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SHIMAO SERVICES HOLDINGS LIMITED
世茂服務控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 873)

DISCLOSEABLE TRANSACTION
FORMATION OF THE PARTNERSHIP

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On 22 December 2025, Shanghai Shimao Tianjing (as a limited partner), an indirect wholly-owned subsidiary of the Company, entered into the Partnership Agreement with Huludao Yongsheng (as the general partner) under which the parties agreed to establish the Partnership to invest and operate a sewage treatment project in Xingcheng City, Huludao, Liaoning Province, the PRC.

Pursuant to the terms of the Partnership Agreement, the total capital contribution amount to be paid by all partners of the Partnership shall be RMB283,000,000, of which RMB280,170,000 shall be contributed by Shanghai Shimao Tianjing and RMB2,830,000 shall be contributed by Huludao Yongsheng.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the capital contribution for the formation of the Partnership is more than 5% but less than 25%, the formation of the Partnership constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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Subject matter

The Partnership will be a limited partnership to be established in accordance with the laws of the PRC and the provisions of the Partnership Agreement.

The proposed name of the Partnership is Liaoning Qisheng Project Management Consultancy Partnership (Limited Partnership)* (遼寧省琪晟項目管理諮詢合夥企業 (有限合夥)) and is subject to the final name as approved and registered by the relevant government authority in the PRC.

Purpose and duration of the Partnership

The purpose of the Partnership is for all partners to jointly carry out the investment and operation of a sewage treatment project in Xingcheng City, Huludao of the Liaoning Province in the PRC, based on the principles of complementary strengths, mutual benefit and risk-sharing. Except for the circumstances of termination or dissolution as may be agreed under the Partnership Agreement, the term of business and the duration of the Partnership shall be of indefinite term.

Capital contribution

Pursuant to the terms of the Partnership Agreement, the total capital contribution commitment to be paid by all partners of the Partnership shall be RMB283,000,000. The capital commitment to be contributed by each of the partners shall be as follows:

Partner	**Type of Partner**	**Capital Contribution Commitment** *（RMB）*	**Percentage**
Shanghai Shimao Tianjing	Limited Partner	280,170,000	99%
Huludao Yongsheng	General Partner	2,830,000	1%
Total		**283,000,000**	**100%**

The capital contribution amount shall be made by each partner of the Partnership before 31 March 2026 in cash. The capital size of the Partnership and the amount of capital contribution commitment to be made by each partner are determined after arm's length negotiations between the partners with reference to the initial capital needs of the Partnership for setting up its operation and the proportionate interests of the partners.

The capital contribution commitment to be made by Shanghai Shimao Tianjing in the Partnership will be funded by the Group’s internal resources.

Management of the Partnership

Huludao Yongsheng (as the general partner) will be appointed as the executive partner for the affairs of the Partnership (the “Executive Partner”) and will be responsible for the operation and day-to-day management affairs of the Partnership, including but not limited to report regularly to the other partners on the business operations and financial status of the Partnership, prepare a definitive proposals for the profits distribution or loss sharing of the Partnership, formulate a proposal for the increase of the Partnership’s capital contribution, and establish the system of management or rules of the Partnership.

Certain major Partnership matters, including (i) the change of the Partnership's name; (ii) the change of the business scope and principal place of business of the Partnership; (iii) dispose of the Partnership's immovable property and principal business assets; (iv) transfer, disposal of or in effect of the transfer or disposal of the Partnership's intellectual property rights, equity interests, external investment interests and other property rights; (v) provide guarantees for others in the name of the Partnership; and (vi) appoint person(s) other than the partners to act as the operating and management personnel of the Partnership, will require the unanimous consent of all partners of the Partnership to pass a resolution.

The Partnership will be accounted as a joint venture of the Group and its results will not be consolidated in the financial statements of the Company under the equity method.

Profit distribution and loss sharing arrangement

The Partnership's profits from its investments must be audited annually no later than 31 March of the following year, and 10% of the audited profits will be withdrawn as retained profits to indemnify the losses of the Partnership or to expand the Partnership's business operations. If there is any profit remaining after the withdrawal, it will be distributed as 50% to the general partner and 50% to a limited partner of the Partnership.

