Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited 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.

New Hope Service Holdings Limited

新希望服務控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3658)

CHANGE IN USE OF UNUTILIZED PROCEEDS

References are made to (i) the prospectus of New Hope Services Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 11 May 2021 (the "**Prospectus**") in relation to, among other things, the proposed use of the net proceeds (the "**Net Proceeds**") from the global offering (the "**Global Offering**") of the Company; (ii) the announcement of the Company dated 25 May 2022 (the "**Announcement**") in relation to, among other things, the change in use of the Net Proceeds; and (iii) the annual report of the Company for the year ended 31 December 2024 (the "**Annual Report**"), which disclosed the utilization of the Net Proceeds as at 31 December 2024. Unless defined herein otherwise, capitalized terms used in this announcement shall have the same meanings as those defined in the Prospectus, the Annual Report and the Announcement.

CHANGE IN USE OF UNUTILIZED PROCEEDS

The net proceeds from the Listing (the "**Proceeds**"), after deducting the underwriting fees and related expenses, amounted to approximately HK$790.0 million (equivalent to RMB648.7 million). As at the date of this announcement, the Group has utilized the Proceeds in strict accordance with the purposes set out in the Prospectus and the Announcement. The Proceeds of approximately HK$331.92 million have been utilized and the net proceeds yet to be utilized (the "**Unutilized Proceeds**") amounted to approximately HK$458.08 million. As at the date of this announcement, the Board has resolved to change the use of the Unutilized Net Proceeds for the following purposes:

Major categories	**Sub-categories**	**Net Proceeds for original planned use as set out in the Announcement** *(HK$ in million)*	**Percentage of Net Proceeds for original planned use as set out in the Announcement**	**Utilized Net Proceeds as at the date of this announcement** *(HK$ in million)*	**Unutilized Net Proceeds as at the date of this announcement** *(HK$ in million)*	**Revised allocation** *(HK$ in million)*	**Percentage of revised allocation**
Strategic acquisition and investment	Strategic acquisition and investment	434.5	55.0%	5.47	429.03	60.75	13.2%
Upgrade of information system and equipment	Middleground system	23.7	3.0%	14.42	9.28	13.37	2.9%
	Property management support system	2.37	0.3%	2.37	0.00	1.34	0.3%
	Lifestyle service support system	15.01	1.9%	15.01	0.00	8.46	1.8%
	Corporate infrastructural operation system	11.06	1.4%	11.06	0.00	6.24	1.4%
	Intelligent community pilot projects	42.66	5.4%	22.89	19.77	24.06	5.3%
	Human resources to support information technology upgrades	23.7	3.0%	23.70	0.00	13.37	2.9%
	Sub-total	*118.5*	*15.0%*	*89.45*	*29.05*	*66.83*	*14.6%*
Talent recruitment and team building	Talent recruitment and team building	39.5	5.0%	39.50	0.00	133.66	29.2%
Development of lifestyle services	Development of lifestyle services	79	10.0%	79.00	0.00	0.00	0.0%
Working capital	Working capital	118.5	15.0%	118.50	0.00	196.84	43.0%
Total		**790**	**100%**	**331.92**	**458.08**	**458.08**	**100%**

REASONS FOR AND BENEFITS OF THE CHANGE IN USE OF PROCEEDS

1. Strategic acquisition and investment

Since the Listing, the Company has focused on strategic expansion through the acquisition of high-quality and suitable targets. Particular emphasis has been placed on identifying projects that complement the Company's existing capabilities and generate synergies across regions, cultures, and client bases.

To date, the Company has completed two acquisitions: (i) Chengdu Mingyu Global Business Management Co., Ltd.* (成都明宇環球商業管理有限公司); and (ii) Chengdu Jinguan Xincheng Property Management Co., Ltd.* (成都錦官新城物業管理有限責任公司), details of these transactions were disclosed in the Company's announcements dated 11 April 2022 and 3 November 2023, respectively.

Since 2024, the Company has continued to evaluate additional acquisition opportunities, conducting feasibility studies and due diligence on a number of potential targets at the request of the Board. However, many candidates exceeded the Company's valuation benchmarks or failed to meet internal decision-making criteria.

