, it would also be conducive to the successful completion of the Group's goals.

The Group attached great importance to staff development and ability enhancement and provided them with a variety of quality and skill training opportunities. In this way, employees would be more suitable for the Group's job requirements, and, at the same time, they would be fully developed in their careers.

The Group did not have any share option scheme or bonus plan.

6. Environmental protection

The Group's business did not involve any direct and greenhouse gas emissions and environmental pollution. The key environmental impacts from the Group's operations mainly related to energy and paper consumption. To achieve environmental protection, the Group encouraged its employees to reduce electricity, paper and other resources consumption throughout all its operations. Moreover, some of the business products provided by the Group would help to improve social management efficiency and save electricity, paper and other resources consumption.

7. Compliance

During the year, the Group has complied with all relevant laws and regulations and has obtained all permits and business licences from various governmental authorities necessary to carry on its businesses.

REVIEW OF FINANCIAL PERFORMANCE AND POSITIONS

1. Financial performance

- For the year ended 31 December 2025, the Group's revenue amounted to approximately RMB230,248,000 (2024: RMB185,043,000).
- For the year ended 31 December 2025, the Group's gross profit margin was approximately 11.79% (2024: 11.26%).
- For the year ended 31 December 2025, the Group had a profit attributable to owners of the Company of approximately RMB1,087,000 (2024: loss attributable to owners of the Company of approximately RMB6,506,000).
- For the year ended 31 December 2025, the Group's earnings per share attributable to owners of the Company was approximately RMB0.21 cents (2024: loss per share attributable to owners of the Company of RMB1.28 cents).

2. Financial positions

- The Group maintained creditable financial conditions. For the year ended 31 December 2025, the Group's operations were mainly financed by proceeds generated from daily operations, other internal resources and bank borrowings.
- As at 31 December 2025, the Group had right-of-use assets of approximately RMB554,000 (2024: nil). The significant increase in the Group's right-of-use assets during the Reporting Period was attributable to new leasing of office premises.
- As at 31 December 2025, the Group had inventories of approximately RMB13,427,000 (2024: RMB6,146,000). The significant increase in the Group's inventories during the Reporting Period was attributable to the increase in inventories of computer software and hardware under the trading of hardware and computer software business segment.
- As at 31 December 2025, the Group had contract assets of approximately RMB1,510,000 (2024: RMB2,580,000). The significant decrease in the Group's contract assets during the Reporting Period was attributable to the decrease in contract assets recognised under the provision of smart city solutions business segment.
- As at 31 December 2025, the Group had cash and cash equivalents of approximately RMB25,234,000 (2024: RMB15,594,000). The cash and cash equivalents to total assets and net asset ratios as at 31 December 2025 were approximately 21.23% (2024: 14.16%) and 51.64% (2024: 32.67%), respectively.
- As at 31 December 2025, the Group had contract liabilities of approximately RMB2,990,000 (2024: RMB351,000). The significant increase in the Group's contract liabilities during the Reporting Period was mainly attributable to the increase in advance payments from customers under the provision of smart city solutions business segment.