Any loss of the Partnership shall be borne by all partners provided however that a limited partner shall be liable for the debts of the Partnership up to the amount of its committed capital contribution whereas the general partner shall bear unlimited liability for the debts of the Partnership.

Information on the parties

The Company

The Company is an investment holding company and the Group is principally engaged in the provision of property management services, community value-added services, value-added services to non-property owners and city services.

Shanghai Shimao Tianjing

Shanghai Shimao Tianjing is a limited liability company established in the PRC and is principally engaged in the provision of property management services and project management services. It is an indirect wholly-owned subsidiary of the Company.

Huludao Yongsheng

Huludao Yongsheng is a limited liability company established in the PRC. It is principally engaged in the management and operation of government and social operational assets as well as government public utility assets, project consulting, and municipal project operations, leveraging its own high-quality social and governmental resources. As at the date of this announcement, Huludao Yongsheng is owned as to 80% by Chen Zhiqiang* (陳志强) and as to 20% by Xu Shuang* (徐爽).

To the best of the Directors' knowledge, information and belief and after making reasonable enquires, each of Huludao Yongsheng and its ultimate beneficial owners is a third party independent of and the Company and its connected persons.

Reasons and benefits for the formation of the Partnership

The Group is a leading integrated property management service provider in China. To thoroughly implement General Secretary Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, as well as his series of important speeches and the spirit of directives on the revitalization and development of Northeast China and Liaoning Province, the Group adheres to the new development philosophy and will actively build a modern sewage treatment system with "the entire region, the entire chain, and all scenarios" in Xingcheng City, Huludao of Liaoning Province in the PRC, in order to promote the high-quality development of modern city services in Xingcheng City. Through deepening joint efforts with partners to advance comprehensive city services and sewage treatment cooperation across Xingcheng City, both parties will fully leverage their respective strengths in resources held, project construction, implementation standards, and comprehensive advantages across all aspects for the establishment of all-encompassing collaboration in building "Huludao Xingcheng City's Comprehensive Sewage Treatment City Services". To achieve win-win cooperation, both parties will fully leverage their respective strengths in resources, capital, technology and industry beyond supporting the largest smart city service platform in Western Liaoning and the upgrade of Xingcheng City's sewage treatment, and also proactively align with local government planning requirements, thus striving to secure resources for Xingcheng City's sewage treatment project. Meanwhile, it will enhance corporate core competitiveness and bolster the Group's long-term development across the sewage treatment in all fields.

The terms of the Partnership Agreement were negotiated after arm's length negotiations and on normal commercial terms. The Directors are of the view that the terms of the Partnership Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the capital contribution for the formation of the Partnership is more than 5% but less than 25%, the formation of the Partnership constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, capitalised terms used shall have the following meanings:

"Board"	the board of Directors of the Company;
"Company"	Shimao Services Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock code: 873);
"connected person(s)"	has the meaning ascribed thereto in the Listing Rules;
"Director(s)"	the director(s) of the Company;
"Group"	the Company and its subsidiaries;

"Huludao Yongsheng"	Huludao Yongsheng Project Management Consultancy Company Limited* (葫蘆島永晟項目管理咨詢有限責任公司), a company with limited liability established in the PRC;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Partnership"	a limited partnership to be established pursuant to the terms of the Partnership Agreement;
"Partnership Agreement"	the partnership agreement dated 22 December 2025 entered into between Shanghai Shimao Tianjing (as a limited partner) and Huludao Yongsheng (as the general partner) in relation to the formation of the Partnership;
"PRC"	the People's Republic of China;
"RMB"	Renminbi, the lawful currency of the PRC;
"Shanghai Shimao Tianjing"	Shanghai Shimao Tianjing Property Services Co., Ltd.* (上海世茂天境物業服務有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company;
"Shareholder(s)"	shareholder(s) of the Company;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited; and
"%"	per cent.

On behalf of the Board
Shimao Services Holdings Limited
Hui Sai Tan, Jason
Chairman

Hong Kong, 22 December 2025

As at the date of this announcement, the Board comprises two Executive Directors, namely Mr. Hui Sai Tan, Jason (Chairman) and Mr. Shao Liang (President); and three Independent Non-executive Directors, namely, Mr. Gu Yunchang, Ms. Zhou Xinyi and Mr. Hui Wai Man, Lawrence.

** For identification purpose only.*