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## **POLY PROPERTY SERVICES CO., LTD.**

### **保利物業服務股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 06049)**

## **UPDATE ON EXPECTED TIMETABLE FOR USE OF PROCEEDS**

References are made to the prospectus of Poly Property Services Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 9 December 2019 (the “**Prospectus**”) in relation to the global offering (the “**Global Offering**”) and the listing of H Shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited, the announcement of the Company dated 1 April 2021 in relation to change of use of proceeds from the Global Offering and the announcement of the Company dated 16 July 2021 in relation to further change of use of proceeds from the Global Offering (the “**Announcement**”). Unless otherwise stated, the terms used in this announcement have the same meanings as those defined in the Prospectus and the Announcement.

### **CHANGE OF USE OF PROCEEDS PURSUANT TO THE ANNOUNCEMENT**

Net proceeds from the Global Offering amounted to approximately HK\$5,218.2 million after exercising the Over-Allotment Option in full and deducting the underwriting fees and relevant expenses. The original planned use of the proceeds was disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus. As set out in the Announcement, the intended use and allocation of net proceeds from the Global Offering were adjusted on 16 July 2021 as follows:

- Approximately 18.5% will be used to pursue selective strategic investment and acquisition opportunities and to further develop strategic alliances and expand the scale of the Group’s property management and value-added services businesses, which include acquiring or investing in companies engaged in businesses related to property management or value-added services, or forming joint ventures with such companies, and investing in related industrial funds with business collaborative partners;
- Approximately 62.5% will be used to further develop the Group’s value-added services, which include the development of value-added products and services related to daily scenarios (such as communities, commercial offices and urban management) and assets (such as leasing and sales of properties, parking spaces and shops), the upgrading of hardware and the development of smart community and commercial facilities operation services, and the development of value-added services related to commercial operations such as office buildings;

- Approximately 9.0% will be used to upgrade the Group’s systems of digitisation and smart management, which include the purchase and upgrading of hardware for building smart terminals and Internet of Things platforms, the construction and development of internal information sharing platforms and databases, the recruitment and development of professional and technical staff and information management teams, and the commencement of R&D for innovative applications related to the Group’s business; and
- Approximately 10.0% will be used for working capital and general corporate purpose.

## THE EXTENSION OF THE EXPECTED TIMETABLE FOR USE OF PROCEEDS

As of 29 December 2022, the Group has used approximately HK\$3,687.8 million of the net proceeds from the Global Offering. The unutilised net proceeds amounted to approximately HK\$1,530.4 million, representing approximately 29.3% of the net proceeds. Given the reasons set out in the paragraph headed “Reasons for the extension of the expected timetable for the use of proceeds” below, the board of directors of the Company (the “**Board**”) has resolved to extend the expected timetable for the usage of the unutilised net proceeds.

The following table sets out the allocation and utilisation of the net proceeds from the Global Offering as of 29 December 2022 and an update on expected timetable for the usage of the unutilised net proceeds:

Use of the net proceeds as described in the Announcement	Percentage of net proceeds as described in the Announcement %	Net proceeds for planned use as described in the Announcement HK\$ million	Net proceeds actually utilised as of 29 December 2022 HK\$ million	Net proceeds unutilised as of 29 December 2022 HK\$ million	Expected timetable for the usage of the unutilised net proceeds as described in the Announcement	Update on expected timetable for the usage of the unutilised net proceeds
To pursue selective strategic investment and acquisition opportunities and to further develop strategic alliances and expand the scale of the Group’s property management and value-added services businesses, which include acquiring or investing in companies engaged in businesses related to property management or value-added services, or forming joint ventures with such companies, and investing in related industrial funds with business collaborative partners	18.5	965.4	142.0	823.4	On or before 31 December 2022	On or before 31 December 2024
To further develop the Group’s value-added services, which include the development of value-added products and services related to daily scenarios (such as communities, commercial offices and urban management) and assets (such as leasing and sales of properties, parking spaces and shops), the upgrading of hardware and the development of smart community and commercial facilities operation services, and the development of value-added services related to commercial operations such as office buildings	62.5	3,261.4	3,159.6	101.8	On or before 31 December 2022	On or before 31 December 2024
To upgrade the Group’s systems of digitisation and smart management, which include the purchase and upgrading of hardware for building smart terminals and Internet of Things platforms, the construction and development of internal information sharing platforms and databases, the recruitment and development of professional and technical staff and information management teams, and the commencement of R&D for innovative applications related to the Group’s business	9.0	469.6	50.6	419.1	On or before 31 December 2022	On or before 31 December 2024
Working capital and general corporate purpose	10.0	521.8	335.7	186.1	N/A	On or before 31 December 2024
<b>Total</b>	<b>100.0</b>	<b>5,218.2</b>	<b>3,687.8</b>	<b>1,530.4</b>		

For the avoidance of doubt, any discrepancies between the total and the sums of the amounts listed in the table are due to rounding.

## **REASONS FOR THE EXTENSION OF THE EXPECTED TIMETABLE FOR THE USE OF PROCEEDS**

Given the uncertainty brought to the Company's development by the COVID-19 pandemic, the Group expects more time is required to identify targets in line with the Group's development strategy in terms of their business scopes and scales, as well as to promote and upgrade the digitalised and smart management system of the Group. The Board has resolved to extend the expected timetable for the usage of the above unutilised net proceeds. Other than the expected timetable, there is no change to the use of proceeds.

The Board considers that the extension of the expected timetable for the use of proceeds are fair and reasonable and will enable the Group to meet its needs of utilising proceeds in a more efficient and flexible manner. There is no material change in the nature of the Group's business as set out in the Prospectus and the extension of the expected timetable for the use of proceeds shall not have any material adverse impact on the operations of the Group and are in the best interests of the Company and its shareholders as a whole.

By Order of the Board  
**POLY PROPERTY SERVICES CO., LTD.**  
**Huang Hai**  
*Chairman of the Board and Non-executive Director*

Guangzhou, the PRC, 30 December 2022

*As at the date of this announcement, the non-executive Directors of the Company are Mr. Huang Hai, Mr. Liu Ping and Mr. Hu Zaixin; the executive Director of the Company is Ms. Wu Lanyu; and the independent non-executive Directors of the Company are Mr. Wang Xiaojun, Ms. Tan Yan and Mr. Zhang Liqing.*