- As at 31 December 2025, the Group had bank borrowings of approximately RMB34,508,000 (2024: RMB28,828,000). during the Reporting Period, the Group increased bank borrowings to financing the Group's operations.
- As at 31 December 2025, the Group had total lease liabilities of approximately RMB521,000 (2024: nil). The significant increase in the Group's total lease liabilities during the Reporting Period was attributable to new leasing of office premises.
- As at 31 December 2025, the Group had total assets of approximately RMB118,865,000 (2024: RMB110,144,000).
- As at 31 December 2025, the Group had total liabilities of approximately RMB69,997,000 (2024: RMB62,409,000).
- As at 31 December 2025, the Group had current assets of approximately RMB116,714,000 (2024: RMB107,933,000).
- As at 31 December 2025, the Group had current liabilities of approximately RMB69,670,000 (2024: RMB62,409,000).
- As at 31 December 2025, the Group had non-current liabilities of approximately RMB327,000 (2024: nil).
- As at 31 December 2025, the Group had total equity of approximately RMB48,868,000 (2024: RMB47,735,000).
- As at 31 December 2025, the Group had a gearing ratio (i.e. the ratio of total liabilities to total assets) of approximately 58.89% (2024: 56.66%).
- As at 31 December 2025, the Group had a current ratio (i.e. the ratio of current assets to current liabilities) of approximately 1.68 (2024: 1.73).
- The Group's exposure to foreign currency risk related principally to its bank balances, trade and bills receivables, other receivables and trade and other payables denominated in foreign currencies other than the functional currency of the relevant group entity. The Group currently does not have a foreign currency hedging policy. However, the Directors have continuously monitored the related foreign exchange exposure and would consider hedging significant foreign currency exposure should the need arise.
- As at 31 December 2025, the Group's bills receivable amounting to approximately RMB24,508,000 (2024: RMB18,828,000) were pledged to secure banking borrowings of approximately RMB24,508,000 (2024: RMB18,828,000).

CONTINGENT LIABILITIES

As at 31 December 2025, the Group has no material contingent liabilities (2024: nil).

CAPITAL STRUCTURE

There were no changes in the Company's capital structure during each of the two years ended 31 December 2025. The registered capital of the Company was RMB50,654,617, comprising 244,421,170 domestic shares (the “**Domestic Shares**”) of the Company of nominal value of RMB0.10 each and 262,125,000 H shares of the Company of nominal value of RMB0.10 each, as at 31 December 2025 and 2024.

CHANGE OF CONTROL OF THE COMPANY

1. Transfer of Domestic Shares

On 25 July 2025, Zhejiang Shenghua Holdings Group Company Limited* (浙江升華控股集團有限公司) (“**Zhejiang Shenghua**”) and Shanghai Xinyun Zhilian Data Technology Co., Ltd.* (上海芯雲智聯數據科技有限公司) (“**Xinyun Zhilian**”) entered into the Domestic Shares sale and purchase agreement (the “**Domestic Shares Sale and Purchase Agreement**”), pursuant to which Zhejiang Shenghua agreed to sell, and Xinyun Zhilian agreed to acquire 193,316,930 Domestic Shares, representing approximately 38.16% of the total issued shares (the “**Shares**”) of the Company as at the date of the joint announcement jointly issued by the Offerors (as defined below) and the Company dated 25 July 2025 (the “**Rule 3.5 Announcement**”) regarding the Offers (as defined below). The Domestic Shares Sale and Purchase Agreement was completed on 28 July 2025. Details of the Domestic Shares Sale and Purchase Agreement and completion of which were set out in the Rule 3.5 Announcement and joint announcement jointly issued by the Offerors and the Company dated 29 July 2025, respectively.

2. Transfer of H Shares

On 25 July 2025, Rise Sea Limited (“**Rise Sea**”) and Visionary Technology Investment Limited (“**Visionary Technology**”) entered into the H Shares sale and purchase agreement (the “**H Shares Sale and Purchase Agreement**”), pursuant to which Rise Sea agreed to sell, and Visionary Technology agreed to acquire 65,022,000 H Shares, representing approximately 12.84% of the total issued Shares as at the date of the Rule 3.5 Announcement. The H Shares Sale and Purchase Agreement was completed on 31 July 2025. Details of the H Shares Sale and Purchase Agreement and completion of which were set out in the Rule 3.5 Announcement and joint announcement jointly issued by the Offerors and the Company dated 31 July 2025, respectively.