As 94% of the Unutilized Proceeds had been earmarked for strategic acquisitions and investments (the "**M&A Funds**"), and in view of current market conditions, the Company resolved to optimize the use of funds. Accordingly, 80.4% of the Unutilized Proceeds originally allocated to M&A will be reallocated toward working capital, talent recruitment and team development, as well as upgrade of the Company's information systems and equipment.

Looking ahead, should suitable acquisition targets arise that meet the Company's strategic and financial criteria, the Company remains committed to pursuing such opportunities using the remaining M&A Funds and, if necessary, its own capital resources to support further growth.

2. Upgrade of information system and equipment

As of 31 December 2024, the Proceeds allocated for the upgrade of the Company's information systems and equipment had been nearly fully utilized. With the Group's continued growth in both the number of projects and gross floor area ("**GFA**") under management, there remains room to further expand and enhance system coverage.

On 6 August 2024, the State Council issued the Opinions on Promoting High-Quality Development of Service Consumption, which encourages property service providers to adopt new service models — such as intelligent security, smart parking, and automated access control — to improve community services and the overall living experience.

In response, the Company plans to allocate HK$37.8 million (representing 8.2% of the Unutilized Proceeds) toward further upgrading information systems and equipment. This investment will support continued digital and intelligent system enhancements, and advance the development of smart community infrastructure.

In addition, the Company will actively explore the deployment of Internet of Things (IoT) technologies across its projects under management. Potential applications include intelligent inspection robots, smart cleaning robots, and automated waste disposal systems, with the aim of improving operational efficiency and delivering more refined property management services.

3. Talent recruitment and team building

As the property management industry enters a stage of deep cultivation within the existing market, competition has shifted from scale expansion to a focus on service quality and operational efficiency. Key performance indicators now include owner satisfaction, collection rate, penetration of value-added services, etc. In this environment, the professional capabilities of personnel have become a critical determinant of the operational performance of existing assets.

In response to intensifying industry-wide competition and increasing service homogenization, the Company recognizes the need to transform its human capital into a key competitive differentiator. Through structured talent development, the Company aims to enhance service value and strengthen customer loyalty, thereby establishing a sustainable competitive advantage within its core market.

To support this strategic goal, the Company plans to allocate HK$133.7 million (representing 29.2% of the Unutilized Proceeds) toward talent recruitment and team building. This investment will be used to recruit key personnel, enhance workforce skills, and implement performance-based incentive schemes.

4. Working capital and general corporate purposes

As of 31 December 2024, the Proceeds originally allocated for working capital purposes have been fully utilized. The year-on-year increase in the Company's operating costs reflects the Group's continued business expansion and the associated rise in operating expenditures, including staff costs, outsourcing fees, and utility and maintenance expenses. These increases are primarily attributable to the growing number of projects under management, the upgrading of property facilities, and efforts to achieve the Group's operational objective of enhancing customer satisfaction.

To support ongoing business growth, the Company plans to reallocate HK$196.8 million (representing 43.0% of the Unutilized Proceeds) to supplement its working capital, which will enable the Group to better allocate its internal financial resources toward improving service quality, boosting customer satisfaction, and maintaining market competitiveness.

Ultimately, the increased working capital is expected to support the Group's revenue growth and deliver long-term value to shareholders of the Company.

Meanwhile, in order to further improve the Group's flexibility in fund management and enhance the efficiency of the utilization of the Unutilized Proceeds, the Group may, on the premise of ensuring the expected demand for the use of funds, place the Net Proceeds from the Listing in demand deposits or time deposits with licensed banks or financial institutions, or subscribe for wealth management products with high security and good liquidity for a period of not more than twelve months, such that it can improve the utilization efficiency of and the returns on the Group's funds. Announcement(s) will be made on the results of size test under Chapter 14 of the Listing Rules.

By Order of the Board
New Hope Service Holdings Limited
Jiang Mengjun
Chairman

Hong Kong, 15 July 2025

As at the date of this announcement, the Board comprises Mr. Liu Xu and Ms. Chen Jing as executive Directors, Ms. Li Wei, Mr. Jiang Mengjun (Chairman of the Board), Ms. Wu Min (Co-chairman of the Board) and Ms. Zhang Wei as non-executive Directors and Mr. Cao Qilin, Mr. Kong Chi Mo and Mr. Li Zhengguo as independent non-executive Directors.