3. Acting in concert agreement

By virtue of the acting in concert agreement (the “**Acting in Concert Agreement**”) dated 25 July 2025 entered into by Shanghai Chemcloud Data Technology Co., Ltd.* (上海芯化和雲數據科技有限公司) (“**Shanghai Chemcloud**”, whereas Xinyun Zhilian and Chemcloud (HK) Data Technology Limited (“**Chemcloud (HK)**”) are wholly-owned subsidiaries of Shanghai Chemcloud) and Visionary Technology, Shanghai Chemcloud, Xinyun Zhilian, Chemcloud (HK) and Visionary Technology are parties acting in concert.

4. Mandatory unconditional cash offers

Upon the completion of the Domestic Shares Sale and Purchase Agreement and H Shares Sale and Purchase Agreement, the Offerors and parties acting in concert with each of them are interested in a total of 193,316,930 Domestic Shares and 65,022,000 H Shares, representing an aggregate of approximately 51.00% of the total issued Shares as at the date of the Rule 3.5 Announcement. Pursuant to Rule 26.1 of the Code on Takeovers and Mergers in Hong Kong, Xinyun Zhilian and Chemcloud (HK) (the “**Offerors**”) had made a mandatory unconditional general offer (the “**Offers**”) in cash for all the issued Shares, including Domestic Shares (the “**Domestic Share Offer**”) and H Shares (the “**H Share Offer**”), not already owned or agreed to be acquired by the Offerors and Visionary Technology on 5 September 2025. The Offers closed on 26 September 2025 (the “**Offers Completion Date**”) and (i) Xinyun Zhilian had not received any valid acceptances in respect of any Domestic Shares under the Domestic Share Offer; and (ii) Chemcloud (HK) had received valid acceptances in respect of 70,000 H Shares under the H Share Offer. Details of the Offers and the completion of which were set out in the Rule 3.5 Announcement, joint announcements and composite document (the “**Composite Document**”) jointly issued by the Offerors and the Company dated 29 July 2025, 31 July 2025, 15 August 2025, 5 September 2025, and 26 September 2025, respectively.

5. Change of controlling Shareholders

As at the Offers Completion Date, Zhejiang Shenghua did not hold any Shares and Rise Sea directly holds 52,578,000 H Shares, representing approximately 10.38% of the total issued Shares. As such, Zhejiang Shenghua and Rise Sea were not a group of controlling Shareholders.

As at the Offers Completion Date, the Offerors and parties acting in concert with each of them are interested in a total of 193,316,930 Domestic Shares and 65,092,000 H Shares, representing an aggregate of approximately 51.01% of the total issued Shares, and are a group of controlling Shareholders.

Set out below is the shareholding structure of the Company as at the Offers Completion Date:

Shareholders	Number of Shares held	Percentage of beneficial interests in the Company's share capital
Domestic Shares		
Xinyun Zhilian	193,316,930	38.16%
Other Domestic Shareholders	51,104,240	10.09%
H Shares		
Visionary Technology	65,022,000	12.84%
Chemcloud (HK)	70,000	0.01%
Other H Shareholders	197,033,000	38.90%
	<hr/>	<hr/>
Total issued Shares held by the Offerors and parties acting in concert with each of them	258,408,930	51.01%
	<hr/>	<hr/>
Total issued Shares	506,546,170	100.00%
	<hr/> <hr/>	<hr/> <hr/>

CHANGE OF COMPANY NAME

Pursuant to a special resolution (the “**Change Name Special Resolution**”) passed by the Shareholders at their extraordinary general meeting held on 15 December 2025, the change of the Chinese name of the Company from “浙江升華蘭德科技股份有限公司” to “浙江芯化蘭德科技股份有限公司” and the English name of the Company from “Shenghua Lande Scitech Limited” to “Xinhua Lande Scitech Co., Limited”, which was proposed by the Board to reflect the change of control of the Company (as described in the sub-section headed “Change of Control of the Company” above), was approved by the Shareholders.

Subsequent to the Change Name Special Resolution, the registration of the change of the Company’s Chinese name from “浙江升華蘭德科技股份有限公司” to “浙江芯化蘭德科技股份有限公司” was approved, and the new business license bearing the Company’s new Chinese name was issued by Zhejiang Provincial Market Supervision and Administration Bureau* (浙江省市場監督管理局) on 18 December 2025.

The Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company was issued by the Registrar of Companies in Hong Kong on 6 January 2026 certifying that the new English and Chinese names of the Company have been registered in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

EVENTS AFTER THE REPORTING PERIOD

Save as (i) the Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company issued by the Registrar of Companies in Hong Kong on 6 January 2026, confirming that the Company's new English and Chinese names have been registered under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (as described in the sub-section headed "Change of Company Name" above); and (ii) the subscription and issuance of 52,275,000 new H Shares under the general mandate, details of which were set out in the announcements of the Company dated 11 February 2026, 12 February 2026, 25 February 2026 and 11 March 2026, neither the Group nor the Company had any significant events subsequent to the Reporting Period and up to the date of this announcement.

FUTURE PROSPECTS

1. Orders in hand/status in sales contract

During the Reporting Period, the Group's trading of hardware and computer software business maintained close cooperation with well-known hardware and software vendors in the industry, concentrated resources to maintain existing computer hardware sales services and system integration services and also encouraged the development of new customers, achieving certain results and improvement in customer concentration year-on-year, laying a solid foundation for the stable development of the business. However, due to the limited resources of the Group, it is needed to focus on the sustainability of order growth from major existing customers. The construction service contracts of the Group's provision of smart city solutions business were being implemented in many places in and outside Zhejiang Province as planned, and the Group has established good cooperative relationships with customers in the various municipalities and explored customer needs, providing construction and renovation and upgrading services for smart city solution products such as the "Digital Citizen and Citizen Card Service Platform* (數字市民及市民卡服務平台)", "Resident Service Card* (居民服務一卡通)" and "One-stop City* (一碼通城)", etc. At the same time, business contracts and orders in many other cities in provinces such as Jiangxi Province and Jiangsu Province in China were procured by way of strategic cooperation and other means. During the Reporting Period, some progress was made in the new customer market, but the ideal business order volume has not yet been achieved. The Group will continue to deepen its market penetration in order to deepen the cooperation intention with potential customers and lay a solid foundation for the subsequent generation of new contracts and orders. The Group's provision of e-commerce operation solution services business is looking for other suitable business opportunities to increase revenue.

2. Prospects of new business and products

During the Reporting Period, the Group continued to deepen its business transformation and strive for strategic breakthroughs. The Group completed the H Share top-up issuance in March 2026. The proceeds raised from the top-up issuance will be utilised in close alignment with the strategic direction of the Group's principal business activities, focusing on the upgrade of smart city-related solutions, the expansion into new business scenarios and the replenishment of working capital, and will thus provide solid financial support for the Group's strategic implementation and contribute to high-quality, sustainable development. Building on this foundation, while maintaining overall risk control, the Group will leverage its existing business and technological strengths to actively integrate artificial intelligence technology, explore diverse application scenarios, continuously discover new business opportunities, consolidate and optimise resource allocation, promote innovation in new businesses and products and build a sustainable business ecosystem. By deploying the raised funds precisely, the Group aims to further enhance its core competitiveness and expand its market influence, thereby creating greater value for its Shareholders.

The Group will closely follow the general trend of the national strategy to popularise artificial intelligence applications. Using the proceeds from this top-up issuance as significant support, the Group will fully apply artificial intelligence technology to empower product iteration and capability enhancement, and increase strategic investment in the "To B" end customer base within the smart city solutions business, thereby substantially strengthening its core competitiveness and market influence. Specifically, the Group will focus on enhancing customer operational capabilities in this business, improving the customer service system and optimising customer engagement and maintenance mechanisms to provide comprehensive and professional support for existing and new domestic and overseas corporate clients across more projects, thereby deepening customer stickiness. Meanwhile, the Group will make appropriate use of the raised funds to continuously optimise solutions and enhance product intelligence based on artificial intelligence technology, expand project operations and data analysis teams, recruit professional talent and strengthen team structure. This will further enhance the Group's service capabilities, response efficiency, and project delivery quality in the smart city solutions sector, thereby exploring more business opportunities, expanding market space and achieving deep integration of the raised funds with the principal business.

Furthermore, the Group will actively advance its hardware and computer software sales business by optimising and expanding its overseas market strategy and sales structure, increasing new brand collaborations and enhancing system integration capabilities to identify diverse demands from more potential high-quality customers and boost business growth. Simultaneously, the Group will strengthen internal business synergies, refine profit-sharing mechanisms and incentivise teams to leverage the smart city solutions business to seek complementary service opportunities, thereby utilising the raised funds to promote business synergy and optimise the Group's business layout.

In addition, the Group plans to reassess and attempt to restart its e-commerce operation solutions business. By combining industry development trends with its own technological advantages, the Group will explore service models that meet market demands. Through resource allocation and model innovation, we aim to cultivate new business growth points, further enrich the Group's business ecosystem and enhance its resilience to risks.

As disclosed in the 3.5 Announcement and Composite Document, it is the intention of the Offerors that the Group will continue with its existing principal activities. The Company will publish further announcement(s) to inform the Shareholders of any updated information on the business plan of the Group (as and when appropriate).

AUDIT COMMITTEE

The annual results of the Group for the year ended 31 December 2025 have been reviewed and approved by the Company's audit committee.

SCOPE OF AUDITOR'S WORK ON FINAL RESULTS ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this preliminary announcement have been agreed by the Group's auditor, HLB Hodgson Impey Cheng Limited ("**HLB**"), to the amounts set out in the Group's consolidated financial statements for the year. The work performed by HLB 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 HLB on this preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company during the year ended 31 December 2025 (2024: nil).

CORPORATE GOVERNANCE

The Company has adopted and complied with all code provisions set out in Part 2 of the Corporate Governance Code (the "**CG Code**") as set forth in Appendix C1 to the GEM Listing Rules, except for the deviation from code provision C.2.1 as explained below, throughout the year ended 31 December 2025.

The code provision C.2.1 of Part 2 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Mr. Wang Feng is both the chairman (the “**Chairman**”) and chief executive officer (the “**Chief Executive Officer**”) of the Company who is responsible for managing the Board and Group business. The Board believed that vesting the roles of both the Chairman and Chief Executive Officer in the same person would facilitate the execution of the Group’s business strategies and boost effectiveness of its operations. Therefore, the Board considered that the deviation from the code provision C.2.1 of Part 2 of the CG Code was appropriate in such circumstances. In addition, under the supervision of the Board which was comprised of four executive Directors and three independent non-executive Directors, the Board was appropriately structured with balance of power to provide sufficient checks to the exercise of power by the Chairman and Chief Executive Officer and protect the interests of the Company and Shareholders. However, the Board will continue to regularly review the effectiveness of the Group’s corporate governance structure to assess whether the separation of the positions of the Chairman and Chief Executive Officer is necessary.

By order of the Board
Xinhua Lande Scitech Co., Limited*
Wang Feng
Chairman and Chief Executive Officer

Shanghai, the PRC, 30 March 2026

As at the date of this announcement, the Board comprises four executive Directors, being Mr. Wang Feng, Mr. Yu Zheng, Mr. Xu Jianfeng and Ms. Wu Lihui; and three independent non-executive Directors, being Mr. Cai Jiamei, Ms. Huang Xuanzhen and Mr. Zhang Mingbo.

This announcement will remain on the “Latest Listed Company Information” page on the Stock Exchange’s website at www.hkexnews.hk for at least 7 days from the day of its posting and on the website of the Company at www.landpage.com.cn.

* *For identification purposes only*